

QUARTERLY REPORT

(Period: Jan – June 2017)

SECTION A: BASIC INFORMATION

The name of the project:	Small & Medium Enterprise (SME) Development
The project location:	Hoai Duc District, Hanoi
Project duration:	Mar 2015 to Mar 2018
The project partner:	Hoai Duc's People Committee
The goal of the project:	Improving the professionalism in business management to promote business environment in Hoai Duc district
The project budget:	YWAM donates 80% of the total project budget Hoai Duc district: contributes 20% of the total project

SECTION B: SITUATION REPORT

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

Lunar New Year occurred in this quarter so there were a lot of reviewing meetings for the previous year and planning for the New Year. Besides, many local traditional festivals were held in the Vietnamese cultural tradition. It's a challenge to organize project activities at this time.

Continuing the success of the Swiss Create Award, the models have been maintaining their written internal processes for the periodical auditing both on general management and production management. Most models saw the importance of providing training and technical support for their mid-management team and co-workers for the continuous improvement process. Their leadership style is on the right track in light of globalization.

Proactive participants in the existing group have been active to share with and encourage other businesses not only in their communes but also other partners. They want to take full advantage of the project training to have a professional business and to further corporation to their advantage in the highly competitive marketplace.

SECTION C: PROJECT ACHIEVEMENT

<i>Plan</i>	<i>Activities</i>	<i>Outcomes</i>	<i>Notes</i>
Objective 1: Local leaders create favorable conditions for business development			
Review Meeting with local leaders	Year End Meetings and Tet Greeting with Hoai Duc leaders and commune coordinators	<ul style="list-style-type: none">- Hoai Duc leaders acknowledged SME activities toward more effective businesses, more successful businesses, more job creation in their location.- Hoai Duc leaders called for further partnerships as of the signed project agreement and are willing to support advanced training courses for the existing project participants.- May 20 event: Hoai Duc leaders agree with event to review project impact as well as promoting professionalism using Swiss Create Toolkits for internal audits of business management.	Achieved
Review meeting with project	Year-end Meeting with the Commune	We reviewed the result of project activities in 2016 and plan for 2017. The meeting highlighted the roles of commune project promoters in multiplying	Achieved

