Entrepreneurship and Private Sector Development

10 Years of IPA’s SME Program and the Way Ahead
Innovations for Poverty Action is a global research and policy nonprofit, leading the field of development in cutting-edge research quality and innovation. IPA tests promising ideas across contexts and along the path to scale, shares findings with the right people at the right time, and equips partners to use data and evidence to improve lives. Our long-term presence in 22 countries in Africa, Asia, and Latin America has enabled us to build long-term relationships with key decision-makers, whose questions and needs drive our research. Since our founding in 2002, our research has led to better programs and policies that have impacted hundreds of millions of people worldwide.

Learn more about IPA: https://www.poverty-action.org/
DEAR FRIENDS,

Ten years ago, there was a common understanding in the international development community that policies to support entrepreneurship and firm growth in low- and middle-income countries (LMICs) were needed, but there was little rigorous evidence to inform the design and implementation of these policies around the world. The Small and Medium Enterprise Program (or SME Initiative, as it was called at that time) was born out of the need to fill this gap in knowledge and evidence. We aimed to achieve this by bringing together the worlds of research and policy to tackle important questions around the constraints to firm growth and find cost-effective solutions.

Founded by Dean Karlan (Northwestern University) and Antoinette Schoar (Massachusetts Institute of Technol-ogy) in 2011, the SME Initiative started with a small but committed team and a handful of research projects, and soon grew to become a thriving and prolific research program. Over the last decade, the SME Program has been a key contributor to “what we know” in this sector, and an important voice in the dissemination of these lessons to the wide audience of policymakers and practitioners around the world. These achievements would not have been possible without the commitment, passion, expertise, generosity, and hard work of our researchers, advisors, partners, donors, and IPA staff across the world. To all of them, we are deeply grateful.

New topics, new faces, new program name

We are now eagerly embarking on the next phase of our program. Looking ahead, we plan to continue advancing our current research agenda, while also expanding it in new and important directions. We will continue to build on the existing evidence, deepen its policy impact, and support the promising evidence-based approaches that we have identified over time as they move along the path to scale. We also intend to push the knowledge frontier forward to break new grounds on cross-cutting themes of high policy relevance in the current context: women’s entrepreneurship and economic empowerment, innovation and technology adoption, and environmental sustainability.

Although a specific definition of business size has never restricted our research agenda, our updated and expanded agenda calls for a new program name that is better suited to the problems we are trying to tackle. To reflect the current scope of work, we are renaming our Program “Entrepreneurship and Private Sector Development.”

We are also excited to share that we have expanded the program’s academic leadership, inviting four new Scientific Advisors to join us in guiding these new efforts: David McKenzie (World Bank), Eric Verhoogen (Columbia University), Namrata Kala (Massachusetts Institute of Technology) and Paul Gertler (University of California, Berkley). They join Antoinette Schoar and Dean Karlan in our newly established Scientific Advisory Board, which provides academic leadership and brings in diverse perspectives and expertise in various research areas. We look forward to working together with all of them in this next stage of our program.

Our research network has been essential to the work the program has done in the past decade, from leading research projects to engaging in discussions with policymakers around the world on the use of evidence for policy design. Going forward, we plan to continue expanding the network and finding new ways to engage our researchers. We are also committed to developing and implementing a new diversity, equity, and inclusion strategy, and making sure that women, people of color, junior academics, and researchers coming from low- and middle-income countries can actively and meaningfully participate in the program’s activities.

Finally, in the coming years, the Program will strengthen its dissemination and policy engagement work and try new strategies to deepen the policy impact of our research. A more intensive approach to policy outreach will be taken, including training workshops for practitioners and policy-makers, technical assistance and scale-up support for organizations implementing SME policies in low- and middle-income countries, and strategic policy partnership development, including the development of embedded evidence labs (i.e., teams of IPA and public sector employees working side-by-side to strengthen the use of data and evidence in public policy).

The vision of our program is ultimately that the insights we generate and share can lead to more effective programs, policies, and approaches to support entrepreneur- ship and private sector development. In the long-run, we aim to contribute to unlocking increased business productivity and growth and —as a result—improving employ- ment and income levels, and reducing poverty around the world. We invite you to join us in this effort and look forward to collaborating with many of you in the future.

Sincerely,

Lucia Sanchez
Program Director
Micro, small and medium enterprises (MSMEs) play a special role in development. They employ broad and diverse segments of the labor force, generating opportunities to participate in economic activity across sectors and geographic areas. MSMEs represent the majority of private-sector jobs in low-and middle-income countries (LMICs), with the average contribution ranging from 66 percent in upper-middle-income countries to 91 percent in lower-middle-income countries. Formal and informal MSMEs also contribute to more than half of the gross domestic product (GDP) in most countries across the world. Newer and smaller firms can make important contributions towards innovation trends by taking advantage of their nimble sizes to exploit opportunities to supply new products and serve new customers.

In LMICs, however, entrepreneurship and firm growth are often limited by barriers in access to finance and markets, low levels of human capital and managerial skills, and limited innovation and technology adoption. These barriers are especially pervasive for SMEs, though they can affect the private sector more broadly. Understanding these constraints and finding effective ways to address them is therefore a crucial strategy towards achieving the 2030 Sustainable Development Goals of sustainable economic growth and decent jobs.

In an effort to unlock the potential of the private sector, governments, nonprofits, and development finance institutions spend billions of dollars every year on programs aimed at reducing barriers to growth. However, there is still a pressing need to identify what works and how to implement effective solutions to steer investments to the areas where they will have the greatest impact.

