Part 2

2.2

How to assess the EESE and identifying priorities for reform

Section 2.2:

The process of assessing the EESE and identifying priorities for reform

Purpose and structure of this section

This section guides Employers' Organizations through the process of preparing and managing an EESE assessment and presenting the results of this assessment in a manner that can be used to formulate an agenda for reform.

This section would in most cases be carried out by the field specialist or consultant in conjunction with the EO.

Step 1:	Defining the purpose of the assessment
Step 2:	Formulating an assessment methodology
Step 3:	Organizing and managing the EESE assessment
Step 4:	Analysing your findings

There are four steps that every Employers' Organization should take in an EESE assessment.

Step 1: Defining the purpose of the assessment

The first step that needs to be taken is to agree on the purpose of the assessment. The tools and guidance provided in this toolkit cover a wide range of issues and were designed to be used for different purposes. When selecting the right tools to use, the Employers' Organization needs to be clear on why the assessment is being conducted and what results are expected from it.

Assessing the EESE can be done in a broad manner that endeavours to cover a wide range of issues, in order to get a general idea of what the main problems or concerns are, or it can be done on a specific set of issues that require a more detailed analysis. The choice on this matter will have an influence on the resources and time required to undertake the assessment, as well as on the technical skills that need to be made available. The choice will also be based on the amount and quality of information that is already available on the EESE (i.e., on what assessments have already been conducted previously).

In many cases, it will be immediately clear why the Employers' Organization wishes to undertake an EESE assessment and there will be an obvious reason why you are reading this toolkit and planning to conduct an assessment. However, it is necessary to define the parameters of the assessment and to be clear on what the Employers' Organization wants to get out of the assessment.

1. A What is the rationale for the assessment

The Employers' Organization should be able to be clear about the main rationale for undertaking the assessment: what has brought the organization to consider this project.

Here are some examples that illustrate possible rationales:

- The Employers' Organization wishes to assess the EESE in order to:
- Identify and respond to the major problems firms face;
- be better able to effectively participate in public-private dialogue;
- identify constraints in a specific sector;
- take a proactive approach to advocating for improvement of the enabling environment for sustainable enterprises;
- respond to a new dynamic in the policy environment;
- identify constraints on the small business sector.

The above list shows a number of possible rationales for undertaking an EESE assessment. These examples illustrate a diverse number of reasons for doing this work. Your organization will have its own reasons, and it is important these are written down and agreed upon.

Use **Worksheet 1** for doing this.

1. B Define the scope

The scope of the assessment refers to how much of the EESE the Employers' Organization wishes to assess. The Employers' Organization should be able to state the parameters of the assessment. This will be guided in large part by the rationale for the assessment, as discussed above.

The scope of the assessment will affect the time it takes to complete, the magnitude of the resources it requires — including the amount of money and people, and the skills and expertise that need to be committed to the project. While many of these issues will be considered in Step 2 of this section ("Formulating an assessment methodology"), it is the scope of the assessment to initially defines these. Thus, it is important to match the ambition of the Employers' Organization with the resources it has available and with its own commitment.

> The EESE toolkit is based on the 17 policy pillars of the Sustainable Enterprise framework. An EO can choose to conduct an assessment across all these policy areas. However, in most cases the EO will want to target specific areas for deeper and more detailed analysis.

Use **Worksheet 1** for describing the scope of the assessment in as much detail as you can.

1. C Who will use the assessment?

It is likely that the assessment will be used by the Employers' Organization and its members; however, there are likely to be other key audiences that you should define from the outset. This will help to ensure the report or other outputs produced by the assessment meet the specific demands of these audiences.

Here is a list of possible users of the assessment:

- The leadership of the Employers' Organization (i.e., the elected or employed officials who will be guided by the findings of the assessment in their advocacy work).
- The Employers' Organization's members (i.e., members who may wish to better understand and appreciate how their problems and concerns are shared by their peers).

- Other members of the business community (i.e., those engaged in business activities that may not be a part of the Employers' Organization).
- Governments.
- Members of Parliament (including opposition parties).
- International donor and development agencies.
- The media.

It is very likely that there will be more than one audience for your assessment. Use **Worksheet 1** to identify the primary and secondary audiences of your assessment outputs.

1. D Assessment products

Finally, it is important to be clear about the products the assessment will produce. Clarity on this matter will help everyone involved to understand and work toward an agreed upon goal.

