



ILO Enter-Growth

Business Registration and Licensing




Training & Consultancy
February 2009
MDF-SA Colombo

Contents

1. Background	3
2. Enter-Growth Plan.....	4
3. Enter-Growth Achievements vs. Plans	6
4. First Signs of Impact.....	10
5. Overall Conclusions and Learning	12

Abbreviations used in this report

AGA	Assistant Government Agent (Divisional Secretariat)
DM	District Manager
DS	District Secretariat (highest government office in the District)
GN	Grama Niladhara
GoSL	Government of Sri Lanka
ILO	International Labour Organization
MDF	Management Development Foundation
MSEs	Micro and Small Enterprises
PS	Pradeshiya Sabha
Rs	Rupees (Sri Lanka currency)
SIDA	Swedish International Development Agency
SLIDA	Sri Lanka Institute of Development Administration

The following report is based upon the information provided by ILO Enter-Growth and other stakeholders of the Business Registration and Licensing intervention during a two day field visit to Kurunegala District in November 2008 and January 2009 by an MDF consultant. The objective of the field visit was to: (i) understand the progress of implementation as well as (ii) assess the impact of the intervention on the target group (public officers) and final beneficiaries, the MSEs. The consultant has assessed the current situation in Kurunegala through key informant interviews with ILO Enter-Growth personnel in Colombo and Kurunegala and two focus group discussions with the trained trainers and officers in the public sector.

1. Background

Enter-Growth supports the implementation of the Government of Sri Lanka's strategy for poverty reduction and generation of employment through an integrated micro and small enterprise development program that targets four Districts Kurunegala, Polonnaruwa, Anuradhapura and Puttalam. One of the aims of the program is to improve the business environment affecting MSEs, of which regulations implemented by the public sector are a key aspect.

In May 2007, Enter-Growth together with the Sri Lanka Institute of Development Administration (SLIDA) conducted a pilot needs assessment to evaluate the training and other needs for better implementation of business related regulations in the four project Districts. The needs assessment revealed that the technical skills of the public officers as well as the relationship between the implementing authorities and the small enterprises were not satisfactory. In addition, implementing authorities lack a clear understanding of the roles of other agencies involved in the business registration and licensing process, and procedures, forms and fees are not standardized across the implementing authorities.

To address the issues above, a project intervention was designed to improve business registration and licensing implementation within the four Districts in order to foster the growth of MSEs at the local level. SLIDA was appointed as the implementing agency for the intervention with the following specific objectives to:

- (i) develop the capacity of local government authorities involved in MSE business licensing and registration
- (ii) make licensing and registration procedures more standardized, streamlined and efficient
- (iii) improve customer orientation
- (iv) establish relationships amongst relevant authorities involved in the business registration and licensing process

The goal was to create a conducive environment both for public officers involved in the business registration process as well as for MSEs looking to formalize and register their enterprises.

Methodology

The assessment was carried out through desk research and field interviews and was limited to one of the four project Districts, Kurunegala, as had been previously agreed upon

by ILO Enter-Growth and MDF. The consultant met with several key informants: the District Manager and Assistant Manager of ILO Enter-Growth Kurunegala and Project Manager and Associate Expert of ILO Enter-Growth Colombo. Two focus group discussions were also conducted in the field with: (i) relevant local government authorities (AGA's of Rideegama and Ibbagamuwa) who participated in business registration and licensing training and other project related activities and (ii) with the local trainers who conducted the business registration and licensing training program. At the time of the field visit, the local trainers were also conducting a follow-up of the training program and their findings have been incorporated into the analyses presented in this report.

The assessment methodology includes a comparison of the number of businesses registered in a pre- and a post-intervention period in the Divisions where ILO and MDF conducted MSE baseline studies in 2006 in order to assess the impact of the project intervention. The business registration data for the time period concerned was collected from the Administrative Officers of the relevant Divisional Secretariat (DS) offices.

Limitations

A key limitation of the analysis is that the implementing agency, SLIDA, could not be interviewed despite several attempts both from MDF and ILO Enter-Growth to reach them. This hindered MDF's ability to obtain vital first-hand insight from the key contact at SLIDA, Dr. Gamini Wickramasingha, who was responsible for the management of the training program. Findings from the field could therefore not be verified for accuracy.

Similar attempts were made by MDF to interview MSEs who have registered and obtained licenses for their businesses as a result of the project intervention. However, these entrepreneurs were unavailable to meet. In addition, the AGAs in Redeegama and Ibbagamuwa, could only be interviewed for a brief time due to their busy schedules. Instead, the findings from the follow-up, mentioned above, are reported and discussed.

2. Enter-Growth Plan

The Enter-Growth plan was to conduct a 2-day training program in all the Divisions (75) of the four project Districts. The training program was developed jointly by Enter-Growth and SLIDA. The overall purpose of the training was to improve the business registration services provided to MSEs and to make regulatory procedures and their implementation more efficient. SLIDA also developed a business registration and licensing manual, aimed at encouraging the public officers to take a more customer-oriented approach as well as making implementation more uniform. The business registration manual was utilized as course material. Enter-Growth developed a leaflet, targeting unregistered enterprises outlining the advantages of business registration and how to register to raise awareness. This leaflet was presented during the training course and was subsequently to be distributed to the MSEs by the officers.

