

# Strategic Plan 2007-2012

September 20, 2007



West Africa



Asia



East Africa



Latin America

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## Acronyms

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DFID	U.K. bilateral aid agency, the Department for International Development
FY	fiscal year
IFC	International Finance Corporation
M&E	monitoring and evaluation
MFI	microfinance institution
NGO	non-governmental organization
PAT	poverty assessment tool
PWD	person with a disability or people with disabilities
SLF	sustainable livelihoods framework
SP	strategic plan
TU	Trickle Up
USAID	U.S. bilateral aid agency, the U.S. Agency for International Development

## Background

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### **Trickle Up's Origins**

In 1979, Trickle Up was among a small number of nonprofits embracing radical new ideas for addressing poverty. Poor people, even those with little money or education, could be the architects of their own economic progress. They could be trusted to handle money, whether grants or loans, responsibly and effectively. Women could be a powerful force for economic improvement. Trickle Up's approach was to help individuals directly, in contrast to the community development strategies that prevailed then (and were a central tenet at Save the Children, where Trickle Up co-founder Glen Leet was president for many years).

As its name implies, Trickle Up believed that the best decisions would be made not at the World Bank, USAID, universities or U.S.-based foundations but in the rural villages and urban slums where the poor live and struggle to survive. Today these values are widely accepted, but it is important to remind ourselves that Trickle Up truly was a pioneer in the field of poverty alleviation.

Trickle Up's founders also had clear views about its products and services, as well as about the way the organization should operate. In its early years, Trickle Up offered one basic product, the \$100 seed capital grant, which was distributed through local partners. Investment in training was modest and centered around the task of completing the Trickle Up business plan. Trickle Up's founders concentrated on minimizing all operating costs, to maximize grant spending. Staff salaries were low, little was spent to send program staff to the field to monitor the program, and partner agencies worked on a voluntary basis. Little was invested in fundraising or marketing. While this strategy did result in a high ratio of grant spending to total income, it also suffered from lack of financial controls, low partner commitment, limited reliable evaluation data and a lack of resources for building a sustainable organization.

### **Trickle Up's Strategic Plan 2004-2007**

By 2004, when Trickle Up completed its most recent strategic plan, it was an organization that was a pioneer, occupied a unique and important position in the field of poverty alleviation, had loyal supporters and donors and a board that was more high-powered than would typically be found at a \$3.5 million, low-profile nonprofit in New York City.

Trickle Up's last strategic plan, which covered the period 2004-2007, described an organization that had already drawn a number of important distinctions between the "old" and the "new" Trickle Up. Instead of casting its net wide as it had in the early years, TU continued to reduce the number of countries where it worked. Instead of keeping administrative costs very low, it decided to establish two field offices. Instead of a simple, grants-only approach, it experimented with savings, business development services, and customized training materials. Instead of the early days when the selection of entrepreneurs was more informal, it planned to field-test poverty targeting tools. Instead of relying on volunteers to conduct ad hoc evaluations, it began to systematize monitoring and design an impact assessment system.

In fact, in 2006, TU reviewed its progress against the strategic plan and found that it had achieved or exceeded many of the goals it had set for itself.<sup>1</sup> It:

- Reduced the number of core countries from 25 to 14.<sup>2</sup>
- Increased the proportion of female-led businesses to 71% of the total.
- Increased the proportion of businesses headed by people with disabilities to 10%.

- Established field offices in Mali and India.
- Served an increasing number of entrepreneurs in the plan period, from 9,858 in FY04 to over 10,000 in FY06.
- Introduced local flexibility in the disbursement of grants.
- Continued customization of training materials.
- Began regional testing of savings approaches.
- Piloted projects on business development services in Guatemala and Honduras.
- Pioneered an impact assessment system in the U.S. program.
- Exceeded its fundraising goals: total annual funding had been projected to reach over \$3.67 million in 2006; in fact, it reached \$4.54 million.

At TU President Bill Abrams' first board meeting in December 2005, he announced that a new strategic planning process would begin in the first half of 2006. The rationale for beginning the process early was two-fold:

1. The 2004 strategic plan had essentially been achieved.
2. During this period, Trickle Up had also transformed its board and management. One-third of the organization's 24 board members had joined since June 2004, and there had been significant turnover among TU staff as well.

This document is the result of the process that was initiated at that meeting.

## Statement of Need

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### Extreme poverty

In 2007, nearly one-fifth of the world's population—over 1 billion—lives in what the United Nations defines as extreme poverty, earning less than \$1 per person per day.

Key features of poverty today:<sup>3</sup>

- The number of poor in Africa is rising. While the overall number of people living on less than \$1 day has decreased between 1990 and 2001, it has increased in Sub-Saharan Africa, from 227 to 313 million in the same period.
- The very poor are getting poorer. During the 1990s, the average income of the extremely poor in sub-Saharan Africa actually declined. Poverty has become both wider and deeper.
- Seventy percent of the poor are women. Women work two-thirds of the world's working hours, produce half of the world's food, and yet earn only 10% of the world's income and own less than 1% of the world's property. In the least developed countries, nearly twice as many women over age 15 are illiterate as men. Two-thirds of children denied primary education are girls.
- Setbacks on hunger nearly outweigh progress. There were 815 million hungry people in the developing world in 2002<sup>4</sup> — 9 million less than in 1990. Yet in the worst-affected regions — sub-Saharan Africa and Southern Asia — the number of hungry people has increased by tens of millions.
- Conflicts and disasters exacerbate poverty. Out of 13 million deaths in large-scale conflicts from 1994 to 2003, over 12 million were in sub-Saharan Africa, Western Asia and Southern Asia. Not surprisingly, these regions are also home to three quarters of the world's 37 million refugees and displaced persons. Over the same period of time, 669,000 people died as a consequence of natural disasters. Nearly three quarters of these deaths were in Eastern and Southern Asia.
- Though there are no exact statistics, it is believed that at least 10% of the world's very poor are people with disabilities; the number may be as high as 15%, and this does not include the roughly 40 million people living with HIV and AIDS worldwide.
- More than 65% of the rural population in Latin America and the Caribbean lives below the poverty line and, over the last two decades, the number of poor people in rural areas has increased in both absolute and relative terms. Malnutrition is not usually thought of as a Latin American problem, but in much of Central America, notably Guatemala and Nicaragua, chronic child malnutrition is as prevalent as in Africa or South Asia, and there has been no improvement for over a decade.<sup>5</sup>

### Progress against poverty

Despite the harsh reality of extreme poverty, some progress has been made in a few areas. The Millennium Development Goals (MDGs) are the 2015 targets established in 2000 and agreed to by 188 of the world's governments. A recent assessment looked at progress at the halfway point:<sup>6</sup>

- Global poverty rates are falling, led by Asia. Progress has been made against hunger, but the slow growth of agricultural output and expanding populations have led to setbacks in some regions.
- Five regions of the globe are approaching universal primary school enrolment.

