



Triple Trust Organisation

**Implementation of the Market
Development Approach**

Overview of Presentation

- **TTO Background**
- **TTO status in 2001**
- **Making the Decision to Change**
- **TTO today**



**And the organisation I
represent is...**



**TRIPLE
TRUST
ORGANISATION**

Empowering People through Enterprise Development

The Triple Trust Organisation (TTO)

- Section 21(Not-for-profit) Company, started in 1988
- Based in Cape Town, South Africa with offices in East London and Johannesburg
- Mission – Poverty Alleviation through Enterprise Development
- Pay-off line - Making markets work for the poor
- Historically a Training service provider, currently Market Development Facilitator

TTO status in 2001...

Funding and finance

- Reduced funding
 - For development in general
 - For service provision
- Funding contracts terminating
- NGO Partners closing down

TTO status in 2001..

External and Internal evaluations

- **Feedback from donor partners**
 - Not responsive to markets
 - Limited impact
 - Lack of variety of programmes
 - Market saturation
 - Dissatisfied clients
 - Products too generic
- **TTO's 2001 Impact Survey**
 - Declining impact

TTO in 2001: SWOT Analysis..

Strengths

- 13 years of history
- Credibility
- Experienced and skilled staff
- Donor base and solid partnerships

Weaknesses

- Reducing impact
- Inflexibility
- Few programmes
- Generic programmes
- Less innovative

TTO in 2001: SWOT Analysis

Opportunities

- Poverty and unemployment are ongoing realities
- SA has a well established formal economy
- New approaches to development

Threats

- Reducing funding
- Dissatisfied clients

TTO in 2001

Finances

- Overall budget: R10.8m
- Total number of funders: 38
- Donor funding major source of funding
- Major funders contributed 20% of total funding
- Funding dependent on number of trainees

TTO in 2001

TTO and the MDA

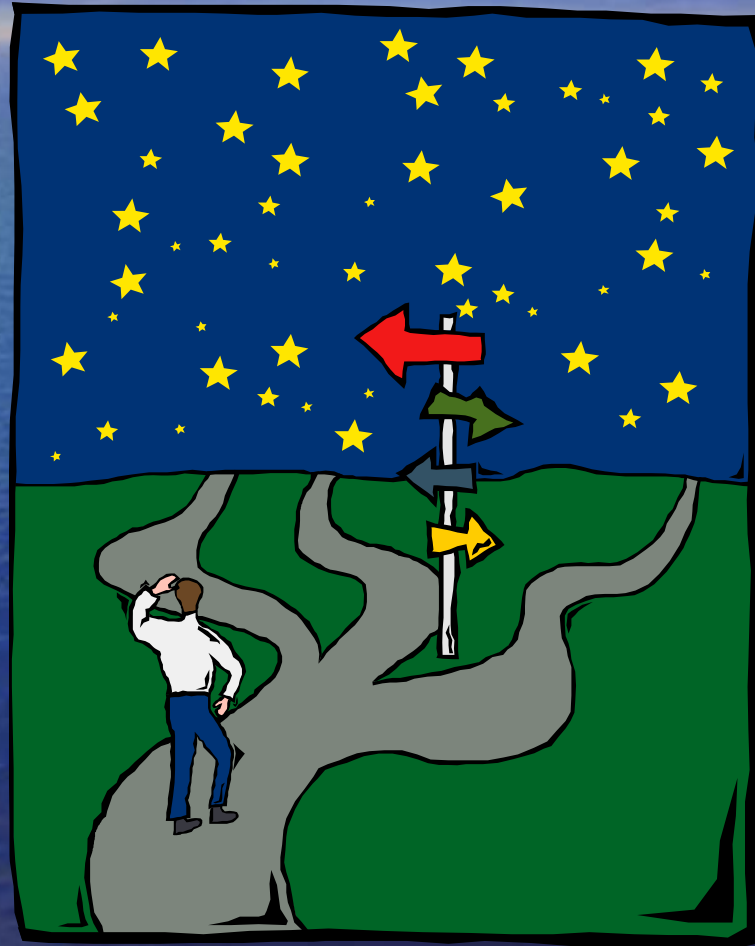
- Introduced to the MDA in 2001 as part of DFID evaluation process
- TTO managers attended an MDA workshop in Glasgow
- Started with a process of comparing the approach with traditional methods

TTO in 2001

Organisational life

- Winding down service provider activities
- Staff uncertain about the future
- Not sure of type and nature of organisation TTO will emerge
- Management concerned about the “transitional” stage of the organisation
- Confident about the decision to change

Making the BIG decision



What were the issues...

