

Private Sector Engagement (PSE) Self-Assessment Monitoring (SAM) Tool

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Data for Impact

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Introduction

Effective private sector engagement (PSE) is increasingly understood as critical to sustaining development outcomes. USAID maintains that “private enterprise is the single most powerful force for lifting lives, strengthening communities, and accelerating sustainable development.”¹ Accordingly, USAID’s PSE Policy recognizes the importance of “engaging private sector entities early and gaining insight into their roles, motivations, and responses as market and system actors.”² However, few resources exist to gauge the partnership process and inform PSE management strategies. Based on the Perceived Worth of Continued Engagement (PWCE) framework developed in 2021,³ the PSE Self-Assessment Monitoring (SAM) Tool helps fill this gap. It is designed for self-administration by partners engaged in development or humanitarian assistance activities or projects. Used at intervals over the life of a partnership, the tool forms part of a participatory, evidence-informed approach to PSE strengthening.

How to use the PSE SAM Tool

The PSE SAM Tool is designed to improve the availability and use of data to support private sector engagement throughout the PSE lifecycle. Data-driven relationship management is more targeted and effective, and generates more sustainable outcomes. PSE SAM Tool results are specific to each engagement and are not meant to be generalized or used for other purposes, such as external accountability. Completing the tool is designed to:

1. Provide timely, standardized process data about the “process of engagement,” including strengths and risk factors
2. Help partners use these data to inform decision making that may improve PSE outcomes

This process includes the six steps outlined below.

Step 1: Identify the relevant partners

In this context, “partners” includes every entity with an active contributing role in the focal PSE. In addition to businesses, partners may include USAID units or teams based in Washington or at Missions, other donors, USAID implementing partners (IPs), host country government entities, and NGOs/FBOs. The engagement may be operationalized through contracts, agreements, memoranda of understanding, or other mechanisms, especially in the early stages. Examples of USAID-supported PSEs can be found online.⁴

Any type of engagement/partnership can benefit from using the tool, but those whose partners have relatively little experience collaborating with diverse organizations (e.g., private sector partners with little experience collaborating with USAID) may benefit the most. Completing the PSE SAM Tool is an opportunity for co-engaged organizations to check in with one another using a structured, internally directed process to understand how well the engagement/partnership is functioning, identify areas for improvement, and reveal unrealized opportunities.

¹ Private Sector Engagement | Work With USAID | U.S. Agency for International Development.

² www.usaid.gov/sites/default/files/documents/1865/usaid_psepolicy_final.pdf

³ https://pdf.usaid.gov/pdf_docs/PA00Z4CT.pdf

⁴ USAID Private Sector Engagement - Told with Exposure

While participation by only a subset of partners in the PSE will still generate useful information, it is recommended that all partners participate when possible.

Step 2: Hold an orientation meeting

After participating partners have been identified, they should convene an orientation meeting to review the tool. Topics to cover during this meeting include PSE SAM Tool objectives, key terminology, basic processes, scoring and results interpretation. A facilitator should be identified for this meeting, and an agenda developed and shared with the partners.

While additional terms may require definition in the local context, those in Table 1 are suggested for general use.

Table 1. Terminology

Private sector engagement (PSE)	“...a strategic approach to planning and programming through which USAID consults, strategizes, aligns, collaborates, and implements with the private sector for greater scale, sustainability, and effectiveness of development or humanitarian outcomes.” ²
Milestones	Achievements that mark significant incremental progress towards a goal
Outputs	Immediate results of an action or initiative, often expressed in terms of production or delivery
Outcomes	Secondary results of an action or initiative, often expressed in terms of beneficiaries’ status
Market share	The portion of an industry’s total revenue or sales supplied by a particular company
Profit	Financial gain from purchasing, operations, or production.
Operations	Engaging in commerce, including by acquiring, developing, selling, or leasing equipment, facilities, personnel, products, services, land, etc.
Capacity	“...the ability of people, organizations, and society as a whole to manage their affairs successfully.” ⁵
Aligned	Situated in support or agreement; complementary
Work planning	The process of identifying and describing how and when activities under each of a project’s objectives will be carried out and contribute to results

Step 3: Define the review process

As part of the orientation meeting, the partners should determine how long they will have to complete the tool, and who will collect and analyze the data and share the results with participating partners.

