Enhancing Private Sector Engagement

Introducing the Private Sector Engagement Self-Assessment Monitoring (PSE-SAM) Tool

Cindi Cisek, Susan Rae Ross, Agung Setiadha, and Tory Taylor

August 6, 2024

Top photo: 2017 Jason Houston/USAID & Bottom photo: 2018 Hannah Koenker/VectorWorks

Meeting Recording

The presentation portion of this meeting will be recorded.

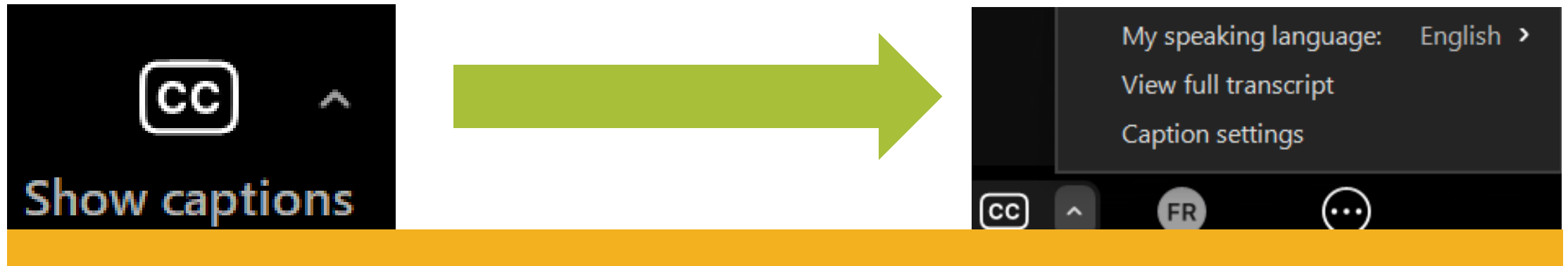Individuals who **do not** wish to be recorded or have content attributed to their name on the record should:

- Stay on mute
- Turn off their cameras
- Not enter comments in the chat

After the presentation, we will turn off recording for the Q&A.

Closed Captioning

Please select *Show Captions* **if you wish to see live English captioning of today's webinar.**

D4I's Work

Generate Evidence

Use routine and other existing data and generate new data through rigorous methods tailored to budget, timeline, and context

Integrate Gender

Integrate gender throughout the project to ensure high-quality data for assessment of health and gender outcomes

Strengthen Capacity

Strengthen capacity through fostering collaboration, experimental learning, mentoring, and peer networks tailored to partner's needs

Promote Data Use

Visualize and communicate data in ways that are compelling, user-friendly, and actionable

Ensure Data Quality

Focus on ensuring high-quality data for effective decision making and program outcome improvement

Learn

Encourage collaboration, improved results, and timely progress updates through idea exchange and shared learning

D4I's Localization Webinar Series

Local and regional actors are vital private sector partners! For more about building strong partnerships, check out our webinars on localization in Monitoring, Evaluation, Research, and Learning.

Topics included:

- Local capacity strengthening
- Using a systems lens
- Engaging with diverse local actors and organizations
- Implementing other good practices for locally led development

Watch webinars in the series on our YouTube playlist:

1. Social Accountability in Ethiopia: Community Score Care Implementation to Improve Primary Health Care with NPI EXPAND, February 14, 2024
2. Using Sentinel Indicators and Network Analysis to Assess Health Program Sustainability in Nigeria, February 28, 2024
3. Panel Discussion: Shifting Power and the Need to Better Understand Locally Led Capacity Strengthening Efforts, March 27, 2024
4. From Policy to Practice: Navigating Localization and Equitable Partnerships in MERL, June 26, 2024
5. Localizing MERL: Insights from Local Actors in Burundi, Colombia, and Malawi, July 17, 2024

Webinar Agenda

Session	Presenter
PSE at USAID	**Susan Ross,** USAID
About the PSE-SAM Tool	**Cindi Cisek,** Data for Impact
Learning from the pilot	**Tory Taylor**, Data for Impact
Digital tool demonstration	**Agung Setiadha**, Data for Impact
Open Q&A	