- Can we be a **BOTH** a Service Provider and a Facilitator?
- At what **SPEED** should we effect changes?
- What would the **IMPLICATIONS** be as a result of the changes?
- How do we **SUSTAIN** the organisation during the change process?

Making the BIG decision...

Tough Issue 1

Can we be a **BOTH** a
Service Provider and a
Facilitator ?

How TTO made the decision

Agreed on a set of strategic criteria

- TTO Mission fit
- Impact
- Target group focus
- External stakeholder acceptability
- Trends in development
- Competence of TTO
- Survivability of TTO
- Strategic alliances
- Competence of board
- Cost effectiveness
- Relevance / adaptability to South Africa

How TTO made the decision

Decision matrix

	Provider		Facilitator	
Mission fit	Strong	+	Strong	+
Impact	Weak	-	Untested	
Target group focus	Strong	+	Strong	+
External stakeholder acceptability	Mixed		Mixed	
Trends in development	Weak	-	Strong	+
Competence of TTO	Strong	+	Weak	-
Survivability of TTO	Weak	-	Strong	+
Strategic alliances	Weak	-	Essential	+
Competence of board	Strong	+	Strong	+
Cost effectiveness	Weak	-	Strong	+
Relevance / adaptability to South Africa	Moderate		Strong	+
		- 1		+ 7

Making the BIG decision..

Tough Issue 2

Evolution vs Revolution

Change can be either gradual
(incremental) or drastic!

TTO decided to be Revolutionary!!!!

How TTO made the decision

Agreed on Initial Steps

- Senior management buy in
- Board of directors
 - Presentations
 - Discussions
 - Lobbying
- Staff consultations
- Donor partners
- Planning the transition

Set a Change timetable - 2002

Activity	J	F	M	A	M	J	J	A	S	O	N	D
Refocus TTO as a facilitator	Red bar											
Complete staff audit			Blue bar									
Meet training commitments	Green bar											
Undertake Market Research	Magenta bar											
Plan Initial Projects					Black bar							
Implement Pilot Projects							Orange bar					
Define New Offers								Green bar				
Convene Donor Conference							Red bar					

Making the BIG decision

Tough Issue 3

What are the implications on staff, vision, mission, etc

- Will the proposed change compromise the original vision?
- How do we deal with staff members whose skills are geared to service provision?

How decision was made...

- Assessed the implications in terms of staff, vision, mission, budgets, etc.,
- Engaged staff on the implications and the possible outcome of the process
- Set up Board task team to oversee this process to ensure credibility

Making the BIG decision

Tough Issue 4

How do we sustain the organisation during the change process?

- How do we effect the changes?
- How do we ensure the sustainability of the organisation?

Making the change...

Building the “plane in the air...”

- Decided on hypothetical market
- Embarked on a market assessment exercise
- Defined our offer as we implemented

Making the change..

- **Strategic re-definition**
 - Transitional Business Plan
 - Business Plan – 2002 to 2005
- **Initial Implementation**
 - Research
 - Pilot Project
 - Service Provider ‘model’
 - Initial Projects designed

Putting it all together

- New structure
- Project teams
- Staff matching
- Project allocation
- Project planning
- Finalising TTO's 'offer' to partners
- Implementation

Initial Projects

- Spaza shop – Supply chain linkages
- Spaza shop - BDS
- Rural – focused research
- Sachet project

TTO today...

TTO performs the following key functions

- Market research & assessment
- Product development
- Identifying and establishing service providers
- Providing market information
- Facilitating business linkages
- Lobbying & advocacy

TTO today...

- Completely transformed to a Market development Facilitator
- Expanded operations to 2 additional provinces
- Engaged with 3 projects
 - Red meat project
 - Supply and distribution project
 - Sachet distribution project

TTO today...

- Project based organisation
- Staff complement reduced to 23
- 2005 Operational budget at R 7. 40m
- Number of donors drastically reduced
- Staff multi-skilled in line with projects
- Project activity determines level of TTO involvement and capacity

What about impact..

Early stages yet...

- Set a business collaboration structure for Spaza shop, SHOPNET
- Voluntary buying group involving over 200 Spaza shops
- Turning over on average \$2000 and \$2800 US dollars per week
- Linked with 5 major wholesalers
- Have a data base of 1 600 Spaza shops

What about impact..

- Red Meat project involving over 900 communal farmers, linking them with mainstream markets
- Youth development project for over 200 youth in the agricultural sector
- LED project for a rural community to participate in an economic development initiative in the hospitality and tourism industry