⁵ [46682429.pdf \(oecd.org\)](#)

Step 4: Complete the tool

Each partner must also decide whether the tool will be completed by an organizational representative or by consensus; different partners in a PSE may choose different approaches. Relevant considerations include the size and structure of the organization's teams and the feasibility of convening a group to complete the tool.

- **Completion by a representative** involves nominating one respondent who is knowledgeable about the engagement, such as an Executive Director or engagement lead. If an organization opts to designate a representative to complete the tool, it can still be beneficial to invite a larger group of individuals from the organization to the results review meeting.
- **Completion by consensus** involves identifying a group of individuals who are knowledgeable of the engagement's progress and will work together to decide on a set of responses for the organization. If completing the tool by consensus, keep gender balance and other diversity, equity, and inclusion issues in mind as you form the group. Having a variety of perspectives enhances the validity and utility of results.

When working by consensus, the partner should schedule dedicated time for the group to complete the tool, e.g., planning a meeting, agreeing to discuss responses over email during a set timeframe, or establishing and using an online space such as a listserv or other virtual group forum. Meeting synchronously is usually the most expedient and least burdensome way for a group to obtain input from all members and complete the tool. Consensus groups should designate one member to record the group's final responses on a copy of the tool form.

Once these logistics are established, partner representatives or respondent groups complete the tool. The tool contains two parts and is currently only available in MS Word format for manual completion and scoring. Part One includes basic background information on the PSE; Part Two includes statements about PSEs organized into seven sections (A–G). Each section corresponds to a factor from the PWCE framework. Participants choose from five response options to indicate how true each statement is of their PSE, ranging from “strongly disagree” to “strongly agree.” Responses add 0, 1, or 2 points to the total strengths score or risks score for each section. Detailed instructions are provided within the tool.

After teams enter responses, they then calculate the total risks and strengths scores and record these results in the “Total scores” row at the bottom of each section. Under the total scores, in the “Maximum possible scores” row, teams record the number of statements in the section that DO NOT have “Not applicable” checked, multiplied by 2. An organization's maximum possible risks score and maximum possible strengths score within a section are always the same.

Defining strengths and risks separately helps show when challenges may coexist with advantages in a results area, and overall. Differentiating strengths and risks may also help to maximize the tool's content validity, or the extent to which it accurately and comprehensively measures the factors in the PWCE framework.

Step 5: Submit results for analysis

All partners submit their completed tools to the agreed upon facilitator who will collate and analyze the results of the data. The facilitator prepares a brief slide deck with the results and shares with the partners. Based on these results, an agenda is prepared for the result review meeting, which can be incorporated into existing engagement/partner meetings. (Note: For this exercise, the Data for Impact project will play this role).

Step 6: Hold a results review meeting

This meeting should include a comparison of the strengths and risks scores for each section and aggregate to be able to look at trends among partners. Discussion could focus on areas where there are disparate scores to help promote greater understanding among the partners. Partners may also include an item-by-item examination to help partners understand granular differences in engagement experiences (if partners are comfortable doing this). For lower section and item scores, discussions should focus on validating problem areas, identifying potential solutions, and defining next steps. The questions below can be used to guide the discussion:

1. Prior research³ shows that USAID's PSE Lifecycle is nonlinear and cyclical, consisting of three interrelated phases:
 - a. Exploration – exploring the purpose or benefits of collaborating
 - b. Formulation – exploring value propositions and designing the engagement
 - c. Implementation – starting up, conducting, or closing out the work

What stage would you say your PSE is in right now? What has been most challenging about this stage? Most rewarding? What will your organization need as you move into other stages?⁶

2. The PSE SAM Tool covers seven factors affecting PSE: emotional effects, rate of progress, perceived market consequences, performative capacity, operational alignment, relationship management, and value proposition. Which ones are most important in your engagement? Why?
3. How similar are the strengths and risks scores across partners? What might account for any differences? Are these scores what you would have expected? Why or why not?
4. How do results on individual items differ across partners? Were there any big surprises here?
5. How much diversity is there among the leadership and membership of partner organizations in this engagement? How do you think gender and other social equity factors affect engagement?
6. How do you think partner type and the use of a representative versus consensus group to complete the tool may affect scores?
7. What is one concrete action that could help sustain this partnership? It could be something your organization does, something other partners do, or something external to the partnership.
8. How do you think the results on this tool will look six months from now? What changes would you most like to see?

