

THE BENEFITS OF FUNDING RESEARCH THROUGH PROGRAM PROPOSALS

1 MILLION PROGRAM PROPOSAL

Funding from DFID dedicated to the area of private sector development as a USD 1 million program proposal examined:

- ▣ Research designed to better understand entrepreneurship and firm dynamics in developing countries, with a focus on Africa, South Asia and the Middle East and North Africa
- ▣ What works, what doesn't and why in public policy for the private sector

RESEARCH GOALS

- ▣ Each research piece should be publishable in a reputable journal as well as contributing to the whole and not structured as a top-down micro-managed approach geared as producing a single product
- ▣ Address a wide range of topics

OUTPUTS TO DATE



! THE IMPORTANCE OF SUPPORTING PROGRAM PROPOSALS

- ▣ Funding a portfolio helped foster linkages and synergies across work.
 - ▣ The Benin and Malawi formalization experiments could draw on lessons from one another as the surveys and write-up took place.
 - ▣ The data from the program's work in Benin, Malawi, Kenya, Nigeria, Sri Lanka and Egypt was all used together to investigate the issue of small firm death.
- ▣ Enabled flexibility to make substitutions due to delays or unfeasibility, as well as to respond to emerging ideas as needed
- ▣ Helped manage differences between research life-cycles and funding cycles:
 - ▣ Projects at different stages were funded
 - ▣ Seed funding allowed ideas to emerge
 - ▣ Funding supported key analysis and data collection
 - ▣ Funding supported projects to cross the finish line
- ▣ Reduced transaction costs in program administration and research areas
- ▣ Allowed researchers to be judge of where marginal dollars have the most value for their work
- ▣ Allowed researchers to take risks and be flexible