



ASPEN NETWORK
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Adapting Impact Measurement and Management to the New Normal: Spotlight on Sub-Saharan Africa

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About ANDE

The **Aspen Network of Development Entrepreneurs (ANDE)** is a global network of organizations that propel entrepreneurship in developing economies. ANDE members provide critical financial, educational, and business support services to small and growing businesses (SGBs) based on the conviction that SGBs create jobs, stimulate long-term economic growth, and produce environmental and social benefits.

As the leading global voice of the SGB sector, ANDE believes that SGBs are a powerful, yet underleveraged tool in addressing social and environmental challenges. Since 2009, ANDE has grown into a trusted network of nearly 300 collaborative members that operate in nearly every developing economy. ANDE grows the body of knowledge, mobilizes resources, and connects the institutions that support the small business entrepreneurs who build inclusive prosperity in the developing world. ANDE is part of the Aspen Institute, a global non-profit organization committed to realizing a free, just, and equitable society.

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Introduction

The Global Impact Investing Network (GIIN) describes impact measurement and management (IMM) as “identifying and considering the positive and negative effects one’s business actions have on people and the planet, and then figuring out ways to mitigate the negative and maximize the positive in alignment with one’s goals.”¹ When integrated with financial and operational metrics, impact metrics can help organizations develop better products and services, make better investment decisions, and become more efficient in achieving impact.

After more than two years of living with the acute challenges of the COVID-19 pandemic, the small and growing business (SGB) sector is now facing a longer-term reality that affects not only business operations but also how these businesses measure and communicate their impact. Early in the pandemic, entrepreneurs and the organizations that provide essential business support services scrambled to adjust their internal operations, fundraising efforts, and programming. With in-person interactions limited and flights restricted, entrepreneurs have had to find remote ways to collect data. And as SGBs pivoted their business models to stay afloat, their impact metrics may have changed or become obsolete. Feedback from SGBs has become more important than ever as business support providers shift their content and services to meet the needs of entrepreneurs living in a new reality.

The SGB sector is at a critical junction in the pandemic where organizations need to reflect on whether their hastily crafted IMM solutions fit into their longer-term IMM strategy. Many of the shifts made during COVID-19 revolutionized organizations’ IMM processes, with faster feedback loops and decision-oriented data. The next phase for the SGB sector will be continuing to innovate on these systems. For SGBs, the crisis is far from over, and SGB support organizations need actionable insights on how to adapt their services to address SGBs’ changing needs.

Throughout the pandemic, ANDE compiled resources to support its members in this process.² IMM is not a one-size-fits-all process, and local and regional context matters when deciding how to measure, evaluate, and learn from impact data.

For these reasons, the purpose of this brief is to:

- 1 Highlight the unique IMM challenges faced by Sub-Saharan African SGBs due to COVID-19;**
- 2 Guide entrepreneurial ecosystem builders in adapting their IMM systems within the context of the new COVID-19 reality; and**
- 3 Provide tailored resources to enable entrepreneurial ecosystem builders to further adapt their IMM systems to best support entrepreneurs in the “new abnormal.”**

1 Global Impact Investing Network. [Getting Started with Impact Measurement & Management \(IMM\)](#). Accessed 1 June 2022.

2 <https://www.andeglobal.org/covid-19/>

The Impact of COVID-19 on Sub-Saharan African SGBs

In March 2020, the SGB sector was forced to respond to immediate and severe challenges introduced by the onset of the COVID-19 pandemic. Flights were grounded, borders were closed, and SGBs struggled to adapt to what everyone hoped would be a short-term economic dip. According to the International Finance Corporation (IFC), over 90 percent of micro, small, and medium enterprises (MSMEs) across Sub-Saharan Africa suffered harsh economic impacts due to the COVID-19 pandemic.³ SGB support providers grappled with sudden IMM expenses, as remote data tools can be expensive, and more cost-effective options can come with other trade-offs. Others realized they had to downsize their IMM approach and change their perspective on what information was significant. Suddenly, the number of jobs preserved became more important than revenue generated in many sectors. While entrepreneurial ecosystems within Sub-Saharan Africa vary substantially, below are a few distinct challenges that SGBs in the region have faced during the COVID-19 pandemic that impact how IMM efforts must be adapted.