The Entrepreneurship and Private Sector Development Program (formerly “SME Program”) at Innovations for Poverty Action (IPA) was created in 2011 with the goal of addressing this important knowledge gap. For the past 10 years, we have been collaborating with researchers, practitioners and policymakers to create and share rigorous evidence that can help inform decision-making in the sector. We have come a long way, but there is still much more to be done. In this report, we share some of the lessons learned over the past 10 years and outline our strategy for the years to come.
The Entrepreneurship and Private Sector Development Program (formerly “Small and Medium Enterprise Program”) at IPA brings together a global network of leading researchers and decision-makers to identify, rigorously evaluate, adapt, and scale-up effective solutions to the constraints that affect entrepreneurship and business growth in LMICs. In collaboration with our researchers and partners, the program strives to:

**WHAT WE DO**

**IDENTIFY KEY KNOWLEDGE GAPS**
- Review and synthesize literature and existing evidence
- Identify policy-relevant research gaps and opportunities

**ENGAGE A DIVERSE NETWORK OF RESEARCHERS**
- Develop and nurture a network of researchers with an interest in firms and entrepreneurship in LMICs
- Annually convene our research network in a workshop to discuss work in progress and new research papers

**FUND PROGRAM EVALUATIONS**
- Manage competitive research funds to support research on entrepreneurship and firm growth in LMICs
- Support other fundraising efforts for projects in the sector

**DISSEMINATE RESULTS AND INFORM POLICY**
- Host networking and dissemination events
- Produce evidence synthesis, policy briefs, and other dissemination materials
- Share evidence strategically at policy meetings and sector events
- Develop strategic policy partnerships and equip decision-makers to use evidence

**SUPPORT THE DEVELOPMENT OF NEW EVIDENCE**
- Identify innovative policies, programs, and products that have the potential to address important constraints to firm growth
- Match new project opportunities with researchers
- Support the development of new partnerships and promote co-creation of evidence

**SUPPORT EFFECTIVE SOLUTIONS IN THEIR PATH TO SCALE**
- Identify promising evidence-based approaches to reduce barriers to firm growth
- Promote a path-to-scale learning agenda to move from proof-of-concept to implementation at scale

**ENGAGE A DIVERSE NETWORK OF RESEARCHERS**
- Develop and nurture a network of researchers with an interest in firms and entrepreneurship in LMICs
- Annually convene our research network in a workshop to discuss work in progress and new research papers

**OUR WORK AT A GLANCE**

- **193** research projects (completed or active) in 59 countries
- **19** policy events organized in 12 countries
- **200+** researchers leading IPA projects in the sector
- **100+** research and policy partners
- **120+** evidence syntheses, project summaries, and policy briefs
- **3.5M** USD in research funding awarded through competitive funds

**SME Program 2011-2021 | 9**
The following pages summarize some of the results from IPA studies that have contributed to our understanding of how to expand access to finance, improve managerial skills, and help firms connect to new markets and opportunities. While this is not meant to be a comprehensive evidence synthesis, we have framed these findings within broader lessons highlighted by recent literature reviews on firm growth and development, acknowledging that our work is part of a collective effort to bring evidence-based decision making to this sector.

These studies—and the conversations around them—have broadened our understanding on how to promote economic development in LMICs and also illuminated new questions and priorities that will shape our program (and its new scope) in the coming years. We invite you to read more about our research portfolio at: https://www.poverty-action.org/program-area/entrepreneurship

For the past ten years, the program’s research agenda has been shaped around understanding the barriers to firm growth in low- and middle-income countries and identifying effective interventions that can help businesses overcome them. Our research portfolio has grown to include nearly 200 studies in 39 countries, leading to valuable insights that can inform the design of more effective policies and programs.
Financing for Growth
Accessing and using capital

THE CHALLENGE

Limited access to finance can severely constrain a firm’s capacity to grow and create jobs. The finance gap for micro, small and medium enterprises (MSMEs) in LMICs is estimated to be approximately $5 trillion USD, with 131 million—or 41 percent—of formal MSMEs having unmet financing needs. Financial institutions often restrict lending to MSMEs due to their opaque credit histories and lack of collateral, as well as to the higher default risk and transaction costs associated with these loans.

Over the past few decades, financial institutions, governments, and donors have invested considerable resources in developing new products and programs to provide SMEs with the financing they need to grow. These solutions, which have aimed to address different challenges along the SME lending cycle, have included: innovative ways of screening potential clients to handle the problem of their limited credit history; non-traditional collateral to compensate for lack of real estate; more flexible financial products to better adjust to the needs of SMEs; novel incentive schemes to encourage SME borrowers to repay loans on time.

In addition, matching grants programs, business plan competitions, and financial technology innovations have flourished around the world as alternative funding options for entrepreneurs and SMEs. Together with our partners and research network, IPA has evaluated the impact that many of these and other solutions have on access to finance and business performance for SMEs. We highlight a few key takeaways from this research in the following pages.

KEY LESSONS FROM OUR RESEARCH

Returns to capital for SMEs in LMICs can be high and SMEs can greatly benefit from grants, but selection of high-growth businesses is challenging and the form in which SMEs receive capital can affect the impact on business outcomes.

In Nigeria, David McKenzie evaluated a nationwide business plan competition to test whether the competition could identify entrepreneurs with high growth potential and whether cash grants could spur growth. He found that for both applicants looking to start new businesses and those with existing ones, the cash grant resulted in increased innovation, profitability, number of employees, and probability of being in business three years later. Competition winners looking to start new businesses were 37 percentage points more likely to be operating three years after applying to the competition, and winners who already had a business at the moment of applying were 20 percentage points more likely to have survived, relative to firms that did not receive a grant. The study also found that there was no difference in results between the randomly selected winners with higher scores to those with lower scores, implying that the selection panel experts were not effective at predicting which entrepreneurs would be the most successful.

The positive results of the study encouraged the continuation of the program in Nigeria and also inspired the replication of this approach in other African countries. For example, in 2019, the Government of Kenya in collaboration with the World Bank launched a national business plan competition called MbeleNaBiz as part of the Kenya Youth Employment and Opportunities Project (KYEOP). Francisco Campos, Julian Jamison, Abla Safir, and Bilal Zia are evaluating several interventions within KYEOP in partnership with IPA. In Mexico, an ongoing IPA study led by David Atkin, Leonardo Iacovone and Eric Verhoogen in partnership with the World Bank is evaluating the effectiveness of different types of selection panels when selecting firms with high growth potential.
In Ghana, Marcel Fafchamps, David McKenzie, Simon Quinn, and Christopher Woodruff investigated the impact of in-kind and cash grants on microenterprises, to determine whether grants can help businesses grow and, if so, what types of grants are more effective. The study found that average returns to capital were high: receiving a grant led to an increase in monthly profits of about 15 percent. For women, however, only in-kind grants increased business profits, and only for businesses that had higher profits at the start of the study. Cash grants had no effect for women entrepreneurs. The researchers examined two hypotheses for this difference in effects—self-control difficulties and pressure from family members to share resources. They found that individuals with more self-control difficulties respond better, in terms of profits, to in-kind grants and did not find any evidence for interaction between the intervention and proxies for external pressures. Researchers conclude that the difference in effects between in-kind and cash grants was partly indicative of self-control issues, with inventories and equipment (in-kind grant options) serving as a commitment device against impulse purchases.4 Arielle Bernhardt, Erica Field, Rohini Pande and Natalia Rigol re-examined the data from this study in a paper we describe below, providing an alternative explanation for the returns to capital seen in women-led businesses.5

Addressing the market failures that constrain access to finance for SMEs can help improve their profits and growth prospects. Focusing on innovations in financial institutions—like better screening mechanisms, closer relationships between lenders and borrowers, and more flexible credit products, can help improve access to credit for SMEs.

