



CALL FOR PROPOSALS

Berlin, Germany  
Oct. 15-16<sup>th</sup>

# BEYOND THE KNOWN

Practitioners' Exchange to Discover New Ways to Promote  
Entrepreneurship & Support MSME Development

**Together we will discover the unknown while co-creating innovative solutions around key findings and lessons in entrepreneurship promotion and capacity building from emerging economies.**

BEYOND THE KNOWN is not simply another convening network, but an intensive practitioners' exchange designed to generate lasting impacts for the future of entrepreneurship. As a platform for action, the dynamic two-days (from 15-16<sup>th</sup> October in Berlin, Germany) guide practitioners to prototype targeted solutions and build momentum for the collaborative implementation of these solutions.

To achieve this vision, we need YOU. We are pleased to invite you as practitioners from across the world to share your experiences and to submit your proposal (or Knowledge Gift, as we like to call it). Your knowledge gifts will serve as the basis of conversations and collaborative prototyping sessions to design solutions that promote entrepreneurship and support MSME development in emerging economies. Apply with your knowledge gift to:

- Earn a spot at the interactive two-day BEYOND THE KNOWN practitioners' exchange;
- Present your knowledge gift insights during a poster session to 100+ other practitioners from across the world;
- Shape the future of entrepreneurship and support for MSME development by guiding hands-on solution prototyping around your knowledge gift.

During day one of BEYOND THE KNOWN, each accepted knowledge gift (around 4-5 per topic listed below) will be displayed on a printed poster and pitched for 2 minutes. These pitches are followed by a brief Q&A in plenary (8 minutes for each knowledge gift) and a short follow-up session where practitioners can roam around and ask further questions to the knowledge gift hosts. Practitioners are then invited to jump into fast-paced prototyping sessions in smaller groups to develop solutions around the knowledge gifts of their choice in two hands-on sessions (45 minutes each). On day two, practitioners will select their top 10 prototype solutions and further refine these ideas during 60 minute refinement sessions. The solutions developed will be published and serve the basis for ongoing partnership building around new ways to effectively promote entrepreneurship and support MSME development.

**Submit your Knowledge Gifts from now until 17<sup>th</sup> June!**

The BMZ/GIZ, EBRD, IFC, ILO and Swisscontact are pleased to announce the following core topics:

1. **MSME segmentation and entrepreneur-centred approaches**
2. **Interplay between financial and non-financial services**
3. **MSME support in the digital era**
4. **Entrepreneurial ecosystems and local advisory service providers**
5. **New trends in MSME development**

(More details on each topic and sub-topics are available [from page 3](#))

Please kindly note that if you have additional relevant experience that is not listed among these topics, we welcome you to send along your insights – and likely just did not think of your proposed topic.

## How to apply with your Knowledge Gift proposal?

To apply with a knowledge gift proposal related to one of the chosen topics, or a relevant topic of your choice, we invite you to fill in the knowledge gift template with the key details of your experience and insights into entrepreneurship promotion and development. This knowledge gift template will be printed as a poster and displayed during the two-day practitioners' exchange to provide a brief overview to all practitioners of your experience working with and around MSMEs and identify main challenges and opportunities for collaborative solution prototyping during the event. To ensure that participating practitioners are easily able to understand and build on these ideas, we are looking for knowledge gifts proposals with a limited amount of easy to skim text and a clear, illustrative visual.

To submit your Knowledge Gift:

1. Download our Knowledge Gift template as a PDF via this [LINK](#). Please directly fill in the text fields on this PDF plus attach an image (.PNG or .JPG) to the "illustration/visual" field. Please save with YOUR NAME & TOPIC NUMBER as the file name.
2. Go to the online submission form by clicking [HERE](#).
3. Upload the completed template with YOUR NAME & TOPIC NUMBER as the file name and fill out the submission form. Press submit. You will receive a confirmation by email.

You can submit your proposals **by Monday, 17<sup>th</sup> June 2019** at the latest. We will contact you by 5<sup>th</sup> July with feedback on your proposal.

**Important note:** Please note that all accepted knowledge gift posters will be made public. Additionally, the submission of a Knowledge Gift does not confirm your participation in the event. For this, separate registration is mandatory. A link to register for the event will be sent soon by email.