SUB-SAHARAN AFRICAN SGBS HARDER HIT AND MORE LIKELY TO ADAPT

The Enterprise Analysis Unit of the World Bank Group employed a rapid business survey in several countries to document the impact of the pandemic on the private sector. The study revealed that the pandemic inflicted widespread and deep shocks on business in Sub-Saharan Africa, with temporary closures being much more prevalent compared to other regions.⁴ Roughly 60 percent of African firms reported suspending operations at some point since the pandemic, leading to a decline in sales of 45 percent and an employment drop of 22 percent compared to pre-COVID levels. These impacts are high in absolute terms, and the study shows that they are much more severe in Sub-Saharan Africa than in other regions.⁵

More encouragingly, the study also found that businesses in Sub-Saharan Africa were more likely to adjust their operations to adapt to the shock than those in other regions, even compared to firms in economies with comparable income levels. This adaptability will serve as an asset as Sub-Saharan African SGBs continue to weather sub-par economic conditions. Moreover, by using business performance data to analyze regional and sectoral differences and documenting how businesses successfully pivoted their business models, IMM systems can help Sub-Saharan African SGBs prepare for subsequent economic shocks they may face.

3 International Finance Corporation. 2021. [COVID-19 and Women-Led MSMEs in sub-Saharan Africa](#).

4 Ibid.

5 Aga, G. and Maemir, H. 2021. [COVID-19 and African Firms : Impact and Coping Strategies. Policy Research Working Paper:No. 9642](#). World Bank.



LARGE VARIATION ACROSS SECTORS

Few economic shocks have had such differing impacts by sector as the COVID-19 pandemic. Tourism and financial technology (FinTech), two of Sub-Saharan Africa's most promising sectors in terms of both GDP contribution and social impact, experienced entirely different shocks. IMM systems should also be able to communicate why sectoral differences occur and enable SGB support organizations to adapt their services or investment strategies accordingly.

Over the past 20 years, tourism has become vital to African economies. In 2019, the industry accounted for approximately seven percent of Africa's GDP and contributed \$169 billion to its economy.⁶ When flights were grounded and borders closed, many Sub-Saharan African SGBs suffered. In July 2020, the African Union estimated that Africa lost nearly \$55 billion in travel and tourism revenues and two million jobs in the first three months of the pandemic. The International Monetary Fund predicted that real GDP among African countries dependent on tourism shrunk by 12 percent in 2020.⁷

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While the tourism industry struggled due to flight restrictions and closed borders, Sub-Saharan FinTech firms thrived. A World Bank study that gathered data from 1,385 FinTech firms in 169 jurisdictions globally found that most FinTech firms achieved strong growth for the first half of 2020 compared to the same period in 2019.⁸ On average, firms in digital asset exchanges, payments, savings, and wealth management reported growth in transaction numbers and volumes of 13 and 11 percent, respectively.⁹ Sub-Saharan African FinTech firms grew by 21 percent, and developing economies experienced faster growth than high-income countries overall.¹⁰

Current data on various sectors within a cohort or portfolio of SGBs can enable business development service providers to create a curriculum for entrepreneurs with extra time due to slowed day-to-day activities who suddenly have time to develop other aspects of their business. On the other hand, organizations should use their IMM data to identify SGBs experiencing explosive growth so they can connect them with the resources to manage this growth effectively.

6 Monnier, Olivier. [A Ticket to Recovery: Reinventing Africa's Tourism Industry](#). May 2021. International Finance Corporation.

7 Ibid.

8 [The Global COVID-19 FinTech market Rapid Assessment Study](#). December 3, 2021. The World Bank.

9 Ibid.

10 [Fintech Market Reports Rapid Growth During COVID-19 Pandemic](#). December 3, 2021. The World Bank.