Private Sector Engagement (PSE) at USAID

"The private sector plays a vital role in **addressing the root causes** of development challenges through **market-based solutions** and investments across all areas of our work, from economic growth, power, agriculture, and **global health** to humanitarian assistance, women's empowerment, education, and addressing crisis and conflict."
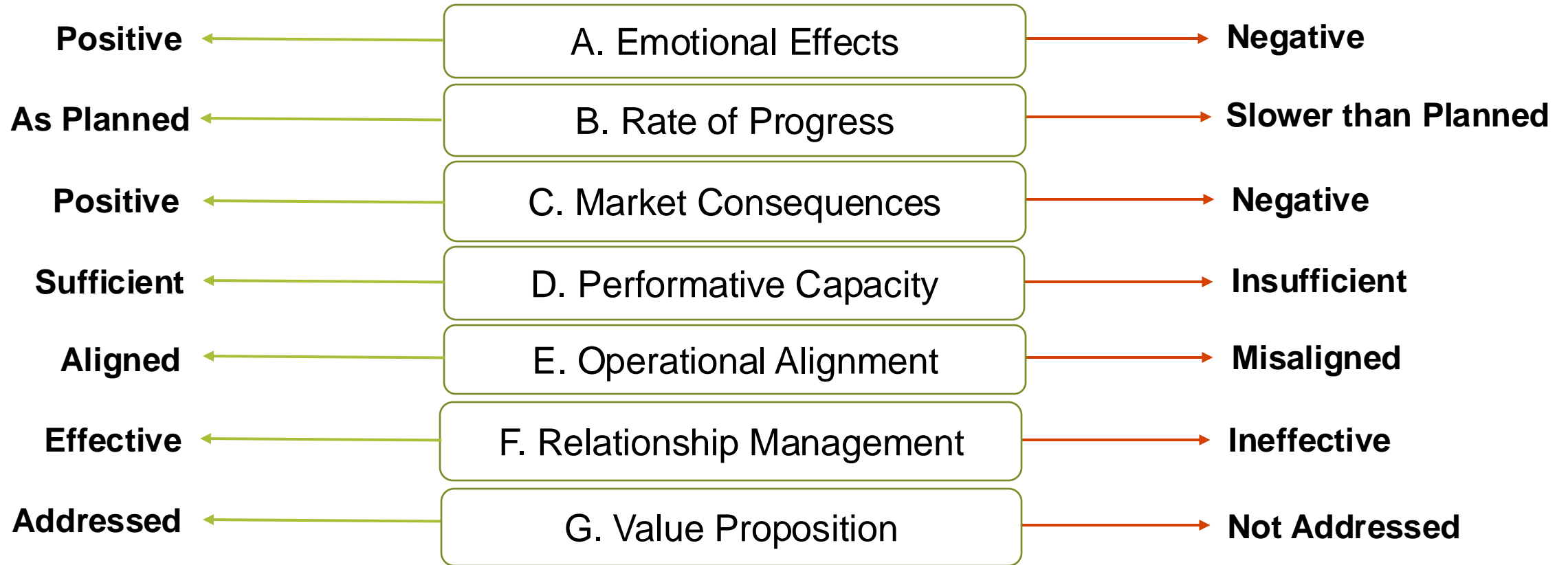

© 2016 Riccardo Gangale/VectorWorks, Courtesy of Photoshare

Supporting PSE through D4I

- Although private enterprise is a critical force for sustainable development, USAID and partners lack tools to understand and improve their process of engagement.

- In 2023, building on this and other findings from research by LASER PULSE, D4I created the paper-based PSE-SAM tool for use by co-engaged organizations.

- The Tanzania and Philippines Missions and their PSE partners were selected to help pilot the tool for acceptability and relevance.

- The pilot highlighted the need for automated functionality to support tool uptake, and USAID provided D4I with additional support to develop a digital version.