promoters	Project Promoters	the project impact in their locations. There were 57 local project promoters and participants attending the meeting.	
Conference for project promoters and key staff of Hoai Duc People's Committee	Attended conference on building skills for family happiness	<ul style="list-style-type: none"> - More than 300 key staff of various departments of Hoai Duc People's Committee attended this training workshop. - The vice-chairwoman of SME's BOM shared on the importance of promoting businesses and the SME project information in this event. 	Achieved
Family business training for 8 communes	Eight day training in Duc Giang, Lai Yen, Son Dong, Dong La, Tien Yen, Duong Lieu, Kim Chung, Dac So were done	<ul style="list-style-type: none"> - The district BOM and YWAM worked with the leaders of eight communes on the training contents, the time & place, the selection of participants, and the organization. - Training workshop aimed to transfer Swiss Create mindset & tools so that their core officers can better advocate how to think & how to do to succeed in income generation for households. - Real situations were used to practice the introduced tools. Active participation by the core officers. - There were about 600 leaders and core-officers who attended the training. 	Achieved
Objective 2: Promoting the learning and business exchange activities among business networks in the Hoai Duc area			
Attended Year-end Meeting at three models (Phu Vinh Hung, Tung Lam, Viet Nhat)	Technical support on how to organize effective year-end meetings for three models	- Along with reviewing activities in 2016, the models made plan for development in 2017 and coming years towards more professional operation to catch new trends when integrating into the international market, emphasized continuously improving written internal management system and calling for employees commitment in proactive learning & maintaining the transferred internal systems. Objectives of 2017 also transferred to their departments with YWAM's technical support.	Achieved
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Follow-up Models	Technical support for Swiss Create Models and Production Optimization Models of Group 1	<ul style="list-style-type: none"> - The four Swiss Create Award (SCA) 2016 Audit reports of team 2 were translated into English and sent to Swiss Create - Follow up via telephone, email with the models on the detected issues with GB, Nam Viet, Khanh Nguyen, Green, Phu Vinh Hung - Viet Nhat, Minh Tam, Nam Viet, GB, Tay Ha received training and inputs on internal management documents - The key members of Viet Nhat were trained on the importance of Job Descriptions & Work Instructions and how to conduct staff review and feedback. - Visiting some models from Group 1 SCA and other models to make plan for the coming technical support when the models are at the development phase: <p>Viet-Long Model is going to start production in their new factory in Quoc Oai Industrial Zone of 8,000 m2 land, with a 3-story 2,000 m2 building. Modern biscuit producing technology is under testing. Around 109 staff & workers will be recruited. The owners want to apply Swiss Create tool-kits for this new company, Libra brand, which will produce premium quality biscuits for high class local consumers & for export. The company targets to take the lead in the local market and is ready to join international competition.</p> <p>Thai Duong Model: has a new factory of 8,000 m2 in Lai Yen Industrial Zone. They moved their biscuit production here in Sep 2016. Some key practices are as follows: Two chocolate production lines in this new factory. 5S maintained, written documents applied, but needs regular updating. Promoting proactive learning & growth for the mid-managers.</p> <p>Green Model: 5S is well maintained by the workers. Awarded ISO 22000 certification for internal process in the company, but too much paper work. They need to sort out what forms really support production. In good business development though competitive environment. Promoting active learning among the mid-managers.</p> <p>Viet Thang Model: Expanded production areas, and started operation with new machinery. Invested in air-waste treatment system for the production areas. Have enough orders to run machines all days in the month, despite highly competitive printing business environment. Owner insists on having a written system for management. Promoting proactive learning & growth for the mid-managers.</p>	
Follow up SCA models – Group 2	SCA models in Group 2 (Nam Viet, Khanh	We divided into 2 groups to check on progress and review improvement of General Management documentation with the owner & their co-pilots and improvement of Production Management	

	Nguyen, Tay Ha, TDT, Manh Linh, Huu Nghi, GB, Tien Bao)	<p>documentation with the mid-managers.</p> <ul style="list-style-type: none"> - We also modeled how to give feedback after reviewing, with focused-content using photos & action-oriented language. - Number of detected issues resolved in the auditing reports round 2 was done with the technical support of YWAM. - Good reference books on management skills, promoting the importance of proactive-learning among the mid-managers were shared. 	
Attended the “Skill Competition and Women’s Day Celebration”	We attended the activity at Phu Vinh Hung Model	<ul style="list-style-type: none"> - YWAM’s staff and team building consultant came and observed and gave inputs to the company. - The workers joined both theoretical & practical tests. This is a way of upgrading know-how & techniques to do work for all groups of the company. - Team building games and performances were done by the workers - Rewarding winners of different prizes, Mrs. Nga, Director of company, called for proactive learning & being a strong team for the development of the company & the workers’ careers. 	
Preparation for May Event	Needs assessments and quotations for the Event	<ul style="list-style-type: none"> - To prepare for the Event, we visited some places and restaurants to get their quotation for the Event. - We worked with the District partners on a draft plan and budget with VK-Media and sent draft plan and budget to Swiss Create. - VOV television did filming at 9 businesses to produce a short film to share on job creation by promoting SMEs & businesses. - YWAM and BOM finalized all the public relation and Swiss Create Branding products such as A3 leaflets, A5 notebooks, Swiss Create key ring and badges, framing Swiss Create certificates & gifts, sent invitations to various mass media, invitation released through the guests, the SME participants class steering committee in various communes, meetings with the relevant stakeholders... - Commune project coordinators and participants actively took part in invitation release, especially communes dense with participants such as La Phu, Kim Chung, Duong Lieu, Minh Khai, An Khanh, Yen So, Cat Que. 	Achieved partially
Network activities	Promote the network activities	<ul style="list-style-type: none"> - We compiled three photo stories both Vietnamese and English version and posted stories on the YWAM’s website. - Short clips of the activities and the SME’s review in 2016 posted to SMEs Facebook groups. - YWAM SME team attended the La Phu festival and shared information about the project activities. - New training program for 2017 was also informed on the Facebook group of Hoai Duc SME project. - The classes 8, 9, 10 organized meetings to share on successful application post-training. One participant in the Class 8 shared in the meeting that 	Achieved