In Colombia, Daniel Paravisini and Antoinette Schoar partnered with Bancamía, a bank focused on MSME lending, to evaluate whether a computer-generated credit scoring system reduced the cost and improved the quality of the bank’s review process. They examined whether the bank’s credit committees—who approve, reject, or refer loan applications—made better decisions when the clients’ credit scores were available. The researchers found that when the credit score was included in the loan review, the committees were able to better allocate loans, extending larger loans to less risky borrowers and smaller loans to riskier borrowers. Additionally, the existence of the credit score—whether committees received it before or after the initial loan review—encouraged members to put in more effort into difficult-to-evaluate decisions. The committee’s improved decision-making process lowered the number of loan applications referred to regional managers by 2.3 percentage points (on a base of 4.8 percent) and the number of requests for additional information by 1.7 percentage points (on a base of 6.3 percent), which in turn reduced the overall cost of the decision-making process.12

In India, Antoinette Schoar partnered with ICICI Bank and the Institute for Management and Research (IFMR) to evaluate whether closer ties between bank officers and clients can affect their loyalty and repayment behavior. The study found that building a relationship between bank officers and clients via biweekly calls improved decision-making process lowered the number of requests for additional information by 1.7 percentage points (on a base of 4.8 percent) and the number of requests for additional information by 1.7 percentage points (on a base of 6.3 percent), which in turn reduced the overall cost of the decision-making process.12

In India, Erica Field, Rohini Pande, John Papp, and Natalia Rigol partnered with Village Financial Services (VFS), a microfinance institution that makes individual liability loans to women, to evaluate the impacts of offering a two-month grace period before their first payment. Typical microfinance loans have a weekly repayment schedule that begins shortly after loan disbursement. The researchers found that clients who received the loan product with a two-month grace period invested approximately 6 percent more in their businesses, were more than twice as likely to start a new business, and had a 41 percent higher weekly profits after nearly three years. However, clients who received the grace period were also 3 times more likely to default, possibly because it encouraged riskier business decisions. This suggests that the traditional MFI contract may reduce the risk of default but also inhibit the growth of microenterprises.13

3 Intra-household dynamics matter for the investment decisions of women-led businesses. Design features that give women more control and agency over their assets can ensure greater returns to capital and credit.

Arielle Bernhardt, Erica Field, Rohini Pande and Natalia Rigol re-examined data from three previous IPA studies,14 to better understand the difference in returns to capital for women-and men-led business. They propose the “Enterprise Household Model” as an explanation, where women and men invest financial resources into the household business with the potential for highest return to investment, a business that is typically operated by a male family member. To evaluate this model, they examine the impact of increased financial access for one household member on all the businesses operated by the household, thus comparing individual and household returns to capital. The researchers find that the returns to capital for women-run enterprises depend on whether there are other enterprises in the household—on average, there are positive returns when the woman is the sole enterprise owner in the household, but no impact when there are other investment opportunities in the same household. Further, they find that gender gaps in returns to capital is not due to differences in aptitude but rather because women’s capital is often invested into their husbands’ enterprises rather than into their own. In their India study on flexible repayment (described above), the grace period increased weekly business profits by about 81 percent for women entrepreneurs in households with no other self-employed members relative to those who didn’t get repayment flexibility, but had no impact when the household had multiple enterprise owners. In Sri Lanka, grants increased profits by 21.8 percent for women-led businesses in households with no other self-employed members, though it had no impact on female enterprise owners on average.15

A study in Kenya, led by Pascaline Dupas and Jonathan Robinson in partnership with Kenya Rural Enterprise Program (K-Rep) Development Agency found that despite the high withdrawal fees, women used savings accounts and increased their savings, productive investment, and expenditures.16 Individual savings accounts are helpful to counter social pressures to share resources.

Intra-household dynamics matter for the investment decisions of women-led businesses. Design features that give women more control and agency over their assets can ensure greater returns to capital and credit.
AREAS FOR FURTHER RESEARCH

The studies mentioned address some of the challenges firms face when accessing capital and financing. However, there are still many areas that have not been explored yet or that require more evidence to better inform decision-making. The research agenda is extensive but some of the main issues that require further research are:

- **Better screening mechanisms and gender-sensitive models:** How can financial institutions improve their screening mechanisms to be able to expand lending to SMEs? For example, a study in Peru showed that a psychometric test to screen unbanked entrepreneurs helped improve access to credit without increasing the bank’s portfolio risk. Other alternative credit scoring models could be helpful, but more research is needed in this area. Can gender-specific credit scoring models help women-led businesses access credit? An ongoing study in the Dominican Republic, led by Laura Chiorda, Sean Higgins and Paul Gertler in partnership with Asociación La Nacional de Ahorros y Prestamos, is evaluating the impact of credit scoring models designed specifically for women. This can be a promising solution since women in LMICs disproportionately lack access to credit because they face additional constraints like lower likelihood of having credit history, property rights, and formal earnings, inputs for traditional credit scores.

- **Alternative collateral:** Financial institutions traditionally require that clients provide collateral such as land or real estate to secure their loans. However, many creditworthy SMEs do not have the type of collateral required by commercial lenders and therefore have trouble accessing much needed financing. To remove this barrier, some governments and financial institutions are relaxing collateral requirements, implementing alternative forms of collateral (like movable assets) or eliminating them altogether. These can be promising solutions to one of the key issues behind credit constraints, but there is still little evidence on the actual impact of these reforms and alternative collateral forms on access to credit and default rates.

