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# YES-GEORGIA MID-TERM PERFORMANCE EVALUATION

## Overview of the Evaluation

In September 2015, USAID/Georgia signed a Cooperative Agreement with Crystal Fund, to implement the “Youth Entrepreneurial Skills for Advancing Employability and Income Generation Program in Georgia” (YES-Georgia). In July 2018 and July 2019, YES-Georgia received two extensions and additional funding to increase opportunities for youth ages 14 to 28, as well as target women with an expanded age range of 28 to 49. In its current iteration, it was renamed to “Supporting Youth and Women Entrepreneurship Program” and extended through July 2024.

The purpose of this evaluation was to summarize what has worked well, what could have been improved over YES-Georgia’s first four years, and provide recommendations for the new iteration of YES-Georgia, which will focus exclusively on female beneficiaries. It was requested by the USAID/Georgia Economic Growth (EG) Office and Strategy and Program Office (SPO) to inform future programming.

## Methodology

This evaluation sought to answer the following four, summarized evaluation questions: 1) How did YES-Georgia’s entrepreneurship training help start new businesses and increase income? 2) What changes are needed to sustain the business model? 3) To what extent are the YES-Georgia loans affordable and accessible to beneficiaries and 4) What design considerations could have been made to improve the internship program?

Due to COVID-19, while the evaluation was intended to be done in-country, ultimately all data collection was conducted remotely by a local evaluation team in December 2020. The evaluation took a mixed-methods approach

using four main methods: 1) A desk review of YES-Georgia reports and relevant program documents, 2) an online survey of 188 beneficiaries and local partners, 3) an online survey of a private sector firm partner network, and 3) 49 KIs with Crystal Fund staff, Government of Georgia officials, financial institutions, and USAID staff.

## **Key Findings**

YES-Georgia's training had an overall positive impact on the participants that went beyond their abilities to start new businesses. The respondents highly valued YES-Georgia's training and its perceived impact on attitudes, status, and confidence, in addition to changes in income. In total, about 400 graduates submitted requests for financing of which 67 businesses were funded as of 9/30/21. 72 percent are still operating, and 23 percent have failed.

Notably, in its first two years, YES-Georgia adapted and improved its training curriculum to better reach rural youth and females. For example, it selected women from its program to serve as Ambassadors who helped recruit and mentor new participants, and changed its curriculum to include both soft skills training and business development. Further, 95 percent of youth entrepreneurs reported exceptionally high satisfaction with the training. Another important finding is that a higher ratio of males received startup loans and larger amounts of loans, despite the majority of training participants being female for two reasons. First, female participants often performed worse in pitching business proposals to prospective investors and loan officers. Second, there can be an inherent bias against female-owned businesses or female-focused services and products, such as daycare, hair salons, etc. This points toward the need for YES-Georgia to be more gender-sensitive in its design, and more transparent in its loan selection criteria. The team also noted that female participation increased when trainings went remote during the pandemic, which implies a gender bias that should be addressed.

The YES-Georgia training is unique in Georgia, with no other similar program targeting the rural youth and women. Overall, 60 percent of participants found the YES-Georgia loans to be accessible, and almost all found the repayment terms affordable. As for design considerations, while it was not possible to assess feedback from former YES-Georgia interns, the team noted that both soft and technical skills were important for inclusion.

## **Recommendations**

As a result of the IP not maintaining a monitoring system that tracks new business or job creation post program participation, LEAP III recommends that Crystal Fund adapt a better monitoring system and follow up with past participants to be able to track and gain insights into their success and failures. The team also recommended that YES-Georgia adjust the training curriculum to increase time spent on business planning, investment strategies, and financing. The selection criteria for obtaining loans should also be made more transparent and standardized.

Related to EQ2, if there is indeed a gender bias indicated by the increase in female participation when the training program went remote due to COVID-19, it is critical this is addressed, as all beneficiaries are female as of January 2021. Related, LEAP III recommends that training be made more gender-sensitive and inclusive, ensuring that trainers/mentors are familiarized with women-focused business, and offer blended in-person and online courses to attract more female entrepreneurs. It was also recommended that YES-Georgia explore other options for cost structures, such as the possibility of corporate sponsorships, given a fee-based training is unlikely to be viable.

Although almost all participants found the zero-interest loans and repayment terms to be favorable, it is recommended that YES-Georgia conduct a landscape analysis to identify potential partners that offer grants to expand the pools of applicants for both loans and grants. Lastly, it was recommended that Crystal Fund develop an online platform for candidates to submit and disseminate resumes to career centers and private firms, as well as give more consideration to understanding the corporate culture and career mobility within target sectors.