		“Before I did not check my finances but now I analyze financial figures regularly. The production plant is well organized, cleaned and maintained by our workers”.	
May Event Implementation	The event was implemented in Hoai Duc location	<ul style="list-style-type: none"> - The event attracted 70 guests & 550 SME participants. Project impacts in the last 8 years on job creation was shared on public media. The leader of Hanoi Business Association, the representative of DIPSERCO, PACCOM also attended the event with some other mass media. - Great change was displayed among Alumni of the 12 classes in the SME program in the last eight years - The 08 business owners of Swiss Create Award Group 2 shared with audiences many challenges and successes after joining the project activities. The rewarding part for Swiss Create Award Program was carried out solemnly. The first prize was given to GB Company for the excellent general business management. Huu Nghi company gained the prize for the excellent production management. - The event also honored the Hoai Duc leaders for close cooperation over eight years and the 8 models of Group 1 in maintaining the professional internal process system and expanding to the higher level of business management. - Several mass media broadcasted news of SMEs 8 years project review and Swiss Create ceremony. SME team worked on how to attract such coverage. - A visit to congratulate the mid-managers of the winner was done on the same day of the event. 	Achieved
Objective 3: Improving knowledge and skill on business management for business owners, mid-management team and co-workers			
Household-sized business visits	Business Visits with BOM members	The district Board of Management had regular household visits to six businesses. Through these visits, we modelled how to conduct a business visit also empowering the commune project promoters.	Achieved
Training for Business Class 12 and Class 13	Opening ceremony & Business Models Class 12 and Class 13	<ul style="list-style-type: none"> - Mr. Mario was successful to motivate the business mindset for 150 participants in two classes (Class 12 and Class 13) to become the business owners in the excellent group – which have a long-term vision and differentiation strategy. - Successful business models, right mindset and necessary tools for leading a business and seizing opportunities were addressed and analyzed. - Participants were very active to raise questions for the trainers and build up ideas and discuss together. - Interactive teaching methods and international business experience attracted nearly 150 business owners from communes of Hoai Duc district. - Training workshop aimed to transfer Swiss Create mindset & tools so that the owners can better formulate their visualized business plan. - We invited Viet – My model to share their 	Achieved

		successful post-training application with class 12. Mr. Thuan, from Green Model, also came to share how his company applied and maintained their internal process system with Class 13.	
Effective Communication & Negotiation - SME Class 12 and Class 13	Training on Effective Communication and Negotiation for 150 participants	<ul style="list-style-type: none"> - Real challenges on communication & negotiation were used for the group-work. Techniques and tools for basic skills such as listening skills, presentation skills, feedback skills ... were applied and taught. Short competitions were organized. - Promoting these training contents to their workers were emphasized. Many useful situations were demonstrated. 	
Family Management for sustainable business development training for class 12 and class 13	Training on Family Management for sustainable business development was done for 150 participants	<ul style="list-style-type: none"> - Knowledge and skills to promote strong development in their children, and manage family relationships were introduced. - Family challenges were analyzed & discussed, with emphasis on techniques to better handle situations. - Techniques and the importance of caring for employee families for their long dedication to the company were emphasized. - Through group discussions, real situations and games, the trainers shared a lot of experience on how to keep a work-life balance effectively, the relationship between family and business, methods and skills on educating and raising their children. 	Achieved
Team building training for class 12 & 13	Training on Team building training for 150 participants	<ul style="list-style-type: none"> - Team building & team development; Methods to motivate and mobilize the participation of employees were introduced. - Difficulties in team building were analyzed and solved using group discussions, video-clips and role plays. Principles and skills to create good teamwork and techniques to motivate employees at work and mobilize the participation of employees in developing business were shared. Participants also learnt to practice the tools and skills in communication and negotiation. - Training messages were transmitted through the input of trainers and the comment among groups in the classes - An action plan for team-building activities was demonstrated 	Achieved
Training on 5S and Production Optimization for class 12 and 13	Training on 5S and Production Optimization for 150 participants	<ul style="list-style-type: none"> - Situations and difficulties were given out to analyze and solve. - Workplace Organization, the 8 wastes in production, work safety, etc... were demonstrated using real situations and challenges of the participants. - Work instruction and production management forms were introduced, practiced and discussed. - Some critical video clips were showed to mention the leadership styles in motivating the all the workers' involvement in the production optimization. Participants learnt a lesson of being a modern leader, not a traditional manager. 	Achieved