- **Financial Technology (Fintech) solutions:** Fintech companies offer a combination of financial services and technology with the goal of making saving, borrowing, and investing easier for clients. Fintech refers to digital technologies with the potential to transform the delivery of financial services through the development or modification of business models, applications, processes, and products. For example, a fintech firm can use alternative data and electronic platforms to assess creditworthiness and offer digital financial services to borrowers that are usually left out by traditional financial institutions. This is a significantly understudied area and there are still many open questions around the effectiveness of these innovations in increasing access to finance for SMEs, the necessary conditions for SMEs to access and benefit from these new digital tools, and the relationship between fintechs and traditional financial institutions. In Myanmar, an ongoing IPA study led by Russell Toth is evaluating the impact of digital technologies with the potential to transform the delivery of financial services through the development, or modification of business models, applications, processes, and products. For example, a fintech firm can use alternative data and electronic platforms to assess creditworthiness and offer digital financial services to borrowers that are usually left out by traditional financial institutions. This is a significantly understudied area and there are still many open questions around the effectiveness of these innovations in increasing access to finance for SMEs, the necessary conditions for SMEs to access and benefit from these new digital tools, and the relationship between fintechs and traditional financial institutions. In Myanmar, an ongoing IPA study led by Russell Toth is evaluating the impact of digital technologies with the potential to transform the delivery of financial services through the development.

- **Equity and other alternative financial instruments:** Another big open area is how to make alternative financial instruments work for entrepreneurs in LMICs. Loans are often not the best option for high-risk, high-return growing enterprises, so developing equity instruments that work for these firms could be a promising alternative. This needs work on the product side (developing financial models with an equity-like element), the supply side (how to build the supply of angel financing and venture capital funds) and demand side (making firms investment-ready).
The type of training matters and innovative training programs that incorporate elements of gender and psychology show promise in improving business performance for both men- and women-led businesses. For instance, in Kenya, David McKenzie and Susana Puerto measured the private and market-level impacts of ILO's Gender and Enterprise Together (GET ahead) business training program by randomizing businesses for training and then within markets at the business level. The GET ahead program teaches the basics of business planning, soft skills, and management skills, coupled with modules specific to female entrepreneurship and its challenges. The training showed promising effects on program participants even 1-3 years after the intervention in both business outcomes and numbers of hours worked on the business. The benefits to trainees did not come at the cost of firms that did not receive training, as non-participants were not negatively affected. Growth appeared to stem from better customer services, business practices and introduction of new products by firms that participated in training.22

In Bangladesh, Paula Lopez-Pena investigated whether a training program incorporating Cognitive Behavioral Therapy (CBT) could help women entrepreneurs manage competing priorities at work and at home and improve the performance of their businesses. The CBT training program was a 10-week course that used CBT techniques (e.g., attention training, deep breathing exercises) to teach participants strategies for goal setting, time management, emotional regulation, and problem solving. It also included short follow-up phone calls in between sessions to offer additional coaching and support. The study found that the training program reduced short-term stress levels for women entrepreneurs and home-to-work conflict but had no significant impacts on firm outcomes.23

In Uganda, Laura Chioda, David Contreras-Loya, Paul Gertler, and Dana Carney studied the medium-term (3.5 years) labor market impacts of the Skills for Effective Entrepreneurship Development (SEED) program, designed for high school graduates. SEED is an in-residence, 3-week mini-MBA that provides a combination of hard (e.g., accounting, marketing) and soft skills (e.g., negotiation, emotional regulation) training. The researchers evaluated two versions of the program, each with different intensities of hard and soft skills training curriculum. Three and half years after program completion, both curricula significantly increased earnings, largely due to gains in self-employment. SEED graduates were more likely to start transformational enterprises that had higher survival rates, higher profits, attracted more investment, and generated more employment relative to those who did not receive the training.24
Additionally, the researchers also find that there was a significant increase in “entrepreneurial spirit” (an index that measures entrepreneurial confidence and goal setting). There was also an increase in the number of employees five years after the service was provided.36

In India, Nicholas Bloom, Aprajit Mahajan, Benn Eifert, David McKenzie, and John Roberts found that consulting services led to significant improvements in quality, inventory, and output in textile manufacturing plants randomly selected to receive five months of services. The research team revisited the plants nine years after the experiment and found that plants who received the consulting services had dropped about half the management practices they had originally adopted, but there were still significant differences in management practices between them and those who hadn’t received the services.37 They identify key staff turnover and busy leadership as reasons for why practices get dropped and find that the practices that do get dropped are not commonly used by other firms. Additionally, the researchers also find that there was a spread in some good management practices within the firm, i.e., amongst the different plants owned by the same owner as the plant that received consulting services. However, there was no spread between the firms that received manufacturing consulting and those who didn’t, implying limited spillover between firms.38

In Colombia, Leonardo Iacovone, William Maloney, and David McKenzie tested two different approaches aimed at improving management practices—the first was an intensive (and expensive) one-on-one consulting, and the second approach provided consulting to small groups of firms at approximately one-third of the cost of the individual approach. Firms receiving individual consulting had 500 hours of training over 6 months to identify areas for improvement and to implement targeted solutions. Firms participating in group consulting in groups of 3 to 8 firms received 408 hours of training over 6 months to provide consulting services at lower cost by leveraging group-learning dynamics. Both approaches led to improvements in management practices of 8-10 percentage points compared to the control group. The group treatment cost US$10,500 per firm compared to US$28,950 per firm for the individual treatment, indicating that group consulting had a larger benefit for cost compared to individual consulting.39

David McKenzie tested two different approaches aimed at improving management practices in small-scale firms in Mexico to study the impact of subsidized management consulting provided by Competitiva, a private organization that partnered with the Instituto Poblano para la Productividad to provide management consulting to more than 2,000 firms. Access to management consulting had a larger benefit for cost compared to individual consulting.37

What training curriculum is best suited to the needs of entrepreneurs? A study by the World Bank and the Government of Colombia’s Ministry of Social Integration found that providing entrepreneurs with training in business management had a significant positive effect on total factor productivity and returns on assets one year later. However, the study also found that the training effects were more pronounced for firms that had previously adopted good management practices but were still facing challenges in implementing them.36

In Ecuador, researchers are currently evaluating curricula to teach entrepreneurial mindset training and consulting services to provide at a lower cost, at a larger scale, in a safer way (e.g., in the context of a pandemic) and/or at more convenient times (e.g., for women entrepreneurs who might need additional flexibility). In India, researchers are currently evaluating whether technology-based entrepreneurial training can be taught online thus allowing such curriculum to be taught at scale.40

Understanding the effectiveness of different training programs. What training curriculum is best suited to different types of entrepreneurs? For example, IPA is collaborating with the Bogotá Mayor’s Secretary of Social Integration, the Government of Colombia’s Victims Unit, the High Council for Victims’ Rights, and the World Bank to understand the impact of entrepreneurship training using imagery techniques—which encourage participants to envision future scenarios or adopt the perspectives of others—for entrepreneurs who have experienced violence or a traumatic event.