Please find further details on the core topics identified and guiding questions for filling in the knowledge gift template on the following pages. If you have any questions, please do not hesitate to contact us [via email](#).

Sincerely,

Your "Beyond the Known" project team

This event is a joint initiative of:

# BEYOND THE KNOWN | Discovering New Ways to Promote Entrepreneurship & Support MSME Development

## Which topics will be discussed?

In this document you can find all the topics that we want to discuss. Each topic has further sub-topics. You can click on the titles of the topics to jump to the sub-topics. Please note: these sub-topics are only suggestions and are intended for your orientation. **You are very welcome to contribute your own suggestions for sub-topics!**

### [TOPIC 1: Lessons learnt and what to take forward](#)

Is business training effective? Are we successful in changing behaviour and improving business outcomes? And how do we support different types of entrepreneurs, e.g. traditional MSMEs vs. growth-oriented enterprises? This opening session will summarize lessons learnt and discuss the importance of segmentation in providing the right support and finance to different enterprise types.

### [TOPIC 2: The interplay between financial & non-financial services](#)

While access to finance is usually high on the list when asking MSMEs what they need to scale up, other critical factors emerge when we look beyond money, e.g. shortage of management skills. This topic will shed light on how what non-financial services are coming to the fore and how to combine them with finance to produce better results and higher impact.

### [TOPIC 3: MSME support in the digital era](#)

Digital technologies open new possibilities to support MSMEs, such as e-learning, cloud-based accounting or e-commerce. This topic will analyze the impact of digitalization on MSME support and their delivery channels.

### [TOPIC 4: Entrepreneurial ecosystems and local organizations](#)

What are the consequences of adapting an ecosystem approach to promote entrepreneurship in emerging markets? This topic will be dedicated to discussing latest trends in ecosystem building, the role of local support organizations and explore new ways on how to achieve system impact and change.

### [TOPIC 5: Cross-cutting issues in supporting entrepreneurship and MSMEs](#)

How do you support the development of women-led business? What do you need to do different in fragile and conflict-affected contexts? This topic will shed light on specific gender, green entrepreneurship and fragility issues and how they can be best tackled – by mainstreaming into regular support or providing specialized support to these target groups is more successful.

## TOPIC 1: Lessons learnt and what to take forward

Is business training effective? Are we successful in changing behaviour and improving business outcomes? And how do we support different types of entrepreneurs, e.g. traditional MSMEs vs. growth-oriented enterprises? This opening session will summarize lessons learnt and discuss the importance of segmentation in providing the right support and finance to different enterprise types.

### SUB-TOPICS:

**How many MSMEs are out there?:** What is the role of micro, small and medium sized enterprises in the economy? How do they contribute to innovation and productivity? What role do they play on labor markets and how important are they for employment?

**Segmentation of entrepreneurs:** Are different types of entrepreneurs in need for different support services and training? What kind of support is needed by traditional micro-entrepreneurs vs. growth-oriented enterprises? How can development practitioners work together with the different partner organizations to best promote the various type of entrepreneurs?

**How effective is business management training?:** What do we know from RCTs and studies about the effectiveness of business management training? Does business management training for MSMEs result in higher productivity, turn-over and/or increased employment creation? How do factors such as length of training, content of training and characteristics of training beneficiaries influence results of the training?

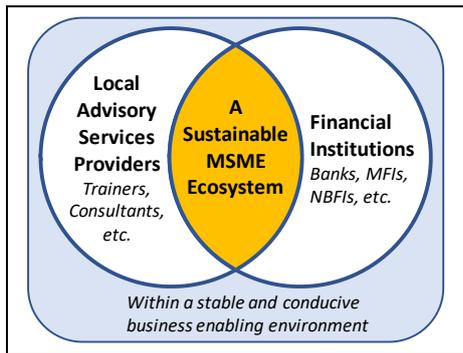
**Combining training with other support services:** What can be said about the effectiveness of combining business management training with other support services, such as coaching, mentoring and finance? What do we know about the effectiveness of coaching and mentoring through studies and RCTs? Is the approach to coaching different in rural vs in urban areas? Are there lessons for how to combine with finance out of past practices? How can coaching, mentoring and other services be delivered in a cost-effective and sustainable manner?

