

## Small and Medium Enterprises

### *Stories of Impact*

*This series provides examples of our impact, expertise and lessons learned working with clients and partners.*



## Strengthening Small Businesses in Haiti's Fragile Economy

### RESULTS & IMPACT

- Trained more than 2,750 individual SME owners, employees, and entrepreneurs, including more than 1,250 women (45 percent) with a trainee satisfaction rate over 94 percent.
- Two master trainers were trained to set up IFC's Business Edge trainer groups in other areas of Haiti.
- A successful media strategy was designed to market IFC's Business Edge management training and position SOFIHDES as a market leader for training in the SME community.

IFC is working with SOFIHDES, a private development finance corporation, to provide IFC's Business Edge management training to entrepreneurs and small and medium enterprises (SMEs) owners in Haiti.

By partnering with SOFIHDES, IFC has been able to develop a market for small business management training and help more than 2,700 SME owners rebuild their businesses following the 2010 earthquake.

*"I own a small shop in Port-au-Prince and always wanted to expand it, but I didn't know how. One day, I heard about IFC's Business Edge program and paid for several management trainings. Soon I saw the investment pay off. My revenues have increased by 25 percent, allowing me to hire six additional workers and start thinking of ways to expand my business even further."*

— Sharline DuBuisson, Godcel

## The Opportunity

Small and medium enterprises are vital to Haiti's economy. They account for more than 80 percent of total employment, but often their growth is constrained because entrepreneurs and managers lack the skills to improve their performance and profits.

Affordable management training was almost nonexistent in Haiti until 2009, when IFC partnered with SOFIHDES, a local financial institution, to successfully launch and deliver the Business Edge management training program. The program took off well during its first year.

However, after a massive earthquake hit Haiti's capital of Port-au-Prince in 2010, only few small businesses could afford management training that could equip their staff with the skills to help them recover from the earthquake's devastation.

Faced with the near destruction of its nascent business management training program, SOFIHDES had to formulate a new strategy with IFC to keep Business Edge afloat.

As part of the post-earthquake recovery strategy, IFC partially subsidized Business Edge training workshops in Haiti's provinces during the first year after the earthquake. These were attended by more than 1,000 SME owners and employees in the year following the earthquake. Slowly the industry rebounded, and today SOFIHDES has provided Business Edge workshops at a commercial price to more than 2,750 SME owners, many of whom reported increased profits and greater access to finance.

Building on this success, SOFIHDES is currently expanding Business Edge workshops throughout the country providing high quality management workshops at a fair price for SMEs.



## Our Approach

IFC partnered with SOFIHDES to:

- Provide Business Edge management training workshops to SME owners and entrepreneurs, spurring growth in Haiti's textile factories, the tourism industry, and the construction sector, among other areas of business.
- Capitalize on SOFIHDES' expertise in small business development. The financial institution has strong relations with Haiti's small business owners and understands the need for business training as well as access to finance.
- Expand Business Edge throughout Haiti and train master trainers, who can in turn set up trainer groups across the country.

SOFIHDES set up the first business management training center in Haiti and has proven a strong partner capable of tailoring Business Edge to the needs to the local business community and delivering quality workshops. The strength of the partnership has helped SOFIHDES expand its operations, diversify its products, and build the Business Edge brand to reach thousands of Haitian small business owners and employees.

\$620,000 invested in Business Edge by IFC, the Caribbean Development Bank, and NIPP to translate and localize 51 training manuals, develop a strong, certified trainer pool, set-up a training center with SOFIHDES and develop a market for small business management training by highlighting the practical and interactive methodology of Business Edge.

*IFC, a member of the World Bank Group, is the largest global development institution focused exclusively on the private sector in developing countries.*

REGION: LATIN AMERICA & THE CARRIBEAN | COUNTRY: HAITI | STRATEGIC PRIORITY: SMES | THEME: FRAGILE AND CONFLICT AFFECTED AREAS, GENDER | BUSINESS LINE: SUSTAINABLE BUSINESS ADVISORY | CLIENT: SOFIHDES

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