THE UNITED REPUBLIC OF TANZANIA

NATIONAL ECONOMIC EMPOWERMENT COUNCIL (NEEC)

NATIONAL BUSINESS DEVELOPMENT SERVICES PROVIDERS' GUIDELINE

MAY, 2025

ABBREVIATIONS

AfDB	African Development Bank
AMEA	Agribusiness Market Ecosystem Alliance
ANSAF	Agriculture Non-State Actors
BDS	Business Development Services
BDSP	Business Development Services Provider
BRELA	Business Registration and Licensing Agency
CRS	Catholic Relief Services
FYDP	Five Year Development Plan
FSDT	Financial Sector Deepening Trust
GESI	Gender Equality and Social Inclusion
ICT	Information and Communication Technology
ILO	International Labour Organization
ISO	International Standards Organization
MEDA	Mennonite Economic Development Associates
M&E	Monitoring and Evaluation
MFI	Microfinance Institutions
MSME	Micro, Small and Medium Enterprises
NEEC	National Economic Empowerment Council
NEMIS	National Empowerment Management Information System
PSSP	Private Sector Strengthening Project
SIDO	Small Industries Development Organization
SMART	Specific, Measurable, Achievable and Time-bound
SIEYB	Start, Improve and Expand Your Business
R&D	Research and Development
TBS	Tanzania Bureau of Standards
UNDP	United Nations Development Program
USAID	United States Agency for International Development

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CHAIRPERSON'S MESSAGE

The Business Development Services (BDS) Providers' Guideline is a critical tool in our strategy to support Micro, small, and medium enterprises (MSMEs) MSMEs. MSMEs are the cornerstone of Tanzania's economy, driving growth, innovation, and job creation. Their success is crucial for achieving sustainable development and inclusive growth across our nation. Recognizing their significance, the government is firmly committed to creating an environment that nurtures and empowers these enterprises to flourish.

This guideline aims to improve the quality, accessibility, and visibility of BDS throughout the country through enhanced service standards, increased professionalism, and strengthened stakeholder collaboration. It harmonizes practices among all BDS providers, including government entities, individuals, private companies, and development partners.

By adhering to this guideline, BDS providers can ensure that Tanzanian MSMEs are well-equipped to compete and thrive in both local and global markets. Providers are also assured of a growing market for their services. As we move forward, I urge all BDS providers to embrace this guideline and commit to our shared vision of fostering a robust and inclusive entrepreneurial ecosystem. Let us collectively ensure that the benefits of economic empowerment are realized by all, and that our MSMEs continue to be a driving force for prosperity and development in Tanzania.

Prof. Aurelia Kokuletage Ngirwa Kamuzora, PhD.
Chairperson, National Economic Empowerment Council

PREFACE

The National Economic Empowerment Council (NEEC) is committed to empowering micro, small, and medium enterprises (MSMEs) through high-quality Business Development Services (BDS). This guideline serves as a testament to our dedication to elevating the capabilities of MSMEs, ensuring they are well-prepared to compete effectively in both local and global markets.

This National Business Development Services (BDS) Providers' Guideline provides a structured approach that includes service delivery standards, professional development, collaboration, and information sharing to enhance the overall impact of BDS. It establishes a framework for service provision, professional growth, collaboration, and information dissemination, all designed to strengthen the BDS ecosystem. The NEEC remains steadfast in its mission to support the growth of MSMEs by fostering an ecosystem where business development services are not only available but also of the highest standard, accessible, and tailored to meet the unique needs of enterprises across both urban and rural landscapes.

Our role as the national economic empowerment agency is to monitor, evaluate, and coordinate the implementation of this guideline while strengthening the BDS ecosystem to enhance access, quality, and collaboration. This maximizes synergy and impact.

We acknowledge with sincere gratitude the support of various organizations and individuals who have contributed to the development of this guideline. We extend special thanks to the Financial Sector Deepening Trust (FSDT), the African Development Bank (AfDB), Agribusiness Market Ecosystem Alliance (AMEA), Agricultural Non-State Actors Forum (ANSAF), USAID Feed the Future Tanzania Private Sector Strengthening Project (PSSP), Mennonite Development Associates (MEDA), and the BDS Society of Tanzania. We are also grateful to the task force members for their dedication and invaluable efforts.

This guideline represents a significant step forward in our journey toward economic empowerment, and we are confident that its implementation will lead to enhanced competitiveness and sustainability for MSMEs in Tanzania. As we embark on this critical initiative, I invite all stakeholders to join us in this endeavor to uplift the backbone of our economy by collaborating to implement measures to strengthen the BDS ecosystem. Together, through concerted effort and collaboration, we can create a thriving environment where Tanzanian enterprises can not only survive but excel.

Beng'I Issa
Executive Secretary, National Economic Empowerment Council

DEFINITIONS OF TERMS

Micro, Small, and Medium Enterprises (MSMEs)	Includes first-time entrepreneurs, start-ups, and any established business employing less than 100 full-time workers with a capital investment of less than TZS 800 million. For this guideline, MSMEs also include aspiring entrepreneurs who may require BDS to successfully start a business
Business Development Services (BDS)	Non-financial services offered to aspiring entrepreneurs, start-ups, and MSMEs to enhance their market performance, competitiveness, and growth. These services include consulting, training, technical assistance, coaching, mentoring, linkages, information, incubation, acceleration, and other forms of non-financial support
Funded BDS	Refers to BDS provided to MSMEs but paid for fully or partially by a third party, such as a development partner, a corporate entity, a local government, a government department, or a government agency. In such cases, the BDSP is accountable to the funding agency for the quality and full delivery of services.
BDS Third-party Funder	Any individual or entity paying part or all of the BDS provision fee on behalf of MSMEs benefiting from the services
BDS Ecosystem	The interconnected network of organizations and resources that support the growth and sustainability of businesses, particularly MSMEs. It encompasses a variety of stakeholders, including government agencies, private sector partners, financial institutions, and educational organizations, all working together to enhance business capabilities and foster entrepreneurship. BDS ecosystem development addresses market failures, ensuring vulnerable segments of the business sector have access to quality support services

CHAPTER 1: INTRODUCTION

1.1 Background

A comprehensive survey of MSMEs in Tanzania in 2012 established that there were over 3 million enterprises, of which 96.4% employed less than five people. Additionally, only about 4% were registered with the Business Registration and Licensing Authority (BRELA), and just over 11% possessed a business license. This situation reflects the fragility of the MSME population, with very few enterprises growing to generate decent employment. According to the 2021/22-2024/25 National Five-Year Development Plan (FYDP) III, approximately one million young people enter the labor market each year. While about 200,000 of them successfully find employment, entrepreneurship is a significant option for most of the remaining 800,000. Increasingly, young people are becoming self-employed in agribusiness, tourism, ICT, and other growing sectors of the economy, often without the necessary skills and guidance for success.

Tanzania Vision 2025, implemented through the FYDPs III, prioritizes the promotion of MSMEs by focusing on strengthening quality programs. Vision 2025 is supported by several policies and plans that aim to create a favorable environment for the establishment and growth of MSMEs, including the SME Development Policy (2003) and the National Economic Empowerment Policy (2004). The SME Development Policy highlights the Government's commitment to fostering entrepreneurship by improving MSMEs' access to non-financial services. The National Economic Empowerment Policy seeks to address key barriers that hinder citizens from fully participating in economic activities, including challenges related to raising capital, strengthening markets, improving economic infrastructure, enhancing education and skills, and supporting cooperative development. However, BDS are not adequately integrated into sector-specific policies, such as those in agribusiness. This underscores the need for a more cohesive and cross-sectoral approach to ensure their effective implementation and contribution to MSME growth.