Repeat administration of the tool is recommended every six months while engagement is underway. If new partners are added, or original partners formally disengage, subsequent rounds of data collection and review can be adjusted to accommodate. Following repeat rounds, the data review meeting should include consideration of changes in the results over time. Partners may wish to add the following guiding questions to follow-up discussions:

⁶ PSEs in the implementation stage at baseline may not need to revisit this question in later rounds.

1. How have the strengths and risks scores, and item results, changed over time? Have partners' results become more similar or less similar? What do you think accounts for any changes?
2. Have background and demographic factors among respondents (and the partners more broadly) changed in ways that are likely to affect engagement? If so, how? What effects are apparent?
3. Has the relative importance of the seven factors from the PWCE framework changed for this PSE? How and why?
4. What has been the effect of any actions taken to help sustain the partnership? Were these actions difficult to implement? What, if anything, complicated or facilitated these actions?
5. How similar are the results of this data collection round to what was anticipated? What might account for any differences?

Appendix: PSE SAM Tool

Part One: Background Information		
#	Question	Answer
1	Today's date (dd/mm/yyyy)	
2	Your organizational affiliation (check one)	<input type="checkbox"/> USAID <input type="checkbox"/> For-profit organization <input type="checkbox"/> Foundation <input type="checkbox"/> NGO/FBO <input type="checkbox"/> Host country government <input type="checkbox"/> Other (specify in space at left)
3	Is this form being completed by an individual representative of your organization or by consensus among a group of people? (check one)	<input type="checkbox"/> Individual <input type="checkbox"/> Group
4	How long has your organization been a partner in this engagement (consortium member, etc.)?	<input type="checkbox"/> Less than one year <input type="checkbox"/> One to two years <input type="checkbox"/> Three to five years <input type="checkbox"/> More than five years
5	How you rate this engagement overall? (check one)	<input type="checkbox"/> Excellent <input type="checkbox"/> Very good <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor
Part Two: Risks and Strengths Scores		
<p>INSTRUCTIONS</p> <p>The statements listed below describe conditions that can support continued engagement by partners in cross-sector initiatives. When these supportive conditions are absent, the engagement may be at risk. To use the tool, read each statement and think about how well it describes your PSE. Then circle the number below the response option that best corresponds with your answer: strongly disagree, disagree, unable to decide, agree, or strongly agree. Remember, there are no right or wrong answers; all PSEs have areas of relative strength and weakness.</p> <p>The numbers in red (on the “disagree” side of the scale) contribute to a risks score, and the numbers in green (on the “agree” side) contribute to a strengths score. The middle value, 0, should be used when you feel unable to decide if</p>		

you agree or disagree with the statement (e.g., because the situation varies too much). Check the box for “Not applicable” instead of circling a number if a statement does not apply to your organization in the context of this PSE (e.g., if your organization is USAID and the question is about increasing market share).

When you are finished, calculate the risks and strengths scores, and the maximum possible scores, for each section. The risks score is the sum of red numbers that were circled, and the strengths score is the sum of green numbers that were circled. Record these two totals in the “Total scores” row at the bottom of each section. The maximum possible risks score is the number of statements in the section without “NA” checked, multiplied by two. The maximum possible strengths score is the same as the maximum possible risks score. Record these two totals in the “Maximum possible scores” row.

Comparing your section scores to the maximum possible scores, exploring score differences among partners in a PSE, and examining how scores change over the life of a PSE can help inform PSE management and planning. Computing both risks and strengths scores helps distinguish between an engagement with mostly low or neutral results (i.e., one with few strong risks or strengths), and one with a mix of very negative and very supportive factors.

When you have finished completing the tool, submit it to the person who is organizing the results review meeting for your PSE and wait to hear from them about next steps. If you prefer not to submit the full form showing your organization’s responses for each statement, you can transfer the section scores to the “Total Scores” summary page at the end of the tool and submit the form with the Part Two pages omitted.

