

Notes on TechnoServe's approach to measurement and evidence of impact

TechnoServe works with enterprising people in the developing world to build competitive farms, businesses and industries.

We provide the smallholder farmers and entrepreneurs with whom we work with three things:

- Knowledge and skills (agronomic, technical and business) to improve their farms and businesses
- Access to finance
- Access to markets (including regional or international markets)

This work leads to attributable and measurable income gains for our partners.

Our theory of change is that smallholder farmers and small and growing businesses will earn more, have better growth prospects and be more resilient in the face of shocks when they have the skills and capabilities to be competitive, gain access to finance and quality inputs, and enjoy transparent engagement in healthy, well-governed market systems. We've identified four focus sectors as having particularly high potential to benefit the poor: coffee, cocoa, cashew and working with small and growing businesses.

You asked for the evidence of impact of our work in our focus sectors (coffee, cocoa, cashew, and business accelerators). We have set up a folder containing evidence that is a mixture of experimentally designed research and other forms of rigorous, mixed methods evaluations, both internal and external to TechnoServe. We highlight key findings from the documents below.

Published evidence of impact from our work in coffee

Researchers have repeatedly confirmed that our work in coffee brings increased productivity and earnings to farmers. In a 2012 review of our coffee work in Rwanda, [JPAL](#) found that trained farmers were significantly more likely to have adopted good agronomic practices on their coffee plantations. The East Africa-based impact evaluation firm [Laterite](#) found similar and stronger evidence of the same. We are currently performing a post project evaluation of the sustainability of our coffee work. Initial results from the research performed by [TripleLine](#) indicate that income gains from improved coffee quality and volumes sold have been maintained and even increased five years after the project's close. We are also currently working with Laterite on evaluating our coffee agronomy work across programs in Ethiopia, South Sudan, Kenya and a new project in Rwanda.

Program evaluations from cocoa and cashew

Two program evaluations highlight the potential for scaled impact in cocoa and cashew. MSI performed a mixed methods evaluation of the [Cocoa Livelihoods Project](#), in which TechnoServe was a partner, demonstrating industry-wide improvements to the sector with benefits accruing to smallholder cocoa farmers, albeit with caveats about data quality. A 2009 [industry analysis](#) of our work in cashew in Mozambique leverages markets and field data as well as modelling techniques to provide evidence in support of widespread impacts of efforts to build a more competitive cashew sector. Similarly, [GIZ's](#) evaluation of the African Cashew Initiative, where

TechnoServe was an implementing partner, combines field interviews with evidence along the project's theory of change to conclude that the initiative had substantial regional impacts on the cashew industry.

Evidence of impact from business acceleration programs

Published experimental [research](#) on the impact of our business accelerator projects in Central America found evidence of business expansion as a result of our training. The findings from this project have driven the growth of our entrepreneurship portfolio globally. IPA is now finalizing research that concludes our work with women entrepreneurs in Uganda substantially increased business revenues and women's take home pay.

Randomized control trials in progress

With increasing frequency we are working with independent research partners at all stages of project design, execution and close-out, with the best such exercises involving randomization and use of rigorous statistical techniques. We have a number of randomized control trials (RCTs) and quasi-experimental evaluations on-going, including an RCT in partnership with the [World Bank](#) in which we're examining the effect of technical and financial literacy training on Tanzanian women business owners' take-up and value obtained from digital savings products. Another example is the finding from [IDInsight](#) that our work increased the number of farmers piloting the use of improved maize seed. The research is part of the [Contract Farming R&D Coalition](#), which aims to generate evidence of successful strategies for increasing smallholder productivity and incomes through their integration into sustainable supply chains.

Third-party research supporting TechnoServe's theory of change

There is substantial published evidence that supports our theory of change. We've selected two recent meta-analyses to share with you because they consolidate much of the literature on support to smallholder farmers and small and growing businesses. [Stewart et al.](#) finds evidence that participatory approaches to farmer training can substantially increase incomes. Their findings suggest that training has the greatest impact when coupled with other market interventions as TechnoServe does. [Piza et al.](#) find that business skills development improves the performance of small and growing businesses, while acknowledging that the policy environment and training quality strongly affect outcomes. Both research teams conclude that the evidence base confirms a sustained investment in market interventions supporting smallholder farmers and small and growing businesses, as well as greater funding for rigorous research to further establish the impact of these interventions. The researchers point out the much of the body of research was excluded from their analysis due to inadequate design, and that short follow-up periods limit any assessment of the sustainability of impacts.

Our reflection on this body of external and internal work is that:

1. It supports the view that market-oriented interventions that combine capacity building and linkages to resources and markets can have a positive impact.
2. Shifting farmers from subsistence agriculture to a market-oriented focus, particularly on globally traded export crops, can be transformative for their livelihoods and welfare.

3. Quality of delivery is a key feature of an impactful project, and yet rigorous research methods have been challenged to disarticulate quality from other factors affecting program impact in an impact evaluation .
4. We do not yet have strong evidence of the duration of impact from the types of interventions that TechnoServes delivers – for example do we see increased earnings over 3, 5, or 10 years, and at what levels. Our initial findings do suggest optimism, though, and a final report from TripleLine’s work, referenced above, should be complete in a one to two months.

TechnoServe’s orientation as a data-driven organization

We continue to build and reflect on the evidence-base of how our programs deliver impact so they can be improved, replicated, adapted and scaled into the future. We have integrated evidence use into the way we do business by investing in M&E systems that provide timely feedback on of our projects’ abilities to deliver outcomes (and in turn impact) along each project’s causal pathway. This effort starts with building a logical framework (such as one for an [agricultural value chain](#) or for [entrepreneurship](#)) that reflects our understanding of the market’s needs and the key indicators that will demonstrate market change. We then develop an M&E plan (here are examples from our work in [coffee](#) and in [cashew](#)) that identifies how we will capture the evidence to test our causal logic. This allows us to measure outputs and outcomes as projects progress and use the evidence to support learning and course correction.

We are aware that GiveWell and others who take impact measurement seriously prefer to have external research validate impact. We understand and generally support that view. However, we recommend a review of data from TechnoServe’s Corporate Measurement initiative, which aggregates impact across our portfolio in a rigorous, standardized manner so we can compare results and identify areas of greatest impact. We compile the data based on evidence from our external research partners, such as those described above. When a project does not have external evidence of impact, we apply a set of standards, as laid out in our [Corporate Measurement policy](#), to ensure the project’s internal estimates of impact reflect our measurement principles. The results of this initiative are products such as our [2015 Impact Dashboard](#), which allow us to compare our impact across regions, sectors, countries and over time to identify strategic insights about our business. We are committed to sharing this effort and benchmarking it externally.

We hope these documents are helpful and are eager to continue the discussion. Additionally, we would be happy to connect you to external reviewers of our work should you be interested in speaking directly with them. These include IDInsight, where we have worked closely with Paul Wang, and Laterite, whose co-founder Sachin Gathani currently oversees M&E in our East Africa coffee work. We look forward to hearing from you.

[LINK TO FOLDER WITH REFERENCED DOCUMENTATION](#)
[LINK TO CORPORATE MEASUREMENT RESULTS DASHBOARD](#)