Currently, the government and development organizations support the provision of BDS through institutions such as the Small Industries Development Organization (SIDO), Research and Development (R&D) institutions, local governments, and various other programs. However, these initiatives address only a small fraction of the overall demand. Until the early 1990s, the business support model for MSMEs, particularly in developing countries, was predominantly supply-driven. This guideline promotes the BDS market development approach, established in the mid-1990s, which shifts the focus to creating sustainable, demand-driven markets for BDS. The approach emphasizes fostering competitive service provision and ensuring that services are tailored to the needs of clients rather than being imposed from the top down.

1.2 Rationale for a National BDS Providers' Guideline for Tanzania

Despite the positive development in BDS markets, services remain weak, with a mismatch between BDS supply and demand and ongoing heavy reliance on

government and donor funding. BDS in Tanzania face several challenges, including (i) limited willingness of MSMEs to use and invest in BDS, (ii) varied service quality among BDSPs, (iii) insufficient capacity and experience among BDSPs in business diagnosis and BDS provision/service delivery models resulting in BDS provision often falling short in addressing specific business challenges and needs, and (iv) a lack of coordination in BDS supply and demand. National BDS standards, databases, associations, certification, and learning platforms are only now being considered.

This guideline is an important step in addressing the gaps in the BDS ecosystem. It sets forth what is expected of a BDSP in terms of competencies, conduct, and approach to be impactful and valued individually and as an industry. It also provides guidance on professional development, collaboration, networking, and documentation information sharing.

1.3 Methodology Used in Developing the Guideline

This guideline has been developed through a consultative process that included literature review and engagement with BDSPs, development partners, and government Ministries, Departments, and Agencies (MDAs). The literature review covered BDS guidelines in several jurisdictions, including a draft of the East African BDS Standard. Multi-stakeholder consultative meetings were held across the country to gather inputs, which have been incorporated into this guideline. A multi-stakeholder task force reviewed and incorporated their expertise as well as the views of stakeholders in the final draft.

CHAPTER 2: OBJECTIVES AND SCOPE OF THE GUIDELINE

The objective of the guideline is to enhance the quality and impact of BDS. By promoting good practice, integrity, and professionalism within the industry, the effective use of this guideline will elevate the reputation of BDS providers and their services. This, in turn, will increase the readiness of MSMEs and BDS funders to invest in these services, ultimately expanding the outreach and scale of BDS. This guideline aims to:

    (i) Professionalize the BDS ecosystem;
    (ii) Create a transparent value exchange;
    (iii) Build trust between providers and MSMEs;
    (iv) Encourage sustainable service provision models; and
    (v) Align BDS with emerging market development practices.

BDS providers using this guideline are expected to:-

    (i)   Improve their processes for service delivery;
    (ii)   Tailor interventions to the context of the BDS client, their development life cycle, position in the value chain, and the vertical level at which the MSME operates;
    (iii) Improve consistency in the delivery of BDS;
    (iv) Enhance their skills, networks, impact, and brand, hence increasing demand for their services; and
    (v)   Improve visibility.

Following this guideline by BDS providers will contribute to improved sharing of information on who excels at what, who is doing what, and where, thus enabling better coordination and synergies. This guideline covers the general approach to delivering BDS intended for overall business improvement and does not delve into specific technical areas such as accounting, finance, or marketing.

This guideline will be complemented by other initiatives, including BDSP associations, a BDS portal, BDS forums, BDS capacity-building initiatives, and specific sector roadmaps, all of which will contribute to improved quality, scale, and synergies in BDS provision. It applies to both the individual and the organization providing BDS.

CHAPTER 3: PRINCIPLES OF EFFECTIVE DELIVERY OF BDS

3.1 Introduction
Effective BDS should strengthen the capacities of MSMEs, leading to successful enterprises characterized by improved survival rates, competitiveness, profitability, and growth. This, in turn, contributes to economic growth, employment generation, and wealth creation opportunities across Tanzania.

3.2 Impactful
The primary objective of Business Development Services (BDS) is to support Micro, Small, and Medium Enterprises (MSMEs) in achieving key goals such as sustained profitability, growth, capital raising, and increased employment. BDS providers are also expected to consider the broader impact of MSMEs on the community, including social, ethical, economic, and environmental dimensions. To ensure that BDS delivery is impactful, providers should adhere to the following principles.

3.2.1 Client-Centered Approach
BDS providers must adopt a comprehensive, client-focused strategy that integrates the MSME's strategic aspirations with its specific business needs. This involves conducting thorough diagnostic assessments that go beyond superficial analysis, delving into the enterprise's current state and unique context. Interventions should be customized to the client's capabilities, language preferences, technological proficiency, financial literacy, and cultural or operational constraints, ensuring alignment with the enterprise's requirements and potential.

3.2.2 Pragmatic Intervention Design
Effective support is defined by its practicality and accessibility. Providers should deliver actionable, user-friendly tools-such as guidelines, adaptable templates, and contextually relevant examples-that translate complex concepts into clear, implementable strategies. This approach enables MSMEs to address real-world challenges with practical solutions.

3.2.3 Evidence-Based Capacity Building
Modern capacity-building strategies should prioritize experiential learning, continuous feedback, and real-world problem-solving. Research indicates that 70% of skill development occurs through hands-on experience, 20% through peer feedback, and only 10% through formal instruction. BDS providers should emphasize practical skill application and iterative learning, engaging business owners directly to foster ownership and leadership, thereby driving meaningful and sustainable organizational transformation.

3.2.4 Sustainable Transformation Framework
Enterprise development should prioritize incremental, adaptive growth over high-risk transformations. BDS providers are encouraged to guide clients through phased interventions that systematically enhance organizational capabilities. This measured, patient approach fosters resilience, supports ongoing performance improvement, and encourages innovation tailored to the MSME's specific context, enabling them to navigate complex business environments with strategic insight.

3.2.5 Contextualization

BDS interventions must be tailored to the MSME's operating environment. Providers should assess the external context by considering factors such as stakeholder needs and interests (management, customers, staff, shareholders, suppliers, and the wider community), political, economic, social, technological, environmental, and legal influences, competition and market dynamics, industry trends, standards and codes of practice, stakeholder relationships and expectations, contractual commitments, and the complexity of business networks

For further guidance for BDS providers, please refer to **Annex A**.

3.3 Inclusive

BDS should be inclusive, ensuring that all MSMEs, regardless of size, sector, location, or ownership structure, have access to quality support services. To promote inclusivity, BDS providers should:-

(i)   Offer a diverse range of services to meet the varied needs of MSMEs in different sectors and stages of development;

(ii)   Adopt flexible delivery models that accommodate the constraints and preferences of MSMEs in urban and rural areas;

(iii)   Actively reach out to underserved populations, such as women-owned businesses, youth entrepreneurs, and businesses in remote areas, to ensure they are aware of and can access BDS opportunities; and

(iv)   Tailor services to meet the specific needs of vulnerable groups, such as people with disabilities or those from marginalized communities, to promote equitable access to opportunities.

Annex F.6.1 provides a checklist for MSMEs compliance.

3.4 Accessible

BDS providers should consider increasing access to and value of BDS to MSME segments which tend to be excluded because of limited resources, awareness or appreciation of the services; remoteness or other factors. BDS providers are encouraged to adopt the following strategies to ensure as many MSMEs as possible can access and benefit from their services:

(i) **Innovations to reduce delivery cost:** BDS providers should offer graduated service packages accommodating different financial capacities. They can consider replicating components of the intervention, using technology to reduce costs, unbundling services to more affordable packages, working with local networks to achieve scale.

