



DBN
Development
Bank of Nigeria Plc
DC 2125734



DBN MSME Capacity Building Journey

Office of the Chief Economist

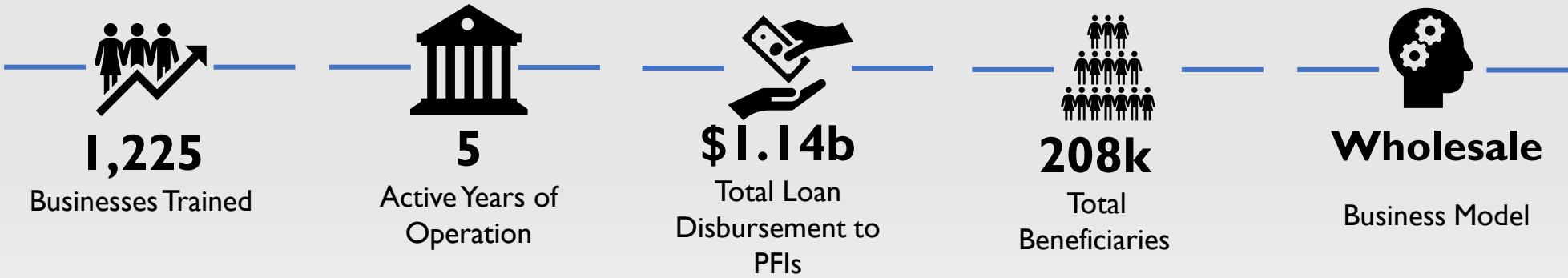
February 2022

MISSION

To facilitate socio-economic development through the provision of finance to Nigeria’s underserved **MSMEs** through eligible financial intermediaries.

VISION

To be Nigeria’s primary development financial institution; promoting growth and sustainability.



MANDATE

MSME Financing

Capacity Building to PFIs and MSMEs

Partial Credit Guarantee

INTRODUCTION

- **Capacity Building is one of the core mandates of the Development Bank of Nigeria**
- **Between 2019 to date, the DBN has trained 1225 Micro, Small and Medium Enterprises**

Elements of the Training Program



A competitive application process of interested MSMEs across Nigeria



Well-developed Curriculum customized to fit the needs of the MSMEs and Experienced Faculty



Strict selection criteria for shortlisted MSMEs



Duration: Three months



Delivery Method: A blended format of face-to-face and online training



Voluntary Advisory Services by Industry Experts, to be provided:

- Immediately after the training
- Three (3) months after training



Monitoring and Evaluation

- Baseline Survey before training
- Post Training Survey- Immediately after each training session
- Preparation of project completion report
- Impact Assessment- five (5) months after training



Post-Training Impact Assessment

The programme **impact assessment** was conducted 5 months post training, to ascertain the level of implementation of lessons learnt by beneficiaries after the training.

Access to finance

- A key component of the DBN Entrepreneurship Training programme is to enable participants access finance. About 31% reported that they were able to access finance after the programme.
- The distribution of funding sources included microfinance banks (42%), grant (28%), family/friends (14%), personal savings (14%).
- According to one of the participants, Helen Stan-Adinnu, the loan helped ensure the certification of her products and the issuance of approved number by the National Agency for Food and Drug Administration and Control (NAFDAC).
- Another beneficiary won a N500,000 grant after a pitching session, utilizing the skills learned from the training.

Increase in revenue

- Increase in revenue is a major business performance indicator.
- 63% of the respondents reported to have increased their revenue while about 37% of them reported in the negative.
- Although, increase in revenue could not be wholly attributed to the outcome of the DBN Entrepreneurship Training programme, however the skills and knowledge received during the programme contributed to the increase in revenue of the respondents.

Employment generation

- In addition to sustainable growth in revenue, business impacts are also measured through self-evaluation of trainees on changes in employment generation.
- Within the reporting period, the respondents were able to increase their employees.
- 72% of the respondents reported to have increased their employment while 28% reported in the negative.



PROGRAMME IMPACT ASSESSMENT

The programme **impact assessment** was conducted 5 months post training, to ascertain the level of implementation of lessons learnt by beneficiaries after the training.