Leveraging technology to provide services at scale and be more inclusive. Can technology enable training and consulting to be provided at a lower cost, at a larger scale, in a safer way (e.g., in the context of a pandemic) and/or at more convenient times (e.g., for women entrepreneurs who might need additional flexibility)? In Ecuador, researchers are currently evaluating whether technology-based entrepreneurial training can be taught online thus allowing such curriculum to be taught at scale.

Understanding heterogeneous impacts and designing inclusive business development services. What are the most effective ways to build and develop management skills in women-led and youth-led businesses? How can programs be more intentional in design, addressing constraints women face like managing work-life balance, navigating social norms etc.? How can programs identify and reach businesses that are harder to reach like those in the informal sector?

Female entrepreneur receiving consulting services. (Nigeria). Credit: David McKenzie

AREAS FOR FURTHER RESEARCH

The studies highlighted above indicate that training and consulting services can improve managerial practices and firm performance. Some new learning areas that have emerged include:

- Developing a market for business development services and understanding willingness to pay. Are managers and entrepreneurs willing to pay for effective training and consulting programs? How can a market for such services be developed? In Jamaica, a study led by Alessandro Maffiolli, David McKenzie, and Diego Ubfal showed that the majority of entrepreneurs are willing to pay for training programs, but the demand significantly decreases when prices increase. Higher prices deter poorer and less educated entrepreneurs from enrolling but increase attendance among those who pay.39

- Understanding the effectiveness of different training curricula. What training curriculum is best suited for different types of entrepreneurs? For example, IPA is collaborating with the Bogotá Mayor’s Secretary of Social Integration, the Government of Colombia’s Victims Unit, the High Council for Victims’ Rights, and the World Bank to understand the impact of entrepreneurship training using imagery techniques—which encourage participants to envision future scenarios or adopt the perspectives of others—for entrepreneurs who have experienced violence or a traumatic event.

- Facilitating connections to experts in a cost-effective way. What are some alternatives to consulting services and training programs that allow small firms to access experts who can provide specialized business development services? In Nigeria, providing a subsidy to firms to recruit a pre-screened accounting or marketing services provider to either join an employee or provide support on specific functions expanded the ability of firms to use higher-quality practices, innovate, and increase their sales relative to those who attended business training.38 More research is needed on how to help small businesses overcome barriers in accessing such services and whether removing barriers is sufficient for take-up.

- Understanding heterogeneous impacts and designing inclusive business development services. What are the most effective ways to build and develop management skills in women-led and youth-led businesses? How can programs be more gender-intentional in design, addressing constraints women face like managing work-life balance, navigating social norms etc.? How can programs identify and reach businesses that are harder to reach like those in the informal sector?
Connecting with others:
Markets, networks, and value chains

THE CHALLENGE

Firms need connections to new markets, networks, and opportunities to grow: buying inputs at reasonable prices, selling products to reliable buyers, connecting to other businesses, accessing new technologies and information to upgrade production, etc. However, SMEs can often find it challenging to make some of these connections, and this can become a barrier for growth. Around the world, only about 10-25 percent of industrial SMEs export, relative to 90 percent of large industrial firms. SMEs struggle to participate in global value chains due to a variety of reasons, including lack of access to finance, limited capacity or skills, poor infrastructure, and inability to comply with international standards and certification. Lack of information and trust also make it hard for them to develop new relationships and partnerships with other firms to grow their business.

A variety of programs and policies exist to help SMEs access new markets and opportunities, like export promotion programs, local content policies, e-commerce platforms, networking and training, but there is still limited evidence on which types of policies work best. Below are some takeaways from IPA studies that shed some light on these issues:

KEY LESSONS FROM OUR RESEARCH

1. **Interventions that expand the demand for the products and services of SMEs, like export promotion programs and government procurement, can have positive and persistent effects on earnings and growth.**

   - In Brazil, Claudio Ferraz, Frederico Fianin, and Dimitri Szerman used data on public procurement auctions and comprehensive employer-employee records to map the growth and performance of firms that won government contracts. They found that firms that won at least one contract in a given quarter increased firm growth and this effect persisted at least two years beyond the contract period. Firms that got the government contract were not just more likely to get more contracts in the future, but also entered more valuable auctions, penetrated more markets, and increased the variety of products they sold. The effects of winning a contract were more pronounced for retail firms, smaller firms, and younger firms.

2. **Training programs on how to sell to government and large private-sector corporations show promise for participating firms.**

   - In Liberia, Jonas Hjort, Vinayak Iyer, and Golvine de Rochambeau partnered with Building Markets to understand the impact of bid training — teaching suppliers how to locate and apply for business opportunities and maximize chances of winning big contracts — on firm success. Building Markets provided a seven-day training program to a randomly selected group of businesses on how to apply to tenders put out by large buyers like corporations and the government, which included how to compile the necessary documentation and write a convincing bid. Preliminary results from the study indicate that small firms that participated in the training program won about three times more contracts than those that did not receive training. The effects persist even three years post-training, and firms that won contracts are likely to still be operating and employ more people.
Networking programs could create the business networks needed to increase firm performance through facilitated learning and partnership development.

In China, Adam Szeidl and Jing Cai examined the effects of business networks on firm performance by inviting managers from newly formed SMEs to participate in monthly meetings with peers from other local firms. The researchers also randomly distributed business-relevant information to some managers and organized one-time cross-group meetings to understand the mechanism of how networking programs can affect firm learning and growth. They found that participating in monthly business association meetings increased firm sales, profits, employment, and a management score. The benefits for firms persisted one year after the conclusion of the meetings. Managers who received information about financial products shared them with their peers showing that the meetings facilitated learning. Managers also forged more partnerships with their monthly peers, than with the ones they met at one-time cross group meetings, showing evidence that the meetings improved firm-to-firm matching.

In Colombia, Leonardo Iacovone and David McKenzie partnered with Agruppa to study if mobile-phone technology could be used to create virtual buyer groups of retail firms to buy goods at a lower price in wholesale. Agruppa used technology to aggregate small vendors’ demand for produce, creating collective orders that added up to wholesale quantities, with the goal of reducing cost for both businesses and the customers they serve. The study found that initial demand for the service was high, and the technology-based solution shortened the supply chain between farmers and vendors, reducing travel time and costs, increasing work-life balance for store owners, and increasing profits on certain staple goods. However, stores reduced their sales of products not originally offered by the new service, and their total sales and profits fell in the short run, with service usage dropping over time.

Technology-based solutions that solve coordination and information problems that SMEs face in market participation show promise but there could be challenges in the path to scale.

