

# PROJECT STATUS REPORT

JULY 2012 - DECEMBER 2012

## SECTION 1: PROJECT SUMMARY

**PROJECT NAME:** Improving performance of SMEs through the application of ICT

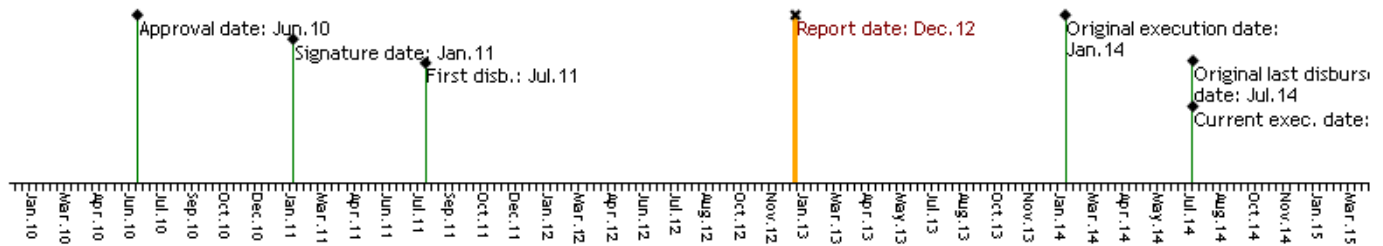
Project Number: TT-M1009 - Operation Number: ATN/ME-12200-TT

**Result:** Increased awareness, use and leverage of ICT by 80 SMEs in the food and beverage and in the printing and packaging sectors in Trinidad and Tobago

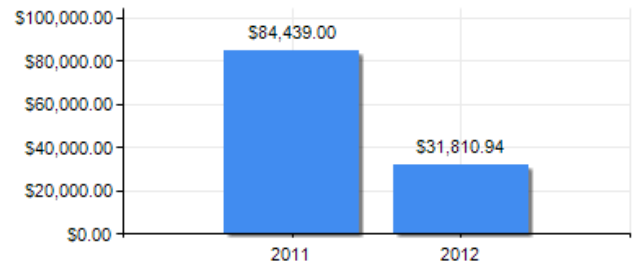
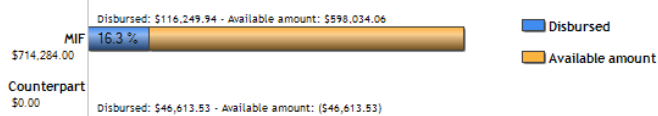
<b>Country Administrator</b> TRINIDAD AND TOBAGO	<b>Beneficiary Country</b> TRINIDAD AND TOBAGO	<b>Group</b> SME - Small and Medium Enterprise Development	<b>Subgroup</b> TECH - Technology for Business Development
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<b>Executing Agency:</b> Caribbean Industrial Research Institute	<b>Design Team Leader:</b> Dookiesingh, Vashtie
	<b>Supervision Team Leader:</b> Dookiesingh, Vashtie

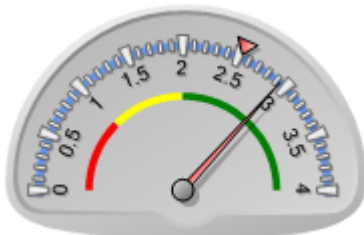
### TIMELINE



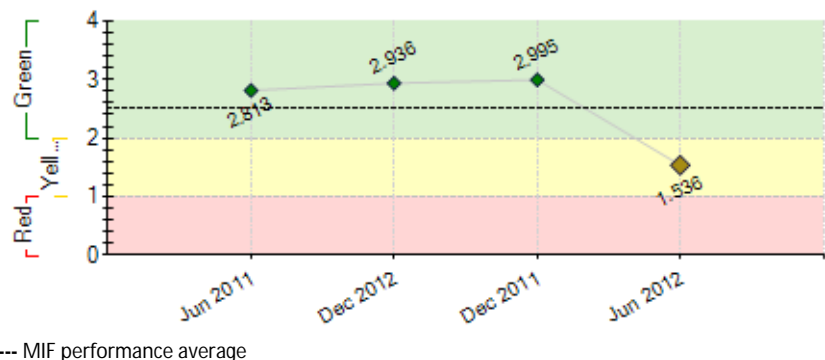
### FUNDS



### PERFORMANCE SCORE



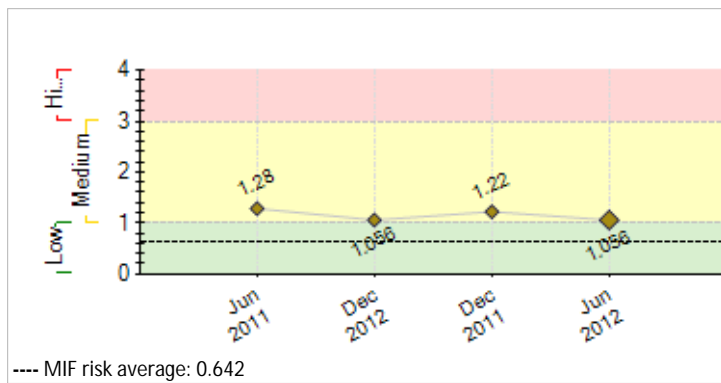
Current score: Satisfactory: 2.936  
MIF Average: 2.526