What is the PWCE Framework?

Positive ←	A. Emotional Effects	→ Negative
As Planned ←	B. Rate of Progress	→ Slower than Planned
Positive ←	C. Market Consequences	→ Negative
Sufficient ←	D. Performative Capacity	→ Insufficient
Aligned ←	E. Operational Alignment	→ Misaligned
Effective ←	F. Relationship Management	→ Ineffective
Addressed ←	G. Value Proposition	→ Not Addressed

Positive Partnering Experience	Changing Over Time	Negative Partnering Experience

What is the PSE-SAM tool?

- A short survey that Missions/OUs and PSE partners complete on behalf of their organization, using a representative or a group meeting to decide on responses.

- Consists mainly of short statements characterizing positive engagement (2-11 statements per PWCE factor), with a five-point agree/disagree response scale.

- Provides a structure to assess an individual PSE across PWCE factors and identify areas for improvement. Intended for use over multiple rounds to track progress.

- The tool is NOT designed to aggregate results across different partnerships, and it should induce constructive feedback rather than tension among partners.

Private Sector Engagement (PSE) Self-Assessment Monitoring (SAM) Tool

Download Document:

TL-22-100-D4I-PSE-SAM-Tool_508.pdf (412 KB)

Abstract: Effective private sector engagement (PSE) is increasingly understood as critical to sustaining development outcomes. USAID maintains that "private enterprise is the single most powerful force for lifting lives, strengthening communities, and accelerating sustainable development." Accordingly, USAID's PSE Policy recognizes the importance of "engaging private sector entities early and gaining insight into their roles, motivations, and responses as market and system actors." However, few resources exist to gauge the partnership process and inform PSE management strategies. Based on the Perceived Worth of Continued Engagement (PWCE) framework developed in 2021, the PSE Self-Assessment Monitoring (SAM) Tool helps fill this gap. It is designed for self-administration by partners engaged in development or humanitarian assistance activities or projects. Used at intervals over the life of a partnership, the tool forms part of a participatory, evidence-informed approach to PSE strengthening.

Shortname: TL-22-100

Author(s): Data for Impact

Year: 2024

Language: English

Filed under: Guidance and Tools, Philippines, private sector, Tanzania, Tools

What does the tool cover?

Factors	Number of Items	Maximum Score		Key Areas Assessed
		Strengths	Risks	
A. Emotional effects	2	4	4	Enthusiasm and satisfaction
B. Rate of progress	2	4	4	Pace of milestones and outputs
C. Market consequences	2	4	4	Market share and profit gains
D. Performative capacity	5	10	10	Ability to meet commitments and adapt to change
E. Operational alignment	8	16	16	Culture, planning, resilience, accountability, engagement
F. Relationship management	11	22	22	Communication, transparency, negotiation, learning, mutuality
G. Value proposition	8	16	16	Networks, funding, production, status, capacity, policy environment
Total	38	76	76	

What are some examples of items on the tool?

"Milestones for this engagement, or crucial steps in the process of working together, are being reached at a good pace."

"Our organization has sufficient financial resources to meet its relevant commitments to this engagement."

"When difficulties arise, the organizations in this engagement are able to work through them and find a mutually agreeable solution."

"Participation in this engagement has improved our reputation or legitimacy, or it probably will in the future."

What did the pilot include?

- Preparing participants from two country settings to self-administer the PSE-SAM tool at baseline and follow-up interval

- Providing data entry, analysis, results visualization, and basic interpretation for pilot participants after each round.

- Engaging pilot users in discussion about the results and the tool's acceptability and relevance to their experience.

- Using this input to finalize the paper-based version of the tool.

How are responses scored?

- Scores are calculated for each PWCE Factor (A-G). Each item response can contribute points to the **strengths score or risk score*** on the relevant factor.

- Factor scores are calculated as total points divided by the maximum number; the maximum does not include points for items the organization marks not applicable.

- These scores are simple proxies for a wealth of complex information about the PSE. They are meant to **generate conversation** among partners.