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Areas for Further Research

- Facilitating the participation of SMEs on digital platforms. Can Information and Communications Technology (ICT) access and training enable the participation of small firms on e-commerce platforms? How can programs address gender gaps in digital connectivity and expand access and participation by women-led businesses? How can SMEs market their goods and services on e-commerce platforms? Can consultants support SMEs in developing a strong online presence?

- Unpacking the impact of networking programs and making them inclusive. What is the type of firm for which networking programs have the highest impacts (e.g., start-ups, youth-led businesses, women-led businesses)? Do adapted formats of networking like online networking work? What is the best way to build networking programs for groups with different constraints to participate like women entrepreneurs with limited time to participate in traditional networking meetings? In Kenya, ongoing research is evaluating the impact of digital business development services and WhatsApp-based peer networking groups for women and whether these peer networks can expand the sources for women-led businesses to ask for business-related information.

Enabling the participation of SMEs in global supply chains. How can entrepreneurs access export and import markets that are critical for their growth? What is the importance of capital and managerial skills in being able to participate in export markets? Can quality certification programs and participation in international trade fairs enable SMEs to access international buyers?

- Understanding local effects of global supply chains. How does participation in global value chains affect the quality of employment (wages, benefits, working conditions) offered by small firms? What is the productivity spillover from exporting firms on local supply chains?
For the past 10 years, the SME Program has been engaging key stakeholders and policy partners across a large number of countries to support evidence-informed decision-making in the sector. From co-creation of evidence to sharing evidence strategically and equipping decision-makers to use evidence, below are some highlights from our dissemination and policy engagement work in the past decade.

### Armenia | Inclusive Economic Growth
In Armenia, the program provided technical assistance to policymakers and civil society organizations to improve the business environment and support inclusive economic growth. The initiative focused on creating a conducive policy environment for small and medium-sized enterprises (SMEs), enhancing access to finance, and fostering entrepreneurship.

### Costa Rica | Center for Research and Entrepreneurship
The Center for Research and Entrepreneurship (CRE) in Costa Rica has been working to strengthen the innovation ecosystem for SMEs. The program has focused on developing partnerships between universities, businesses, and policymakers to promote technology transfer and entrepreneurship.

### Ecuador | Replicating and scaling an evidence-based personal initiative training program
In collaboration with the Ministry of Education of Ecuador, researchers developed a psychology-based entrepreneurial mindset training program for youth. Inspired by evidence from Togo that this type of interventions can have a positive impact on business outcomes, the study included approximately 15,000 students between 15 and 17 years old in 110 public schools, and a control group of 1300 students. The success of the program in Peru and other countries of the region.

### Ghana | Informing COVID-19 response through data and evidence
In Ghana, the program has been working with the Ministry of Employment and Business Development to inform the COVID-19 response. Through a multi-country panel survey (RECOVER), the program has been collecting real-time data on the economic impact of COVID-19 and sharing this evidence with policymakers to inform the development of targeted interventions.

### India | Partnering with the Reserve Bank of India to improve access to finance
In collaboration with the Reserve Bank of India, the program has been working closely with the Ministry of Youth Affairs on a strategic partnership with the goal of developing, sharing, and using evidence to promote business growth in India. The initiative focuses on enhancing access to finance, especially for women-led businesses, and supporting the development of innovative solutions to overcome the challenges faced by women entrepreneurs in the sector.

### Kenya | Strategic partnership with MSEA
The program has been working with MSEA on a strategic partnership with the goal of developing, sharing, and using evidence to promote business growth in Kenya. This partnership aims to improve access to finance for SMEs, especially for women-led businesses, and to develop innovative solutions to overcome the challenges faced by women entrepreneurs in the sector.

### West Africa | Informing COVID-19 response through data and evidence
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### SMEs in Ghana from Fear to Action
In 2017, the SMEs in Ghana from Fear to Action program has been working to improve access to finance, especially for women-led businesses, and to support the development of innovative solutions to overcome the challenges faced by women entrepreneurs in the sector.

### SMEs in India
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### Closing the Gap
The program has been working with MSEA on a strategic partnership with the goal of developing, sharing, and using evidence to promote business growth in Kenya. This partnership aims to improve access to finance for SMEs, especially for women-led businesses, and to develop innovative solutions to overcome the challenges faced by women entrepreneurs in the sector.

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During the past ten years, IPA’s SME Program has been a driving force in the development of a strong body of evidence on what works to support businesses and entrepreneurs in low- and middle-income countries. We have contributed significantly to the advancement of a sector where there was little rigorous evidence ten years ago, and we have been able to find and share valuable insights to inform and improve the way policy and practice are done in the sector around the world.

Where do we go from here? While we will keep doing more of what we have been doing, we have also updated our scope of work in a few ways. On the research front, we will continue to build on what we’ve learned by advancing our path-to-scale research agenda and filling in some important remaining knowledge gaps in our traditional research areas. At the same time, we will focus on new priority research areas, tackling important challenges like women’s entrepreneurship and economic empowerment, environmental sustainability, and innovation and technology adoption.

To better reflect our current scope of work, we have also incorporated some important institutional changes: a new program name, a recently established Scientific Advisory Board, and an expanded and more diverse research network. Finally, we will continue to work on disseminating results and find new ways to deepen our policy impact. We explain these new changes in more detail below.

BUILDING ON WHAT WE’VE LEARNED

The traditional research agenda of the SME Program has been focused on three key constraints to firm growth: access to finance, human capital and skills, and access to markets. We have accumulated substantive knowledge and key insights on each of these areas, and plan to continue to do so by building on the existing evidence and studying new types of interventions to address these important barriers to firm growth.

A few years ago, we started to develop a path-to-scale research agenda, building on promising evidence on approaches that have already gone through a proof-of-concept stage and supporting them in their path to a wide-scale impact. In 2019, the SME Program kick-started this work with the “Path to Scale Award for High-Potential Innovations in SME Development”. This award process was set up to identify and recognize innovative ideas proven to be effective at addressing key constraints faced by entrepreneurs and SMEs in LMICs, and to promote replication efforts to test these ideas in a new context and support them in their path to scale. Through this process, we have developed a pipeline of promising replication opportunities and will continue to work with researchers, policy partners, and IPA’s country offices to develop them into full studies.