- The gender gap is closing—albeit slowly—in primary school enrolment in the developing world. This is a first step toward easing long-standing inequalities between women and men.
- Death rates in children under age 5 are dropping, but not fast enough.
- Some progress has been made in reducing maternal deaths in developing regions, but not in the countries where giving birth is most risky.

This progress, while extremely modest, demonstrates that our efforts are part of a global movement with a global mandate.

### **The Trickle Up difference**

Trickle Up works on a small scale, but is a key player in the lives of the individuals, families, communities, and partner organizations with whom we work. For many of these people and organizations, we make all the difference in the world.

What is the Trickle Up difference?

- We provide a unique model for working with the extreme poor. The conditional seed capital grant provides a necessary, nearly risk-free financial kick-start to a new or young microenterprise, the training gives microentrepreneurs the know-how to put that grant to use, and the savings provides an ongoing pool of financial capital for their microenterprise and other livelihoods needs, as well as better protection from risk. There are vocational and agriculture training programs that target the extreme poor, but without financial capital inputs, few of them enable that knowledge to be immediately implemented. Housing and medical programs provide essential care but cannot single-handedly improve the economic situation of the extreme poor. Finally, savings-led programs often also target the extreme poor, but it takes years for an individual to accumulate the financial capital needed to purchase the productive assets necessary for a path out of poverty. In contrast, the TU model is a multifaceted tool that can help the very poor to significantly and sustainably change their economic situations and exit poverty.
- We provide livelihood opportunities in communities and to people who otherwise would not have access. We are one of the few microenterprise development organizations that target the very poor. Moreover, many of the areas where we work are not served by microfinance institutions (MFIs). Even where there is MFI service, we target people who are too fearful of debt to borrow money or who most MFIs would not find creditworthy.
- Our support to partner organizations increases local capacity in impoverished areas to support very poor communities in a variety of ways.

What would happen without Trickle Up? There has always been a large demand for Trickle Up support. Microentrepreneurs' business plans demonstrate that TU is often the only external investor in the microenterprise. Without Trickle Up, very poor people would continue their marginal livelihood activities and yet still struggle with the day-to-day challenges they face—poor health, inadequate education, and perpetuated poverty for themselves and their children—without the means to change their futures. Livelihood activities that could have lifted them out of extreme poverty would remain a dream.

Trickle Up plays a critical role in the lives of tens of thousands of people every year, and this is only our beginning. Over the course of the strategic plan period we will have served nearly 400,000 people worldwide, including microentrepreneurs and their household members—in many cases answering a call that would otherwise have gone unanswered.

## **The Trickle Up Model**

Four years ago, with funding from the International Finance Corporation and strong support from staff as well as the board, TU opened a field office in Mali. This decision has reaped rewards—over 10,000 microenterprises started and over 400 savings groups formed. Yet the roots of what became termed “The Mali Model” go far back in Trickle Up’s history. Notably, the Mali office was not our first field office; others had been opened in past years, for example in Kenya and Indonesia, though never with a long-term commitment. Other elements of success in Mali also have their roots in the past, and are present in other countries, particularly India—the focus on training, savings and better partnerships, for example.

The success—in terms of greater quality, scale and efficiency—of “The Trickle Up Model” depends on the presence of a field office headed and staffed by passionate, committed, and highly-skilled individuals, most of whom come from and are grounded in the communities we serve, and which is located logically for a regional approach. The field office enables TU to implement all the other key factors of success:

1. Ensure partners meet key criteria, phase out those that don’t, and initiate new partnerships with stronger agencies; provide high-quality capacity building for partner staff.
2. Systematize and improve training, particularly for those with low or no literacy.
3. Include savings as one of our core program components. Training, savings and grants together comprise our “First Steps” out of poverty.
4. Respond to needs identified by entrepreneurs and partners, piloting innovations such as bridging to capital and “pay it forward.”<sup>7</sup>
5. Shift in-country focus areas to those that meet clear criteria for poverty, accessibility, security, etc.
6. Increase our intervention beyond one year, with rigorous outcomes measurement and rigorous poverty targeting.
7. Continually improve our program for better outcomes.
8. Integration of Participatory Methodology into all phases of our program work.
9. Use the field office presence to leverage fundraising, as we have done successfully with USAID in Mali (3-year grant for \$900,000 received in June 2007) and hope to do in India with one or more major corporate or private foundations.
10. Conduct program design and planning within the sustainable livelihoods framework. This is the only factor that is not yet incorporated into the Trickle Up Model in any of our countries.

This strategic plan commits us to implementing the Trickle Up Model as captured in these factors of success, with locally-appropriate variations, in all eight of our countries.

## Purpose

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Trickle Up's reason for being is the reduction of extreme poverty.

## Values

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Trickle Up Stands For:

- ❖ **Service to the Very Poor**  
Trickle Up is dedicated to the complex and challenging work of serving very poor people (those living on less than a dollar a day), with special attention to women and people with disabilities who are disproportionately represented among them.
- ❖ **Trust in People**  
Trickle Up trusts in people and their ability to make a difference.
- ❖ **Results with Quality**  
Given the great number of people living in poverty, increasing scale is crucial to our mission. Trickle Up is committed to rigorous measurement of outcomes and continuous improvement of our program as we expand the number of people we serve, to meet the highest standards of quality and efficiency for sustainable results for the people whom we serve.
- ❖ **Empowerment**  
Trickle Up knows that empowerment is a critical component of poverty reduction. We are committed to enabling very poor people to have greater power over their lives, and voices that command attention.
- ❖ **Participation and Partnership**  
Trickle Up has deep respect for the skills, experience and knowledge of all our stakeholders, starting with those living in extreme poverty themselves and the network of dedicated partner agencies around the world. We are committed to stakeholder participation in our work as a precondition to success.
- ❖ **Justice**  
As enshrined in the United Nations' 1948 Declaration of Human Rights, Trickle Up believes that all people have the right to a standard of living adequate to ensure their wellbeing. In solidarity with those living in extreme poverty, we work for justice.
- ❖ **Integrity and Accountability**  
Trickle Up is committed to meeting the highest ethical standards in every aspect of our work. We hold one another financially and morally accountable for the achievement of our mission and the effective and efficient use of our resources.

## Vision

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Trickle Up works for a world in which all people have access to and control over the resources they need to lead lives of dignity—a world that recognizes this access as a right, not a privilege. Our vision is a world that has succeeded in reducing the number of people living in extreme poverty.

## **Mission**

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Trickle Up empowers people living on less than a dollar a day to take the first steps out of poverty, providing them with resources to build micro-enterprises for a better quality of life.

## **Aims**

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To pursue our mission over the coming five years, Trickle Up has established five aims. Each is supported by several goals, which are in turn detailed by a number of objectives. Progress toward the achievement of aims, goals and objectives will be reported using indicators laid out in Annex 1 (Progress Reports on the Strategic Plan). Many words and terms are defined in Annex 2 (the Glossary).