- The scoring approach helps to identify when both strong positive and negative influences are present, which might otherwise average out. It also helps to identify strengths gaps as distinct from risks.
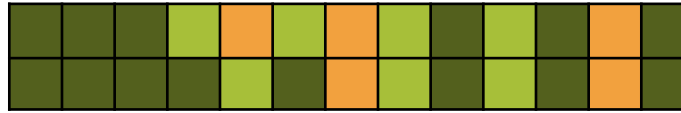
*"Strongly agree' = 2 strengths points, 'Agree' = 1 strengths point, 'Strongly disagree' = 2 risk points, 'Disagree' = 1 risk point, "Neither" = 0 points.

How are results shown?

- Heatmaps help pilot users visualize the item responses underlying factor scores. The digital tool produces these heatmaps automatically.

- Each column represents one organization; each row represents an item from the tool.

- Respondents stay in the same column in every heatmap for that round of results, offering additional information about response patterns.

- The next slides include results from the pilot in one country, with findings compiled by D4I for use in a results review meeting.

Not applicable
Strongly disagree
Disagree
Neither agree nor disagree
Agree
Strongly agree

Ten partners completing the tool

Example

① ② ③

Three items on the tool for this factor

56%, 15%

Strengths and risks scores

Emotional Effects

A1. Enthusiasm
A2. Contentment

November 2022
67%, 0%

June 2023
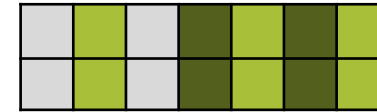68%, 0%

Progress Rate

B1. Milestones
B2. Outputs

November 2022
58%, 4%
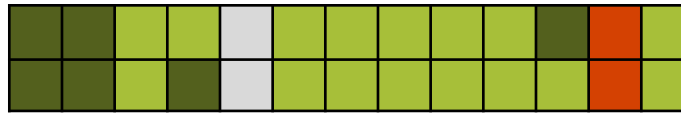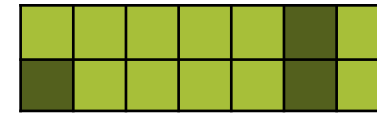
June 2023
61%, 0%

Market Consequences

C1. Market share
C2. Profit/finance

November 2022
48%, 4%
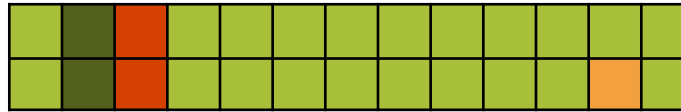
June 2023
70%, 0%

Strengths gaps are evident on all three factors, but risks are rare and decreasing. The greatest improvement was in market consequences; but poor understanding of these items at baseline may have been a factor.
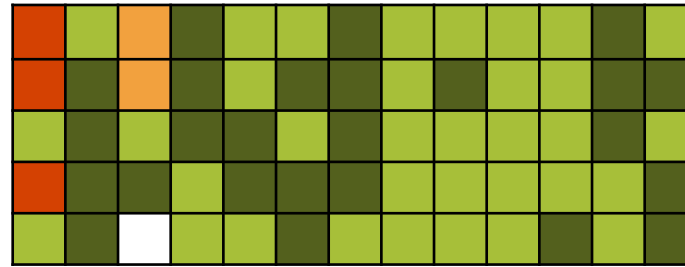
Performative Capacity

November 2022   June 2023

- D1. Financial resources
- D2. Other resources
- D3. Knowledge and expertise
- D4. Adapt to internal change
- D5. Adapt to external change*
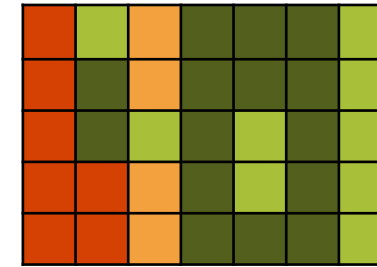
65%, 2%   56%, 10%