(ii) **Leveraging third-party funding and other forms of support:** BDS providers can also leverage support of third parties to share or meet the cost of their services, so they are accessible to MSMEs that would otherwise not afford them. BDS providers can build networks and reputation needed to attract and work with resource partners including skilled volunteers

(iii) **Explore feasible models that work for MSMEs:** BDS providers should develop and adopt innovative services and delivery models that work for

MSMEs who may not be able to pay in cash or upfront for their services to access them. Examples are pay-for-results, revenue-sharing models, pay-as-you-go and winners' fees.

3.5 Environmentally Responsible

BDS providers should guide MSMEs in adopting business practices that support current success without compromising the needs of future generations. Recognizing the resource constraints many MSMEs face, emphasis should be placed on responsible strategies that deliver both environmental and business benefits-such as reducing costs, minimizing waste and drudgery, increasing productivity, enhancing stakeholder satisfaction, and strengthening brand reputation.

Examples of such practices include water harvesting, recycling, the adoption of clean or renewable energy sources, energy-efficient technologies, the use of biodegradable packaging, tree planting, and climate-smart agriculture. By promoting these environmentally responsible approaches, BDS providers can help MSMEs minimize their environmental impact while contributing to sustainable development and long-term business resilience. To promote environmental responsibility, BDS providers should:

(i) Integrate environmental considerations into all aspects of service delivery, encouraging MSMEs to adopt eco-friendly practices and technologies;

(ii) Provide training and technical assistance on resource efficiency, waste reduction, pollution prevention, and other environmental management practices;

(iii) Promote the use of sustainable materials and production methods to reduce the environmental footprint of MSMEs; and

(iv) Support MSMEs in accessing green finance and other resources to invest in environmentally sustainable initiatives.

Annex F.6.2 provide a checklist for MSME's compliance.

CHAPTER 4: STRUCTURED ENGAGEMENT FOR EFFECTIVE BDS DELIVERY

4.1 Introduction

To deliver Business Development Services (BDS) effectively, providers must engage with MSMEs in a manner that is both structured and easy to understand. The following key strategies support this balance:

4.2 Scoping and Contracting for MSME Clients

4.2.1 Problem Identification

Many MSMEs may struggle to accurately identify the root problem requiring BDS support. For example, an MSME owner might request assistance in "developing a proposal for a working capital loan," while the underlying issues could be poor working capital management, inefficient operations, or underpricing. Although business diagnosis should be included in any engagement, conducting pre-contract probing helps clarify the actual problem to be addressed.

4.2.2 Agreeing on Value Proposition and Scope of Work

BDS providers must ensure a mutual understanding of the service scope aligned with the MSME's needs and objectives by:-

(i) Developing a compelling value proposition that clearly articulates the client's pain points, the benefits of the service, and why the provider is best suited to deliver the solution;

(ii) Demonstrating how the investment in the proposed services will yield returns; and

(iii) Committing only to services within their capacity to deliver effectively.

Client needs assessment can be enhanced through market research (see **Annex C**) for guidance.

4.2.3 Contract Writing and Execution

While many MSMEs prefer informal arrangements, formalizing the engagement through a written agreement is essential. This ensures clarity on needs, expectations, roles, responsibilities, and obligations, thereby minimizing misunderstandings and disputes.

4.3 Scoping and Contracting for Funders

4.3.1 Agreeing on Project Scope

During scoping, the BDS provider and funder should align on:-

(i) Customer needs and expectations;
(ii) Potential constraints and risks;
(iii) Resource availability and limitations;
(iv) Timing and milestone; and
(v) Governing principles for contract management, including handling scope changes.

The provider should understand the funding nature, funder objectives, end-user needs, the problem targeted by the intervention, and the required support as shown in **Annex D** for MSME needs assessment framework.

BDS providers should consider and target funders with strategies to provide BDS for women, youth and marginalized populations.

4.3.2 Proposal Writing

The BDS provider should prepare a comprehensive proposal that includes:-

(i) A concise overview of the problem or need;

(ii) Details of the proposed intervention, including processes, expected outcomes, and alignment with the identified problem;

(iii) Evidence of internal capacity to deliver the intervention; and

(iv) Budget and timeline details.

Refer to the checklist in Annex B for additional guidance.

4.3.3 Contract Writing and Execution

The contracting phase formalizes the agreement between the BDS provider and funder, protecting the interests of all parties, including the MSMEs served. The resulting contract should clearly define:-

(i)   Context and background;

(ii)   Services and key deliverables;

(iii)   Approach and work plan;

(iv)   Roles and responsibilities;

(v)   Acceptance criteria;

(vi)   Commercial terms, including fees, charges, and payment schedules;

(vii) Terms and conditions covering ownership of materials, insurance, health and safety, intellectual property, licensing, confidentiality, non-compete clauses, and data use; and

(viii) Relevant policies such as data sharing and non-disclosure agreements.

All parties must sign the contract prior to commencing any project activities.

CHAPTER 5: EMPATHY WITH MSMEs

BDS providers must understand and tailor their support to the unique context of each MSME. Key considerations include: -

(i) Acknowledging the unique constraints and opportunities of MSMEs, such as limited access to finance, technology, and skilled labor;

(ii) Recognizing the cultural and social factors that influence business practices and decision-making in Tanzania;

(iii) Consider gender and social identity (e.g. age, ability, religion etc) - related barriers to access and use of BDS. Are underserved populations being intentionally included?;

(iv) Finding ways and means to ensure that BDS provides' services, delivery approaches, timing and venues are tailored to specific needs and characteristics of women, youth, rural MSMEs and other marginalized groups and are accessible and responsive to gender and identity-based constraints;

(v) Building trust and rapport with MSME owners and managers by actively listening to their concerns and demonstrating a genuine interest in their success; and

(vi) Providing encouragement and support to MSMEs, particularly during difficult times, to help them overcome obstacles and achieve their goals.

By demonstrating empathy, BDS providers can build stronger relationships with MSMEs and increase the likelihood that their services will be valued and utilized effectively.

CHAPTERE 6: STANDARD OPERATING PROCEDURES FOR BDS DELIVERY

6.1 Introduction

In order to deliver effective BDS, providers should consistently follow a logical process that ensures the most relevant needs are identified and addressed, results are measured and lessons are captured. The BDS provider should ensure that their services are delivered in an organized manner. To achieve this, the MSMEs and the BDSP should do the following:-

- (i) Conduct a diagnosis;
- (ii) Conduct the actual intervention;
- (iii) Measure outcomes;
- (iv) Document the project;
- (v) Closure;
- (vi) Continuous improvement; and
- (vii) Use of practical tools.

6.2 Conduct a Diagnosis

The BDS provider and MSME should set goals for the intervention. The BDS provider can use a diagnostic tool to define the problem and align the intervention to the problem. Diagnostic tools should be broad, covering the relevant aspects of the business as applicable, even if the MSME goal is narrow. The diagnostic approach used should be interactive, flexible, and customized to the stage of development of the business. The diagnostic tools should be informed by best practice e.g. data points promoted by ISO 18716 to evaluate agri-enterprises.

An illustrative diagnostic framework details practices that lead to business sustainability and growth, covering the key elements of business success: strategic planning, market and customer positioning, operations, as well as financial and human resource management. BDS providers can use the diagnostic framework and a systematic checklist to help the BDS client set growth goals that address the gaps. The diagnosis report would supplement a needs analysis (if conducted at the scoping stage) and provide detailed indications of areas for BDS support.

6.3 Conducting the Interventions

Based on the diagnosis done, the BDSP should design and implement the intervention – such as training, coaching, linkage; support in developing a plan, a guide, tool or market research. The design and delivery of the service should be done in a way that enables objective assessment of outcome or results by both the BDSP and the MSME. The diagnosis should intentionally seek to identify gender and social identity-based constraints, as they will be different depending on these demographics. As well, delivery should be curated to the specific characteristics, needs and challenges of women, youth and other marginalized social groups.

