



International Year of
Microcredit 2005

GLOBAL MICROENTREPRENEURSHIP AWARDS

**HANDBOOK AND GUIDELINES FOR
IMPLEMENTATION AND MANAGEMENT**

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Photo: Adam Rogers/United Nations Capital Development Fund

THE GLOBAL MICROENTREPRENEURSHIP AWARDS PROGRAMME

1. What is the Global Microentrepreneurship Awards Programme?

The Global Microentrepreneurship Awards (GMA) was launched in 2004 by the United Nations Capital Development Fund (UNCDF), the Citigroup Foundation, and the Microentrepreneurship Student Alliance (a student network based at Harvard, Yale, Northwestern, New York University, Wharton and other universities), as one of the key events to mark the United Nations' 2005 International Year of Microcredit. The accomplishments of the 2004 GMA pilot programme included:

- Hosting awards ceremonies celebrating outstanding low-income entrepreneurs and microfinance institutions in eight pilot countries (Afghanistan, Cambodia, the Dominican Republic, Indonesia, Mexico, Mozambique, Pakistan, and Rwanda) plus New York City;
- Coordinating the opening of stock exchanges around the world by microentrepreneurs who symbolically and literally “rang in” the Year of Microcredit. More than 75 students, professors, and alumni from 16 universities worldwide collaborated to celebrate microentrepreneurship in this manner.

2. Vision, Goals and Strategy

Short-term

In light of the success of the 2004 pilot GMA Programme, the 2005 Programme will be expanded to thirty-four from eight countries. The ultimate goal is to establish a fair and inclusive Global Microentrepreneurship Awards Programme in the majority of developing countries throughout the world by the close of 2007.

Long Term

In the long-term, the GMA Programme has three overarching goals.

First, the Programme seeks to raise awareness about microfinance, particularly among microentrepreneurs who could benefit from it.

Second, the Programme seeks to build awareness and support within the investment and donor communities by highlighting to the world the talents and contributions of microentrepreneurs.

Third, the Programme aims to create the next generation of microfinance networks, comprising political and financial leaders, opinion shapers, students, practitioners, and communities. It is important that the members of the public sector who participate in this network support policies that build more inclusive financial sectors and lay the foundation for a flourishing microfinance industry.



Photo: Adam Rogers/United Nations Capital Development Fund

STEP 1: STARTING OUT

1. Understanding Microfinance and Microentrepreneurship

1.1. What is a microentrepreneur?

Microentrepreneurs are low-income persons who own small-scale businesses, a common form of employment in many least developed and developing countries. Microentrepreneurs often provide the sole source of family income and may employ a small number of people in the local community.

1.2. How can microfinance be used as a development tool?

Microfinance can be a powerful tool for poverty reduction. Accessing financing allows the poor to bolster household income and economic stability, build assets, and reduce vulnerability. Microfinance can also stimulate the local economy through job creation, as well as the creation of demand for goods and services.



Photo: Rohanna Mertens for ACCION International

STEP 2: IMPLEMENTING THE GMA

A key aspect of a successful awards programme is proper planning and time management. Each country largely determines its respective steps and actions, as appropriate. However, certain required time-critical milestones are listed below.

Activity 1: Organize a Country Team

1.1. Structure of the Country Team

Country Team members should clearly establish their roles and responsibilities in order to prepare to initiate the programme.

1.2. Role of the Country Team

Country Teams are responsible for preparing the strategies for their country awards, which include budgeting and scheduling activities, identifying and contacting microfinance institutions and designing the contest.

An overview of specific tasks for each Country Team is outlined below. Detailed explanations of each task are provided in subsequent sections of this Handbook.

- A. Design and implement the outreach strategy.
- B. Design the unique characteristics of the contest.
- C. Design and implement national awareness campaigns.
- D. Secure national support.
- E. Organize logistics for the awards ceremony.

1.3. Engagement of volunteers

Student volunteers are encouraged to participate in all implementation and management activities of the GMA. For this reason, it is recommended that you engage students at the country level as early in the process as possible.

Activity 2: Establish goals and supporting activities

2.1. Define goals and supporting activities

The key to establishing meaningful goals, objectives, and activities is to make them specific to the political, economic, and social context and trajectory, as well as the state of the microfinance sector in the country.

The first step for each Country Team should be to establish country-specific goals, while considering the broader goals of the GMA Programme worldwide.

A few things to keep in mind when developing your country's goals are to keep them:

Clear and concise –

Goals should be clear and easy to understand. What exactly does your Country Team want to achieve by hosting the GMA? Who will benefit and in what capacity?

Measurable –

The goals of the programme should be easy to measure and to communicate.