		Not applicable	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
A. Emotional effects							
1	When I think about staying involved in this engagement, I feel enthusiastic.		<----->				
			2	1	0	1	2
2	When I think about staying involved in this engagement, I feel content.		<----->				
			2	1	0	1	2
Total scores							
Maximum possible scores							
B. Rate of progress							
1	Milestones for this engagement, or crucial steps in the process of working together, are being reached at a good pace.		<----->				
			2	1	0	1	2
2	Outputs from this engagement, or measurable things such as products made or services provided, are being generated at a good pace.		<----->				
			2	1	0	1	2
Total scores							
Maximum possible scores							

C. Market consequences				
1	Our organization is likely to gain market share (e.g., more clients, greater sales, greater geographic coverage (or has already) because of being part of this engagement.		<-----> 2 1 0 1 2	
2	Our organization's profit/financing is likely to increase (or has already) because of being part of this engagement.		<-----> 2 1 0 1 2	
Total scores				
Maximum possible scores				
D. Performative capacity				
1	Our organization has sufficient financial resources to meet its relevant commitments to this engagement.		<-----> 2 1 0 1 2	
2	Our organization has sufficient capacity to provide other resources, like staff and equipment, to this engagement as agreed.		<-----> 2 1 0 1 2	
3	Our organization has sufficient capacity to provide knowledge and expertise as agreed, within this engagement.		<-----> 2 1 0 1 2	
4	Our organization can readily adapt to internal changes like staff turnover without affecting this engagement.		<-----> 2 1 0 1 2	
5	Our organizations can readily adapt to external changes like new laws or regulations without affecting this engagement.		<-----> 2 1 0 1 2	
Total scores				
Maximum possible scores				
E. Operational alignment				
1	At my organization, the usual pace of operations is similar to the pace of operations used within this engagement.		<-----> 2 1 0 1 2	
2	My organization shares a working language with the other organizations in this engagement.		<-----> 2 1 0 1 2	
3	Cultural norms, including gender norms, at my organization are similar to those for other organizations in this engagement.		<-----> 2 1 0 1 2	
4	Partners in this engagement have the same level of accountability, i.e., there are comparable consequences for failing to meet expectations.		<-----> 2 1 0 1 2	
5	People at my organization understand the availability and timing of funding for work being done under this engagement.		<-----> 2 1 0 1 2	

			2	1	0	1	2
6	If there is a moderate delay in funding or other resource allocation for this engagement, my organization can adapt and keep contributing.		<----->				
			2	1	0	1	2
7	The processes used for work planning in this engagement are similar to those used by my organization for its other work.		<----->				
			2	1	0	1	2
8	My organization is actively involved in work planning related to this engagement, for example, by having input into annual work plans.		<----->				
			2	1	0	1	2
Total scores							
Maximum possible scores							
F. Relationship management							
1	The roles and responsibilities for my organization within this engagement are clearly defined.		<----->				
			2	1	0	1	2
2	My organization is in regular communication with the other organizations involved in this engagement; we feel connected.		<----->				
			2	1	0	1	2
3	If my organization has a problem or concern related to this engagement, we feel comfortable raising it with the other partners.		<----->				
			2	1	0	1	2
4	When decisions are made that affect our work in this engagement, my organization is a part of the decision-making process.		<----->				
			2	1	0	1	2
5	When decisions are made without my organization's input, we are at least informed of the thinking behind the decisions.		<----->				
			2	1	0	1	2
6	It is gratifying to collaborate with the other organizations that are a part of this engagement.		<----->				
			2	1	0	1	2
7	The other organizations in this engagement are working in good faith to help the engagement succeed.		<----->				
			2	1	0	1	2
8	The other organizations in this engagement are happy to share internal files or records relevant to the engagement if we ask.		<----->				
			2	1	0	1	2
9	When difficulties arise, we are able to work through them and find a mutually agreeable solution.		<----->				
			2	1	0	1	2
10	My organization has learned something useful from the other organizations in this engagement.		<----->				
			2	1	0	1	2