6.4 Measure Progress Towards MSME's Goal

Measuring outcomes helps MSMEs to assess progress toward their goal as well as helping with motivation for continual improvement. Measurement against the MSME's initial goal and/or the goal of the intervention can help set an outcome-orientated approach. Performance indicators should include those related to

addressing gender, and social inclusion and performance metrics disaggregated by gender and other groups.

In cases where long-term interventions are to be implemented, the BDSP may conduct regular client check-ins to review progress and adapt expectations. This may cause the BDS provider to adapt the intervention based on interim progress and findings.
Impact indicators should include those related to addressing gender, and social inclusion and related metrics disaggregated by gender and other groups.

6.5 Documentation of Service Delivery and Impact

It is important to keep records relating to the project itself for the purpose of all stakeholders, the participants, the customer, and the BDS provider to use the information for continual improvement, reporting purposes, and record keeping of legal and administrative purposes, e.g., financial transactions and registrations. BDS providers should keep records secure and confidential, especially when they relate to personal and confidential business data. BDS provider must remain up to date with the current data protection regulations. They should also document the impact of BDS on MSME performance, using both quantitative and qualitative data. Impact indicators should include those related to addressing gender, and social inclusion and related metrics disaggregated by gender and other groups. This information should be used to improve the quality of services and inclusiveness of BDS and demonstrate the value of BDS to funders and other stakeholders.

Typical examples of records that may be kept include: **(a) MSME:** Progress against the initial goal, engagement in the programme (For instance, attendance, training completion) and impact/achievement from the programme; **(b) Funder:** Funds disbursed, progress against key commitments and milestones, budgetary spending, tracking of results, the impact of intervention, etc. c); and **(c) BDS Provider:** Lessons learnt or areas for improvement in service delivery and client database detailing their profiles, specific problems, location, contacts, contract value and duration.

6.6 Continued Improvement

To support the MSME to continuously improve their business practices, the BDSP should consider the following in designing and implementing the services:-
  (i)   Advise, drawing on the principles and practices of organizational change to help MSMEs create and sustain a business;
  (ii)   Facilitate learning, drawing on adult learning principles and the application of appropriate modes of learning;
  (iii) Coach, using client-centric listening and responding; and
  (iv)   Help the client to analyze, Problem-solve and spot opportunities.

During the intervention, BDS providers should share tools/frameworks/diagnostic tools to support the client to continue to improve after the intervention is complete.

After the intervention, the MSME should have a better understanding of their business, as well as the diagnostic tool. The MSME should be able to consistently

apply the diagnostic tool to identify areas where they need to seek out relevant support, tools, and/or interventions to address their growth goals.

To facilitate continuous improvement, the BDS provider should consider revisiting past clients/MSMEs regularly to identify new business needs and understand the longitudinal impact and feedback of their interventions. Areas for improvement should inform how BDS can be made more inclusive and inclusive to all groups.

6.7 Closure

Regardless of whether the BDSP is engaged by a funder or an MSME, the assignment is completed when the terms of the agreement have been met and deliverables have been submitted. These may include: (i) Legal and contractual matters; (ii) Final evaluation; (iii) Administrative matters, including payment of agreed fees where applicable; (iv) Communication; (v) Intellectual property rights; and (vi) Outstanding minor issue.

6.8 Follow up

BDS providers should establish and use mechanism to elicit honest client feedback on satisfaction of value added by their services and work on the feedback for continuous improvement. This can be done at multiple points including during service delivery, after close and weeks, months or even years after closure.

6.9 The use of Practical Tools and Interventions

Practical tools and interventions are applicable, relevant resources that MSME can immediately use in the business to make progress towards a desired outcome. BDS providers should consider identifying practical tools and interventions in the areas identified in the diagnosis framework. In developing the tools to be used to deliver the intervention, the BDS provider should consider relevance to the MSME type and stage of development. A tool can be simple or more sophisticated to best support the MSME stage and capacity.

BDS providers can create their tools or create partnerships to leverage existing tools. These practical tools should include guidance to the MSMEs on how to be more inclusive for all social groups. The BDS provider should support the MSME to implement appropriate tools to enable them to introduce the business practices needed to reach their goal.

For example, if an MSME has identified 'Track Progress' as a key gap in their business practices, they can review appropriate and relevant tools to identify the one that is most relevant to their specific need. If goal setting is a gap, a business can use a Goal planner (SMART Goals) template to document and track progress monthly and quarterly against business strategic goals. Examples of other tools are SWOT analysis, business plans, business model canvass, diagnosis templates, contracts, pitch decks, and profitability analysis, etc.

The BDS provider can leverage a diagnostic tool to assess the strengths and weaknesses of the MSME and identify critical areas of support the MSME needs to achieve their goals.

The standard operating procedure is iterative rather than linear, which leads to continuous improvement through practical tools and interventions.

Examples of practical tools have been included in *Annex F*. These relate to compliance, implementing a marketing/sales plan, planning talent.

CHAPTER 7: CODE OF ETHICS FOR BDS PROVIDERS

BDS providers should adhere to a code of ethics that promotes integrity, transparency, accountability, and professionalism in all their interactions with MSMEs and other stakeholders. The code of ethics should include the following principles:

(i) **Honesty and integrity:** BDS providers should be honest and transparent in their dealings with MSMEs, avoiding conflicts of interest and disclosing any relevant information that may affect the relationship.

(ii) **Confidentiality:** BDS providers should respect the confidentiality of MSME information and not disclose it to third parties without the MSME's consent.

(iii) **Competence:** BDS providers should only offer services that they are qualified to provide, and they should continuously update their skills and knowledge to remain competent in their field.

(iv) **Professionalism:** BDS providers should conduct themselves in a professional manner at all times, treating MSMEs with respect and courtesy.

(v) **Accountability:** BDS providers should be accountable for the quality of their services and take responsibility for any mistakes or errors.

(vi) **Inclusivenes**s. BDS providers should demonstrate commitment to equity, inclusion and accessibility.

CHAPTER 8: PROFESSIONAL DEVELOPMENT, COLLABORATION AND KNOWLEDGE EXCHANGE

8.1 Introduction

BDS is a knowledge-based service and providers must invest in lifelong learning and networking for them to stay updated and relevant. As well, collaboration information with important stakeholders are critical in ensuring impactful services and visibility. These can be achieved by taking the following measures:

8.2 Professional Development

BDS providers should invest in their professional development to enhance their skills, knowledge, and expertise including how to effectively mainstream gender, social inclusion and environment in their services. This can be done through formal training programs, workshops, conferences, and online courses. BDS providers should also seek certification from recognized professional organizations to demonstrate their competence and commitment to excellence.

8.3 Networking and Collaboration

BDS providers should actively participate in networking and collaboration activities to share knowledge, build relationships, and improve the quality of services. This can be done through participation in industry associations, trade shows, and online forums. BDS providers should also seek to collaborate with other organizations to deliver comprehensive support services to MSMEs.

8.4 Documentation and Knowledge Exchange

BDS providers should maintain accurate records of all their activities, including the services provided, the results achieved, and the lessons learned. This information should be used to improve the quality of services and to demonstrate the value of BDS to funders and other stakeholders. BDS providers should also share their knowledge and experiences with others in the industry through publications, presentations, and online platforms.