Realistic –

The goals that each Country Team sets should be realistic, achievable, and aligned with the Programme's purpose and time frame.

2.2. Develop a timeline of activities

An appropriate timeline of activities should be developed to guide the allocation of resources and enable each Country Team to monitor their progress and demonstrate their achievements to supporters, the public, and other stakeholders.

2.3. Assign specific responsibilities to team members

Identify key responsibilities and ensure that each task or responsibility is assigned to a team member. Be sure to clearly define the scope of each responsibility to avoid confusion about the expectations of each team member.

2.4. Initiate a research about the country context

Country Teams should begin a document with their research about the country context. This document will describe the political, economic, and social context in their country. Additionally, this document should detail the status of current and emerging trends in the country's microfinance industry and describe the role of the GMA Programme in advancing the industry. Upon completion, this document will provide the country team with a good foundation for contest design.

2.5. Maintain a contact database

Country teams should create a database to record and update the contact information for all individuals involved in the GMA Programme in each country including volunteers, MFIs, microentrepreneurs, Advisory Council members, judges, and other organizations that are contacted in the process of implementing the GMA Programme.

Activity 3: Develop the budget

Each Country Team should develop a budget with estimated amounts of money necessary for each line item, such as publicity, contest venue expenses, prize money, etc.

Activity 4: Organize an Advisory Council

Developing a local Advisory Council is vital to the success of the Programme. The Advisory Council should be composed of key players in the local microfinance sector, recognized local personalities, representatives from local universities, governments, the media, and civil society. Council members become invaluable resources for Programme design and implementation, volunteer recruitment, publicity, and networking.

4.1. Outreach to form the Advisory Council

Below is a summary of suggested individuals and/or institutions that could be invited to participate on the Advisory Council.

A. Non-MFI NGOs

Representatives from non-MFI NGOs, foundations, development banks such as the World Bank, and its equivalents in Asia, Latin America, and Africa can not only help to design the contest, but could also bring in judges.

B. Government representatives

Including local or national government officials in the Advisory Council is important. Inviting their participation will increase their awareness of the GMA Programme and potentially expand their interest in the microfinance industry in general.

C. Microfinance networks

Microfinance networks have a clear role to play in encouraging their clients to participate in the contest. These associations can leverage their expertise to shape contest design if contacted early enough, and can also serve as consultants and recruiters in the selection of potential judges.

D. Local and international media

Including a senior manager from a media company can increase access to publicity and hone the Country Team's media strategy.

E. Academic institutions and research centers

Academic institutions and research centers are great resources for expert assistance.

Activity 5: Inform the MFIs about the GMA

5.1. Identify and Establish Communication with MFIs

An exhaustive listing of MFIs in your country should be developed. Members of the Advisory Council or the local microfinance network can assist in identifying MFIs.

Once the MFIs have been identified, informational letters should be sent to each organization. It is important to have MFIs encourage their clients to participate in the contest. It may be helpful to have members of the Advisory Council cosign the letters of introduction to increase local interest in the programme.

Activity 6: Design the contest

The design stage encompasses constructing the contest framework, determining client revenue ceilings and prize amounts, defining prizes, and establishing criteria for selecting winners. Careful design also ensures that the awards fit the political, economic, and social context and trajectory of the country.

6.1. Construct the contest framework

The framework should address the following:

A. Number of rounds

- i. An initial pre-screening of the nominations should be performed by the Country Team to ensure that only qualified applicants are submitted to the Award Selection Committee.

- ii. From the pool of pre-screened applications, judges may select the finalists, in accordance with the prize categories that the Country Team defined.

B. Number of sites/contests and basis of differentiation

- i. Regional – Regional contests are particularly appropriate in countries that are trying to increase their rural microfinance efforts, have significant rural/urban or cross-regional income disparities, have two principal economic centers, or are too large for entrepreneurs from outlying regions to travel to the capital city.
- ii. Size of business – Segmenting awards based on size of business is important in many countries.
- iii. Sector of economy – The needs and operations of business will vary significantly across sectors of the economy.
- iv. Cultural or other social causes – Some countries may be interested in promoting certain social causes or cultural groups, such as underrepresented ethnic groups.

C. Application format and submission

Applications should be submitted by MFIs on behalf of their clients. It is critical that one email/mailling/fax address be selected for the submission of all applications.

6.2. Define the Prize Categories

To the extent possible, the prize categories and awards criteria should be tailored to suit the country's political, economic, and social context and goals.