### **Aim 1: REDUCE EXTREME POVERTY**

Reduce extreme poverty (defined by a per capita daily income under \$1) through a high-quality, efficient microenterprise development model for sustainable livelihoods that encompasses business training, conditional seed capital grants, and savings support. Trickle up will increase in scale from about 50,000 beneficiaries in FY08 to over 123,000 in FY12.

### **Aim 2: RAISE THE NECESSARY FUNDS**

Generate the financial resources and development capacity necessary to fund this strategic plan, with an ambitious but sustainable increase in total annual funding from \$4.37 million in FY08 to \$8 million in FY12.

### **Aim 3: BECOME A LEADER IN OUR FIELD**

Achieve recognition by donors, opinion leaders and peers as a leader in poverty reduction through microenterprise development, both to increase funding and to raise the visibility and influence of our model so others may replicate it to the benefit of the very poor.

### **Aim 4: MANAGE WITH EXCELLENCE**

Be mission-driven, with a shared focus on values, resources, data, and outcomes that is critical to the effective, efficient and accountable management of a high-quality global program.

### **Aim 5: MAXIMIZE BOARD ENGAGEMENT**

Build a spirited, united board set to achieve our mission, holding management accountable for the realization of TU's goals, playing a key role in securing the necessary financial and expert resources, and fulfilling their fiduciary responsibilities.

## Goals and Objectives

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Within each of Trickle Up's five strategic aims there are between three and seven goals, listed in rough order of priority. Each goal has a number of objectives that are also listed in rough order of priority. Aims, goals and objectives will drive Trickle Up's work through FY12.

For indicators that measure our progress in meeting the aims and goals, see Annex 1. For some, there is no baseline data, and targets for FY08 and FY12 are based on untested assumptions. As such, many targets in Annex 1 and in the aims, goals and objectives are aspirational. We expect that over the course of FY08 as we set up new systems to track these data, we will find it necessary to significantly revise some targets. During quarterly reviews through FY08 and at the first year SP review in September 2008, adjustments are expected to be made to many of the numbers herein.

**The Sustainable Livelihoods Framework.** One of the most important terms in the Glossary (Annex 2) is "Sustainable Livelihoods Framework;" its definition is summarized here. TU has adopted the Sustainable Livelihoods Framework (SLF), a widely-accepted, holistic approach to understanding, analysing and working to reduce poverty. This framework has been in use since the late 1990s. In the SLF, all people have five types of capital or assets: financial, human (education), social (networks, personal power), environmental (land, water), and physical (tools, housing). Their amounts of each type of capital are affected by, and in turn affect, their vulnerability to shocks (war, natural disaster, death), trends (inflation), and seasonality (drought, migration), as well as structures (levels of government, the private sector, civil society) and processes (laws, policies, culture, institutions). Based on her particular mix of assets, a person chooses several livelihood strategies—in TU's case, the TU microenterprise is just one of these strategies—which result in certain livelihood outcomes (regarding income, health, empowerment, education, etc.). As esteemed U.K. poverty reduction agency Department for International Development (DFID) says, "The sustainable livelihoods framework presents the main factors that affect people's livelihoods, and typical relationships between these. It can be used in both planning new development activities and assessing the contribution to livelihood sustainability made by existing activities."<sup>8</sup>

TU will use the SLF to frame, assess and guide our work throughout the SP period. For example, when we propose, test and finalize partner criteria, we will consider partners that provide services in asset-related areas we do not touch, or have little impact on, such as physical and natural assets that are also critical to the lives of the very poor. When we design, test and roll out our TU-wide training curriculum, we will consider whether training modules on microenterprise choice take adequate account of natural disaster-related threats (drought); we will consider whether TU-supported savings groups make best use of the national legal framework. Monitoring and evaluation, guided by the SLF, will examine not only narrowly-focused business-related outcomes but to what degree the whole range of people's assets are strengthened, and whether people are more resilient in the face of shocks such as disease, or have more say with local institutions. Importantly, in measuring outcomes we will examine our impact not only on the businesses we help support, but on other livelihoods outcomes sought by the poor, such as empowerment and achievement of personal goals. There are innumerable examples of how using the SLF will help us to be more holistic in our analysis and thus more effective in our work, and thus, finally, of more relevance to and importance in the lives of the people we seek to serve.

## **Aim 1: Reduce extreme poverty**

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Reduce extreme poverty (defined by a per capita daily income under \$1) through a high-quality, efficient microenterprise development model for sustainable livelihoods that encompasses business training, conditional seed capital grants, and savings support, increasing in scale from about 50,000 beneficiaries in FY08 to over 123,000 in FY12.

### **Aim 1 goals and objectives**

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#### **Goal 1.1: Poverty focus**

Ensure that we are reaching the very poor by using Poverty Assessment Tools with all new microentrepreneurs in Mali, India and Uganda beginning in FY08, and in all other TU countries from FY09 on, increasing the percentage of microentrepreneurs with disabilities and ensuring that at least two-thirds of microentrepreneurs are women.

#### **Objectives**

- 1.1.1 *Poverty Assessment Tools*. By FY08, develop, test, and roll out Poverty Assessment Tools (PAT) in Mali, India and Uganda to ascertain the poverty level of microentrepreneurs and obtain TU's first objective data on microentrepreneurs' progress out of poverty; by FY09, develop, test and roll out PATs in all other TU countries. By FY12, we aim to have close to 100 percent of new microentrepreneurs with a per capita daily income of less than \$1 as measured by the PAT.
- 1.1.2 *People with disabilities (PWD)*. In FY08, develop a board-approved policy on working with PWD; pending policy approval, gradually increase the proportion of people with disabilities, including people living with HIV/AIDS, among TU microentrepreneurs from 11% in FY08 to 15% in FY12.
- 1.1.3 *Women*. In FY08, develop a board-approved policy on gender for TU. Pending policy approval, ensure that women comprise two-thirds of TU microentrepreneurs each year, reflecting the global proportion of women among the very poor.
- 1.1.4 *Other beneficiaries*. In FY08, continue tracking the number of microentrepreneurs' household members; define the term "indirect beneficiaries" and begin tracking it annually.

#### **Goal 1.2: First Steps**

Implement a high-quality program of microenterprise development for sustainable livelihoods called First Steps that includes training, conditional seed capital grants, and savings, increasing in scale from 8,720 microentrepreneurs in FY08 to over 23,000 in FY12.

#### **Objectives**

- 1.2.1 *Training*. By FY09, revise, test, and in FY10 begin to roll out a high-quality training curriculum that works for people with low or no literacy, includes TU-wide standards, modules, and desired outcomes, and makes clear what shall be left flexible for adaptation to local situations; from FY09 onward, all microentrepreneurs every year will receive this training.
- 1.2.2 *Conditional seed capital grants*. In FY08, disburse \$872,000 in grants to new microentrepreneurs. In FY08 and FY09, maintain an average grant size of \$100 but test larger and smaller sizes to assess the appropriate grant size(s) for TU's target

population, budget, and stated goals and objectives. Based on test results, establish a grant size policy in FY10 and begin implementation.