Access to finance

- ☐ 10% of assessed beneficiaries reported to have accessed funding after the DETP (through Banks, family and friends).
- ☐ 53% were processing credit facilities with the banks and non-banking institutions during the reporting period

Employment Generation

- ☐ About 95 employments were generated by assessed beneficiaries after the entrepreneurship training programme

Access to Markets

- ☐ 47% of assessed beneficiaries improved access to markets and visibility by developing and implementing market access strategies including digital marketing, product rebranding and establishing sales outlets.
- ☐ 42% of assessed beneficiaries in production and processing increased capacity through acquisition of equipment and other production inputs.

Business Planning (Development of Bankable Business Plan)

- ☐ 77% of beneficiaries assessed developed bankable business plans.
- ☐ 13% reviewed existing business plans to meet bankable standard.
- ☐ The beneficiaries reported to be more aware of the need to have an implementable and bankable business plan to grow their businesses.



POST-TRAINING IMPACT ASSESSMENT

The programme **impact assessment** was conducted 5 months post training, to ascertain the level of implementation of lessons learnt by beneficiaries after the training. We engaged participants using a structured questionnaire that collected data

Access to finance

- The DBN Entrepreneurship Training programme is designed to enable the participants access funds.
- From the assessment, about 22.3% reported that they received funds after the programme while about 72.7% reported in the negative.

Increase in revenue

- As a core aim of the programme, the beneficiaries were asked to state whether their revenue/income grew after the programme as increase in revenue is a major business performance indicator.
- From the assessment, majority 90.9 % of the participants reported to have increased their revenue while about 9% of them reported in the negative

Employment generation

- In addition to sustainable growth in revenue, business impacts are also measured through self-evaluation of trainees on changes in employment generation. Within the reporting period, the respondents have been able to increase their employees
- 69.5% of the respondents reported to have employed persons while 30.4% reported in the negative.



PROGRAMME IMPACT ASSESSMENT

Access to finance & Markets

- ❑ Beneficiaries improved access to markets and visibility by developing and implementing market access strategies including digital marketing and product branding.
- ❑ Beneficiaries improved on their presentation and pitching skills. One of our beneficiaries (Mr. Mathias Pwol Mancha – CEO of Fresh from The Farm Agric. World Ltd) was a finalist for the \$30,000 equity funding pitching competition by Agro Minds Africa.

Employment Generation

- ❑ 9 additional jobs were created in the 5 months since completion of the training

Increase in Revenue

- ❑ Total turnover of beneficiaries increased by 40% since completion of training

Business Planning (Development of Bankable Business Plan)

- ❑ 100% of businesses assessed have now registered their businesses with CAC
- ❑ 90% of beneficiaries have developed bankable business plans with support from the training consultants



OVERVIEW

Applications: Over 9,000 applications started and 6380 completed

Short list: 1000 MSMEs for Digital Training, 50 SMEs for F-2-F (Lagos location), 150 micro-enterprises for F-2-F (Abuja location)

Budget: NGN46m (USD108,462)

MSME Categories: Multi-sectorial, multi-geographical

Training Format: Blended learning format (*self-paced virtual classrooms, webinars, physical*)

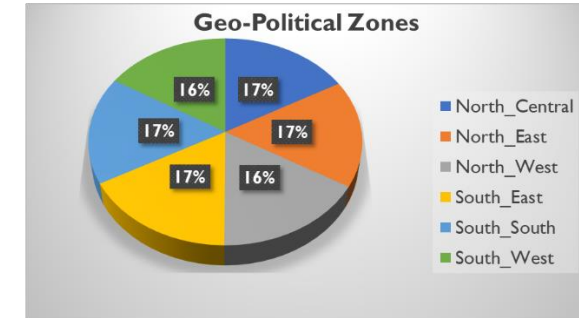
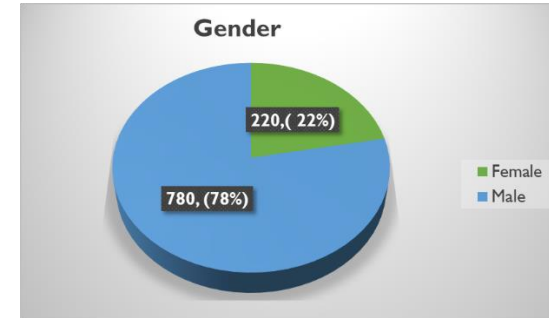
Training Duration: Four (4) months (August – November 2021)

Gender Metrics: 1225 people trained from inception. 287 have been women (23%)