**Promoting Gazelles for job creation:** Should high-growth companies or “Gazelles” receive special attention from development practitioners? Is there evidence that demonstrates that promoting Gazelles leads to job creation and poverty reduction? How can we identify Gazelles early-on? What kind of specific support do Gazelles require? Does the content of business management training need to be altered to fit Gazelles specific needs?

**Sustainability of training provision:** How can development practitioners ensure financial, technical and institutional sustainability of business management training delivery? How to build the capacity of partner organizations in a way to ensure sustainable training delivery? What partner organizations should development practitioners work with to ensure sustainability? What can be said about the sustainability of public sector vs private sector driven training provision?

**Developing the missing middle:** Too many high-potential startups in emerging markets hit roadblocks to scale because they are unable to access the right kind of financing or can't access the talent needed. How can development cooperation help to close this gap? What role can a blended finance approach play to overcome this critical stage?

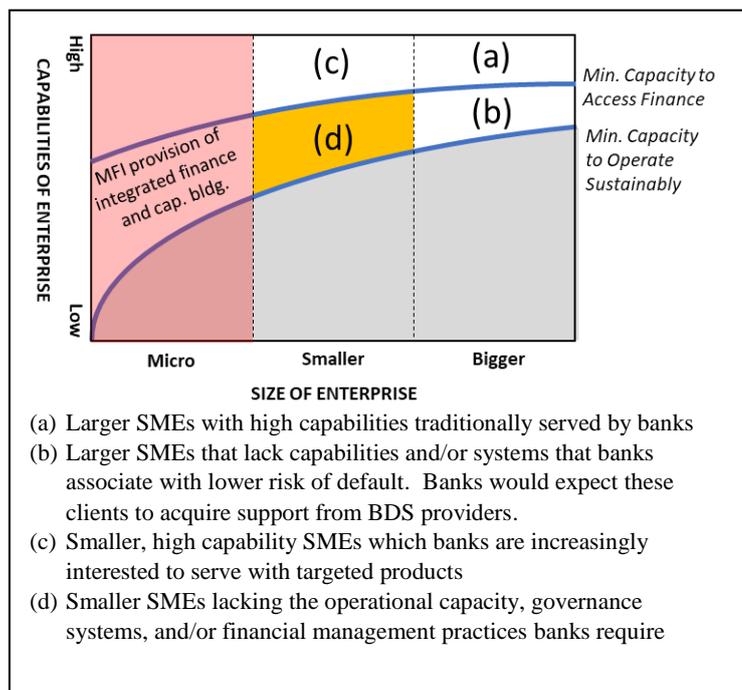
## TOPIC 2: The interplay between financial & non-financial services



A sustainable SME ecosystem must supply a wide range of financial services (debt, equity, payment services, etc.) and non-financial services (capacity building, specialized knowledge, advisory services, etc.) as each SME progresses through the lifecycle of a company. SMEs have limited access to training, to business networks and to role models. This impacts both the *supply* of bankable SMEs as well as the *demand* for formal financing. Providing non-financial services to SMEs can improve the viability of lending by making the SME better governed and/or more competitive.

Banks are increasingly interested to serve smaller SMEs but consistently find that these new clients require more capacity building and business development services to be viable borrowers. This track explores how Business Development Services (BDS) providers and Banks can potentially develop coordinated and complimentary services to serve the needs of SMEs.

**CONTEXT / FOCUS:** For the purposes of this exercise, we ask participants to focus on a subset of enterprises within SMEs. The graphic at right provides a theoretical structure for defining the target SMEs. The target companies (segment D) are big enough that they're outgrowing the focus of microfinance providers, but they're not large enough to meet the expectations that most banks have toward their commercial clients. They may lack computer-based records, and the leader(s) are often simultaneously filling multiple management and operational roles. Our target firms are the middle of the MSME size range, and they are viable businesses and have the capacity to operate sustainably.



**OPPORTUNITY:** Coordination and partnership between Banks and BDS/NFS/Capacity Building Providers help build an effective ecosystem to provide enterprises with the financial and capacity building services and promote market-driven solutions that will sustain a local advisory services industry that can be weaned off donor support.

**KEY QUESTION / CHALLENGE:** What must be true for stakeholders (banks, BDS/NFS providers, and donors) to effectively coordinate to create a sustainable ecosystem to serve the needs of SMEs?