Here is a list of possible assessment products, designed to help you appreciate the range of products:

- Detailed assessment report – containing the full detail of why the assessment was done, how it was done, who was involved, what was found, and what these findings mean.
- Summary assessment report – containing the key findings and recommendations.
- A ten-point advocacy strategy – containing the Employers' Organization's ten top priorities for investment climate and business environment reform.
- Advocacy position paper(s) – containing the Employers' Organization's view and counter-proposals on specific reform items.
- Press releases on assessment findings.
- Series of newspaper articles.
- A EO's Strategic Policy Framework.

Your choice of products will reflect the audience you have in mind for the assessment. Use **Worksheet 1** to specify these products.

Worksheet 1: Defining the purpose of the assessment

Assessment Rationale

Outline the main reasons for conducting the assessment:

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Assessment Scope

Define the parameters of the assessment as precisely as possible:

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Assessment Audience

Who will read the findings of the assessment? Divide the audiences into two groups:

Primary audience (who are the priority users of this assessment?):

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Secondary audience (who else will use and benefit from the assessment?):

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Assessment products

Describe the kinds of reports or documents that the assessment will produce:

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Step 2: Formulating an assessment methodology

Having defined the purpose of the EESE assessment, you need to consider the way in which the assessment will be done, i.e. its methodology. Again, the choice of assessment methodology will have resource implications in terms of money required, time, and technical expertise.
Here is a list of assessment methods that can be applied in an EESE assessment:

2. A Review of literature

A review of literature involves a careful analysis of past assessments that. This is a typical requirement of all assessments because it helps to avoid duplicating what has already been done and can instead focus the assessment on the issues on which more information is needed. There are a wide variety of secondary data sources that EESE assessments can draw from and are identified in the relevant tools contained in this kit.

For more information see **Assessment Tool 2: Preparing an EESE snapshot.**

2. B Enterprise surveys

Firms can be surveyed in order to better understand how the EESE affects their opportunities for business establishment and growth. While enterprise surveys provide useful, first-hand information on the experiences of businesses, they can be costly, difficult, and time-consuming. Thus, careful attention has to be given to the ways in which enterprise surveys are designed and conducted. Care should also be taken when interpreting the results of enterprise surveys.

For more information see **Assessment Tool 3: Using surveys** and **Assessment Tool 4: In depth firm level survey.**

2. C Focus group discussions and other forms of consultations

These can be a relatively cheap way of obtaining information from businesspeople about the EESE. However, this way of collecting information is vulnerable to bias and is likely to involve a sample of businesswomen and men that may not necessarily be fully representative of the broader business community. Thus, selecting the right people to involve in these consultations is of paramount importance.

For more information, see **Assessment Tool 6: Using focus groups.**

2. D Case studies

This method focuses on the stories businesspeople can tell about the EESE, all of which help better understand the ways in which the enabling environment influences behaviour. While no attempt should be made to suggest that these stories are universal, such information can help policy makers, legislators, and regulators to understand these issues from the eyes of businesses.

2. E Expert consultations

Consultations with experts in the field can provide a very useful, cost-efficient way to obtain information on how the enabling environment influences the behaviour and opportunities for businesspeople. These experts are likely to be specialists who help businesspeople navigate the business environment, such as lawyers and accountants.

Use **Worksheet 2**, Designing your assessment, to present your agreements on the assessment methodology.

Step 3: Organizing and managing the EESE assessment

Undertaking an EESE assessment requires careful organization. The Employers' Organization needs to identify who will do the assessment and ensure the assessment processes are properly managed. It is also important to determine the financial, technical and organizational resources the assessment will require and how these will be obtained.

3. A Organizing the resources

The Employers' Organization should identify the resources it requires and how these will be obtained. This involves a consideration of the following resources:

- Human resources: This refers to the people who will direct, manage, and carry out the assessment. It is likely that this will involve Employers' Organization officials, members, and staff, so these people need to be identified and their roles clearly described. Human resources may also be obtained from other partner organizations (e.g., other business organizations) or they may be appointed for the purpose of the assessment (e.g., consultants).
- Members: Enterprise members possess a wide array of skills and technical abilities that can be accessed and utilised by the EO.
- Financial resources: The demand for financial resources will depend on the scope of the assessment (Step 1) and the assessment methods that will be applied (Step 2). It will be necessary to prepare a budget that outlines the costs of the assessment in as much detail as possible, along with an account of where the funds to cover these costs will come from.
- Technical resources: Again, the requirement for technical resources will depend on the scope and methodology of the assessment. It may be useful to bring in specialists who can guide and support the assessment, such as lawyers, survey specialists, economists, or policy specialists. Some of these people may be found among the Employers' Organization's members; some may offer their services voluntarily while others will need to be paid.

Use **Worksheet 3**, Assessment Budget, to think through the various costs your assessment will entail and how you will fund these activities.