Both strengths gaps and risks were identified. Performative capacity is the only factor where strengths decreased. Nearly half of partners reported negative or neutral results on this factor at follow-up.
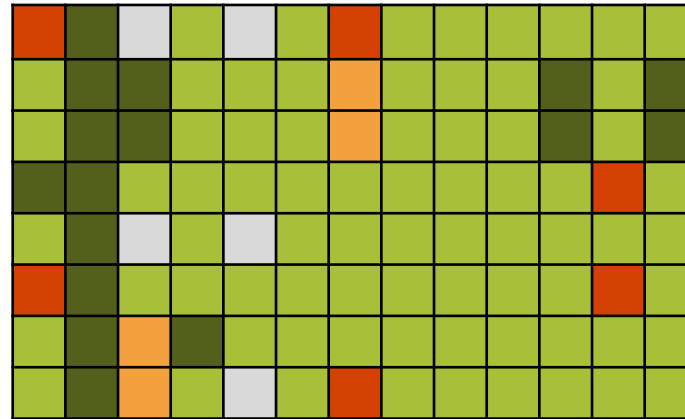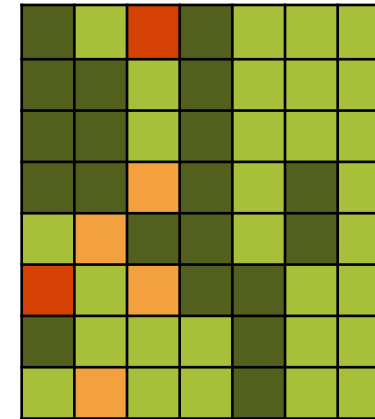
*The blank square indicates a missing response on this item

Operational Alignment

E1. Pace of operations
E2. Working language
E3. Culture and gender norms
E4. Accountability
E5. Funding knowledge
E6. Adapt to resource delay
E7. Work plan process
E8. Work plan involvement

November 2022

June 2023

53%, 3%

63%, 2%

Operational alignment improved over time, with strengths increasing (and risks decreasing slightly). At follow-up, partners' ability to adapt to resource delays was especially divergent.
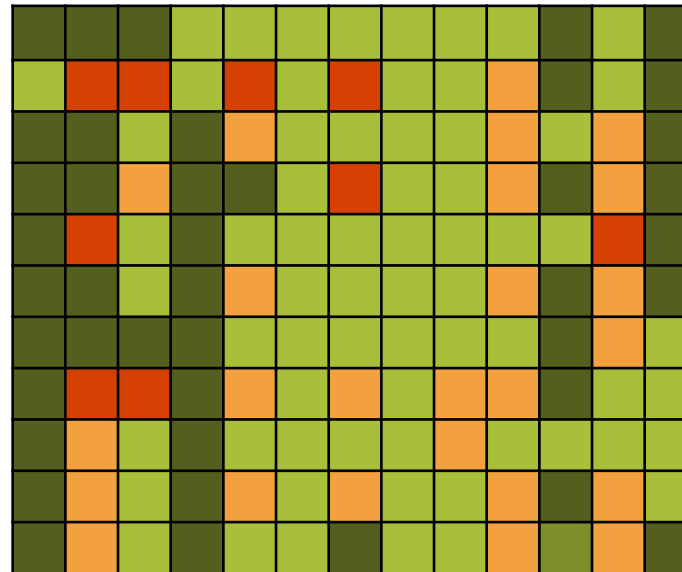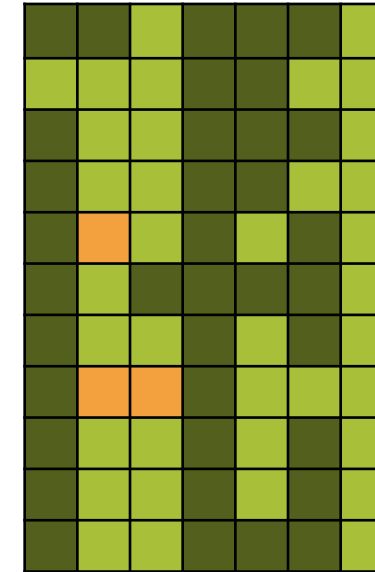
Relationship Management