- 1.2.3 *Savings*. In FY08, support the creation of savings groups for new microentrepreneurs in Asia and West Africa. By FY09, develop, test and roll out a strategy for TU-wide savings support that ensures 100% of TU microentrepreneurs have a safe means to save, for expansion of their microenterprises, essential household needs, and risk reduction.
- 1.2.4 *Markets*. Recognizing that local, regional and even global market forces affect the success and sustainability of TU-supported microenterprises, make use of existing, relevant market and value chain research and analysis to provide better information and training for microentrepreneurs to help them choose microenterprises with a high likelihood of sustainable success.
- 1.2.5 *Basic needs*. Recognizing that the TU model, focused on microenterprise development, cannot address all the livelihood needs of the very poor, prioritize partnerships with local organizations that provide services that are complementary to TU's (for example in education or health), and exploit our local connections to encourage other organizations to provide necessary services to TU microentrepreneurs and their communities.

### **Goal 1.3: Partnership**

Strengthen partnerships with the introduction of TU-wide partner selection criteria (in FY08), a partner assessment tool (by FY09), and a TU-wide menu of partner capacity-building services (by FY10), phasing out of low-performing partners; increase the number of partners from 70 in FY08 to about 99 in FY12 and the number of microentrepreneurs served per partner from 124 in FY08 to 234 in FY12, while retaining a small number of partners that are low-scale but reach particularly marginalized populations.

### **Objectives**

- 1.3.1 *Partner selection*. Recognizing that some local target populations may only be reachable by organizations that are inherently low-scale, TU will develop and use two criteria sets, one for partners with high potential for scale and one for those with low potential; however, high-scale partners will comprise 90% of total partners each year. In FY08, develop, pilot and begin to roll out TU-wide partner selection criteria; from FY08 on, all partners will meet selection criteria.<sup>9</sup>
- 1.3.2 *Partnership*. In FY08, develop, test and roll out mutually agreed, measurable criteria for measuring partner performance; ensure all partnerships meet these criteria from FY09 on.
- 1.3.3 *Partner capacity building*. In FY08, ensure all partners have been trained adequately to implement TU. In FY08 and FY09, develop and test a clearly defined menu of capacity building services for TU partners, to include a training module on delivery of the TU program for all partners as well as a variety of optional modules (for example, gender awareness, participatory methodology, monitoring and evaluation); roll it out from FY10 onward.

### **Goal 1.4: Participatory methodology**

Participatory methodology is the poverty reduction world's version of "lean manufacturing" (a process management philosophy). Employ participatory methodology in all phases of our work.

## **Objectives**

- 1.4.1 *Core competency.* By FY10, all TU program staff will have achieved competency in participatory methodology.
- 1.4.2 *Methodology.* From FY08 to FY10, gradually incorporate participatory methodology into all program planning, design, implementation, monitoring and evaluation.

## **Goal 1.5: Bridging**

Conduct research between FY08 and FY10 to determine whether and to what extent bridging to post-TU sources of financial capital is critical to TU microentrepreneurs' livelihoods and movement across the poverty line; follow up with an appropriate policy.

## **Objectives**

- 1.5.1 *Research.* From FY08 to FY10, design, test and analyze strategies in Mali, India, and Uganda to bridge TU microentrepreneurs to post-TU sources of financial capital, including banks, microfinance institutions (MFIs), and microentrepreneurs' own savings groups, focusing on feasibility, need, outcomes, cost, and mission fit; analyze program monitoring and evaluation (M&E) data to determine whether and to what extent bridging is needed for sustainability of impact.
- 1.5.2 *Follow-up.* In FY10, recognizing that "bridging" might be critical for none, all, or some other percentage of TU microentrepreneurs, and based on research described above, finalize a board-approved policy on bridging and implement it.

## **Goal 1.6: Program improvement**

Continually improve the effectiveness of the TU model through implementation of a feedback system to capture and analyze relevant data (starting in FY08), comparison of outcomes of model variants, encouragement of innovation and local flexibility, and reducing total cost per entrepreneur by 30 percent, from \$499 in FY08 to \$345 in FY12.

## **Objectives**

- 1.6.1 *Feedback system.* In FY08, develop, test and roll out a system for capturing and analyzing relevant monitoring and evaluation data and other program, development and finance information that feeds into ongoing program development.
- 1.6.2 *Research.* Analyze quarterly and annual program M&E data to compare outcomes of variants of the TU model to identify innovations that can improve its effectiveness, efficiency, scalability and replicability; pilot and roll them out as appropriate.
- 1.6.3 *Innovation.* Understanding that innovation and flexibility are powerful sources of excellence, encourage them regularly through staff performance appraisals, partner assessments, decentralization of roles and responsibilities to field offices, and other means.
- 1.6.4 *Cost-effectiveness.* Reduce program cost per beneficiary (including microentrepreneurs and their household members) from \$76 in FY08 to \$54 in FY12 (corresponding to a 30 percent decrease in total cost per entrepreneur from \$499 in FY08 to \$345 in FY12) by increasing scale, ensuring field offices are operating at maximum capacity, streamlining operations through development and implementation of necessary policies and systems that save time, and continually improving the program for greater impact and efficiency.

## **Goal 1.7: Geographic focus**

Strengthen program quality and increase cost-effectiveness by reducing the number of TU countries to eight, located in four regions, by the end of FY08: West Africa (Mali and Burkina Faso), East Africa (Uganda and Ethiopia), South Asia (India and Nepal), and Central America (Guatemala and Nicaragua). By FY08, each region will be anchored by a field office.

### **Objectives**

- 1.7.1 *Field offices.* In FY08, an analysis of the costs and benefits of TU field offices will be reviewed by the board; pending board approval, a fourth field office will be opened in Guatemala so that from FY09 onward, all TU programs will be managed by a field office, benefiting from improved local knowledge, cost savings, quality control, partnerships, and potential for scalability, local fundraising, and networking. Each field office will serve at least 4,000 new microentrepreneurs a year by FY12.
- 1.7.2 *Decentralization.* In FY08, roles and responsibilities of the field offices will have been clarified in a field office manual, and the field offices' role will be gradually expanded through FY12, decentralizing planning, management, program design, partner identification, and analysis.
- 1.7.3 *Geographic focus.* In FY08 and FY09, test and roll out selection criteria for identification of in-country focus areas, including degree of poverty, physical accessibility, availability of potential partners, security situation, proximity to other focus areas, and potential for multiplier/ripple effect; by FY11, ensure 100% of in-country focus areas meet these criteria. In FY08 all work in non-core countries will be phased out (Cambodia, Honduras, Bolivia, the U.S.).

## **Aim 2: Raise the necessary funds**

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Generate the financial resources and development capacity necessary to fund this strategic plan, with an ambitious but sustainable increase in total annual funding from \$4.37 million in FY08 to \$8 million in FY12.