A. By industry

- i. Highlight established industries
- ii. Encourage emerging industries
- iii. Aid in the formation of networks and trade associations

B. By region

- i. Geographically dispersed locations - Provide awards for economically vibrant cities and provinces far from the site of the contest in order to broaden the geographic scope of the contest.
- ii. Rural versus urban - Encourage rural microentrepreneurs and particularly efficient and effective farmers to participate in the contest and promote their innovativeness as a way to share best practices.

C. By social consideration

- i. Gender
- ii. Post-Conflict

D. Other

While the main prize categories are aligned with more typical MFI clusters, some suggestions for other special prize categories include:

- i. Humanitarian awards
- ii. Development awards
- iii. Personal awards
- iv. Peer group awards
- v. Innovation & Growth awards

E. Consolation Prizes

Special consolation prizes may be awarded to outstanding ventures that do not win one of the main prizes, or that have already won other awards but stand out in other categories.

6.3. Establish criteria for selecting finalists and winners

- A. Construct a ranking system for Country Team pre-screeners and judges to evaluate participating microentrepreneurs, for each of the categories established before.
- B. Suggested criteria for selecting winners may include:
 - Contributions to their families and communities within the current context of the contest.
 - Profitability
 - Growth
 - Innovation
 - Employment opportunities
- C. Consider different rounds of screening so that time spent with the final panel of judges on the day of the awards is maximized. Also be sensitive to any language and literacy barriers when thinking about the content and method of implementation.

Options include:

- Comprehensive application form filled out by the MFI (including pictures)
- Performance evaluation/benchmarking
- Interviews by field survey teams
- Quizzes (for microfinance loan officers)

6.4. Define the Prizes & Amounts

A. Amount of awards

Information such as the country's average microloan type, population income distribution, GDP per capita, and size of informal sector can be used to set client revenue ceilings and appropriate prize values.

B. Types of Prizes

- i. Cash
- ii. In-kind - In-kind prizes such as computers, cash registers, calculators, ledger books, or other useful business tools can also be awarded and may in some cases have more impact than cash.

- iii. In-kind participation – Ideally, a small in-kind gift such as a pen or a small ledger book should ideally be given to each contestant in appreciation for his or her participation in the contest.

6.5. Establish a method for distribution of prizes

A. To Whom

- i. Microentrepreneurs – Individuals and/or Groups
- ii. MFIs and Loan Officers - Country Teams may wish to consider awarding publicity to the MFIs and small cash prizes to loan officers who nominate winning clients.

B. By Whom

Prizes could be awarded by members of the Advisory Council or by some of the final judges.

C. Other Considerations

- i. Legal & Tax Restrictions - The Country Team should ensure that there are no legal restrictions on prize categories, amounts or on the practice of awarding prizes and transferring the cash to microentrepreneurs and MFIs.
- ii. No Applicable Winners - The judges reserve the right to withhold awards if they do not feel that any venture meets the prize criteria. In this case, judges may refer to a list of alternate categories—categories that were deemed as aligned with important, but not critical, national political, economic, and social objectives—and award prizes to businesses that meet the alternate category’s criteria.

6.6. Encourage the MFIs to complete and present the application forms on behalf of their clients

Once the contest has been designed and all the guidelines established, country teams should send letters to all MFIs contacted, to formalize their participation in the contest. This letter should describe the contest, the application format, the prize categories, etc.

Activity 7: Organize the Award Selection Committee (Judges)

The Award Selection Committee will be responsible for evaluating the applicants who were selected by the Country Team, and choosing a group of finalists.

7.1. Structure of Award Selection Committee

A panel of nine judges is recommended for the following reasons:

- A. Having an odd, rather than an even, number of judges reduces the likelihood of an impasse.
- B. Nine is a large enough number to allow a diverse set of individuals from the public and non-profit sectors to join the committee.
- C. A committee of nine is still small enough that discussion runs smoothly and members feel accountable to the group as a whole.

7.2. Identify Potential Judges

Two primary types of judges are suggested:

- A. **Technical Judges** – It is recommended that two individuals with an extensive knowledge of microfinance and microentrepreneurship be selected for the committee. Some examples: individuals from a microfinance network (rather than from an institution); academicians or microfinance researchers; and leaders of NGOs.
- B. **Strategic judges** - The remaining seven judges should be individuals with deep local knowledge, skills, and relationships in their country.

7.3. Send invitation letters

Once potential judges have been identified a letter inviting their participation on the Award Selection Committee should be sent to each of them as soon as possible.

Activity 8: Design the Publicity Campaign

It is important to establish a series of overall goals and outcomes that support the GMA Programme's mission and vision when devising the publicity campaign. A focused and strategic communications plan should effectively expand awareness of the GMA and contribute to its overall success.