		- Some test on LEAN concept and practical situation were done right after the training section to reinforce the skill and knowledge through the training.	
Objective 4: Improving the working environment that are safe and efficient in the local businesses			
Developing potential businesses.	- Hoai Duc project promoters had household visits, interviews on the micro-credit activities.	After loan disbursement, project promoters and project board of management members regularly follow-up to see strengths and weaknesses of businesses for support or advice. Any updated project information was also shared with them.	Partially achieved as it need follow up.
Monitoring and Supervision of Project activities			
Closing project finance	Checked bookkeeping and took the SME voucher to YWAM.	<ul style="list-style-type: none"> - Three checks were done as guided by the principles of financial management of YWAM both project financial management and credit management. - Monthly, on the first week of the following month, the YWAM project officer and the project accountant & 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. 	Achieved
Other activities			
Visit FORD company for the study tour	Study trip for SME team	- We learnt on how they have applied LEAN in both production areas and office areas, and practically such as with the checking cards, and the notice board... We learnt how to better present analysis reports with Charts & Graphs, with reference to the macro environment together with their sector's environment. How the management team incorporates their periodical data from each department towards their long-term business plan was a big lesson for YWAM.	Achieved
Meeting with Hanoi Business Association (HBS)	YWAM team visit the Hanoi Business Association	<ul style="list-style-type: none"> - In the meeting, YWAM shared with the Hanoi Business Association about the SMEs program, how to network for continuous learning & how to benefit from the government's SMEs policies for the participants and for the 7 commune business associations of Hoai Duc. - Received update on the government's environment for SME and the role of Hanoi Business Association in advocating the government's support for household-sized businesses. - Hanoi Business Association proposed Phu Xuyen, Ung Hoa, Thach That, Long Bien which are facing similar challenges as Hoai Duc district, and if YWAM could expand SMEs supports HBS will introduce to needs assessment for selection. 	Achieved

SECTION E: SIGN OF TRANSFORMATION

- Swiss Create Award Program successfully transmitted the importance of doing internal management audit periodically for a professional and effective business regular internal audit for Production companies for SME program in Vietnam. The eight models in the first group of Swiss Create Award are a bright example for others to follow in improving their business management. Besides, the eight models in the second group also made a great improvement after two rounds of auditing. These models are still trying their best to maintain the written internal process system for professional business management.
- Production Optimization Model such as Minh Tam, Tan Hoang Gia ... are great examples for other local businesses taking decisions to make changes in their production management by applying and maintaining the tools and practices of production optimization.
- Networking activities, especially the yearly class meetings, are a great way to share experiences and cooperate with one another for the existing participants.

SECTION F: ACTIVITIES PLAN FOR NEXT QUARTER

- Monitor the regular project activities per the approved SME Project – phase II.
- Organize intensive training course for SME Class 12 and Class 13
- Provide technical support and follow-up for Swiss Create Award and Production Optimization models 2017.
- Provide technical support for networking activities of the SME classes and business associations.
- Provide business advising via telephone, email, and visits for post-training application technical support.
- Promote the Community Educational Assistance Scholarship Program by seeking the contribution of existing participants.

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