ITC Benchmarking Programme:
Comparative Institutional assessment and
performance improvement programme

March 2012
Agenda

1. ITC Benchmarking Programme: principles and intended impact
2. The assessment model and the system today
3. Stages of the programme
4. Achievements during 2010-11
5. Work-plan 2012
Background
Why institutional assessment and benchmarking

• The 2006 Client surveys expressed the need to develop a scheme to rank the performance of TPOs

• Specific requests also from TPOs to benchmark their practices for performance improvement

• Pressure on public sector to improve efficiency and measure performance ("value for money")

• Interest and studies from World Bank and Regional Banks on the performance of TPOs

• Lack of methodology
Basic principles and intended impact

- A management tool for TPOs and TSIs
- An assessment of processes and performance
- Helps identifying strengths and weaknesses
- Identifying good practices and industry standards as a basis for comparison and sharing
- Should lead to goals and plans for improvement

MORE EFFICIENT AND MORE EFFECTIVE TPOs and TSIs

EXPAND EXPORTS OF SMEs FROM LDCs and DCs
The Institutional Assessment Model: Areas and themes of assessment

**Leadership and Direction**
- Mandate, common purpose and recognition
- Governance
- Strategy development and implementation
- Accountability and risk management
- Interaction with stakeholders and strategic partners

**Resources and Processes**
- Structure and people
- Financial resources
- Information and knowledge management
- Physical assets and infrastructure
- Quality processes and value focus
- Internal communications

**Products and Service Delivery**
- Understanding customer needs and developing a suitable portfolio of clients
- Relevance of the portfolio of products and services
- Client management and delivery of products and services
- In-market support
- Marketing and promotion
- External communications and web site

**Measurement and Results**
- Scope and quality of measurement
- Client satisfaction measurement
- Results measurement

Maturity based model
Benefits for TPOs

- Independent perspective on performance;
- Consistence between operations and strategy;
- Identifies strengths and weaknesses and areas for action;
- Benchmark against other good practices;
- Network sharing knowledge and experience
Benchmarking Programme Stages

2008-2010: Research
2011: Development and Testing
2012: Consolidation
2013-2015: Expansion
Development and Testing Stage
Achievements during 2011

- **Partnerships**: with AUSTRADE, BEDIA, FINPRO MATRADE, PROEXPORT and UEPB
- **Model**: developed, applied, proven and improved
- **Endorsement**: from all six pilot TPO partners
- **Data processing solution**: to facilitate scoring and reporting
- **Report format**: developed and proven
- **Service delivery guidelines**: completed
- **Web platform**: design and guidelines completed
- **Experts**: ITC staff initiated in the methodology
Consolidation Stage: Benchmarking System at end of 2012

- Model of Assisted Assessment
- Benchmarking Scores and quantitative indicators of performance
- M&E and reporting System
- Experts
- Service Delivery Process
- Self Assessment Tool
- Web Platform
- Follow-up assistance and capacity building
- Case studies on good practices
Online - Learning and sharing platform

• Access to self assessment tool

• Access to benchmarking scores (AVG – MAX – MIN)

• Access to information on good practices

• Case studies

• Forum for exchange of experiences
Vision: Expansion Strategy 2013-15

**Innovative**
- new modes of delivery

**Deeper**
- reach more TPOs

**Wider**
- adapt to other types of TSIs

**Farther**
- Link with other public sector performance programmes

**Sustainable**
- Consolidate charging and donor financing system

MORE EFFICIENT AND MORE EFFECTIVE TPOs and TSIs

EXPAND EXPORTS OF SMEs FROM LDCs and DCs

M&E and reporting system (on three different level)
M&E System on three levels

Phase I: System to measure impact on TPO & TSI performance based on direct feedback:
   - Definition of clear rules of engagement
   - Definition of indicators of performance
   - Reporting mechanisms

Phase II: System to measure performance based on YoY comparison:
   - Baselines
   - Measuring improvement over time

Phase III: Expand system to measure impact on SME competitiveness in collaboration with other development partners and TPOs/TSIs
Sustainability 2013-15

• Multiplying effect: delivery through Regional Experts trained during 2012

• Reducing costs through new modes of delivery (including self assessment)

• Diversifying sources of funding:
  – ITC Regular Budget
  – Donor funding
  – Income from fees

• Charging for services
  – Fully subsidized for Least Developed Countries
  – Cost sharing for Developing Countries
  – Cost recovery for Middle and Higher Income
## ITC investments 2010 – 2012 (K US$)

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<td>2013</td>
<td>505</td>
<td>577</td>
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Why invest in the BM programme

- Increases impact of TRTA:
  - Better TSI performance leads to more effective TRTA interventions (multiplier effect)
  - Assure Value for Money globally!

- Global public good:
  - Worldwide platform for benchmarking sharing and learning good practices,
  - Have a wide network of strong multipliers in the field!

- Better Export Performance:
  - TSI delivering better services to the private sector,
  - Greater understanding by governments in the developing world of the institutional performance framework to deliver exports!
Next steps

ITC is currently working on a detailed fund raising proposal to present the programme “expansion phase” (2013-2015) to JAG in May, including more details on:

- Current consultation process with technical partners,
- Development of the Web engine,
- Elaborate costing and charging scheme,
- Target number of TPOs and TSIs that will receive support each year
- Detailed budget
THANK YOU