November 2022　　June 2023

F1. Defined roles
F2. Good communication
F3. Comfort raising concerns
F4. Shared decision making
F5. Informed decision making
F6. Gratifying collaboration
F7. Working to help succeed
F8. Record sharing
F9. Work through difficulties
F10. Learning
F11. Treated as valued

53%, 3%　　72%, 0%

Relationship management has improved, with no partner reporting any risks at follow-up and a greater proportion strongly endorsing positive statements about their experience in these areas.
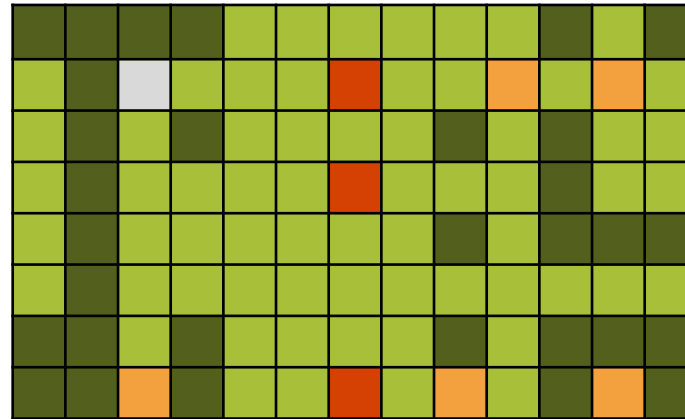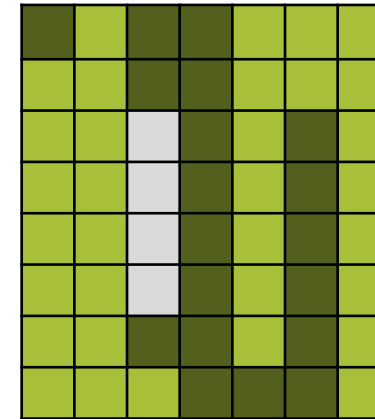
Value Proposition

G1. New contacts
G2. New funding
G3. Expand offerings
G4. Business resources
G5. New markets
G6. Technical assistance
G7. Legitimacy
G8. Policy influence

November 2022

June 2023

60%, 1%

68%, 0%

Value proposition scores improved marginally overall, with all respondents demonstrating positive results in these areas at follow-up (as applicable).

Results Takeaways

Market-related items were not well understood at baseline.

Changes in understanding are reflected in changing scores (more strengths, fewer risks).

Value proposition, relationship management, and operational alignment grew (but fewer organizations participated in the second round).

Participants were very interested in how organizational characteristics might be affecting scores.

This was especially true for factors where risks were identified.

Performative capacity decreased between the two rounds.

Risks on these items were concentrated in a few organizations rather than distributed among all partners.

What did we learn about the process?

- Neither Mission previously had any tool on hand to monitor the progress of engaging with the private sector.

- There was good understanding of the factors and items on the tool, although their relevance to different participant groups varied.

- The tool was fast and easy complete, but some users calculated scores incorrectly and support was required for data analysis and visualization.

- Participants preferred heatmaps to alternative presentation options and liked the focus on factor-level scores.

- Trade-offs exist between averaging/combining organizations' responses and promoting confidentiality.

Creating a Digital Solution

User requirements and interface specifications for an online version of the tool were developed to guide the digitization process.

D4I digitized the tool and invited the groups that had piloted the paper-based tool to test the digital one for functionality, usability, compatibility, and performance.

Test users' feedback – mostly edits to the wording of instructions and navigation options – was incorporated into the digital tool.

The digital PSE-SAM Tool is available at https://psetool.data4impactproject.org/

USAID is exploring options for long-term online hosting of the tool and other services such as a help desk/user support.

PSE-SAM tool demonstration

Microsoft 365 stock photo

Questions?