

# OPERATING ENTERPRISES

Outcome indicator

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## Indicator Phrasing

**INDICATOR PHRASING:** number of enterprises that were created / supported and fully operate 6 months later

## What is its purpose?

The indicator measures the proportion of existing or newly created enterprises that received the project's support and 6 months later can be considered operational. This indicator shows the effectiveness of the provided assistance.

## How to Collect and Analyse the Required Data

Determine the indicator's value using the following methodology:

1) **Define the exact criteria of when an enterprise can be considered as “operational”.** These are very important as for some enterprises it might not be easy to decide whether they can still be considered operational or not. Examples of such criteria, which must always be adjusted based on the context of your intervention, include:

- The enterprise has provided its services to the minimum pre-defined extent and timeframe (e.g. to a certain number of customers)
- The enterprise has generated a minimum predefined volume of sales
- The income of the enterprise exceeds its costs

You can of course add additional criteria but **avoid being unrealistically ambitious** – focus on what the core features of an operational enterprise should be.

2) **Conduct interviews** with the enterprise managers / owners to identify whether the targeted enterprises meet the criteria (i.e. can be considered operational). Consider verifying the information through observations at the enterprise location (e.g. is there activity occurring which indicates it is operational, such as customers or suppliers visiting); reviewing the business accounts (if available); and/or interviewing some of the customers (e.g. if the enterprise relies on a few major buyers only). If you target a very large number of enterprises, you should conduct interviews with a [representative sample](#) of these enterprises.

3) To **calculate the indicator's value**, divide the number of enterprises that are operational 6

months after receiving support by those that are not. Multiply the result by 100 to convert it to a percentage.

## Disaggregate by

Disaggregate the data by the type of supported enterprises and other criteria relevant to the focus of the intervention.