DISPROPORTIONATE IMPACT ON WOMEN

Evidence suggests that the pandemic has disproportionately impacted women-owned businesses in Sub-Saharan Africa. According to the World Bank, many women-led MSMEs reported revenue losses of over 50 percent, primarily due to their smaller size, informality, and concentration in heavily affected sectors.¹¹ Women-led MSMEs entered the pandemic with lower financial inclusion rates than male-led MSMEs, and the pandemic exacerbated these trends. Among the 13 percent of MSMEs that accessed financial support during the crisis, women-led SGBs were the minority.¹²

Collecting quality data on gender disparities within an organization's portfolio can illuminate courses of action for SGB support services and investors to create gender-inclusive products and services. For example, few financial institutions offer products or support services specifically designed to fully include women entrepreneurs; in a study by the IFC, 60 percent of financial institutions surveyed said they collect gender-disaggregated data, but only 14 percent use it to inform their business decisions.¹³ The study also found that women-led MSMEs are using digital tools at a slightly higher rate than male-led MSMEs and are expressing a greater need for non-financial services for customer base expansion and new product development.

Despite challenges posed by the pandemic, women-led Sub-Saharan African SGBs are uniquely positioned for success in a COVID-19 world. Evidence suggests that very few women-led SGBs in the region have been deterred by the hardships associated with COVID-19; the 2021 IFC study found that over 90% of MSMEs still planned to maintain or expand their businesses over the next 6-18 months.¹⁴ In line with this goal, over 80% of women-led MSMEs expressed the need for support, particularly for growth capital and expansion assistance, during the recovery.

Conducting IMM with a gender lens enables SGB support providers to understand and reduce the disparate impact of the pandemic on women-owned businesses along with their employees, customers, and other stakeholders.

11 International Finance Corporation. 2021. [COVID-19 and Women-Led MSMEs in sub-Saharan Africa](#).

12 Ibid.

13 Ibid.

14 Ibid.

How SGB Support Providers Adjusted IMM during COVID-19

According to ANDE's 2021 Impact Survey, 65 percent of ANDE members globally (including intermediaries providing financial and/or nonfinancial services to SGBs) said that the pandemic had impacted their organization's IMM efforts. Remarkably, only 33 percent of organizations working in Sub-Saharan Africa and 14 percent of organizations headquartered in the region reported that the pandemic affected their IMM efforts.¹⁵ Given this divergence from the rest of the globe, it raises a question about how IMM in the Sub-Saharan African context was adjusted. Were Sub-Saharan Africa-based support providers ahead of the curve in ensuring their IMM systems were disaster-proof, or were they slow to adapt their IMM systems?

Follow-up interviews and qualitative survey data indicate that there are two camps of Sub-Saharan Africa-based support providers. The first group is practiced in implementing the recommendations below because they operate in regions with following barriers they are used to overcoming: sporadic internet access, travel challenges, or a history of economic shocks like epidemics or political unrest, to name a few. One West-African-based ANDE member explained, "After the Ebola crisis in 2014, we felt uniquely prepared to adjust to the COVID-19 pandemic. We've been collecting data remotely for several years now." The second group has spent the past two years attempting to keep their SGBs afloat during the pandemic and has not yet had the time to reevaluate their IMM efforts given their limited resources. One East Africa-based ANDE member explained, "To be honest, we haven't had time to change our [IMM] system, we've just been trying to keep our portfolio companies operating, only now do we finally have some breathing room to consider how we might change things." SGB support organizations can likely identify with and learn from both groups.

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¹⁵ ANDE 2021 Impact Survey collected in February - March 2022.

Recommendations for Adapting IMM to the “New Normal”

The adverse impacts of the pandemic on SGBs in Sub-Saharan Africa require business support providers to adapt how they support SGBs and, consequently, how they measure and manage their own impact. After six months of working remotely, when it became clear the pandemic would likely persist, ANDE advised its members to convert to remote data collection, adjust metrics and data points for what matters now, and maintain flexibility and adaptability.¹⁶

A year and a half later, this advice remains relevant. Two years into the pandemic, IMM remains a crucial component for SGB success, but support organizations will need to adjust their approach and expectations in the context of the “new abnormal.” The following section dives deeper into these recommendations to account for where the sector is now and provide more specific recommendations that reflect two years of learning and adjustment.

1 RECOMMENDATION 1: CONVERT OR REEVALUATE DIGITAL AND REMOTE DATA COLLECTION SYSTEMS

A solid IMM system relies on quality data, much of which SGB support providers collect directly from the entrepreneurs they support. With sudden lockdown measures implemented at the onset of the pandemic, these organizations struggled to access IMM data in the ways they had in the past and had to quickly pivot their approaches. As COVID-19 restricted international traveling to collect data, SGB support organizations turned to remote data collection or relied more heavily on local staff on the ground. As of June 2020, 84 percent of ANDE members had already adapted their content to adjust to COVID-19.¹⁷ After two years, it is time for support providers to reexamine how these adjusted systems meet their IMM needs.