8.1. Identify the audience

Country Teams should focus on publicizing the GMA to national MFIs, local media and government officials, as well as to those communities where awareness of microfinance can be increased.

8.2. Identify the objectives

Define the aims of the GMA and translate them into two or three memorable messages. For example, publicity campaigns can focus on bringing attention to the International Year of Microcredit, the microfinance sector within the country, and the specific GMA Programme contests.

8.3. Allocate specific roles

Identify tasks for each team member participating in the publicity campaign. For example, one person may be responsible for all contact with media sources, and another may be charged with any development and distribution of printed materials. Define the scope of each role to avoid confusion over what is expected of each team member.

8.4. Identify frequently asked questions.

Do everything you can to anticipate questions from the media, the public, and potential partners and volunteers, and prepare responses.

8.5. Identify a spokesperson

If possible, select one person as a "face" or "voice" of the campaign.

8.6. Get in touch with the media

The level of outreach to local and international media provides a clear indication of the success of your media plan. It is important to contact key media at a very early stage to educate them about the GMA and encourage them to publish at least one short human-interest story about the GMA. Some media organizations may be interested in running special articles about microfinance in general.

8.7. Write press releases

Press releases should be focused on upcoming events or accomplishments. Each subsequent press release should focus on new stories and should coincide with other important events.

8.8. Develop and distribute communication materials

Where possible, public service announcements, posters, application forms, and publicity videos should be distributed to local and national media.

Activity 9: Plan the logistics for the award ceremony

9.1. Select the venue for the event

Venue selection will vary across countries—depending on whether the event is planned only in the capital city, only in a geographically central part of the country, or in multiple urban and rural locations. Possible venues for assessing microenterprises and presenting awards include the following: Hotels, Universities, Training centers and community centers, Religious institutions, etc.

9.2. Plan the event day

- A. **Planning** - Ideally, a sub-team could be structured to work specifically on the planning of the event. We recommend holding the event during the last two weeks of October 2005.
- B. **Scheduling** - This involves coordinating the schedules of judges, MFI staff, and the entrepreneurs themselves.

- C. **Programming** – Generally, the event should last only one day, with the presentations of the finalists in the morning and the judging rounds and awards ceremonies in the afternoon.
- D. **Transportation** - Microentrepreneurs will have to travel to the event venue. Providing transportation is a good way to ensure that the contest is as inclusive as possible; it is often the poorest, those that live in rural areas and women that will have the greatest difficulty with transport.
- E. **In-Kind Sponsorship Needs**
 - i. **Venue donation** - The contest venue is generally the most costly logistical expense; accordingly, donations should be pursued.
 - ii. **Printing** - In-kind donations or discounts from printers and/or sign-makers can help with the cost of signs, booklets and other printed materials.
 - iii. **Transportation** – It is a good idea to find sponsors that could cover the transportation expenses of the winning microentrepreneurs to the event venue.
 - iv. **Advertising** - Donated or reduced rate advertising space is also helpful.
 - v. **Catering** - A donated catered lunch, or at least box lunches, would provide a nice touch for the entrepreneurs and other attendees.

9.3. Assign logistical tasks

Some of the logistical tasks that should be coordinated for the awards ceremony are: Venue selection, Judge coordination, Press coordination, Microentrepreneur coordination, Preparation of contest material, and Awards controller.

Activity 10: Organize the opening of the National Stock Exchange by a winning contestant

Coordinating the opening of worldwide stock exchanges by microentrepreneurs on the date of the close of the International Year of Microcredit 2005 is critical for two reasons. First, it illustrates the importance of liberalized financial systems. Second, it symbolizes microentrepreneurs as dynamic economic contributors to local economies. This event should take place as close as possible to the date of the close of the International Year of Microcredit 2005, which is November 8th, 2005. No events should take place after this date.

10.1. Reach out to Stock Exchange

Contact your national stock exchange after finalizing the contest design. If a national stock exchange does not exist, you may wish to reach out to a neighboring country's stock exchange, if appropriate.

10.2. Define criteria to select the winners who will ring the bell at the Stock Exchange

Among the country winners, two may be selected to ring the bell of the country's Stock Exchange (if one exists). In countries that do not have stock exchanges, one or two prize recipients could open the stock exchange of a neighboring country.

10.3. Obtain subsidized or sponsored transportation to stock exchange

Country Teams should find a way to provide transportation for the winner(s) to the stock exchange ceremony.

10.4. Establish a contingency plan

In the event that it is not possible for a microentrepreneur to open a stock exchange, it may suffice to provide winning microentrepreneurs with tours of the exchanges or tours of trading floors at local investment banks. Both efforts would demonstrate the links between the capital markets and the informal markets of the self-employed poor.



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