

# SIX MONTHS REPORT

Period time: **January – June 2015**

## **SECTION A: BASIC INFORMATION**

<b>NAME OF THE PROJECT:</b>	<b>Small &amp; Medium Business Development</b>
<b>PROJECT LOCATION:</b>	Hoai Duc District, Hanoi
<b>PROJECT DURATION:</b>	Phase I: <b>Mar 2012 - Mar 2015</b> Phase II: <b>Mar 2015- Mar 2018</b>
<b>PROJECT PARTNERS:</b>	Hoai Duc's People Committee
<b>GOAL OF THE PROJECT:</b>	To create more jobs, improve living standard for local people through capacity building for the local business owners on professional business management training on sustainable business development

## **SECTION B: SITUATION REPORT**

### **The significant events and changes that have occurred in the location of the project**

After several meetings to agree on the project strategy plan on strengthening business environment between Hoai Duc, YWAM and other stakeholders. The project document was submitted to the Hanoi Authority with all required documents such as the action plan, budget and human resource allocation for phase 2 of Hoai Duc SME. Finally, the second phase project was approved by the Hanoi People's Committee on 23 March, 2015.

In connection with the project activities in project phase 1, training for local leaders and core members in another six communes were done in Hoai Duc location. This attracted more than 940 leaders and core – officers from many different departments, the mass organizations, the schools, the steering members of the business associations. Again, promoting new communication skills for raising awareness that will contribute to implementing the "New Countryside" Vision were delivered by Dr. Phan Quoc Viet with his team in Tam Viet Group.

A meeting with Hoai Duc leader and new members in the project board of management also was held to understand each other and discuss how to cooperate effectively in the project phase 2 to bring change the Hoai Duc business environment.

## **SECTION C: PROJECT ACHIEVEMENT**

<i>Plan</i>	<i>Activities</i>	<i>Outcomes</i>	<i>Notes</i>
<b>Objective 1: Capacity for local project co-coordinators and SME promoters in 20 communes</b>			
Project Review in 2014	Year-end meeting and Tet greeting with Hoai Duc SME project Board of Management	<ul style="list-style-type: none"><li>- The Project Board of management reviewed what done in 2014 and called for inputs from over 40 communes' project promoters in the 20 communes for the project action plan in 2015. The project evaluation report sent to the 20 communes' leaders for references.</li><li>- Shared on the techniques in conducting businesses visits to check on post training application and why promoting business will be critical for the development of their locations.</li></ul>	Partially achieved as need to follow up on their improvement in 2015.

		- Did the Tet greeting to thank for all of their partnership. It was done on 30 Jan.	
Training for leaders and core-members in 6 communes (An Khanh, Minh Khai, An Thuong, La Phu, Son Dong, Van Con)	The project invited Tam Viet Group – a leading group in soft-skill training in Viet Nam to conduct Seminar on Dynamic Awareness Raising Approaches to serve missions in New Rural Country Sides for six communes.	<p>- One day training for each commune was done. This training aimed to enhance knowledge and skills on promoting new awareness raising know-how for leaders of the commune, leaders of mass-organizations, leader of hamlets, leaders of schools and leaders of business association and head of health clinic that contribute for them in implementing the New Rural Program.</p> <p>- Practical games, case stories and songs were used that made the teaching was very interactive. Hopefully the know-how will be applied for their tasks in promoting business environment as well as in promoting New Rural Country Side.</p> <p>- There were 120 leaders in An Khanh, 150 leaders in Minh Khai, 150 leaders in An Thuong, 200 leaders in La Phu, 160 Son Dong leaders and 160 leaders in Van Con attended the events. It was done on 20, 21, 22 Mar and 3, 5, 10 Apr 2015.</p>	Partially achieved as there will be follow up.
Meeting with the project board of management	The meeting was done in June in Hoai Duc district. New BOM members for the project phase 2 are introduced to the meetings.	<p>- The district vice-chairman, also the chairman of the project board of management directed different departments in implementing the project activities and finalized the project management handbook.</p> <p>- Leaders agreed on the roles and responsibilities of the project board of management. It was done on 4 Jun 2015.</p>	Achieved
<b>Objective 2: Creating a supportive environment for Small and Medium Enterprises Development in Hoai Duc District</b>			
Leadership meeting between YWAM and Hoai Duc leaders	2014 Year-end meeting and plan 2015 with the Hoai Duc leaders	<p>- The leaders of Hoai Duc People’s Committee acknowledged YWAM’s projects toward their new economic goals. With the rapid increase in the number of local businesses and the need for job creation, Hoai Duc leaders want to further this partnership in promoting good business practices.</p> <p>- The leaders of Hoai Duc showed a great commitment for the phase 2 cooperation with YWAM in promoting businesses.</p> <p>- With the rapid increase in the number of local businesses and the need for job creation, Hoai Duc leaders want to further this partnership in promoting good business practice. It was done on 26 Jan 2015.</p>	Achieved
Kim Chung Business Association’s	Year-end meeting with Kim Chung	- Kim Chung Business Association reviewed what were done in 2014 and direction for 2015. The commune’s leaders and over 40 members	Achieved