CHAPTER 9: ROLE OF KEY STAKEHOLDERS

9.1 Introduction

Many stakeholders will play important roles in the implementation of this guideline. Some of them are as follows:

9.2 National Economic Empowerment Council (NEEC)

BDS is a key economic empowerment tool. As the champion of economic empowerment, the National Council for Economic Empowerment (NEEC) will carry out the following duties: -

(i) Monitoring and evaluation of the BDS Interventions including preparing quarterly and annual implementation report on the BDS and sharing with key stakeholders;

(ii) Providing advice on the registration, management and delivery of BDS;

(iii) Providing guidelines and strengthening capacity of regional and district secretariats, local governments and other public institutions on supporting and supervising BDS including arranging working spaces for the providers where possible;

(iv) Facilitating BDSP linkage and collaboration with each other and other partners;

(v) Coordinating the availability of the BDS;

(vi) Developing and managing a national database of the BDS Providers;

(vii) Promoting BDS innovations and good practices – through competitions and awards; and

(viii) Coordinating knowledge exchange and learning including a national forum for the BDS Providers.

9.3 Business Development Services Providers

BDS providers expected to maintain a strong association that will be responsible for creating awareness and encouraging members to comply with the guideline. The responsibilities of BDS providers include: enforcing compliance, especially with the Code of Ethics.

Annex A: Clarification on Capacity Building Concepts (Informative)
A.3 Behavior Approach

Contemporary learning science highlights that 70% of skill development occurs through hands-on experience, 20% from peer feedback, and only 10% from traditional instruction. This calls for a reimagining of capacity-building approaches for Micro, Small, and Medium Enterprises (MSMEs). BDSPs should focus on practical skill application, continuous feedback, iterative learning experiences, and real-world problem solving. Involving business owners in these initiatives is essential for fostering ownership and leadership. The goal is to catalyze meaningful and sustainable organizational transformation rather than merely transferring knowledge

Focusing on sustained change in a business requires habits that are embedded either for individuals or for business practice. The development of lasting change requires a behavioral approach to BDS provision. BDS providers should recognize and integrate both attitudinal and behavioral elements to their services.

(i)   The attitudinal aspect recognizes that entrepreneurs and teams need to recognize a need for change, and

(ii)   The behavioral aspect (integrates the continuous learning to sustain change over time- including reminders, routines, and rewards).

Change in the organization needs to be affected and underpinned by a sustained change in behavior of key personnel.

A.4 Practice Approach

Key to organizational change is a set of practical tools designed to effect improvements in the standard practices in the company. Here the focus is not on individual learning but changing company practices by embedding change in work and ensuring ongoing application over time. A BDS provider can achieve this by having participants assess their companies on a set of practices and select the ones that will produce the most growth. The participants are then introduced to tools that enable them to introduce these practices. This practice approach is illustrated in the MSME Diagnostic Framework – see Annex D.2.

Annex B: Checklist developing project proposals (Informative)

Table 1: Checklist for developing 3rd Party Funded BDS project proposals

Aspect	Description	Notes
Project Background	An overview of the project (or intervention) and the problem that it is to address. This can include information gained through market research or needs analysis	
Project beneficiaries	A outline of the specific immediate	

Aspect	Description	Notes
	beneficiaries or target group (e.g. age group, location, gender, sub-sector, specific institutions) An outline of the ultimate target group/beneficiaries of the intervention	
Project outcomes	Project immediate outcomes and results/impacts on the target groups	
Organizational overview	A brief introduction to the organization, highlighting relevant fields	
Organization's Programme Methodology	Description of the BDS provider's approach to the problem	
Proposed Programme for Client	This section outlines how the BDS provider's methodology would be applied to the client's needs and includes scope, budget and deliverables	
Programme Success Measures	Overview of the proposed project success measures (criteria or standards to evaluate level of success)	
Organization's Past Experience and References	Evidence of prior success. This could be through testimonials, descriptions, and /or contact detailed references	
Key Personnel/Management	Short bios of key members	

Annex C: Market Analysis (Informative)

Market research helps BDS providers submit proposals for services to funders or other stakeholders that are relevant, contextualized and based on fact, evidence, and strategy. It helps BDS providers to submit proposal that demonstrate understanding of the services required and how the interventions they propose will achieve the required outcomes.

Table 2: Key Elements to Consider When Conducting Market Research to Support a Funding Proposal

Why	**Clarify:** (i) 'why' funds are available and what outcomes those funds are intended to support; and (ii) how they align with higher level national and/or international priorities (e.g. national policies, SDGs)
Who	Build a comprehensive understanding of:- (i) The funder's profile and the segment in which they operate; (ii) Characteristics and needs of the targeted segment; and

	(iii) Similar and complementary interventions in the segment
How	What interventions are recommended or will be effective to accomplish these outcomes
What	Find out as much as possible:- (i) The behavioral or performance-based objectives, skills, knowledge and attitudes the funder is looking to change or address; (ii) Key inputs (skills, materials, needed to successfully deliver the intervention; and (iii) Best practices and lessons in implementing similar intervention
When	When is the right time to engage in different phases of the project

Methodologies a BDS provider can use include those illustrated in the table below

Table 3: Market Research Methodologies

Methodology	Description
Secondary Vs Primary Research	**Secondary or desk research:** relies on the collection and analysis of existing sources (research reports such as value chain analyses, company data, national statistics, etc.) available in the internet and other sources to answer research questions.
	Primary research: relies on collecting and analyzing data from individuals, companies or other organizations and analyzing them to answer research questions.
Qualitative Vs Quantitative Research	**Qualitative:** research methods. Relies on collecting detailed information from carefully selected "information rich" sources through observations, in-depth interviews or focus group discussions. Qualitative researchers can also use mystery shopping (e.g. pretending to be a customer, supplier, service provider); or participant observation in which the researcher immerses himself in the group he is studying
	Quantitative research methods: This type of research which relies on collecting and analyzing quantitative/statistical data (mostly) from a sample or (occasionally) an entire population to answer research questions.
Blended or Mixed Research	**Mixed methods research methods:** This is a blend of two or methods. This is a preferred method for marketing research because it is more thorough and efficient. Secondary research and qualitative research may generate insights that may need to be tested through quantitative primary research.

There are specific approaches that BDS providers can use when conducting qualitative research.

Table 4: Specific Market Research Approaches

Structured Surveys	Surveys can be the easiest tools to develop and distribute. Common survey methods are face to face, telephone and online surveys
Face to face interviews	BDS providers can spend time doing in-depth interviews of their target audience, funders or other stakeholders, giving them the opportunity to dig deeper into the challenges or pain points they need to address
Focus Group Discussions	BDS providers can organize interviews with small groups formed on the basis of common characteristics (e.g. age group, geography, sector, size) to gain insights on the characteristics, needs and preferences of the group.
Industry research	Industry analysis involves evaluating current state and prospects of an industry to assess market attractiveness, identify opportunities and risks to be mitigated. It entails examining:- (i) Competition (number of competitors, market share, entry exit barriers); (ii) Growth/decline trends (historical performance, total market, forecasts); and (iii) Policy and regulatory factors (political, economic, social, technological, legal and environmental influences. Industry analysis is conducted by a combination of desk research and interviews.
Audience Analysis	Audience analysis zooms on understanding a particular segments' characteristics, needs, values and preferences and is used to inform targeted product development, communication and distribution decisions

Annex D: Needs analysis and Diagnostic (for an individual MSME) - (Informative)

In order to pinpoint an MSME's need and design an appropriate intervention, the BDS provider can consider the following three-step process. The first step is to conduct a broad learning needs analysis to understand the problem or issue as the MSME sees it. More detail on this is shared in section D.1 below. The second step is to identify the broad area, or areas, of needs highlighted by the needs analysis. Thirdly, if appropriate, the BDS provider can conduct a more detailed diagnostic as explained in section D.2. BDS providers should use the diagnostic to pinpoint the root cause of the matter to inform design of an appropriate intervention.