The advantages of collecting data remotely will likely extend well beyond the pandemic. Some ANDE members have reported cost savings from no longer sending staff to the field to collect data. Others find remote data collection leads to higher quality data with a traceable chain of command, and many have reported more efficient data collection. Yet, remote data collection systems can range from requesting information via email to sophisticated customer relationship management (CRM) databases,

16 Guttentag, M. and St. Claire, M. [Impact Measurement and Management During COVID-19: Tips and Resources to Help Social Impact Organizations Adapt](#). NextBillion. December 21, 2020.

17 Aspen Network of Development Entrepreneurs. 2020. [The Small and Growing Business Sector and the COVID-19 Crisis: Emerging Evidence on Key Risks and Needs. Updated Data Addendum](#).

so what are the best practices for implementing or expanding remote data collection? Below are some considerations to inform these decisions.

► **Consider barriers to remote data collection**

Digital surveys and other remote collection tools offer many benefits, but they come with restrictions. With so many languages spoken in Sub-Saharan Africa, translating surveys can quickly become burdensome. Several countries in Sub-Saharan Africa have the lowest literacy rates in the world.¹⁸ Poor literacy rates severely limit the ability to issue a remote survey, especially for rural SGBs and even highly educated entrepreneurs or SGB staff may not have the data knowledge required to answer more technical financial or business performance questions.

In addition, many new and free data collection tools also pose significant accessibility issues. For example, many online forms with data validation features are not compatible with screen readers, making it difficult for visually impaired users to complete surveys. Google Forms and Microsoft Office Forms have high accessibility ratings, but new companies tend to lag when it comes to considering access in software design.¹⁹ The prevalence of moderate to severe visual impairment in Sub-Saharan Africa is on average four to five times higher than in Western Europe or North America, with the highest prevalence in South Africa (5.7 percent).²⁰

Sub-Saharan Africa has less internet access per capita than other regions, rendering remote data collection even more challenging.²¹ However, these complications should not dissuade those who require information from SGBs from considering remote options. Alternatives such as mobile phone-based remote options. Alternatives such as mobile phone-based remote surveys, for example, can be a better approach for populations with inconsistent internet access. Although lack of connectivity presents significant challenges when considering a remote IMM approach, building data literacy or investing in accessible software solutions or translation features are promising approaches to eliminate these barriers.

► **Build trust**

Notably, ANDE members working exclusively with SGB intermediaries, such as donors that fund SGB support organizations, were more likely to report that they had to change their IMM systems, especially in Sub-Saharan Africa.²² This indicates that the further removed an organization is from the entrepreneur or SGB leadership, the more challenging it is to obtain quality impact data. Strong working relationships with entrepreneurs can help ensure IMM resilience in the face of unexpected barriers.

Requests and communications from hackers and scammers pepper SGB entrepreneurs every day, and collecting information face-to-face with a known partner can provide an added sense of security. Obtaining quality information from the SGBs they support may require intermediaries to invest additional time developing trusting relationships with their SGB partners remotely. Transparency can go a long way in engendering trust, and it is a core element of the Operating Principles for Impact

18 [Literacy rate, adult total \(% of people ages 15 and above\)](#), World Bank Data retrieved 2 April 2022.

19 University of Washington. 2022. [Accessibility review of online survey tools](#)

20 Eiflein, John. Nov 20, 2019. Prevalence of blindness and moderate to severe visual impairment worldwide in 2015, by region.

21 [Individuals using the Internet \(% of population\)](#), World Bank Data retrieved 2 April 2022.

22 ANDE 2021 Impact Survey collected in February - March 2022.

Management. For example, after asking entrepreneurs to complete a survey capturing business performance data, sharing a personalized report that benchmarks entrepreneurs against their cohort or peers can help create additional value and help entrepreneurs understand what happens to their data once it is submitted.

In some Sub-Saharan African cultures, the transactional nature of a digital survey may be off-putting. SGB support providers should strive to ensure that the people closest to the impact data expect and understand the purpose of the digital survey or questionnaire well before receiving it.