### **Aim 2 goals and objectives**

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#### **Goal 2.1: Major donors (>\$5,000)**

With the assistance of the board, strengthen and maintain a sustainable major donors program that increases major donor funding from about \$1.38 million in FY08, contributing significantly to total individual funding of about \$4.7 million in FY12, by cultivating relationships with donors and prospects, maintaining a high donor retention rate, increasing both number of donors and funding received from them annually, and focusing sharply on donors capable of principal and leadership gifts.

### **Objectives**

- 2.1.1 *Major donor identification, cultivation and maintenance.* In FY08, create and roll out a system for developing all levels of major donors and prospects, emphasizing principal gifts, that clarifies the methods and tools to be used, including face-to-face meetings, phone contact, written correspondence, semi-annual major donor mailings, the gala and other special events, and field travel.

- 2.1.2 *Principal gifts (>\$100,000)*. Actively cultivate relationships with principal gift donors/prospects and secure an increasing number of principal gifts and total principal funding annually.
- 2.1.3 *Leadership gifts (\$25,000-\$100,000)*. Actively cultivate relationships with leadership gift donors/prospects and secure an increasing number of leadership gifts and total leadership funding annually.
- 2.1.4 *Major gifts (\$5,000-\$25,000)*. Actively cultivate relationships with major gift donors/prospects and secure an increasing number of major gifts and total major funding annually.
- 2.1.5 *Planned giving*. Capitalize on key planned giving opportunities that arise each year; develop a strategy for a full-scale planned giving program to be established by FY12.

### **Goal 2.2: Board role**

Under the leadership of the Development Committee, increase board giving from about \$515,000 in FY08, contributing significantly to total individual funding of about \$4.7 million in FY12.

#### **Objectives**

- 2.2.1 *Board giving and getting*. Led by the Development Committee, board giving and “getting” will increase and become more systematized.
- 2.2.2 *Prospecting*. On an ongoing basis, ensure collaboration between development staff, the President, and board members to identify and cultivate prospects, concentrating on those capable of principal and leadership gifts.

### **Goal 2.3: Foundation donors**

With the assistance of the board, increase foundation giving by focusing on larger foundations that have a demonstrated interest in areas relevant to TU’s mission and countries of operation, increasing annual funding from \$702,500 in FY08 to about \$1.3 million in FY12.

#### **Objectives**

- 2.3.1 *Foundation identification, cultivation and maintenance*. On an ongoing basis, strengthen stewardship of current grants, including high-quality reporting; strategic prospecting, including high-quality proposal writing and an increased number of well-targeted proposals going out; and cultivation of new donors.
- 2.3.2 *Current and reactivated foundation donors*. Cultivate and secure increasing annual funding from existing and reactivated donors.
- 2.3.3 *New foundation donors*. Build strategic relationships to secure increasing annual funding from new donors, especially larger ones, by increasing TU visibility and systematically searching for likely prospects.

### **Goal 2.4: Corporate donors**

With the assistance of the board, increase corporate giving by increasing the number of corporations supporting TU and the size of grants from current donors, increasing annual funding from \$566,000 in FY08 to about \$1 million in FY12.

## **Objectives**

- 2.4.1 *Corporate donor identification, cultivation and maintenance.* On an ongoing basis, strengthen stewardship of current grants, including high-quality reporting; strategic prospecting, including high-quality proposal writing and an increased number of well-targeted proposals going out; and cultivation of new donors.
- 2.4.2 *Current and reactivated corporate donors.* Cultivate and secure increasing annual funding from current and reactivated corporate donors.
- 2.4.3 *New corporate donors.* Build strategic relationships to secure increasing annual funding from new corporate donors by increasing TU visibility and systematically searching for likely prospects.
- 2.4.4 *In-kind contributions.* Make and implement a plan each year to identify and obtain in-kind contributions from corporations.
- 2.4.5 *Matching gifts.* Identify potential sources of, and increase total annual funding from, employee matching gifts.

## **Goal 2.5: Under \$5,000 donors**

With the assistance of the board, increase under \$5,000 individual donors' giving through personal contact and improved communication with selected high-dollar donors and prospects, increasing annual funding from about \$660,000 in FY08 to contribute to total individual funding of about \$4.7 million in FY12.

## **Objectives**

- 2.5.1 *Current mail donors.* Increase total giving by current <\$5,000 donors by improving the frequency, messaging and production quality of appeal mailings, including the newsletter; tailoring ask amounts; improved stewardship; and donor recognition.
- 2.5.2 *Online fundraising.* Implement an active online fundraising program, including targeting and testing, to significantly raise the percentage of funding that TU receives online.
- 2.5.3 *Prospecting.* Increase the number of new direct marketing and internet donors through prospecting initiatives using professional direct-response techniques.
- 2.5.4 *Improve <\$5,000 giving.* Through personalized cultivation and solicitations, as well as prospect research, graduate increasing numbers of <\$5,000 donors to the major donors program; increase the annual gift size of <\$5,000 donors; maintain high retention rates for new and existing donors; and reactivate lapsed donors.

## **Goal 2.6: Government and multilateral donors**

With the assistance of the board, increase government and multilateral giving from \$527,000 in FY08 to \$970,000 in FY12.

## **Objectives**

- 2.6.1 *Government donors.* Increase funding from USAID by systematically identifying opportunities, developing effective and long-term relationships at both USAID headquarters and mission offices, and submitting carefully researched and targeted

proposals. From FY08 to FY10, document lessons learned from FY07 USAID grant, including costs as well as benefits of receiving USAID funding.

- 2.6.2 *Multilateral and other bilateral donors.* Sustain and expand the relationship with the World Bank/IFC, and identify and secure new multilateral sources of funding, for instance with the InterAmerican Development Bank. Pursue other bilateral funding (the Japan International Cooperation Agency, the UK's DFID, the Canadian International Development Agency, the Swedish International Development Cooperation Agency, etc.).

### **Goal 2.7: Field office fundraising**

In FY08, the India field office will be registered as a trust to enable it to do local fundraising; based on the outcomes of this pilot, guidelines will be developed in FY09 for fundraising from other field offices.

#### **Objectives**

- 2.7.1 *Field office fundraising.* In FY08 the India office will be registered as a trust to enable field staff to fundraise directly from local sources, particularly corporations and major donors; based on local fundraising outcomes in India, in FY09 guidelines will be developed for local fundraising.
- 2.7.2 *Capacity-building.* Contingent upon issuance of local fundraising guidelines (see above), by FY09 each field office will have staff trained in basic fundraising.
- 2.7.3 *Support to headquarters.* Field offices will provide basic ongoing support to headquarters development staff in fundraising for their regions, including meeting with donors in the field and providing data for proposals and reports.

### **Aim 3: Become a leader in our field**

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Achieve recognition by donors, opinion leaders and peers as a leader in poverty reduction through microenterprise development, both to increase funding and to raise the visibility and influence of our model so others may in the future replicate it to the benefit of the very poor.