D.1 Learning Needs Analysis

The goal of a learning needs analysis is to identify any gaps that exist within an individual or group of entrepreneurs and, if gaps do exist, establish what training or BDS intervention is required to fill the gap(s) and help them grow.

The outcome of a needs analysis should be a summary of the MSME profile, the gaps in business or individual competence or practice, and an indication of the area of focus for any BDS intervention. A needs analysis can be done at a high level to understand the broad scope of services or in greater depth where resources and capacity allow.

When and How to Conduct a Learning Needs Analysis

For a BDS provider to offer a service that meets the needs of an MSME, they should identify the root cause of the problem affecting the ability of the MSME to perform effectively and grow. If there is no clear indication of a relevant failure point, the BDS provider should conduct at least a basic needs assessment.

A learning or training needs analysis should answer 5 key questions: Why, who, how, what, and when.

Table 5: Questions Guiding a Learning or Training Needs Analysis

No.	Key Questions	Rationale
1.	Why should the MSME accept the service?	BDS providers should tie the performance problem to a critical business need and ensure that the benefits of any intervention are greater than the cost of the services. To ensure value, BDS providers can conduct a (1) needs versus wants analysis and/or (2) feasibility analysis. Details on these analyses below.
2.	Who is involved?	BDS services are effective when all necessary participants from the MSME are involved from the beginning to identify and solve the problem. BDS providers can conduct a target participant analysis if needed to understand important stakeholders.
3.	How can the performance issue be addressed?	Providers can conduct a performance diagnostic to identify what skill or competency deficiency needs to be addressed in their services. Using exploratory questions while scoping a project will help providers to identify the scope and focus of a contract for services that will support performance improvement. A more detailed diagnostic of individual business practices should form part of the services offered and is shared in D.2.
4.	What is the best way to perform/ what is the 'best practice'?	Identify the tool or framework that will indicate the best practice and support implementation of improved business practice. Are the learners clear on the organization practices that they should follow? Do they have access to the tools and resources that will support them? Are there governmental regulations to consider when completing a business practice or activity?
5.	When will the training/intervention take place?	Identify the optimal period and duration for the BDS services to generate maximum impact and performance improvement. You can conduct a contextual analysis to answer logistics questions.

Types of Needs Assessment

Learning needs analyses seek to identify the context and specific BDS needs of entrepreneurs and their teams. Needs analysis can be conducted in several ways:-

(i) Surveys (online or by phone);
(ii) Interviews (in-depth conversations to dig deeper into pain points and context);
(iii) Observation (visiting the MSME's location and observing activities and premises);
(iv) Secondary data (reviewing existing research or qualitative data previously gathered); and
(v) Workshops or focus groups (group-based interviews typically gather MSMEs with similar characteristics –e.g., training needs, size, sector, or geography).

The following table outlines the various types and categories of questions for conducting a comprehensive learning needs assessment. These analyses can be combined strategically based on specific needs, goals, available time, and available manpower.

Table 6: Needs Assessment Questions

Types Of Assessment	What is the analysis answer	Sample Questions
Performance analysis or gap analysis	What performance gap calls for an intervention? What is the specific skill/ knowledge deficiency needs to be addressed?	(i) What does success look like for the SME in terms of measurable outcomes (e.g. sales growth, customer retention) (ii) What keeps the SME owners awake at night? What major obstacles are preventing the SME from achieving its goals and how? (iii) Are there processes, systems, or tasks that the business is struggling to perform? (iv) What specific abilities, activities, systems or processes have helped the business grow? (v) Which specific skills or knowledge are missing among specific employees or categories of employees that contribute to underperformance?
Feasibility analysis	Is the intervention technically and financially viable?	(i) Does the SME have the capacity to release employees for training without disrupting operations? (ii) What resources are available for training, and are they sufficient to cover costs such as trainers, materials, and employee time off? Are there external funding opportunities to offset training costs? (iii) Can the training be customized to fit SME-specific needs and context? What delivery methods (e.g., on-site workshops, e-learning, coaching, field school, field visits) are most

Types Of Assessment	What is the analysis answer	Sample Questions
		suitable for this SME's workforce?
		(iv) Do targeted participants perceive this training as valuable and necessary? What can be done to secure buy-in from participants?
		(v) What metrics can the SME use to measure the success of the program (e.g. participant satisfaction, increased sales and profits, reduced errors, or increased customer satisfaction)?
		(vi) Does the SME have a plan for continuous learning and development beyond this specific initiative?
Needs vs Wants	Why should this training/coaching be done? Is the deficiency important to solve?	(i) What are the organization's strategic goals? (ii) What specific business outcomes are we trying to achieve through this training? (iii) What competencies or skills are critical for achieving these goals? (iv) What critical performance gaps currently exist in the workforce? (v) Would the training be prioritized if we had limited resources (vi) What alternatives exist for addressing the need? Is the proposed one the most cost-effective? (vii) How will we measure the success of this training? (viii) Who specifically needs this training to achieve the desired outcomes?
Job/task analysis	What is the most suitable delivery methods	(i) What kind of training would give you the most value as a business owner? (ii) What is the most convenient timing for training sessions to minimize disruption to business operations? (iii) Has similar training been delivered before, and what methods were most effective? (iv) Would a blended approach combining in-person and online learning be more effective for this audience? (v) What interactive elements (e.g., gamification, group discussions) would enhance engagement in the training? (vi) How can the training be made practical and directly relevant to employees' daily tasks? (vii) What support/tools/resources do you have access to?
Target group analysis	What are the pertinent characteristics of	(i) What type of sectors or value chains are we serving? (ii) What is the level of development (formal, micro,

Types Of Assessment	What is the analysis answer	Sample Questions
	the target participants?	small, medium) of the SMEs participating? (iii) Who would be involved in the training (owners, managers, shop floor staff, salespeople, etc.) (iv) What are the preferred learning styles of the target audience (e.g., visual, auditory, hands-on)? (v) What are the demographics and roles of the learners (e.g., age, education level, disabilities, and job responsibilities)? (vi) What barriers might learners face in participating in training (e.g., language, location, technology access)?
Contextual analysis	When is the right time to deliver the training? What are other considerations regarding the context?	(i) What is the maximum duration employees can dedicate to training without affecting productivity? (ii) Is there a reliable infrastructure (e.g. internet connectivity, devices) to support online or hybrid training methods? (iii) How often will participants be available for training (e.g. 2 hours a day, once a week, weekends, etc.?)

D.2 MSME Diagnostic Framework

This section details and illustrative diagnostic framework which details practices that lead to business sustainability and growth, covering the key elements of business success: strategic planning, money, talents/people, operations as well as customers. BDS providers can use this diagnostic framework, and a systematic checklist (as illustrated) to help MSMEs set growth goal and address the gap.

Figure D.2: MSME diagnostic framework

To conduct a diagnostic assessment using the comprehensive framework above, BDS providers can use a systematic checklist or questionnaire covering each of the core / relevant business practice areas. Table 7 illustrates how such a questionnaire could be developed for the practice of financial management.