► **Don't forget about qualitative data**

While quantitative metrics are inevitably part of any IMM system, it is hard to compete with the human appeal of qualitative data, especially first-hand accounts from entrepreneurs and the employees and community members their businesses aim to enrich. In June 2020, ANDE's West Africa Chapter convened members to discuss the state of IMM in West Africa and

highlighted the need for qualitative data as a core recommendation.²³ Fortunately, powerful stories can still be captured remotely. With the increasing availability of video conferencing software, support providers may decide to include more digital media tools for data collection and reporting.

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► **Resources for Remote Data Collection**

- 1 USAID's [Guide for Adopting Remote Monitoring Approaches During COVID-19](#) offers resources for various types of remote monitoring tools.
- 2 The Global Research and Data Support (GRDS) team at Innovations in Poverty Action (IPA) has compiled [best practices](#) from over 50 remote surveys into a remote surveying handbook.
- 3 Early evidence shows that Performance Monitoring for Action's [remote interview training](#) has effectively improved remote data collection outcomes in Sub-Saharan Africa.
- 4 [This guide](#) from Genesis Analytics explains how organizations can collect meaningful and quality data virtually and understand the needs of program participants amid the COVID-19 pandemic.
- 5 FHI360's [guide to selecting a great remote data collection tool](#) is an excellent starting point for those looking to ramp up mobile data collection.

23 Sipula, M. and Ibomeze, C. 2020. [Impact Measurement and Management Landscape: Nigeria and Ghana](#). Aspen Network of Development Entrepreneurs.



CASE STUDY: SHARED INTEREST IMPLEMENTS A HYBRID REMOTE AND IN-PERSON IMM DATA COLLECTION PROCESS

ANDE member Shared Interest aims to mobilize resources for Southern Africa’s economically disenfranchised communities by guaranteeing commercial loans to low-income communities and their own financial institutions to create businesses, jobs, affordable homes, and services. Before the pandemic, Shared Interest integrated IMM data collection into its due diligence process, which relied heavily on in-person visits.

As one of the first Sub-Saharan African economies to enforce strict lockdown procedures, South Africa’s economy is still reeling. In place for more than two years, South Africa’s national state of disaster in response to COVID-19 only recently ended in April 2022. Shared Interest noticed a significant shift in the priorities of the SGBs they support. Casey Cline, Shared Interest Senior Advisor, explained, “Prior to the pandemic, we would see lots of projects with longer-term capital needs; they were to fund capital expenditures for things like machinery, equipment, and factory construction. When the pandemic hit, most businesses shifted to a short-term focus, more worried about making payroll for the next 4-6 months.” Shared Interest’s SGB partners in other Southern African countries like Zambia, Malawi, and Mozambique experienced similar challenges.

Shared Interest quickly pivoted to a hybrid remote and in-person data collection process, with fewer visits to their SGBs and no international travel. They developed data entry tools and templates in Excel to promote remote data collection and real-time analysis, which helped them think critically about risk and impact to maintain operations and jobs. Shared Interest successfully launched a pilot project in Zambia working with a non-bank financial institution that provides short-term lending and invoice discounting to help SGBs meet cash flow needs, which it has recently expanded in scope and size.

With international travel possible again, Shared Interest will increase the frequency of in-person visits to quarterly and keep many of the remote data collection tools it developed. Casey Cline has two pieces of advice for SGB support providers regarding remote data collection. First, do not overlook the value of qualitative data. Even videos that SGBs can send about how their business is adapting are invaluable. Second, meet your SGBs and employees where they are. When developing a remote data tool, Shared Interest chose Excel because most of their staff and portfolio companies had a baseline understanding of the software. “It may seem appealing to invest in an expensive data tool or dashboard, but we wanted to keep things simple in a resource-constrained environment.”