#### **Aim 3 goals and objectives**

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##### **Goal 3.1: Positioning**

Based on careful research, develop and deliver clear and compelling messages to target audiences that position TU as a unique microenterprise development organization that is effective in reducing extreme poverty.

##### **Objectives**

- 3.1.1 *Audiences.* In FY08, identify and profile target audiences including donors, prospects, opinion leaders, and peers; refresh research on target audiences each year.
- 3.1.2 *Messages.* In FY08, develop and deliver clear, compelling messages tailored to each target audience that position TU as a unique, effective microenterprise development organization helping people "take the first steps out of poverty" with clear branding; send newsletters and e-newsletters to constituents on a regular schedule; test messages on different audiences using different media to determine their effectiveness. Based on results in FY08, revise and refine messaging strategy in subsequent years for greater impact.

### **Goal 3.2: Internet**

Use the internet strategically, efficiently and effectively to raise money, gather constituents, gain recognition, and reinforce brand, focusing on improvements to TU's website and establishing TU profiles on high-traffic and social networking websites.

#### **Objectives**

- 3.2.1 *TU website.* In FY08, update TU's homepage, profiles, and program information; add video from Mali and India, photo features, Google Earth software and celebrity advertising; in subsequent years continue to build and maintain [www.trickleup.org](http://www.trickleup.org) as a comprehensive and compelling source of information about TU.
- 3.2.2 *Online giving.* Increase email signups at [www.trickleup.org](http://www.trickleup.org), with a concomitant increase in online fundraising, from \$120,000 in FY08 to \$300,000 in FY12.
- 3.2.3 *High-traffic websites.* In FY08, create profiles for TU on major social networking sites, media sharing sites, and other high traffic sites in order to drive traffic to [www.trickleup.org](http://www.trickleup.org), increasing from 160,000 visitors in FY08 to 240,000 in FY12.

### **Goal 3.3: Visibility**

Increase TU's visibility through optimal use of media to deliver messages, inauguration of work with our first celebrity spokesperson in FY08, applying for key recognition awards, and increasing staff's contributions to and participation in key publications and industry-related events.

#### **Objectives**

- 3.3.1 *Media.* In FY08, develop a list of media contacts covering issues relevant to TU, a bank of 20 fresh pitch angles, and a pitch calendar based on editorial schedules. Identify most effective media and develop a plan to present TU messages through them, beginning to position staff as expert references for media. Based on FY08 results, continue to increase visibility via media in subsequent years.
- 3.3.2 *Celebrity.* In FY08 begin work with celebrity spokesperson Maggie Gyllenhaal on a holiday fundraising campaign to increase media coverage, web traffic and donations, and promote our work and reputation; make plans for continuing the work in succeeding years based on lessons learned, focusing on celebrities with demonstrated interest in and commitment to poverty alleviation.
- 3.3.3 *Awards and public recognition.* In FY08, continue to forge an image for TU as an innovative organization by applying for key non-profit recognition awards (FastCompany Social Capitalist Awards, Amazon.com Non-profit Innovation Awards) and targeted pitching (Newsweek's "Giving Back Awards" issue, Reader's Digest's "America's 100 Best" issue).
- 3.3.4 *Staff involvement in key publications and events.* In FY08, identify target publications, conferences, panels and other events and create a plan to facilitate TU staff contribution to or participation in them, bringing program research and results to a wide audience.

## **Aim 4: Manage with excellence**

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Be mission-driven, with the shared values, resources, data, and outcomes focus critical to effective, efficient and accountable management of a high-quality global program.

### **Aim 4 goals and objectives**

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#### **Goal 4.1: Human resources**

Be an employer of choice for international development professionals.

#### **Objectives**

- 4.1.1 *Staff.* Each year, create and implement a plan to recruit, induct, manage, mentor, support and retain the highly qualified staff necessary for the achievement of our mission, increasing total staff from 38 in FY08 to 59 in FY12.
- 4.1.2 *Performance.* Each year set performance goals for all staff and for each unit and office based on the strategic plan; formal annual assessments will measure performance against these goals as well demonstrating core competencies.
- 4.1.3 *Compensation and benefits.* Over the plan period, develop a global compensation and benefits policy that is clearly articulated, logical, fair and consistent with norms in peer organizations, local market standards and TU financial resources, for board approval.
- 4.1.4 *Staff development.* Each year, create and implement individual staff development plans, provide opportunities for relevant learning, and identify and follow through on opportunities for career growth and advancement. Hold an annual Program Team Meeting to exchange experiences, problem-solve, strategize, plan, and receive training, rotating the host country among all TU offices.
- 4.1.5 *Core competencies.* In FY08 define all core competencies (including participatory methodology) needed to deliver TU's model, and develop and implement a plan for achieving these core competencies by FY10. Achieving core competencies will also provide career path opportunities for staff, reduce turnover, increase institutional knowledge and strengthen cross-regional and cross-unit learning;
- 4.1.6 *Networking.* Each year, identify and make a plan for staff participation in local, national, regional and global networks, conferences, workshops and/or meetings that would help us achieve our mission.
- 4.1.7 *Diversity.* When recruiting staff, reach out to diverse populations to increase extent to which staff reflects TU's countries of operation and target populations.
- 4.1.8 *Organizational culture.* In FY08, take specific steps to build and maintain a mission-driven organizational culture that is supportive of staff and their families (see *Staff working relations* below). The organizational culture we want is one rooted in the TU values, in which individuals and groups communicate clearly and openly, are reflective, innovative, mutually accountable, collegial, cooperative, trusting and results-oriented, and value learning.
- 4.1.9 *Interns and volunteers.* In FY08, develop, test and roll out a system to recruit and use volunteers and interns efficiently and effectively, including systematic identification of appropriate tasks and a way to maintain ties with them after they leave.

4.1.10 *Human resources database.* Over the plan period, develop, test and roll out a human resources database and system to enable the effective and efficient functioning of human resource-related activities, including monitoring leave, salary, benefits, and performance appraisal status.

4.1.11 *Human resources policies.* In FY08, finalize and obtain board approval of a safety and security policy. Other necessary human resources and workplace policies, for example on sexual harassment, whistle blowing, disability in the workplace, and personnel, will have been updated or created by FY09 or as necessary to be consistent with legal requirements.

#### **Goal 4.2: Alignment**

Staff and board will be fully aligned with our mission and enjoy effective working relations through consistent use of language, regular board education events, and regular, focused meetings, reports and reviews.

#### **Objectives**

4.2.1 *Language.* In FY08, continue to strengthen alignment through consistent use of key terminology, reviewing all materials (website, proposals, reports, press releases) for consistency with the language in the strategic plan and revising them as needed. From FY09 on, language in all TU documentation should be consistent.

4.2.2 *Staff working relations.* Beginning in FY08, take specific steps to strengthen staff working relations, including weekly meetings of the unit directors, bimonthly program updates, regular trip reports and presentations, quarterly and annual progress reports, annual strategic plan reviews, and other means.