## SUB-TOPICS:

1. What are examples of coordinated solutions working in the market where stakeholders have effectively provided integrated services?
2. What is the structure and what are the various roles of stakeholders to create a sustainable market for SMEs to access BDS and finance?
3. What innovations exist and how are we seeing NFS evolving in terms of effectiveness, cost reduction, and scale?
4. How can we measure impact/results in ways that are valuable for all stakeholders?
5. Are there shared performance indicators for SMEs that can assist stakeholders in coordinating services?

## TOPIC 3: MSME support in the digital era

Digital technologies open new possibilities to support MSMEs, such as e-learning, cloud-based accounting or e-commerce. This topic will analyze the impact of digitalization on MSME support and their delivery channels.

### SUB-TOPICS:

**Digitalisation as the megatrend:** Is digitalisation driving economic and social change equally across emerging markets? Can we identify a point of no return for an economy moving to a digitalised model? Digital readiness and digital opportunity differ across sectors and across business lines; how can we help MSMEs understand where the real returns on investment for digitalisation lie?

**Is digitalisation an opportunity or a threat for SMEs?** Digitalisation can be considered to 'democratise the market', i.e. to offer opportunities for smaller players to apply business models that do not depend on scale or through tools like digital marketplaces that overcome the constraints of being regionally based. But investment is needed, both financially and in terms of reconsidering business models, which carries risks for the MSME. There are also a bewildering range of new technologies, systems, software and business relationship models coming into the market – how can MSMEs be supported to understand the right digital opportunities for their business?

**Digitalisation is an ecosystem:** Digitalisation rests on a network of interconnected factors, from infrastructure to market awareness to skills development, within the market and the MSME. Where should the emphasis and the MSME support be placed?

**Digitalisation vs. digitisation vs. digital transformation; these are not the same:** Digital business transformation is organisational change through the use of digital technologies and innovative business models to improve corporate performance. What should private sector development actors like IFIs be promoting? What are the overlaps with promoting innovation among MSMEs?

**MSMEs are often time-constrained – can flexible approaches (such as online and modular) be effective?** An answer to this question depends on weighing the potential benefits of increased reach to MSMEs and more flexibility against the potential costs of reduced learning outcomes, limited content-tailoring and lack of relationship building opportunities through online training courses and seminars.

**70% of digital transformation efforts fail (McKinsey 2017):** Why? Not because of lack of financial investment, but because organisational culture fails to change and thus behaviours fail to change. Where can MSME support programmes be effective in delivering positive outcomes for digital transformation efforts?

**Financing for digitalisation?** Digitalisation often calls for investment in new technologies or software. But is it feasible to use access to finance to incentivise digitalisation changes to other areas of the business or to shifting to a digital business model?

## TOPIC 4: Entrepreneurial ecosystems and local organizations

What are the consequences of adapting an ecosystem approach to promote entrepreneurship in emerging markets? This topic will be dedicated to discussing latest trends in ecosystem building, the role of local support organizations and explore new ways on how to achieve system impact and change.

### SUB-TOPICS:

**Understanding the Ecosystem:** In order to identify gaps and opportunities, which affect successful entrepreneurial activities, the ability to analyze, visualize and empathize with the ecosystem is a prerequisite to design efficient and sustainable interventions. This includes not only looking at explicit conditions such as policy framework, support structures and actors but seeking to truly understand less explicit conditions such as quality of relationships or formal and informal power dynamics within the system. We are looking for new innovative methodologies which provide us with a more holistic understanding of entrepreneurial ecosystem to help us to design better and more effective projects.

**Strengthening local institutions:** In order to gain sustainable effort it is necessary to strengthen and focus on local institutions. The support possibilities for intermediary institutions are influenced by the framework conditions. That's why the role of the national and local government role is important. The question is: what are the basics to create a conducive ecosystem? We are looking for new ways how local structures can be supported in a joint approach with development organisations.

**Developing Pipelines:** There is a lot of attention on investing in "investment-ready" entrepreneurs. Growing the pipeline by creating a culture of entrepreneurship or supporting early stage entrepreneurs however is often seen as "unsexy" and hence underserved. We are looking for good examples on how to build and grow entrepreneurial talent and strategic approaches on how to strengthen the pipeline of investable entrepreneurs.