Year in Review meeting.	Business Association.	<p>attended the event. The Commune People's Committee rewarded Kim Chung's good businesses in 2014. The event attracted honor guests from the City's Business Association, the Vietnam Traditional Job Association, the Hoai Duc Economics Department. Hanoi Television came to broadcast on the event.</p> <p>- Kim Chung business association is recognized as an active business network at the grass-root level. It also was handed over the member certification of sub-group of Hanoi Business Association. It was done on 24 Jan 2015.</p>	
Group Advising on the Coaching role for business owners	Groups advising for Minh Khai and Kim Chung Business Associations.	<p>- Nearly 50 business owners in Kim Chung and 70 business owners in Minh Khai attended the group advising which shared by the Swiss consultant. Most of them see the importance of coaching role as a business leader.</p> <p>- Some importance ideas were shared on the challenged and opportunities when Vietnam formally be a member of the ASEAN economic community by the end of 2015.</p> <p>- Business owners were proactively asked questions and shared their observation on the topic. It was done on 13, 14 Mar 2015.</p>	Partially achieved as there will be follow up.
Leadership workshop at Ba Vi province	A visionary seminar for leaders and core-officers of Ba Vi province to share international experience in promoting business environment for local business.	<p>- This seminar already raised up a new mind-set and the importance of promoting business environment for the leaders and core officers of 31 town/communes in the Ba Vi district. Most participants really highly paid attention to the trainer's lessons and studied the Hoai Duc SME project information corner.</p> <p>- This event was shared by Mario – Swiss Consultant. It attracted over 70 leaders with the technical support of YWAM SME team. It was done 12 Mar 2015.</p>	Achieved
Meeting between Kim Chung Business Association and directors of YWAM headquarter.	Kim Chung Association shared experience about Small and Medium Enterprise project.	<p>- Members of Kim Chung Business Association appreciated the help of YWAM in developing economy and improving awareness of local people.</p> <p>- They considered about integrating ASEAN market with many opportunities and challenges. They hope YWAM will continue to support Hoai Duc district for the sustainable development. It was done on 22 Jun 2015.</p>	
Business Visits	Five business visits were done by Mario – Swiss Consultant	<p>- Mrs. Hien – SME Class 7 which do trading in noodle, wine, fish sauce, appreciated the practicality of the YWAM training programs. She has applied a lot of trained knowledge in leading her business.</p> <p>- Mrs. Hung – SME Class 6 which producing chili sauce shared how he and his company</p>	Partially achieved as it needs following up.

