



## GOOD PRACTICES - CASE IDENTIFICATION /1<sup>ST</sup> LEVEL ANALYSIS

### 1. Good Practice title:

Assessment of social impact and outreach to target groups

- *sustainability and efficiency of local microfinance programs*
- *social outreach of microfinance and mitigating the negative effects of financial exclusion*
- *microfinance as a local employment tool*
- *social and technological innovation in microfinance*
- *involvement of priority groups (with special regard to gender equality)*
- *promotion of local microfinance funds and entrepreneurship initiatives*
- *OTHER good practices in microfinance provision*

### 2. Territory of implementation/application (country/region/...)]

Geographical coverage of FEA (75% of clients from Central Transdanubia region)

### 3. Timeframe:

year of introduction:

year of termination:  (leave 0000 if ongoing)

### 4. Brief description of the promoting organization:

Fejér Enterprise Agency: non-profit Local Enterprise Agency. FEA was established in 1991 by 47 founders. The founders include the local government of Székesfehérvár, the General Assembly of Fejér County, several chambers, banks, enterprises and private people.

The mission of FEA is to provide high-level, easily accessible financial, advisory and training services in Hungary to start-ups and existing micro and small enterprises operating in the Transdanubian region in order to improve their skills and abilities which enable them to make their financial situation, social standing and living conditions better.

In order to fulfill its social mission and to realize the goals set by the founders, the Foundation performs concentrated business development activity, which basically focuses on the following main fields:

- Business Development Services



- Training programmes to disseminate entrepreneurial knowledge
- Microcredit programmes to finance enterprises

#### 5. Main objective of the initiative:

The objective of the initiative is to get a comprehensive view on the clients of FEA and to measure the realization of the mission of the organization.

The survey, conducted on annual basis, can also show the changes and tendencies regarding the economic status of the enterprise, plans, expectations and living conditions of the entrepreneurs themselves. This allows FEA to monitor the progress in fulfilling the goals set in the Social Outreach Plan, and to develop tailor-made services according to the target groups' needs.

#### 6. Brief explanation of the initiative:

The Fejér Enterprise Agency (FEA) prepared its Social Outreach Plan in 2012, containing the social mission, goals and objectives of the Foundation. The main goal of FEA is to improve the economic status, skills and competencies of the target groups so that they can promote their own and their families' well-being. The social impact is the effective realization of the mission based on the agreed social goals and values.

The Social Outreach Plan also offers a methodology in order to assess the realization of the above mentioned goals. The first annual survey on the social outreach of FEA was conducted in June 2014, the second in October 2015.

The survey is a self-administered survey analysis (to be filled out via internet, through Credinfo portal), divided into three modules:

- A – the current situation of the enterprise, its plans and expectations
- B – the personal circumstances of the entrepreneur
- C – his or her relationship with FEA

The study examines the following topics:

- characteristics of the small enterprises examined
- economic status and expectations of the enterprises
- impact of the micro credit scheme on the living conditions of the entrepreneurs
- how clients see FEA: Experiences of the credit schemes of commercial banks and FEA, Experiences with FEA
- impact of the microcrediting activity on the target groups defined by the LEAs: women, young people, people living in small villages
- comparison with the findings of the previous survey



#### 7. Target group and measures to involve the target group:

The target groups of FEA are defined in the Social Outreach Plan of the organization:

- Women
- Career starters, young entrepreneurs (below the age of 30)
- Entrepreneurs living in small settlements

Therefore, an important part of the annual survey is dedicated to these target groups. The respondents are filtered according to the target group categories and the economic situation, expectations and social-economic characteristics of the target groups are analyzed.

Compared to the previous surveys, FEA can analyze the progress in reaching the target groups. For example, the proportion of female entrepreneurs increased by 4% from 2014 to 2015, meaning that FEA implemented effective measures in order to reach the target group.

#### 8. Innovativeness:

Innovative elements of the initiative or other distinctive features compared to other previous programmes:

- methodology of the survey
- Credinfo website developed for the survey

#### 9. Outcomes:

Specific indicators:

- No. clients involved in the survey: 407 (2014), 316 (2015)

Identified success factors of the initiative:

- the survey is easy to fill out, the website is user-friendly
- straight-forward and clean cut questions (no open-ended questions)
- regular surveys allow the monitoring of the trends and changes in the clienthood
- FEA can develop tailor-made services based on the findings of the analyses