RECOMMENDATION 2: ADJUST METRICS TO CAPTURE WHAT MATTERS NOW

In 2019, revenue growth, number of employees, and volume of units sold were likely at the top of every SGB support provider’s IMM wish list. In 2022, the situation has changed—any revenue (even if decreased) might be a positive result when considering the thousands of SGBs that closed their doors permanently due to the pandemic. According to a 2020 World Bank data brief, at least one in

three enterprises closed in Sub-Saharan Africa as a result of the pandemic.²⁴ Likewise, job losses are widespread, especially in urban areas and among female workers.²⁵ Consequently, business survival rates and jobs preserved have become essential metrics for providing context for the value that SGB support providers offer. IMM can also reveal needs that were not previously known or emphasized. In an ANDE South Africa learning lab on IMM in a COVID-19 context, the Allan Gray Orbis Foundation shared their observation that psychological and mentorship support emerged as the greatest needs.²⁶

In contrast, some businesses have experienced unprecedented growth. Both FinTech firms and food delivery services are experiencing escalated growth rates, which requires different support mechanisms. Very few SGBs have returned to business as usual, so SGB support providers need to adjust their IMM framework to the outcomes they hope to achieve in the current context. As noted in a brief summarizing an IMM discussion among intermediaries in Nigeria and Ghana, IMM can be used to divert resources to more effective and efficient forms of support and communicate both the needs and value to donors.²⁷

This does not mean that organizations should stop collecting previous core indicators, and they should continue to report what might otherwise look like poor performance metrics. Most SGB support providers rely on donor funding, and without an accurate understanding of needs, donors cannot support the ecosystem effectively.

► Resources for Measuring What Matters

- 1 In partnership with Oxfam and others, ODI released a [comprehensive guide for adjusting IMM processes for adaptive management during COVID-19](#) with a focus on measuring what is currently important.
- 2 This [rapid assessment](#) from the Economic Policy Research Center features a survey that may be useful for those looking to benchmark how their partner SGBs are faring in East Africa.
- 3 Mobenzi, a company based in South Africa offering a suite of data collection platforms, developed a [set of tools](#) to assess the socio-economic impact of COVID-19 through a variety of business performance and impact metrics.
- 4 ANDE South Africa and the Allan Gray Orbis Foundation produced a [knowledge brief](#) on being contextually responsive and stakeholder inclusive in implementing impact metrics.
- 5 IPA launched its RECOVR effort in 2020 to coordinate research on the wide range of effects of COVID-19. This includes their [RECOVR survey instrument](#) to “facilitate comparisons, document real-time trends of policy concern, and inform decision-makers about the communities that are hardest hit by the economic toll of the pandemic.” IPA has made their survey instrument publicly available and curated a [repository of other survey instruments](#) that address different impacts of the pandemic.

24 Goldstein, M. et al. 2020. [“The Global State of Small Business during COVID-19: Gender Inequalities.”](#) World Bank Blogs.

25 Paci, P. 2021. [“How livelihoods deteriorated in Sub-Saharan Africa due to COVID-19.”](#) World Bank Blogs.

26 Aspen Network of Development Entrepreneurs and Allan Gray Orbis Foundation. 2021. [Impact Measurement and Management Learning Lab Series: Contextual Responsiveness in the New Normal.](#)

27 Sipula, M. and Ibomeze, C. 2020. [Impact Measurement and Management Landscape: Nigeria and Ghana.](#) Aspen Network of Development Entrepreneurs.



CASE STUDY: ARGIDIUS PARTNERS COLLECT UNDERLYING DATA TO MEASURE WHAT MATTERS

The Argidius Foundation is an ANDE member that works with SGB intermediaries and partners to create a just and sustainable world by leveraging the potential of small and medium-sized businesses to grow and create good jobs. In many ways, Argidius has led the charge in encouraging SGB intermediaries to adopt high-quality IMM systems, often providing allocated funds for helping its SGB intermediary partners to invest in IMM improvements. Therefore, it might seem surprising that Argidius informed its partners that they would not be required to report against their logical frameworks at the onset of the pandemic.

Harry Devonshire, Evaluation and Learning Manager, explains, “We felt it was important to allow our partners to focus on supporting their enterprises. The logical framework is an important planning tool, but we’re always more interested in the underlying data.” For example, as opposed to asking SGB partners how much revenue growth they experienced year-to-year, Argidius recommends that SGB intermediaries ask for actual revenue figures so they can calculate this metric consistently and use this underlying data for other metrics like return on investment, net income, profit margin, and others.

Argidius partners with organizations worldwide and noticed that SGBs in Latin America seemed to be hit hardest by the pandemic, followed by Sub-Saharan Africa. He also noted that Sub-Saharan African enterprises were slower to let employees go, often moving full-time employees to part-time and only laying off staff as a last resort.