Our Program is committed to expanding this agenda in the coming years, including a variety of new studies looking at:

- Replications: Replicating evaluations in new contexts or different populations in order to improve our understanding on the generalizability of findings (e.g., a business plan competition originally implemented in Nigeria is replicated in Kenya).
- Complementarities: Combining an evidence-based approach with other interventions (e.g., personal initiative training + grants).
- Programmatic variations: Tweaking certain aspects of the original approach to better understand what works best and which components of the intervention are essential for success (e.g., testing personal initiative training with and without mentoring); exploring different ways to deliver the same intervention (e.g., in-person vs online); understanding operational factors affecting the implementation and potential to scale-up a successful program (e.g., what’s the best strategy to train the trainers at large scale without compromising training quality?).
- Cost-effectiveness analysis: Determining the cost-effectiveness of different interventions aiming to achieve the same policy goal, to help decision-makers choose among them (e.g., what approach is most cost-effective to improve management practices?).
- Mechanisms: Understanding the reasons why an intervention is effective by looking at the mechanisms at
play (e.g., did relationship lending improve repayments because the calls acted as reminders or because it generated loyalty to the bank?)

- **Measurement:** Validating methods and measurements of key outcomes to ensure quality, consistency, and comparability across studies (e.g., what is the best way to measure soft skills?)

- **Spillovers and general equilibrium effects:** to assess the impacts of an intervention on non-participants and communities as a whole, as well as aggregate impacts on the economy

For each of our three traditional research areas on constraints to firm growth, we will be pursuing path-to-scale opportunities as well as looking into **innovative interventions** that haven’t been tested yet, as described in the previous sections within “areas for further research”. For example, studying better screening mechanisms and alternative collateral solutions in improving access to finance, understanding willingness to pay and facilitating access to experts in improving managerial skills, and identifying the best way to enable the participation of SMEs in global value chains.

We will also look at possible complementarities between the different areas (financing, skills, access to markets). For example, do financing programs work better if firms are also provided with access to the right management skills and opportunities to enter new markets and supply chains? Do firms need to improve their management skills before they can compete in new markets and export, or does providing this opportunity spur them to be more receptive to opportunities to improve?

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**TACKLING IMPORTANT NEW CHALLENGES**

Beyond our traditional research agenda, we have recently launched new efforts in three key areas that have been present in some of our previous studies, and we now deem as strategic for our contributions to evidence-based policy-making that faces the challenges of the present and the future.

| Women’s entrepreneurship and economic empowerment |
| Women face multiple barriers as workers as well as entrepreneurs, and research that rigorously identifies constraints and how to ease them is urgently needed to guide evidence-based policies that address gender inequalities. Continuing work from previous years, we will seek to further investigate interventions that address the gender gap in entrepreneurship and business outcomes, including flexible financing for women-led SMEs, cash and in-kind grants, soft-skills training, information provision, role models, mentoring, consulting, digital literacy training, and e-commerce platforms. We will also look at the impacts of access to childcare, stress management and cognitive behavioral therapy. We will examine potential interventions to address gender inequalities through gender-inclusive employment policies and scaling gender-focused business models. We officially kicked off this new area of work in 2020 with the launch of the Women’s Work, Entrepreneurship and Skilling Initiative, which combines data collection efforts, research projects, and policy work, focusing on two key themes: (i) women’s work, entrepreneurship, and time use, and (ii) youth skilling and school-to-work transitions. While the focus countries of this initiative are Kenya and Bangladesh, we plan on expanding the geographic scope of this work going forward. |

| Environmental sustainability |
| Another key challenge of our time is adaptation to climate change and the transition to more sustainable patterns of production. The COVID-19 crisis has had a tremendous impact on businesses (especially SMEs), but the recovery process presents an opportunity to move faster into a greener economy. We will examine innovative policies with potential to assist firms in adapting to new challenges brought by climate change and enable them to be drivers of green growth and innovation. This includes programs that promote the development and adoption of climate-smart technologies, interventions that foster compliance with environmental regulations, and programs that help businesses become more resilient in the face of climate change. The transition into more sustainable patterns of production can involve information, management, and financial challenges for many firms — especially SMEs — so our agenda will also look into financing options for green innovations, information provision, and consulting services to assess firm-specific climate-related risks and develop adaptation strategies. |

| Innovation and technology adoption |
| Our third addition to the set of strategic topic areas is innovation and technology adoption. Environmental sustainability will require innovation and adaptation, but the importance of technological progress is much broader, especially in LMICs—technological progress is key to increasing productivity and accelerating growth, as well as to creating employment and reducing poverty. It also brings new challenges related to the future of work and how LMICs can best prepare to go through the technological transition while minimizing negative social impact. In line with some of our previous projects, we plan to help implement and evaluate interventions that foster technology upgrades and innovation through financial support, information dissemination, and technical assistance. We will look to examine the role of accelerators and incubators for innovative startups. Innovation and technology adoption have strong links to access to finance, skills, and access markets, and thus the knowledge accumulated in our program’s original core research areas is bound to provide useful insights going forward. |

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In the past 10 years, our network of researchers grew to include more than 200 leading academics from universities and policy institutions from around the world. They not only provide intellectual leadership to our research projects, but they also have an active involvement in the Program and regularly come together at our conferences, working group meetings, roundtables, and workshops. New partnerships and projects have emerged from these gatherings and from the SME Program’s support in identifying and promoting new research and policy influence opportunities.

This vibrant research network has been an essential element in the work we do, and we will continue to expand, strengthen, and engage it in the same and new ways in the coming years. Besides incorporating researchers with expertise in the new thematic areas, we are committed to developing and implementing a new

5 EXPANDING AND DIVERSIFYING OUR RESEARCH NETWORK

Diversity, Equity, and Inclusion (DEI) strategy in our program, starting with the inclusion of more women, people of color, junior academics, and researchers coming from low- and middle-income countries. We will also think carefully about new ways to engage with our research network that can give better opportunities for these under-represented groups to actively participate in our program’s activities. We recognize that the current composition of our research network is still far from where we would like it to be, reflecting the lack of diversity in the field of economics—and this sector in particular—where our researchers are drawn from. However, we believe we can play a more active role in addressing and challenging these inequalities so that we can contribute to a more diverse discipline in return. These efforts align with a broader DEI strategy that IPA has been developing over the past year and we want our sector to be a strong and active contributor to these goals.