### EXTERNAL RISKS

### INSTITUTIONAL CAPACITY

	<b>Risk</b>
<b>Financial Management:</b>	Low
<b>Procurement:</b>	Low
<b>Technical Capacity:</b>	Low



## SECTION 2: PERFORMANCE

### Summary of project performance since inception

#### Summary:

Building a database of over 100 companies willing to participate in diagnostics and conducting of 15 diagnostic studies and 2 interventions

#### Aggregated Achievements:

- A] Set up of the PEU to manage the project activities
- B] Development and updating of website and SME database
- C] Sensitization of 105 companies via 3 forums
- D] Consultants hired, diagnostic methodology designed
- E] 15 diagnostics completed, and 6 initiated
- F] Implementation of interventions in two (2) companies

#### Key Challenges:

- A] Some SMEs in the 2 sectors do not belong to associations and are not listed in directories
- B] Difficulty in arranging meetings with SMEs
- C] Maintaining the interest of the large group of SMEs
- D] Ensuring timely report submission to the SMEs

#### Actions taken:

- A] Linkages established with key stakeholder organisations to mobilize their membership
- B] Work with each SME to establish a convenient time to facilitate diagnostics
- C] Closer interaction with the consultant to maintain project timelines
- D] Better management of the external consultant to ensure timely submission

#### Prospect:

- A high likelihood of project achieving its objectives.
- A] For a sizable number of companies, there were needs identified through diagnostics that could potentially lead to interventions
- B] Minimization of time slippage through direct implementation by the PEU

#### Moving forward:

**A] Accelerate implementation of ICT interventions**

**B] Reduce use of external consultants in favour of PEU implementations**

#### Comments from the Supervision Team Leader

Agree with the Executing Agency comments

### Summary of project performance in the last six months

#### Summary:

The fourth semester of execution marked the commencement of ICT implementations, and a continuation of diagnostic studies via external consultancy

#### Main Achievements:

- A] Conducting of ten (10) additional diagnostic studies while Project staff worked closely with the consultant to become familiar with the methodology and prepare themselves to conduct the diagnostics
- B] Consultant extension for 6 additional diagnostics
- C] Implementation of ICT interventions in two (2) companies by Project staff

**Key Accomplishments:**

- A] PEU understanding how to execute a diagnostic methodology on varying sizes and types of companies to elicit high impact areas for potential ICT interventions.  
 B] Initiation of implementation of ICT interventions.

**Key Challenges:**

- A] Ensuring timely report submission to the entrepreneur  
 B] Coordinating the availability of PEU, entrepreneur and consultant to undertake the diagnostics  
 C] Minimizing the interruption of business and staff time during implementations

**Action taken:**

- A] Better management of the external consultant to ensure timely submission of the reports  
 B] Planning meetings ahead of time, with sufficient notice and reminders  
 C] Agree to days and times which conveniently suits the business and staff

**6 Month Forecast:**

- A] Mobilizing all resources to accelerate diagnostic studies and ICT implementations.  
 B] Streamlining the methodology to be used by the PEU in carrying out diagnostic studies, building on approaches used by external consultants

**Comments from the Supervision Team Leader**

Agree with the Executing Agency comments

**SECTION 3: INDICATORS AND MILESTONES**

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
<b>Result:</b> Increased awareness, use and leverage of ICT by 80 SMEs in the food and beverage and in the printing and packaging sectors in Trinidad and Tobago	<b>P.11</b> 80 SMEs realize 10% improvement in (a) sales revenues and volumes, (b) increase in sales to new markets (c) increased sales in existing export markets or (d) profit margins	0				80	0	
		Feb 2011				Aug 2015		
<b>Component 1:</b> Awareness Building <b>Weight:</b> 20% <b>Classification:</b> Satisfactory	<b>C1.11</b> 4 Awareness Forums convened	0	2	3		4	1	
		Jan 2011	Feb 2013	Feb 2014		Dec 2014	Mar 2012	
	<b>C1.12</b> SME representatives mation on the business potential of ICT investment	0	150	250		350	51	
		Jan 2011	Dec 2012	Nov 2013		Dec 2014	Mar 2012	
	<b>C1.13</b> Launch of an interlinked web portal to disseminate information and facilitate dialogue among SMEs operating in the targeted sectors	0				1	1	Finished
		Jan 2011				Jul 2012	Aug 2011	
<b>Component 2:</b> ICT Diagnostic Scoping Studies <b>Weight:</b> 30% <b>Classification:</b> Satisfactory	<b>C2.11</b> Diagnostic scoping studies completed for 80 SMEs	0	25	65		80	10	
		Jan 2011	Dec 2012	Dec 2013		Dec 2014	Sep 2012	
<b>Component 3:</b> Implementation and Monitoring of ICT Interventions <b>Weight:</b> 30% <b>Classification:</b> Satisfactory	<b>C3.11</b> Development and implementation of ICT solutions to improve business performance of 50 SMEs	0	10	40		50	2	
		Jan 2011	Dec 2013	Jul 2014		Dec 2014	Oct 2012	
<b>Component 4:</b> Dissemination of Results <b>Weight:</b> 20% <b>Classification:</b> Satisfactory	<b>C4.11</b> Dissemination of information on project results in a special purpose SME forum	0				1		
						Jan 2015	Dec 2012	