**Trust Building:** Successful ecosystems are collaborative. They grow and strengthen through the continual interaction of all stakeholders toward a common end. However, in early stage ecosystems, there is often a lack of trust which inhibits collaboration. We are looking for innovative approaches how a culture of collaboration, cooperation, and trust can be fostered.

**Diaspora Engagement:** Diasporas are in a unique position to have a positive effect on the economy of their country of origin by investing in their home countries through direct and portfolio investments, or through the establishment of new ventures. Yet, many developing countries have had only limited success in attracting them. We are looking for cases that focus on mobilizing diaspora networks to drive and support entrepreneurship in their countries of origin.

**Rural ecosystem building:** Most of the attention in entrepreneurial ecosystem building is on cities while rural areas remain underserved. We are looking for examples on how to build rural innovation ecosystems.

## TOPIC 5: Cross-cutting issues in supporting entrepreneurship and MSMEs

How do you support the development of women-led business? What do you need to do different in fragile and conflict-affected contexts? This topic will shed light on specific gender, green entrepreneurship and fragility issues and how they can be best tackled – by mainstreaming into regular support or providing specialized support to these target groups is more successful.

### SUB-TOPICS:

**Individual programming versus mainstreaming:** Are gender, green entrepreneurship and fragility truly cross-cutting issues? Should development organizations provide specialized support to these target groups or should they be mainstreamed into regular support programs?

**Business continuity:** What are the challenges and needs of entrepreneurs in fragile and conflict-affected environments? What are possible continuity strategies and how can entrepreneurs trade /survive despite conflict? What can development cooperation do to support entrepreneurial continuity?

**Entrepreneurship promotion to bridge the humanitarian –development nexus:** How to promote entrepreneurship of refugees and IDPs in settings dominated by humanitarian actors? How to encourage entrepreneurial activities of people who have become dependent on humanitarian assistance? Which partner organizations can we work with to build sustainable support structures in settings dominated by humanitarian organizations?

**Entrepreneur's role for peace:** How can entrepreneurial promotion in fragile environments be linked to peace and stability? What is the specific role that the Entrepreneur can play in order to foster peace?

**Changing motives for Entrepreneurial Action:** After years of conflict, the motives behind Entrepreneurial Action have changed. How does the motivation to set up and run an own business change in fragile and conflict-affected situations. How can development organizations develop entrepreneurial mindsets in fragile / post-conflict settings?

**Selection of cooperating actors:** How do development cooperation organizations select the actors (both entrepreneurs / businesses as well as local support institutions) that they support in fragile environments? Are only those supported that have been neutral during conflict or an outspoken peace agenda? As there are only few if any local business support institutions – which ones to select and work with? What is the role of development organizations in such an environment – is it justifiable to set up institutions? How can sustainable local structure be built in the medium-term?

**Understanding the entrepreneurial ecosystem in fragile environments:** Official versus local institutions – ODA piece of work.

**Transforming war economy:** In conflict and post-conflict situations, economic activities cannot be seen as a separate, apolitical sphere, but seem to play a central role in sustaining violence and fighting. What can be done in order to facilitate transitions from 'war economies' to 'peace economies'? How can development organizations provide alternative economic perspectives to the entrepreneurs of the war economy?

**Stereotypes and Discrimination:** How can entrepreneurship measures be implemented for women's economic empowerment in regions where the cultural stereotypes hamper women to choose their economic opportunities freely? In many countries, local norms and laws discriminate against women. How can development organisations help work against this discrimination?

**Gender Diversity in SMEs:** What can Small- and Medium-Sized Enterprises (SMEs) do to generate a gender diverse workforce within their companies? What kind of measures can SMEs take to support women that are tied up in unpaid care work to move into the workplace?

**Supporting women entrepreneurs:** What specific challenges do women face when starting and developing their business? How can entrepreneurship development programs be tailored to take into account women's specific needs and challenges? How can men be included in measures to promote women entrepreneurs?

**Green entrepreneurship and Greening enterprises and entrepreneurship promotion:** How can environmental issues be mainstreamed into efforts to promote entrepreneurship? Are specific support services and trainings needed to promote entrepreneurs in the green economy?