4.2.3 *Board education.* Beginning in FY08, create and implement a continuing education plan for the board, including events and readings devoted to the board's achieving full understanding of strategic issues (for example, the sustainable livelihoods framework, outcomes assessment, defining and measuring poverty, serving people with disabilities, etc.); board members will commit time to participating in these events. In FY08, develop, test (when possible) and roll out a TU orientation process for new board members.

#### **Goal 4.3: Financial management**

Strengthen financial management through increased board oversight, better financial analysis and reporting, a focus on optimizing benefits from all investments, and a timely and realistic budgeting process with annual budgets approved by the board every June.

#### **Objectives**

4.3.1 *Accountability.* Beginning in FY08, measurably improve clarity and accountability through strengthened board, Finance Committee and Audit Committee oversight, with better and more regular analysis on all aspects of financial performance.

4.3.2 *Investments.* Beginning in FY08, take specific steps to ensure we derive optimal benefits from all investments.

4.3.3 *Budgeting.* In FY08, develop, test and roll out a timely, realistic annual budgeting process with regular tracking throughout the year via monthly reports to all those with budget responsibilities; establish three-year financial plans, updated annually; and

integrate financial analysis and budgeting more tightly with program and development monitoring and planning. The annual budget will be approved at the June board meeting each year.

#### **Goal 4.4: Monitoring and evaluation**

Introduce all necessary tools for measuring program outcomes effectively, beginning in FY08 in Mali, India and Uganda, and expanding to remaining TU countries in FY09, along with a comprehensive monitoring and evaluation system to ensure that data collected with these tools drives program design, planning and decision-making and meets staff, donor, partner and governance needs.

#### **Objectives**

- 4.4.1 *Poverty Assessment Tools.* In FY08, adapt or develop, test and roll out Poverty Assessment Tools in Mali, India and Uganda (see objective 1.1.1); in FY09, adapt or develop, test and roll out Poverty Assessment Tools for remaining TU countries; from FY09 on, PATs will be used on all TU microentrepreneurs.
- 4.4.2 *Outcomes Assessment Tools.* In FY08, define what we mean by “success,” and based on this definition, develop, test and roll out Outcomes Assessment Tools in Mali, India and Uganda; in FY09, develop, test and roll out Outcomes Assessment Tools for remaining TU countries; from FY09 on, Outcomes Assessment Tools will be used on all TU microentrepreneurs.
- 4.4.3 *Partner Assessment Tools.* In FY08, develop, test and roll out Partner Assessment Tools in Mali and India; in FY09, develop, test and roll out in remaining TU countries; from FY09 on, Partner Assessment Tools will be used with all TU partners.
- 4.4.4 *Needs Assessments.* In FY09, develop, test and roll out Needs Assessments in Mali, India and Uganda; in FY10, develop, test and roll out in remaining TU countries.
- 4.4.5 *Program evaluations.* In FY08, carry out external program evaluations of impact in India and Mali, providing expert recommendations for improving the TU program that will be incorporated into planning for FY09. In succeeding years, carry out external program evaluations in the Latin America and East Africa regions.
- 4.4.6 *Program M&E system.* In FY08 and FY09, design, test and roll out a monitoring and evaluation system for collecting, organizing, storing, analysing, and making use of program-related data, particularly that produced by the M&E tools listed above, for ongoing improvement of our program and to meet staff, partner, donor and board requirements.
- 4.4.7 *Program M&E database.* In FY08, design and contract for a new program M&E database, to be created, tested and rolled out starting in FY09. Key features of the database: web-based, accessible by all TU offices, in languages other than English (French, Spanish) as needed to ensure effectiveness, in line with practices of our peers, secure, reproducible in order to produce valid comparisons, and allowing auditing of partner-provided information.

#### **Goal 4.5: Planning**

Implement quarterly and annual progress reports, annual strategic plan reviews and a system for regular action planning and tracking for individual staff, units and offices, beginning in FY08, to facilitate monitoring of progress in achieving this strategic plan.

##### **Objectives**

- 4.5.1 *Strategic plan.* Beginning in FY08, report progress on the strategic plan on a quarterly and annual basis using the forms in Annex 1; these forms will be revised at the beginning of FY09 based on data collected to more accurately reflect reality. In FY09, hold the first annual strategic plan review with the participation of key stakeholders, including staff, partners and board.
- 4.5.2 *Action plans.* In FY08, develop and implement a system for regular, timely and efficient action planning and tracking for individuals, units, and offices. From FY09 on, action plans will be completed before the start of each FY.

#### **Goal 4.6: Facilities and information technology**

Obtain and maintain the equipment and information technology necessary for effective management, focusing on optimal use of information technology, especially Raiser's Edge and other databases; seek a new headquarters beginning in FY12 and establish common standards for field offices.

##### **Objectives**

- 4.6.1 *Headquarters.* Make limited improvements to the physical work environment at headquarters in FY09. Plan for a new headquarters beginning in FY12 that is well-built and well-maintained, secure, and provides a suitable working environment for staff.
- 4.6.2 *Field offices.* Over the plan period, create and begin implementing a common set of standards for all field offices, encompassing signage, accessibility, and other basic requirements as well as permissible variations; complete a field office manual.
- 4.6.3 *Equipment.* In FY08, develop standards for all computer and peripheral equipment. On an ongoing basis, obtain and maintain equipment necessary for effective operations.
- 4.6.4 *Information technology.* In FY08, plan for measurable improvements in our connectivity and internal and external communications infrastructure and maintenance, seeking ways to make optimal use of information technology, especially for better communication and collaboration with our field offices and partners; begin implementation from FY09 onward.
- 4.6.5 *Raiser's Edge.* Ensure the development database, Raiser's Edge, is functioning effectively and efficiently and being used optimally.
- 4.6.6 *Database consistency.* By FY10, data in the program, finance, and development (Raiser's Edge) databases will be fully consistent and the databases will be integrated and secure.

## **Aim 5: Maximize board engagement**

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Build a spirited, united board set to achieve our mission, holding management accountable for the realization of TU's goals, playing a key role in securing the necessary financial and expert resources, and fulfilling their fiduciary responsibilities.

### **Aim 5 goals and objectives**

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#### **Goal 5.1: An engaged and effective board**

Develop a well informed, engaged and highly resourceful board that is deeply committed to TU's values, vision and mission, is active and goals-oriented, and serves as TU's leading group of donors and public ambassadors.

#### **Goal 5.2: Board participation**

Achieve active participation and full attendance at all board and committee meetings, with inspiring meetings that are well-prepared and well-organized. Ensure board members take full advantage of board education opportunities provided by staff.

#### **Goal 5.3: Board performance**

Develop annual performance benchmarks against which the board will evaluate its performance.

#### **Goal 5.4: Fundraising and ambassadorship**

Ensure board members are TU leaders in their personal giving, in fundraising, and in raising public awareness of TU. In this role, they will actively engage expert resources useful to TU from time to time.