11	My organization is generally treated as a valued partner by the other organizations in this engagement.						
Total scores							
Maximum possible scores							
G. Value proposition							
1	Participation in this engagement has helped my organization access new contacts or new networks, or it probably will in the future.						
2	Participation in this engagement has helped my organization secure new funding, or it probably will in the future.						
3	Participation in this engagement has helped expand my organization's product or service offerings, or it probably will in the future.						
4	Participation has provided us with business development resources like training, equipment, or marketing support – or probably will.						
5	Participation has given us access to new or expanded markets, or it probably will in the future.						
6	Participation has given us access to technical assistance, or it probably will in the future.						
7	Participation has improved our reputation or legitimacy, or it probably will in the future.						
8	Our organization's participation in this engagement has positively influenced policy or regulatory issues for markets relevant to our work.						
Total scores							
Maximum possible scores							
Comments:							

Total scores (copy from Part Two above)	Risks score (Total/maximum)	Strengths score (Total/maximum)
A. Emotional effects	_____/____	_____/____
B. Rate of progress	_____/____	_____/____
C. Market consequences	_____/____	_____/____
D. Performative capacity	_____/____	_____/____
E. Operational alignment	_____/____	_____/____
F. Relationship management	_____/____	_____/____
G. Value proposition	_____/____	_____/____
Total	_____/____	_____/____

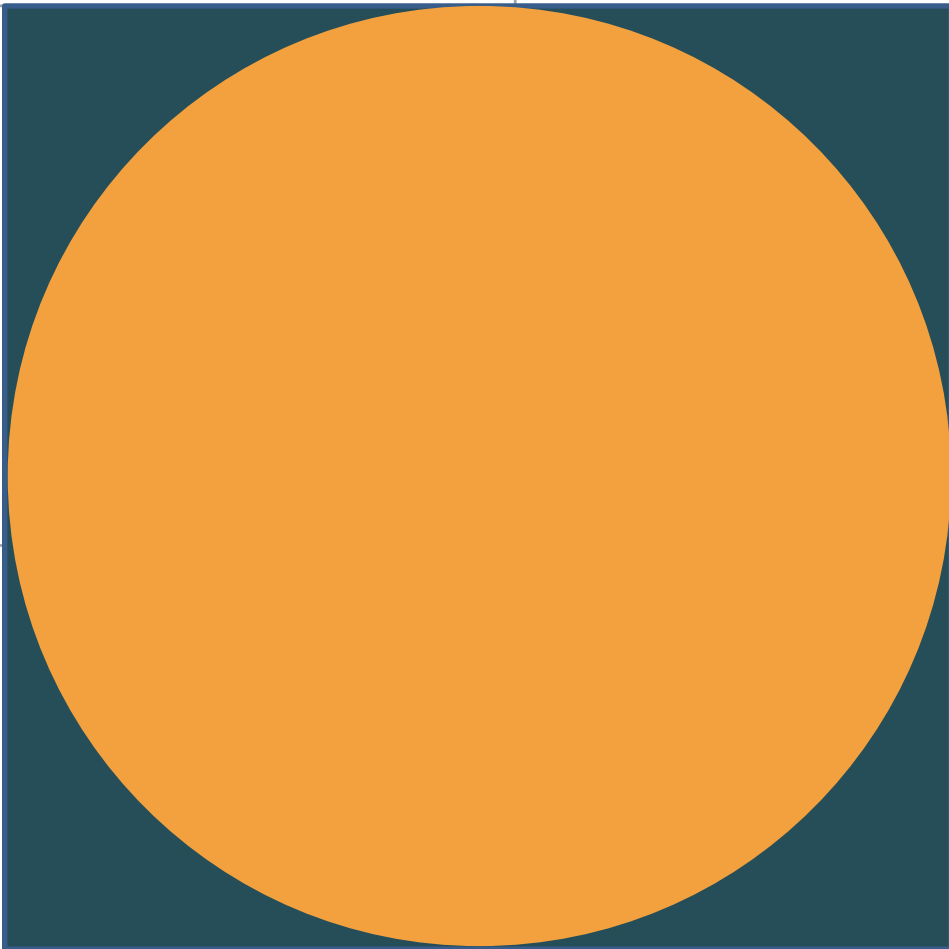
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