		<p>always have new line of products and showed his new products.</p> <ul style="list-style-type: none"> <li>- Mr. Long – SME Class 4 which producing cookies really see the importance of learning. He discussed his priority on how to have a clear structure.</li> <li>- Mr. Phuong – SME Class 5 which producing cookies were shared about the importance of branding.</li> <li>- Mrs. Hang – SME class 7 producing glassy parts has improved a lot since they applied 5S and Production Optimization</li> <li>- These business visits were a great chance for the consultant and the businesses to discuss and hope to help with more practical support to the Hoai Duc SME project. It was done on 13, 14 Mar.</li> </ul>	
Following up the detected issues in the round 1 audit reports with the 8 SCA models.	- Continued to follow up with the findings and improvements in the audit reports with the related models	<ul style="list-style-type: none"> <li>- Following up of the detected issues in the round 1 audit reports through 24 trips to the 8 models during Jan, Feb and Mar 2015..</li> <li>- This is a great chance for local business to improve their internal management in written system and learn how to do the internal management audit periodically. Following up of the detected issues in the round 1 audit report was implemented with the support of the production optimization consultants and YWAM's staff. Eight SCA models have improved a lot in their work place, especially in their written internal management guidelines.</li> <li>- Besides, many phone calls and emails were made to share and advise business models on the benefits and how to pursue patiently the Swiss Create Award program for a professional management system.</li> <li>- Feedback and Skype work with the Swiss consultant on follow issues of the SCA.</li> </ul>	Achieved
2 <sup>nd</sup> audit of round 2 in the Swiss Create Award (SCA) in the eight selected models	<ul style="list-style-type: none"> <li>- Swiss Create Award Round 2 was implemented in May 2015</li> <li>- The auditors is two Swiss Consultants. Mr. Gallus and Mr. Eric Hoffmann and YWAM team.</li> </ul>	<ul style="list-style-type: none"> <li>- the 2<sup>nd</sup> audit of SCA models were done on 5 May to 14 May 2015 by the experts of Swiss Create, with actively technical &amp; logistic supports of YWAM team. Each model has one day audit. At the end of the day, a short feedback was presented and sent to the models by the auditors.</li> <li>- It took one month to have the finalized audit report for round 2 done. A feedback meeting were organized with the 8 models to work on following up of the detected issues in the round 2 audit reports.</li> </ul>	Partially achieved as it needs following up.
Visit 8 Model in the Swiss Create Award	08 models had a concrete plan	- 16 trips were made to the 08 models to work on following up of the detected issues in the round two audit reports during mid-Jun to mid-Aug	Partially achieved as this is an

program	for following up issues stated in the second round audit report. - YWAM SME team provided technical support in mobilizing the related mid-level managers in planning, calling for participation in bring improvements for the business at all levels and all fields as management, production, sale.	2015 by the PO consultant and YWAM team. - Both the business managers and the production managers worked on the follow-up plan for the audit report. Many things were improved including management, production, sale as compared with the 1 <sup>st</sup> round audit in Oct 2014. - Viet My leader showed their high commitment to work on the detected issues and plan to improve them. - Thai Duong, Viet Thang models improved many parts in the internal process system in management part and production part. - Viet Duc and Viet Long model changed in personnel in leaders and production management. These persons have learned a lot and adapted to the continuous improvement process of the companies. - Tung Lam, Phu Vinh Hung has just moved to a new plant but still pursue the award. Specially, Phu Vinh Hung completed all the detected issues from the audit report very well and target to improve their internal written management system. - Green plans to move to their new plant in Quarter 3 of 2015 as they bought a larger land but it still keep implementing with 5S and production optimization for production part and prepare for the moving.	ongoing activities.
Modeling of safe - efficiency – friendly working environment by applying 5S working approach.	- Training on 5S and production optimization for co-workers for three PO models in 2015.	- 70 workers were trained on 5S and Production Optimization for Huu Nghi Confectionary and Nam Viet JSC companies by YWAM PO consultant and staff. It was done on 6 Jun and 20 Jun. - All management team and co-workers saw the importance of production optimization in the company. They were keen on listening to share on how to improve the production through 5S, labor safety and how to have a good team work. - The directors also showed their high commitment in applying 5S and production optimization continuously.	Partially achieved as need to provide technical support during the monthly assessment
Technical advises for four PO models	Business visits to work on techniques of 5S evaluation & visualized feedback	- Four trips to provide techniques for 5S evaluation and visualized feedbacks were done for Viet Nhat, Nam Viet, Tan Hoang Gia, Manh Linh by the PO consultant and YWAM team. - It aimed to coach and building capacity for mentoring for the mid-managers of the PO models in maintaining the system.	Partially achieved as needs following up.
<b>Objective 3: Capacity building on business management for the local entrepreneurs in the 20 communes of Hoai Duc District.</b>			
Technical support for year-end meetings of production	Reviewed the year-end meeting plan and advised	- YWAM had inputs and attended the year-end meetings of the production optimization models. - Thai Duong has a very high team spirit in	Achieved