Table 7: Example Diagnostic checklist – Money practices example

Practice	Measure	MSME Performance *Degree to which MSME has implemented practice*	MSME Priority *Importance relative to the MSME achieving their goal*
Capture all money transactions: We keep records of all our business transactions, including sales, purchases, loans, deposits, and payments	We know what's going in and out of our business (and if required can show proof to get a loan or identify mistakes or fraud)	0= We have an informal system for keeping slips and records 1= Someone (like a bookkeeper) keeps track of money from time to time and tells us if we have enough 2= All money transactions are captured immediately and checked by an independent person, in a system that provides a clear picture of the health of the business	0= Not important at all to achieve current goals 1=Of little importance to achieve our current goals 2= Of Average importance to achieve our current goals 3= Very important to achieve our current goals.
Review Financial Performance. We review weekly/monthly how the business is doing financially (e.g., Revenue / costs / profits / cash flow)	We have the data to make good decisions before it's too late	0 = We seldom have a clear picture of the profitability of the company 1= Our bookkeeper keeps track of these things and lets us know that we have enough money 2= Every decision-maker in the business reviews at least monthly the key financial indicators (at least cash flow and profitability) of the part of the business for which they are responsible	0= Not important at all to achieve current goals 1= Of little importance to achieve our current goals 2 = Of Average importance to achieve our current goals 3= Very important to achieve our current goals
Budget: Each year we predict what our income and	We understand what we need to do to ensure profitability	0 = We do not budget 1 = Our bookkeeper /accountant draws up an annual budget	0 = Not important at all to achieve current goals 1 = Of little importance to achieve

Practice	Measure	MSME Performance *Degree to which MSME has implemented practice*	MSME Priority *Importance relative to the MSME achieving their goal*
costs will be each month and each month we compare actuals against what we expected and make decisions accordingly	and have sufficient cash through the year, and to manage costs and revenues to meet budget	2 = All decision-makers are involved in compiling a budget (projecting income/expenses for the year) as well as budget review (tracking budget projections against actual performance) to ensure that the business remains profitable and has sufficient cash through the year	our current goals 2 = Of Average importance to achieve our current goals 3 = Very important to achieve our current goals
Reduce costs: We regularly review what we spend money and time on and take steps to reduce what we spend	We can reduce waste and increase profits	0 = We do not review our costs 1 = We are aware of some of our costs and try to keep them as low as we can 2 = We have regular reviews (quarterly or annual, depending on the cost item) to see where we can reduce both variable and overhead costs. On the basis of this, we implement and monitor steps to reduce cost	0 = Not important at all to achieve current goals 1 = Of little importance to achieve our current goals 2 = Of Average importance to achieve our current goals 3 = Very important to achieve our current goals

Annex F: Impact and Outcome Tracker (informative)

It's important that MSMEs document the progress measured against the MSME's initial goal and/or the goals/ outcomes of the intervention. To do that you can use a standard outcome or monitoring and evaluation framework. This framework should state the agreed goals, outcomes identified in an initial needs analysis or project/contract scope, and the agreed indicators and metrics to assess progress **as shown in Table 8.**

Table 8: Impact and Outcome Tracker

GOALS	OUTCOMES	INDICATORS	DATA COLLECTION	TARGET	METRICS	TRACKING PROGRESS					
High level goals for the service provision / project	Achieving goals will lead to outcomes	What are the indicators or measure of success?	How will you collect the data	What is the target	Track Progress	Q1	Q2	Q3	Q4	TOTAL	
Grow the business and increase the overall revenue	MSME revenue growth	This is the % number of MSMEs report on improvement in their annual profit.	Baseline revenue survey and final report survey.	60% of businesses grow their revenue Average revenue increase of 15%	Revenue (Previous year)						
					Revenue (Current year)						
					Total		0	0	0	0	0
Create new jobs in the business and local community	Creation of an estimation of 2 jobs per business	This is the number of additional new jobs created in year 2 & 3 by businesses.	Progress review, longitudinal survey.	Total; 300 jobs average, 2 jobs per annum per business	Part-time (male)	60					0
					Part-time (female)	60					0
					Full time (Male)	40					0
					Full time (Female)	40					0
					Total	200	0	0	0	0	0

GOALS	OUTCOMES	INDICATORS	DATA COLLECTION	TARGET	METRICS	TRACKING PROGRESS					
Ensure MSMEs use critical business practice to support growth	Implement action of 3+ core business practices per organization	BDS will measure the number of new business practices implemented including practical tools downloaded and frequency of implementation	Progress review, longitudinal survey.	Total: 3+ practice implemented per business -75% have implemented new practice -Average of 3 tools adapted per business -70% of businesses	Practices implemented	75%	50%	60%	80%	90%	**70%**
					# Of Practices implemented per business (Avg.)	6	2	3	3	6	**14**
					# Of tools downloaded per business (Avg.)	5	3	2	15	13	**8.25**

Annex F - Example of Practical Tools

BDS Providers should consider building out tools and resources to complement the practice areas (strategic planning, market and customer positioning, operations, as well as financial and human resource management) that lead to business sustainability and growth. Some examples as shown in Table 9.

Table 9: Examples of MSME Tools against Practice Areas

Practice area	Practice	Tool Link	Tool Details
Strategic planning	Compliance	F.1 Risk control template	The risk control template is used to conduct a risk assessment which should be done regularly and whenever there is a change in the operations, equipment, or environment.
Money	Set a Budget	F.2 Budgeting tool	The budgeting tool helps to estimate total revenue, expenses and costs for the year; and compare the estimates to the actual month on month financial inputs. Understanding 'variance' will help MSMEs to improve assumptions and plan money effectively over time.
Marketing and sales	Implement a market/ sales plan	F.3 Positioning strategies tool	The positioning strategies tool helps a company situate their brand within the market and differentiate it from competitors.
Talent / People	Plan talent	F.4 Agenda for annual talent review	This tool provides a set of questions for the manager(s) of a company to discuss talent in the company annually or quarterly.
Record keeping	Record keeping	F.5 Record keeping checklist	This tool provides guidance on data categorization, storage, management and usage. The use of these tools in day to day operations enhances performance analysis, compliance, decision making and communication both internal and external.
Cross cutting issues	Gender and social inclusion	F.6.1 Gender and inclusion checklist	This tool provide simplified checklist on gender and social inclusion
	Environment, health and safety	F.6.2 Environment, health and safety checklist	This tool provides simple checklist on environment, health and safety

Table 10: Risk Control Template

What are the hazards?	Who might be harmed and how?	What are the anticipated consequences?	What are you already doing to prevent harm?	Do you need to do anything else to control this risk?	Action by who	Action when	Status
Physical/ biological/ chemical, competition, risk of new technology, suppliers failing to deliver, failure of power, etc. Example: Slip and trips	Staff and Visitors may be injured if they trip over objects or slip on spillages.	Minor injury- requiring first aid; Major injury- requiring hospitalization; critical – loss of life Minor/ Major injuries	1.General good housekeeping is carried out 2. All areas well-lit including stairs. 3.Staff keep work areas clear e.g. no boxes left in walkways, delivery store	1. Better housekeeping in staff kitchen e.g. on spills 2. Arrange for loose carpet tile on second floor to be repaired or replaced.	*All staff* *Construction* *manager* *to monitor*	*31/03/25*	Done

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F.2 Budget tool

A budgeting tool helps to estimate total revenue, expenses, and costs for the year; and compare the estimates to the actual month on month financial inputs. Understanding 'variance' will help MSMEs to improve assumptions and plan money effectively over time.

To complete a tool like this, MSMEs would need to create a projected budget for revenue, direct costs, and overhead costs for the year, and track actual income and expenditure over time.

F.3 Positioning Strategies Tool

Table 11: Positioning Strategies Tool

Strategy	Description	Your notes
Product	(i) Is there something unique about your product that sets you apart from your competitors (ii) Is your product more durable or more reliable than others in the market? (iii) Does it have qualities that make the product more useful to the customer? (iv) Do your customers have problems to which you can provide a solution, or do they have needs that are not being met	
Service	(i) Do you have fastest delivery or response time (ii) Do you respond to queries and complaints more promptly than others? (iii) Do you offer to maintain and service the equipment that you sell (iv) Do you have a means that make it easy for customers to order and pay	
Branding and packaging	(i) Does the name of your business communicate your unique value proposition (e.g., Speedy Printers)? (ii) Are you unique in your branding e.g., is your logo easily recognizable or your catchphrase memorable? (iii) Do you provide useful information or instructions on in your packaging? (iv) Do you have bright, eye-catching, professional looking business premises to attract customers?	
Personnel	(i) Are your staff the friendliest, the most attentive and the most helpful to the customer? (ii) Do they make customer's experience memorable? (iii) Are your staff knowledgeable, well-trained, motivated, and focused on your customers?	