6 DEEPPENING POLICY IMPACT

A key part of our mission is to promote evidence-based policy making, but achieving policy impact is a continuous challenge. It requires not only a strong body of evidence and understanding how it relates to different contexts, implementers, and beneficiaries, but also the ability to influence decision-makers: on the value of evidence, on how to use it for better policy design, on how to create it to understand what works and what does not. Over the past ten years, our Program has become well known within the practitioner community as a focal point for rigorous research on entrepreneurship and firms. We have organized a large number of policy events across several countries, from large conferences to smaller roundtable events, workshops, and stakeholder meetings. Through these events, we have shared evidence strategically and equipped policymakers and practitioners to use this evidence to inform their decision-making process, as well as promoted the development of a more policy-relevant body of evidence. We have also published a large number of policy briefcases, website summaries, blog posts and articles, summarizing the existing evidence and tailoring these messages to a broad and diverse audience.

In the coming years, the Program will strengthen this work and try new strategies to deepen the policy impact of our research. A more intensive approach to policy outreach will be taken, including training workshops for practitioners and policy-makers, technical assistance and scale-up support for organizations implementing programs and policies that support entrepreneurship and private sector development, including strategic policy partnership development, including the development of embedded evidence labs (i.e. teams of IPA and public sector employees working side-by-side to strengthen the use of data and evidence in public policy).

The broadened scope of the program naturally presents a new challenge, but we are excited to tackle it in the coming years with the guidance of an expanded academic leadership that welcomes four new leading experts to our program: David McKenzie (World Bank), Eric Verhoogen (Columbia University), Namrata Kala (Massachusetts Institute of Technology) and Paul Gertler (University of California Berkeley). These new Academic Advisors join Antoinette Schoar (Massachusetts Institute of Technology) and Dean Karlan (Northwestern University) in our recently established Scientific Advisory Board.

While the type of engagements we have planned for this board can vary according to the interests and expertise of each advisor, IPA expects that academic advisors will make contributions across four key areas: program management, research agenda, policy outreach and dissemination, and fundraising.

4 BROADENING THE PROGRAM’S ACADEMIC LEADERSHIP

The scope of the SME program has never been restricted by a rigid definition based on size. Financing constraints, limited skills, and other barriers to firm growth studied in the program are indeed usually restricted by a rigid definition based on size. Financing the scope of the SME program has never been per se makes sense to clarify that the program’s focus is not with a new name for the program: Entrepreneurship and Private Sector Development. This new name also pairs well with the goal of focusing on the contri-

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The scope of the SME program has never been restricted by a rigid definition based on size. Financing constraints, limited skills, and other barriers to firm growth studied in the program are indeed usually tighter for small and medium firms than for large firms. However, as part of our expanded scope, it makes sense to clarify that the program’s focus is not on size per se and bring purpose to the center. We do so with a new name for the program: Entrepreneurship and Private Sector Development. This new name also pairs well with the goal of focusing on the contribution of the private sector to Sustainable Development Goals: decent work and economic growth, gender equality, responsible production, climate action, industry innovation and infrastructure.

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Each of our many projects was a collective endeavor, made possible only by collaborating with our country offices, funders, hundreds of implementing partners around the world, and of course our vibrant research network. To each and every one of them, we are deeply grateful.

ENTREPRENEURSHIP AND PRIVATE SECTOR DEVELOPMENT PROGRAM TEAM

Lucia Sanchez, Program Director
Elizabeth Koshy, Senior Program Manager
Daniela Gianoli La Rosa, Program Coordinator

ACADEMIC ADVISORS

Antoinette Schoar (Massachusetts Institute of Technology) Stewart C. Myers-Horn Family Professor of Finance at the MIT Sloan School of Management.
Dean Karlan (Northwestern University) Professor of Economics and Finance, Kellogg School of Management, Northwestern University. Co-Director, Global Poverty Research Lab, Northwestern University.
Paul Gertler (University of California Berkeley) Li Ka Shing Professor of Economics at the University of California, Berkeley. Faculty Director of the Institute for Business & Social Impact. Scientific Director of the Center for Effective Global Action.
Eric Verhoogen (Columbia University) Professor of Economics and International and Public Affairs.
Namrata Kala (Massachusetts Institute of Technology) Assistant Professor, Applied Economics at MIT Sloan.
RESEARCHERS

The Entrepreneurship and Private Sector Development Program works closely with a strong network of 200+ researchers to shape the Program’s agenda and develop a portfolio of innovative projects. They also come together on a regular basis at the program’s annual research workshop and participate in policy events, sharing evidence and engaging in discussions with policymakers around the world on the use of evidence for policy design.

Abba Saﬁr (World Bank)
Abraham Holland (Harvard University)
Adam Osman (University of Illinois)
Adam Seidz (Central European University)
Alan Spearot (University of California, Santa Cruz)
Alberto E. Chong (Georgia State University)
Alexander Speck (United States Agency for International Development (USAID))
Alexandra Cristea (Durham University)
Alfredo Burlando (University of Oregon)
Alphonce Odondo (Maseno University)
Anirban Rahman (World Bank)
Amit Khandelwal (Columbia University)
Aminur Rahman (World Bank)
Alphonce Odondo (Maseno University)
Alexander Speck (United States Agency for International Development (USAID))
Andrew Brudevold (Newman (World Bank)
Andrew D. Jones (University of Michigan)
Andy Brownback (University of Arkansas)
Ank Ashraf (University of Munich)
Anja Lambrecht (London Business School)
Antoinette Schoar (Massachusetts Institute of Technology (MIT))
Aprajit Mahajan (University of California, Berkeley)
Arman Rezaee (University of California, Davis)
Arnold Rechter (Leibniz University Hannover)
Atoru Rabbani (University of Dhaka)
Benn Eifert (QVR Advisors)
Bilal Zia (World Bank)
Brian Giera (Amazon)
Bruno Crepon (Paris)
Bruno Julliard (Sciences Po)
Bryce Millett (University of California, Berkeley)
Carlos Parra (Florida International University)
Carlos Serrano (BIBA Bancro)
Most of our research studies are done in collaboration with one or more implementing partners, who are typically in charge of running the programs, policies and products we evaluate. IPA works closely with international and local nonprofits, development finance institutions, governments and the private sector to design, implement, and rigorously evaluate promising solutions to the constraints faced by firms in low- and middle-income countries. Over the years, we’ve partnered with more than a hundred institutions to produce the almost two hundred research projects in our portfolio.

IMPLEMENTING PARTNERS

Rachel Glennerster (UK Department for International Development (DFID))
Rajesh Chandy (London Business School)
Reginald Quansah (University of Ghana)
Robert Akerlof (University of Warwick)
Robin Burgess (London School of Economics and Political Science)
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