optimization models	how to organized an event effectively	<p>the event. The three production managers were confident in participating in the event. The rewards of excellent workers and groups were also interwoven. Nearly 100 workers both permanent workers and part-time workers from the three work-places attended the event. The year 2014 was a good year for Thai Duong as Thai Duong's workers had a 10% income increased in 2014 as compared to 2013. Done on 7 Feb.</p> <p>- Thanh Loc company also held yearly-meeting with the attendance of YWAM, 80 workers and customers. This was the chance for company to say thank for the efforts and contributions of all stakeholders, especially their workers. Sharing tool-kit books on 5S and production optimization were done in Thanh Loc company. Done on 13 Feb.</p>	
Needs assessment on "Tax Obligation"	YWAM staff and consultants visited two businesses to identify training needs on Tax obligations with the Hoai Duc business owners	<p>- Business owners have not fully understood their role in tax obligations and so have not paid enough attention to this issue. Many costly lessons were experienced due to these limitations.</p> <p>- Business owners really see the importance of monitoring their financial system and tax obligation, not depending on outside accountants who offer the tax compiling service. It will built up their brand-name if they do this task professionally.</p>	Partially achieved as needs to work on teaching plan for the subject.
Needs assessment on "Time Management and Human Resources Management"	<p>- Two business visits were done by our Swiss consultant. Another two business visits were done by three local trainers in May to identify the training's need on Time Management and Human Resource management.</p>	<p>- The Swiss consultant saw the weakness of business owners in time management and human resource management to point out the best guide for the TOT activities for these topic.</p> <p>- Three local trainers gained further understanding on how the Hoai Duc business owners balance their work and life, how they behave to their co-workers, how they spend time to do their strategic work. After these visits, a practical teaching plan was done by three local trainers with the comments of the Swiss consultant.</p> <p>- To prepare for TOT activities, three potential localized trainers identified as Mrs. Mai (National Economic University), Mrs. Tam (project officer of Hoai Duc SME project), Mrs. Yen (project officer of Children Homes in Ba Vi)</p>	Achieved
Needs Assessment on "Communication and Negotiation skills" and	Two business visits were done to understand specific needs	- Mrs. Hoang Vi Yen – a new local consultant together with YWAM's staff worked with 2 business owners. These visits gave her overview of Hoai Duc business owners' challenges and how they practice	Achieved

“Team Building” on	of business owners on “Communication and Negotiation skills” and “Team Building” in May	daily in communication and negotiation with their staff and other stakeholders. How they build up their team-work spirit was also interviewed. - After these visits, two practical teaching plans for Communication and Negotiation Skills and Team Building were done and sent to YWAM. Yen will be trainer on the topics for the class 8 and class 9 of SME project this year.	
Opening ceremony – Business model part 1 training for class 9 on 22 Apr and 23 Apr	Mr. Mario Bruhlmann opened business class 9 by presenting the concept of “Business Vision and Business Model”	- Over 55 participants were very active and eager, contributing ideas by raising question and participating in group discussions. - The learning spirit were very intense, and was relaxed with many stories to demonstrate successful management principles.	Achieved
Closing ceremony – Leadership training for class 7 on 24 Apr and 25 Apr.	Mr. Mario Bruhlmann closed business class 7 after Leadership training course.	- DISC tool demonstrated different styles of leaders. - Group-work was the chance for the business owners to share their limitations and how to improve the different leadership styles. - Participants who had attended all the training courses of our Small and Medium Enterprises project received their graduation certificate	Partially achieved as needs to check on post-training application.
Training on Business models – part 2 for class 8 and 9 on 15, 16, 18 May and 19, 20, 21 May	The training course was shared in May for 120 business-owners in Class 8 and Class 9 by Mr. Christian.	- The trainer shared with participants of class 8 and 9 about how to create a “Visualized Business Plan” by answering ten questions. - Each class held a Competition to see who could most clearly present their business idea and a plan for the next 5-10 years, by answering the ten questions. The winning team from each class received Swiss watches as prizes. - The participants highly appreciated this training course with 85% scoring excellent and 15% good as for the overall impression.	Partially achieved as needs to check on post-training application.
Training on “Effective Communication and Negotiation” for class 8 and 9 on 25, 26 May and 13, 14 Jun	The training course was shared in May for 120 participants in Class 8 and Class 9 by Mrs. Hoang Vi Yen	- Many tools and techniques were used through activities of group discussions and role plays in order for participants solve difficulties as well as challenges in communication and negotiation. - The participants of both class 8 and 9 really like the teaching style of the trainer. The way she approached participants was very natural and humorous, so business owners were open in sharing their	Partially achieved as needs to check on post-training application.