3. B Managing the assessment process

A clear management structure should be developed for the assessment. This should specify the following:

- Steering committee: It may be useful to appoint a steering committee to oversee the assessment procedures and give guidance to those who are directly involved in the assessment. It is recommended that the steering committee include the Employers' Organization's Director General.
- Assessment director: This is the person who is in charge of the assessment. She or he will report to the steering committee and is responsible for the coordination of all assessment inputs and for ensuring the assessment occurs within the agreed upon resources and timeframe. This person will be a senior member of the EO's secretariat.
- Assessment team: In addition to the assessment director, there is likely to be a number of other people who are involved in the assessment. These people should be clearly identified and their role in the assessment should be made clear to all.
- Other stakeholders: In addition to the Employers' Organization, there are likely to be other

stakeholders involved in the assessment. This may be the government, other private sector organizations, or the media. A clear plan for stakeholder participation should be prepared, outlining who these actors will participate.

For more information see **Assessment Tool 8: Stakeholder analysis.**

Use **Worksheet 2: Designing your assessment**, to present your agreements on who will be involved in the assessment and how this process will be managed.

Worksheet 2: Designing your assessment

Assessment methods

Describe the main methods of assessment that will be used (e.g., literature review, survey, consultations, case studies).

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Sources of information

Identify the main sources of information used for assessment (e.g., existing assessment reports, business people, expert opinion).

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The assessment team

Identify the assessment team and describe the roles of all key members:

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Steering Committee

Identify the members of the Steering Committee and the responsibility of committee members:

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Other stakeholders

Identify the other stakeholders that need to be involved in the assessment; describe how these stakeholders will be involved and who will be responsible for managing the participation of these stakeholders.

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Worksheet 3: Assessment Budget

Expenses	
Personnel expenses	
Employers' Organization staff	
Consultants/Advisors	
Other expenses	
Data expenses	
Purchase of data	
Meetings and consultations	
Venues, catering, etc.	
Transportation	
Data analysis	
Computing, programmes, data input, etc.	
Report production and distribution	
Printing	
Distribution	
Other expenses	
TOTAL EXPENSES	
Income	
Sources of project income (funding)	
TOTAL INCOME	

Step 4: Analysing your findings

Finally, consideration should be given to the way in which the Employers' Organization analyses the findings of its EESE assessment. Findings can be interpreted and used in different ways. Thus, it is important to be clear about this process and ensure it produces the results that were anticipated when the purpose of the assessment was defined (Step 1).

Here are some useful processes to include when analysing the findings of an EESE assessment:

4. A Validation workshops

One very effective way of analysing the findings of an EESE assessment is to present the findings to a range of key stakeholders, in order to discuss and validate them. This can help the Employers' Organization better understand and interpret the assessment findings. It can also be used to build alliances with those who support the findings and to anticipate the kinds of reactions others may have. In some cases, these workshops will help you to identify the gaps in your assessment. There may be an opportunity to fill these gaps before finalizing the assessment project.

Usually, more than one validation workshop is held. While there is no perfect number of workshops to be held, make sure you cover the all the key stakeholders as well as provide an opportunity for all participants to understand and discuss the assessment findings.

4. B Categorizing and prioritizing findings

It is possible that the assessment will produce a long list of issues or concerns that need to be addressed. This list should be analysed and transformed into a more comprehensible set of data. Prioritizing those that are most important, most common or most binding on business growth can be a way of doing this.

It might also be useful to categorize this list of findings into various categories, such as:

- Those that are concerned with government policy;
- those that are concerned with elements of the investment climate;
- those that are concerned with the organization and representation of the business community;
- those that are concerned with specific sectors.

**This is covered comprehensively in Part 2.2*

4. C Turning assessment findings into an agenda for action

Whatever the initial purpose of the assessment, it is likely that it was undertaken in order to lead to some kind of change, for example a reform of the business environment for enterprise development. Thus, it is necessary to design a process through which the findings of the assessment can be turned into an agenda for action.

Here is where the strength of an EESE assessment lies. By developing an agenda for action out of an EESE assessment, the Employers' Organization is using evidence gained from the assessment to formulate its plans. Being able to cite the evidence that stems from the assessment can contribute to strong and persuasive proposals for change.

Formulating a plan of action will involve any or all of the following considerations:

- Identifying high-priority concerns found in the EESE assessment;

- identifying assessment findings that correspond and strengthen the findings of others;
- identifying assessment findings that correspond the with government's current reform proposals;
- identifying short, medium, and long-term responses to the assessment findings.

There are a number of tools contained in this kit that will guide Employers' Organizations through these processes.