These essential insights are made possible when support organizations focus on collecting underlying data instead of pre-determined metrics, allowing organizations to adapt metrics as necessary. For example, while full-time jobs preserved was an uncommon metric before the pandemic, now, Argidius partners could calculate this data with underlying employment data, such as the number of full-time employees, and compare it to previous years.

Measuring what matters requires an adaptable IMM system, and collecting underlying data can go a long way, creating flexibility for organizations to adjust their metrics to fit the current context. For this reason, Harry advises others to take advantage of the opportunity the pandemic provided to focus on what their SGB partners actually need and learn how they can continue to shorten feedback loops to best support their SGB partners.

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3 RECOMMENDATION 3: BE PREPARED TO PIVOT AND LEARN

In recent years, the word “management” was added to the phrase “impact measurement” to emphasize the importance of using impact data to manage an intervention adaptively. This same principle should apply to the IMM practice itself. COVID-19 has thrown curveballs to even the most fire-tested theories of change, and information sharing is more important now than ever. While resources are limited, cutting IMM funding will only impede access to the information intermediaries desperately need to tailor their approaches to better support SGBs and the communities they serve. Below are several considerations for building adaptive IMM systems.

► **Tighten feedback loops**

A feedback loop is the part of a system in which a portion of the system’s output serves as input for future operations. In the context of IMM, this means using impact data to feed into program design. The Argidius Foundation explains the importance of feedback loops in their SCALE framework.²⁸ To tighten a feedback loop, organizations want to reduce the time between when data is requested and when it informs decisions. SGB supporters may want to set up more frequent touchpoints with their entrepreneurs. When dealing with a portfolio of SGBs, surveys are often a great way to collect data quickly and easily. Several platforms offer free survey software; for more complicated requests or tools that feed into CRM systems like Salesforce or Hubspot, SGB supporters may consider paying for more advanced software.

► **Data visualization and dashboards**

A picture is worth a thousand words, and data visuals can provide context for impact data that tell a clear story and make the information actionable. For example, for an organization that builds entrepreneurial skills, responses to a Likert scale question on how valuable entrepreneurs found a particular online training are not useful by themselves. However, a bar chart comparing the average score for the past ten training sessions might help determine which topics to prioritize for the next cohort of entrepreneurs. A group of data visualizations or statistics is called a dashboard, which conveys a clear picture of how a program or organization is performing when regularly updated. Before investing the time and resources to create a dashboard, organizations should understand the needs of the end-users of the dashboard to create a product that is both actionable and user-friendly.

► **Consider open-source options**

When it comes to surveying software, CRM platforms, or visualization tools, there is no shortage of technical solutions to meet the IMM needs of any organization. While it might be tempting to purchase the high-end option first, organizations should consider beginning with an open-source or free solution to see if it can adequately meet their needs. If not, organizations may decide to purchase a custom or out-of-the-box tool. When making this decision, organizations must ensure the ongoing costs and costs per user are included in the IMM budget.

28 Argidius Foundation. 2022. [How to Fulfill the Potential of Business Development Services using SCALE.](#)



► Spread the knowledge

SGB support organizations vary widely in size. While some have a dedicated IMM team, others have just one person who may also be juggling communications and programmatic responsibilities. Regardless of an organization's IMM capacity, they should ensure that at least two people have a deep understanding of the IMM process. When IMM screeches to a halt because somebody takes a vacation or leaves the organization, filling the gap can be costly in terms of time and resources. Thorough documentation of IMM processes, frequently asked questions, and videos demonstrating how to use the relevant technical tools help an IMM system's overall sustainability and actionability.

► Integrate and share learning

The entrepreneurship field encourages start-ups to create a learning culture so that entrepreneurs can learn from both successes and failures and quickly integrate lessons to build a better company. However, sometimes support organizations in the SGB sector struggle to take their own advice. A solid IMM system allows space to discuss failure openly, but only if these organizations have built a learning culture where team members feel safe to discuss what is not going well. There are many resources on how to build a learning culture, and they all begin with the importance of leadership modeling appropriate behavior. Once a learning culture is established at the organization level, leveraging networks to share knowledge more broadly can significantly increase the impact and reach of an organization's work.