#### **Goal 5.5: Active committees**

Ensure the five board committees, chaired by the five board officers as indicated in TU's Bylaws, are active and function effectively. Each committee will set annual goals for itself and regularly measure progress against those goals, collaborate closely with management, function effectively and according to the Bylaws, and focus on critical, policy-level issues and making practical recommendations to the board.

### **Objectives**

- 5.5.1 *Executive Committee.* Consisting of the five board officers, the Executive Committee has the power and authority of the full board in the intervals between board meetings, and is subject to the direction and control of the full board. The Executive Committee guides the full board in its role of overseeing the organization's execution of the Strategic Plan. It meets monthly to be apprised of activities of the other four committees and to determine priorities for subsequent full board meetings. It assembles and oversees the work of the ad hoc Audit Committee every year.
- 5.5.2 *Governance Committee.* Chaired by the secretary of the board, the Governance Committee is responsible for upholding the Bylaws; ensuring proper record-keeping of all board actions; and overseeing the composition of the board, in particular working to increase board diversity to better reflect the populations served by TU while ensuring the full complement of essential board skills, expertise, and funding capacity.
- 5.5.3 *Program Committee.* Chaired by one of the board vice-chairs, this committee is responsible for overseeing the direction of the program, including reviewing the annual

program plan and recommending it to the board for approval, and periodically reviewing and providing guidance to program staff on key issues.

- 5.5.4 *Development Committee.* Chaired by one of the board vice-chairs, the Development Committee is responsible for the overall fundraising efforts of TU and works closely with all board members, especially the Finance Committee, to maximize their giving and fundraising efforts; it also reviews and recommends to the board for approval an annual fundraising plan.
- 5.5.5 *Finance Committee.* Chaired by the treasurer, the Finance Committee provides independent fiscal oversight and direction, develops and reviews fiscal procedures and annual budgets, reports to the board on the results of operations, and advises TU on deriving optimal benefits from all financial resources.

## Implementation of the Strategic Plan

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This plan is only as good as its implementation. It will be achieved through the full alignment of strategy, goals, annual plans, budgets, and group and individual performance objectives. Other key steps to excellent implementation of the plan include:

Disseminating the plan.

- The plan will be translated into French in its entirety for our West Africa office. As needed, part or all of it will be translated into Bengali/Hindi and Spanish.
- The full plan will be sent to all staff and board.
- Public versions of the plan will be created for donors, partners, and others for use as needed.

Getting buy-in from and alignment of key stakeholders.

- Though field offices have been involved in the creation of this plan, a meeting will be held with program staff to discuss whether and how field office buy-in to this plan needs to be strengthened.
- Partners have not been involved in creating this plan (though they will be involved in the first annual strategic plan review in the first quarter of FY09). A workshop will be held with program staff to discuss how to get buy-in from and alignment of partners in the interim.
- As new policies and other documentation are created and go out, they will reflect the language of this plan.
- Staff and board have been deeply involved in creation of the plan. Activities focused on revising it (see below) will help increase and maintain buy-in.

Creating action plans.

- Each unit will develop an annual action plan for implementation of the strategic plan in consultation with all unit staff, including field offices. The plans will be completed by October 15 this year. Performance evaluations will be based on achievement of action plans and individual work plans.
- Supervisors will work with staff to ensure adequate time is available to develop action plans.
- Regional and unit action plans will:
  - Be supported by individual action plans and performance appraisals.
  - Clarify the timeline, benchmarks, and persons responsible for each action.
  - Be developed for each part of the strategic plan.
  - Be cross-reviewed by staff from other units before finalization.
- In creating the action plans, decisions will have to be made about how to achieve strategic objectives. For example, how will we increase the percentage of entrepreneurs with disabilities? By providing targeted training to partners? Targeted training for field staff? Providing increased partner support? Setting a minimum percentage of people with disabilities for certain partners or regions?

Measuring progress.

- As we begin to use the Quarterly Progress Report on the Strategic Plan (Annex 1), we will clarify how to measure each indicator, as well as identifying indicators that are less useful and can be discarded, or areas that we should be measuring with additional indicators. In FY08 we will do a quarterly review of the indicators themselves to check that they are the most appropriate for measuring our progress.

- An overall tracking system with regular check-ins and quarterly benchmarks for each critical area will be developed to make sure we are on track with action plans and timelines.
- Monthly reviews of progress on action plans and funding/expenses will be held with the appropriate staff.
- Regular check-ins with field offices will be carried out to ensure the plan is being implemented appropriately and check how well it is meeting the specific needs of our microentrepreneurs.
- As an outcomes assessment tool is developed, we will tie program outcomes to the sustainable livelihoods framework.
- We will seek ways to draw on external as well as internal data to measure our progress.

Ensuring adequate human resources, information and skills.

- Performance evaluations will be based on achievement of action plans and individual work plans.
- We will highlight and address any staffing gaps that would jeopardize implementation of the strategic plan.
- We will highlight and address any gaps in knowledge that would jeopardize implementation of the strategic plan. In particular, we will develop a way to measure the degree to which we are strengthening our identified core competencies.
- We will keep ourselves informed about trends that might have an impact on the strategic plan.

Planning for revision of the plan.

- Quarterly reviews of progress will guide us in revising the plan, especially FY08 and FY12 targets, to more accurately reflect reality.
- In March 2008 an intensive review of progress and lessons learned to date will be held in order to assist in realistic planning and budgeting for FY09.
- In the first quarter of FY09, the first annual strategic plan review will be held, with the participation of some partners. A key output of the review will be a revision of the plan based on lessons learned over FY08, making our FY12 targets more realistic.
- A reporting process will be developed for supervisors to notify senior staff and the director of strategic planning as to where progress on the plan is falling short and what remedial actions need to be taken.
- Throughout, a work environment that is welcoming of constructive feedback will be fostered.

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<sup>1</sup> From Program Committee February 9, 2006, PowerPoint titled “Strategic Plan 2004-2007 Progress Report.”

<sup>2</sup> In addition to the 14 core countries in FY07, TU also had emergency operations in Sri Lanka and was supporting a small number of entrepreneurs in Bangladesh.

<sup>3</sup> Paraphrased from <http://www.millenniumcampaign.org/site/pp.asp?c=grKVL2NLE&b=186382> and “The Millennium Development Goals Report—2005.”

<sup>4</sup> The most recent year for which UNDP MDG global data is available.

<sup>5</sup> IFAD; World Bank (12/06).

<sup>6</sup> Paraphrased from “The Millennium Development Goals Report—2005.”

<sup>7</sup> PIF is a system developed by TU entrepreneurs themselves whereby they sign agreements to save a set amount weekly over 2 years. At the end of the 2 years they will have amassed \$214 in savings of which \$100 is to go, free and clear, to finance a new entrepreneur.

<sup>8</sup> DFID Sustainable Livelihoods Guidance Sheet 2.1 (April 1999).

<sup>9</sup> Countries being phased out (Bolivia, Honduras, Cambodia) are not included.