		experience with others.	
Training on Team Building for class 8 and 9 on 30, 31 May and 20, 21 Jun	The training course was shared in June by Mrs. Hoang Vi Yen	- Many contents included activities such as group discussions and role plays then participants practiced applying tools and skills in motivating employees and team building.	Partially achieved as needs to check on post-training application.
Training on Production Optimization for class 8 and 9 on 6, 7 Jun and 27, 28 Jun.	The training course was shared by Mr. Tran Tien Duc	- 5S, 7 wastes, work safety was emphasized during the post-training. 77% of the participants said that they would apply 5S, 44% of them will apply 7 wastes and 14% will apply the work safety. - Interactive teaching methods using real cases, short video clips, group discussions, role plays attracted the attention of all participants. - Besides, the business owners were attentive and learnt from each other during the preparation of their group work.	Partially achieved as needs to check on post-training application.
Training on Time Management and Human Recourses Management for class 8 and 9 on 11 Jun to 14 Jun	The training course was shared by Mrs. Mai and coached by Daniel.	- Many contents were shared by 4 trainers including Mrs. Mai – the main trainer, Mr. Daniel – the coach, Tam and Yen – YWAM’s staffs. - The tools on Time Management and Human Recourses Management were practiced through group discussions, role plays, games... - Base on training evaluation, 57% participants will apply the action plan and clear work agenda, 18% will apply the Pareto 80/20 principles and 14% will apply Time management tools.	Partially achieved as needs to check on post-training application.
<b>Objective 4: Capacity building for the Hoai Duc SMEs network on identifying and grows potential businesses in the locations.</b>			
Checking the book-keeping and the records of development of potential businesses	Checking the book-keeping and the record of development of potential businesses	- 28 businesses benefited from this fund. All businesses have used the credit appropriately - Checking the self-funding monitoring of Kim Chung Business Association	Achieved
Set up micro-credit groups in Hoai Duc SME project	Hoai Duc project promoters had household visits and interview on the micro-credit activities.	Project promoters shared about the benefit of setting up the micro-credit groups in some communes (Dac So, Son Dong and others) to better manage the Capacity building fund for potential business in the location	Achieved
<b>Monitoring and Supervision</b>			
Skype work with the Swiss consultant	On a monthly basis, YWAM’s staff had Skype work with Swiss consultants	- 6-Skype meetings were done. Business and management challenges were discussed during these skypes. - Skype sessions with Daniel were done to get inputs and finalize the teaching plan for the subjects.	Achieved

Closing project finance	Checked book-keeping and Took the SME voucher to YWAM.	<ul style="list-style-type: none"> <li>- 3 checks were made as guided by the principles of financial management of YWAM.</li> <li>- Monthly, on the first week of the following month, the YWAM project officer and the project accountant &amp; cashier closed all project finance. Besides, YWAM project officer also physically counted the cash in hand of the project and had all the original accounting receipts and invoices</li> </ul>	Achieved
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### **SECTION E: SIGN OF TRANSFORMATION**

- Members of project board of management in Hoai Duc district, project promoters and the business owners see the importance of promoting the business environment and professional business management practices for the local businesses, especially when Vietnam integrates into the Asean Community and the World Economic Integration so they showed their close cooperation to implement the project activities.
- Swiss Create Award Program has transferred the approach of internal audit on management part and production part for Production Company. These steps really pushed these models to an excellent position in the market with the professional written internal process systems. The importance of doing internal management audit periodically for professional and effective business leading will multiply to other businesses in the Hoai Duc location.

### **SECTION F: ACTIVITIES PLAN FOR NEXT SIX MONTHS**

- Monitor of the regular project activities as the approved SMEs – phase 2.
- Closing ceremony of project phase 1 and awarding the excellent model in the Swiss Create Award.
- Continue to monitors the technical support for Production Optimization models
- Continue to provide training for Class 8 and Class 9.
- Business advise via telephone, email, and business visits
- Technical support for the business networks

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