► Resources for Adaptive Management

- 1 While focusing on DFIs, this [OECD report](#) contains widely applicable advice for any organization working with SGBs on strategically adapting their existing IMM systems and wanting to understand trends in the sector.
- 2 J-PAL published a guide on [how to collect ethical high-quality data during the COVID-19 pandemic](#).
- 3 The Global Environment Facility has established a [Fund-to-Fund collaboration platform](#) on results, indicators, and methodologies for measuring impact designed to promote a climate-resilient recovery from the COVID-19 pandemic.
- 4 The Bertha Centre produced an IMM [guide for how South African investors can use impact data for decision-making](#).
- 5 [This podcast](#) from McKinsey makes the business case for building a learning culture and provides tangible steps for organizations.



CASE STUDY: ENTERPRISE UGANDA LEVERAGES FEEDBACK LOOPS TO ADAPT PROGRAMMING TO MEET SGB NEEDS

Enterprise Uganda focuses on creating and nurturing a globally competitive private sector in Uganda. Its mission is to develop a new generation of dynamic Ugandan entrepreneurs by actively supporting small and medium-sized enterprises (SMEs) to enhance their productivity, growth, and competitiveness.

When the pandemic hit, the SGBs they supported faced severe challenges; 70 percent nearly closed their doors permanently, there were widespread layoffs, and many businesses completely depleted their existing capital to stay open.

Enterprise Uganda was able to remain resilient during the pandemic by utilizing short feedback loops to adapt their programming quickly to changing SGB needs. “We’re constantly soliciting feedback from our SGBs. There’s a feedback form at every event they attend. We send out online forms and make phone calls often, which allows us to know exactly what our entrepreneurs need,” explains Rosemary Mutyabule, Director of Enterprise Uganda.

Enterprise Uganda quickly adapted its programming to online platforms and focused on topics their entrepreneurs specifically requested. The demand for online programs was huge, and the organization expanded its reach online quickly. They could even provide multiple training sessions simultaneously to meet the varying needs of SGBs in different sectors or situations. Even now that businesses have returned to in-person work, the organization has continued to offer online programs.

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Ronald Mukasa, Director of Research and Innovation for Enterprise Uganda, recommends that if other SGB support providers are hesitant about moving services online, they should, “Just do it. We were amazed that even services like coaching and mentoring worked well in the online format. We would never have believed it.” He credits ANDE’s Digitization Guide²⁹ and Youth Business International’s guidance³⁰ on successfully providing online business development services with helping further expand Enterprise Uganda’s online capacity, noting they still have much to learn.

Enterprise Uganda’s feedback mechanisms also allow them to provide support beyond technical assistance. Many of their SGBs had open lines of credit, which they struggled to repay once the pandemic hit. Enterprise Uganda has spoken with financial institutions to vouch for their SGBs and request special accommodations.

Having a pulse on SGB needs is a critical component of impact measurement. Using that data to inform programming and decision-making is the premise of impact measurement and management. Tight feedback loops through online surveys or regular check-ins with entrepreneurs are how Enterprise Uganda and several other business development service providers have tailored their programming to best serve SGBs.

29 Aspen Network of Development Entrepreneurs, Dalberg. [Digital Delivery: A Digitalization Guidebook for Enterprise Support Organizations.](#)

30 Youth Business International. 2021. [Responding to the Needs of Young Entrepreneurs](#)



Conclusion

After a challenging couple of years for the SGB sector, SGBs and the organizations that support them have had to become experts in pivoting quickly and reprioritizing organizational needs. Measuring and managing the impact of ecosystem stakeholders during this tumultuous period came with challenges but revealed some promising long-term solutions. While organizations operating in Sub-Saharan Africa faced unique challenges, many of the practical steps they took to adapt their IMM systems are broadly applicable around the globe.

IMM can feel like a luxury in the social impact sector and, therefore, may be seen as something that can be reduced or minimized during a crisis. However, as explained in this brief, IMM is actually a crucial tool for identifying and addressing needs in an efficient way. By looking at remote data collection options, adjusting metrics to measure what is important now, and being prepared to pivot and learn, SGB support organizations can create IMM systems that are resilient, iterative, and responsive to the local context. The practical steps outlined in this report aim to promote proactive impact management and serve as a valuable asset to any organization operating in a rapidly changing environment. For a longer list of IMM resources, [click here](#).



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