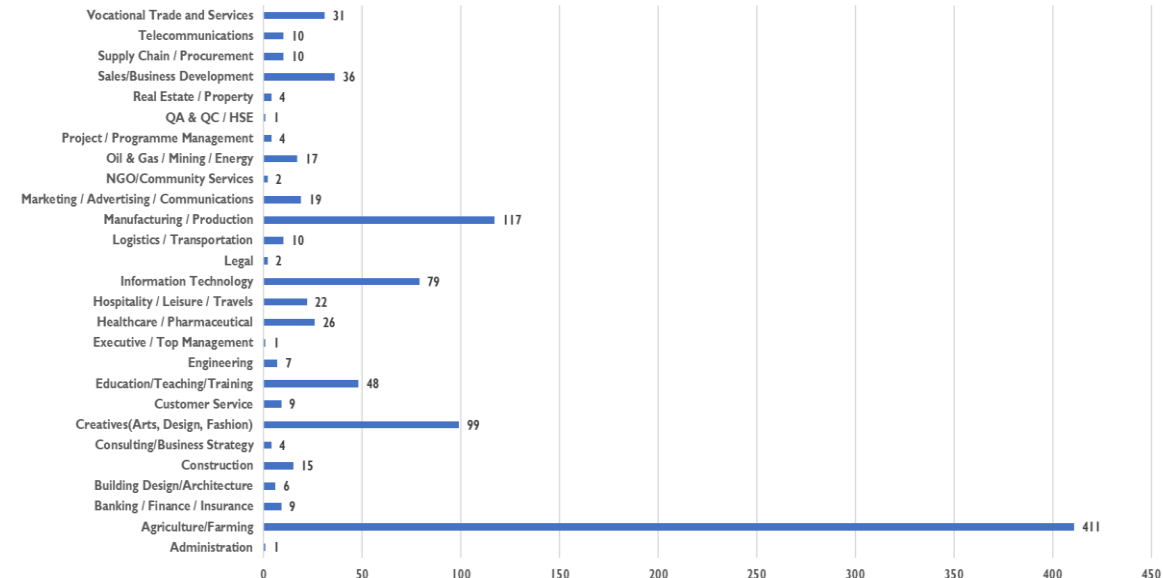
Challenges Addressed

- ☐ Lack of skills, knowledge and competencies to defend sound and viable business proposals etc
- ☐ Lack of access to available credit
- ☐ Lack of efficient funds utilisation, trade, investments and access to markets

Profile of Shortlisted Businesses (Lagos & Abuja)



Sectoral Spread





Programme Structure

- ❑ The program was broken into in-class sessions, online sessions complemented with webinars leveraging the zoom platform, and one-on-one advisory sessions. The training was facilitated by subject area experts with relevant experience in the Nigerian MSME space.
- ❑ The maiden edition of the Pitching session took place on November 13th 2021. A total of 4million was awarded as business grants to 3 businesses (1st -N2mill, 2nd -N1.5mill and 3rd -N500k)

Modules Delivered Include:

- | | |
|------------------------------|-------------------------|
| ✓ Marketing Management | ✓ Financial Management |
| ✓ Negotiation | ✓ Operations Management |
| ✓ Entrepreneurial Finance | ✓ Green Financing |
| ✓ Investment Readiness | ✓ Business Planning |
| ✓ Data Driven Sales Strategy | |

Post Training Advisory

5 Business Experts were made available at a business clinic session to offer business advisory services from November 24th to 26th, 2021 to all participants. Businesses were assigned to meet with specific advisors based on the areas in which they had challenges. The impact assessment will be carried out in March 2022.





Programme Structure

Phase 1: Virtual Training

The virtual training held from October 12-15th 2021

Phase 2: In Class Training

The in-class training held from November 8-12, 2021, utilizing lectures, case studies and role plays as mode of implementing the training

Pitching Session

The maiden edition of the business pitching competition took place on November 12, 2021. A total of 3million Naira was awarded as business grant to 5 beneficiaries

Modules Delivered Include:

- ✓ Achieving success in marketing
- ✓ Sustainability and Renewable Energy and Funding
- ✓ Improving Your Selling Skill
- ✓ Managing Your Finances/ Bookkeeping
- ✓ Digital Marketing
- ✓ Becoming a More Effective Owner Manager
- ✓ Presentation Skills/Business Pitching
- ✓ Financing for Growing Businesses
- ✓ Developing a Bankable Business Plan
- ✓ Financial Analyses

Post Training Advisory and Mentoring

The post training advisory and mentoring for beneficiaries started on November 15th 2021 with business reviews, advising on credit facilities and general business counselling. The impact assessment will be carried out March 2022



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Thank You