Strategy	Description	Your notes
	(iv) How do you show gratitude to your loyal customers?	

F.4 Agenda for Annual Talent Review

This tool provides a set of questions for the manager(s) of a company to discuss talent in the company annually or quarterly. Do prepare in advance any data you need to make this a helpful and efficient conversation.

Larger organizations may need to put aside a full day or half day to do justice to this important topic

In a small organization the leader may review these questions on his/her own

What staff will we need in the future?

What are the staffing implications of our strategy for growing the business? Do we need to begin recruiting new staff or re-training existing staff to prepare for new needs in the future?

Who are our key staff?

Key staff are those who have skills or knowledge that would be difficult to replace, so if they left, that would be a threat to the company. What can we do to retain and develop them? This may include recognition, remuneration, promotion, opportunities for learning, and opportunities to try new roles.

What development plans are needed?

Consider the remaining staff members to review how they are performing, whether they are in the right place, and who needs training. If there are too many to review individually, ensure that this is being done by other managers at the appropriate level in the organization

[ ]

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Do we have a succession plan in place for key positions?

A succession plan identifies who might move into positions as they are vacated in the future. A small organization will not need a formal succession plan but may want to think about who is available should someone leave or be promoted, as that may reveal a risk in the form of too few skills in the company or identify training that people could receive to be ready.

[ ]

Is our organization's brand out in the job market to attract new talent?

Are we seen as an attractive employer? Are we looking for talent all the time?

[ ]

Do we know of anyone whom we should be recruiting?

Some start-up organizations are prepared to take on a star even if the job for them does not exist yet, in order to bring the best people on board. Of course, this has major budget implications, so should not be done lightly, but a young organization is defined by the quality of its members, so it could be considered. Where should you be looking for talent?

[ ]

Are our systems for managing and developing staff effective?

Are systems in place that make sure that you keep carrying out practices that you need to do in order to have smooth operations within your business

F.5 – Record-keeping checklist

BDS Providers should consider their business record keeping needs and ensure that sufficient record keeping provisions are made. An example list of records that could be kept by BDS as shown in Table 12.

Table 12: Record Keeping Checklist

What	Why	When	Self-Assessment		
Record of work done					
			Y	N	N/A
Client contract or agreement	To be clear on expectations and to avoid misunderstandings: what, where, when, at what price and when are payments due	Before work begins	Y	N	N/A
Client/project assessment – pre and post intervention	To record initial learning/skills gap and change over time	At outset and on conclusion	Y	N	N/A
Evidence of impact	To demonstrate value for money and for future marketing purposes	Throughout and on conclusion	Y	N	N/A
Client feedback	To assess impact and to spot areas of BDS requiring improvement	On conclusion of each session	Y	N	N/A
Records of tools and materials used					
Planning tools	As a record of the approach taken on each assignment	At planning stage	Y	N	N/A
Communications material: **(i)** Attendee pre-session **a.** preparation material **(ii)** Attendee	To ensure and enable a consistent approach to each assignment and to ensure that each has a beginning, a middle and an end. The post event communication is a means of staying in touch for future work	Before, during and after	Y	N	N/A

What	Why	When	Self-Assessment		
welcome a. pack (iii) Post event communication					
Training materials	To ensure and enable a consistent approach to each assignment and so the work can be repeated if requested by the client	On conclusion	Y	N	N/A
Training materials – given to participants	As above	During	Y	N	N/A
Attendance records	For information on customer segmentation and to see trends over duration of each program	Before each session	Y	N	N/A
Certificate templates	As a valuable branded keepsake for participants	On conclusion of each session	Y	N	N/A

F.6 Checklist for Cross Cutting Issues

F.6.1 Gender and Social Inclusion

Providing equal opportunities regardless of gender, beliefs, political affiliation, ethnicity, or other differences, and creating a friendly environment for women and people with special needs will increase productivity, success, and the future of the company.

Table 13: Checklist for gender and social inclusion in the business

Statement	Assessment Yes/No/Partially/Number	Possible improvements (be as specific as possible)
The MSME treats all groups equitably regardless of gender, ethnicity, kinship, or other factor. To redress historical inequalities, members of under-represented groups are supported through affirmative action and capacity building.		
The MSME strives to provide a safe environment for all genders. Sexual harassment and all forms of discrimination is not be tolerated. Employees are educated on the meaning and impact of harassment and discrimination.		
When designing products, services, advertisements, etc., the MSME considers the needs and preferences of all genders.		
The MSME provides a friendly environment for people with special needs (e.g., ramps for people with temporary or permanent disabilities).		
The MSME strives to build win-win partnerships with economically disadvantaged groups for example through procurement, provision of inputs and tools to help them improve productivity and quality.		
Total number of women and marginalized populations in the business		
Proportion of women and		

Statement	Assessment Yes/No/Partially/Number	Possible improvements (be as specific as possible)
marginalized populations leadership and roles of influence in the MSMEs		
The MSMEs strives to increase use of equipment and technology preferred by and easily used by women and marginalized populations to address drudgery and time poverty without displacing their jobs		
The MSME sets KPIs to support their GESI efforts and activities are documented and measured.		
Employee satisfaction is measured anonymously and include questions on a gender-equitable culture (such as are opportunities equal for all genders? Is discrimination tolerated? Is harassment tolerated? Are facilities appropriate for all genders and abilities?)		
There are anonymous employees' grievances (including discrimination and harassment reporting mechanisms). Suggestion boxes are not placed in high traffic areas.		
Larger MSMEs have leave policies to ensure that maternal and paternal roles do not disadvantage employees		

F.6.2 Environmental and Health and Safety

BDS providers are advised to guide their SME clients to take climate smart actions and ensure a healthy and safe working environment for employees. Such measures are good for business because they contribute to reducing SMEs carbon footprint; enhancing productivity, resilience to climate change, its image and sustainability.

The following checklist can be used in assessing and advising SMEs in these regards:

Table 14: Checklist for Environment, Health and Safety

Statement	Assessment Yes/No/Partially	Possible improvements (be as specific as possible)
The SMEs protects employees by ensuring safe working conditions, regular health checks, and regular training on safety procedures and health matters		
As much as possible, the SME uses clean or renewable energy sources such as solar, biogas, briquettes, or gas as well as energy-efficient appliances. We will educate and create a culture of energy saving, for example: turning off appliances and machinery when not in use.		
Recognizing that water is a scarce and declining resource, the SME ensure its efficient use and maximize opportunities for water recycling. We will harvest rainwater from roofs or use ponds for domestic, factory, or other activities.		
The SMEs disposes of waste safely and responsibly. Waste is separated and disposed of according to its nature and hazard level. We will reuse waste for energy, fertilizer, or other products. Waste pits are located away from the production area.		
The SMEs protects the environment around the business area by building and maintaining drainage ditches, harvesting water, protecting natural vegetation, and planting trees for shade and prevention of strong winds		
The SME has clear procedures for handling emergencies such as fires, chemical spills, accidents, and effects of severe weather caused by climate change.		
When constructing, the SME uses environmentally friendly designs and materials, including those which minimize energy demand		

Statement	Assessment Yes/No/Partially	Possible improvements (be as specific as possible)
The SMEs regularly educates workers on the importance and procedures for ensuing that the business is environmentally responsible and a safe place to work		

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