Milestones		Planned	Due Date	Achieved	Date achieved	Status
<b>M0</b>	Contracting of a Technical Co-ordinator	1	Apr 2011	1	May 2011	Achieved late
<b>M1</b>	Conditions Prior	6	Jul 2011	6	Jul 2011	Achieved
<b>M2</b>	Completion of first ICT awareness forum	1	Jul 2011	1	Jul 2011	Achieved
<b>M3</b>	Completion of initial Diagnostic Scoping Studies for 20 SMEs	20	Jan 2012	0	Dec 2012	Not Achieved
<b>M4</b>	Completion of second batch of 20 diagnostics of SMEs	20	May 2013	0	Dec 2012	
<b>M5</b>	Sensitization of 150 SMEs on the business benefits of ICT adoption	150	May 2013	0	Dec 2012	
<b>M6</b>	[*] Completion of initial 10 ICT interventions	10	Jul 2013	0	Dec 2012	
<b>M7</b>	[*] Completion of final 40 Diagnostic Scoping Studies	40	Dec 2013	0	Dec 2012	
<b>M8</b>	Sensitization of an additional 200 SMEs on the business benefits of ICT interventions	200	Dec 2013	0	Dec 2012	
<b>M9</b>	Completion of an additional 20 ICT interventions (cumulative total 30)	20	Dec 2013	0	Dec 2012	

M10	[*] Completion of final 20 ICT interventions	20	May 2014	0	Dec 2012	
M11	[*] Completion of dissemination materials	1	Jul 2014	0	Dec 2012	

[\*] Indicate that the milestone has been reformulated

**CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE**

[X] Others, which?: Engagement of SMEs took longer than anticipated

**SECTION 4: RISKS****MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE**

	Level	Mitigation action	Responsible
1. Lag times between the completion of sensitization, diagnostics and interventions could lead to loss of interest by the SMEs and potentially unwillingness to continue in the project.	Medium	Execute project components in repeating cycles specifically designed to reduce the lag time between delivery of project components to individual SMEs.	Project Coordinator
2. Changes in macroeconomic conditions negatively impact SME performance	Medium	Executing Agency must make business case for ICT investment explicit to sustain interest and commitment to investment by SMEs in the event of deterioration of macroeconomic conditions	Project Coordinator
3. Participating SMEs do not provide access to business data to facilitate measurement of results. This can undermine the Executing agency's ability to present locally based real world business cases and results on the business value of ICT investment	Medium	Include formal agreement between Executing Agency and beneficiary outlining need for and consent to sharing/access to business records to facilitate building of business case for ICT implementation and measurement of project results. Appropriate privacy and confidentiality clauses can be included here	Project Coordinator
4. SMEs are not willing to participate in diagnostic scoping studies or ICT intervention	Low	The awareness forums have been designed to use actual business results of local firms to encourage participation and increase buyin. Beneficiaries for componets 2 and 3 (diagnostics and ICT interventions are self selected to ensure participating firms are committed and engaged in the process of change	Project Coordinator
5. A diagnostic study report which identifies very few, or no areas in which the absence of ICT represents an impediment to existing operational efficiency or projected growth.	Low	Conduct a pre-diagnostic screening to ensure that companies moving to diagnostics have ICT needs that the project can address.	Project Coordinator

**PROJECT RISK LEVEL:** Medium **TOTAL NUMBER OF RISKS:** 5 **IN EFFECT RISKS:** 5 **NOT IN EFFECT RISKS:** 0 **MITIGATED RISKS:** 0**SECTION 5: SUSTAINABILITY****Likelihood of project sustainability after project completion:** P - Probable**CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY***[None reported in this period]***Actions related to sustainability which will be or have been implemented:**

A) Transfer of technical skills and methodologies from the consultant to Project Executing Unit staff is building institutional capacity in promoting and providing ICT support services. B) Initiation of implementation of interventions by staff of PEU.

**SECTION 6: PRACTICAL LESSONS**

	Relative to Implementation	Author
1. Need for more effective management of the consultancy resource		Joseph, Jade