The 2-day training curricular was designed with the following objectives to:

- (i) increase the technical skills of public officers by providing a clear and consistent understanding of regulatory procedures as well as why business registration

- and licensing are important; the importance of data and record keeping would also be covered
- (ii) improve the local authorities' customer-orientation toward MSEs and help them to gain an appreciation of MSEs, through sessions aimed at increasing awareness of MSEs and improving communication skills
 - (iii) provide government officers with a better understanding of the other authorities involved in the regulatory process
 - (iv) establish relationships amongst the different authorities involved in the business regulations implementation process; the training would encourage networking and coordination amongst institutions and the training program itself would provide a platform for authorities from all involved government agencies to meet

The target group for the training included public officers involved in the implementation of business registration and business licensing in the four Districts: (i) Grama Niladhari, (ii) Accountants and subject clerks of the DS division responsible for business registration, (iii) Licensing officers at the Pradeshiya Sabha, (iv) Public Health Inspectors, (v) Medical Officers of Health (vi) Environmental Officers (District and Provincial level) and (vii) Forest Department (District level).

The training program comprised two modules (the general aspects to raise awareness and the procedural dimensions of business licensing and registration) organized into seven sessions covered in two days:

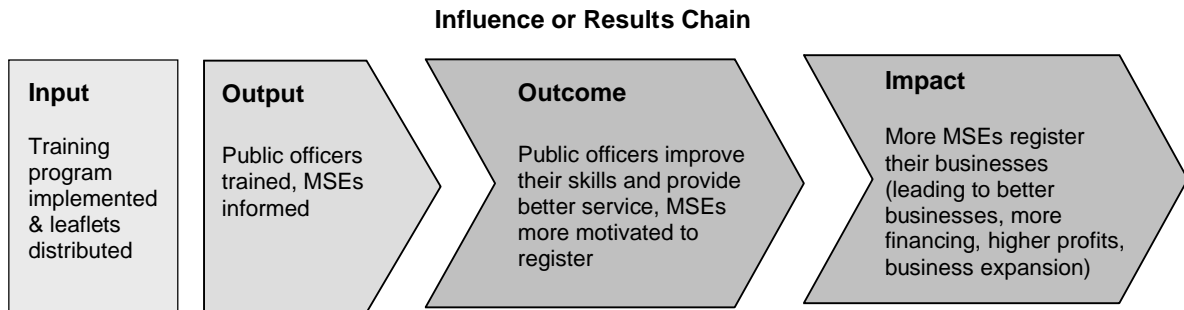
1. MSE awareness and national MSE policies
2. Customer orientation, relationship between public officers and MSEs
3. Why business registration and licensing is important
4. Building relationships with other organisations
5. The big picture of the business registration and licensing procedures
6. Technical information about the regulatory procedures
7. Introduction to new business registration software

The first five topics were covered in day one when all the invited officers took part. The two other topics were covered in day two where the technical part was focused on and detailed further and where officers at District, Divisional and Pradeshiya Sabha levels took part but not the Grama Niladharis. The Divisional Secretaries were not part of the target group and while they would not take part in the training program, they were however, involved during the morning preliminary session and the end of day evaluation.

Twenty local trainers (officers working with enterprise development in respective Districts) were trained by SLIDA through a three day training of trainers (ToT) program held in Colombo. The local trainers were instructed to carry out the training program in the respective locations under the supervision of SLIDA's team of facilitators.

In an attempt to introduce a common electronic format for business registration and licensing, SLIDA developed a common software for the Divisional Secretariats and Pradeshiya Sabhas which computerizes the business registration and licensing process to make it easier, faster and more efficient. The software would enable the electronic entry of applications (to replace the manual filing system), include all the necessary forms and information on procedures as well as include reporting and approval functionality. The developed software was to be installed at the relevant government agencies and a session on the use of the developed software was also included in the training program.

The planned activities should lead to the following Influence Chain:



OUTPUT INDICATORS	OUTCOME INDICATORS	IMPACT INDICATORS
1. Number of public officers that have been trained 2. Level of satisfaction of the public officers with regard to the training 3. Relevance and applicability of the training to the public officers (ToT)	1. Improved understanding of MSEs by public officers 2. Improved services to MSEs 3. More efficient implementation of business registration and licensing process	1. Increase in the number of businesses registered post intervention 2. Resulting in: <ul style="list-style-type: none"> a. Business growth b. More financing & other services c. MSE business expansion

To see the effects, outcomes and impacts of the intervention, a total of 4 trainers in Kurunegala District were interviewed, as well as 142 of their trainees (public officers).

3. Enter-Growth Achievements vs. Plans

According to the SLIDA report and Enter-Growth, most of the planned training was carried out. Day one was conducted in 70 Divisions but cancelled in 5 Divisions and approximately 2,900 officers attended. Day two, was conducted for 3-4 Divisions at the same time and targeted only the officers on District and Divisional level as well as Pradeshiya Sabhas (the Grama Niladharis, which constituted the largest group did not attend day two). Day two was cancelled for 8 of the Divisions. This means that for 5 Divisions, there was no training at all and another 3 Divisions missed day two. The cancelled training workshops were due to coordination issues on SLIDA's part as well as security concerns in Divisions in the border areas of Anuradhapura.

The table below summarizes the planned versus actual trainings for the 2 days, conducted in all four Districts (source SLIDA report):

Intervention Report - Business Registration and Licensing

District	Planned number of Divisions	Actual number of Divisions	Participants Day 1	Participants Day 2
Anuradhapura	23	21	782	138
Polonnaruwa	7	7	245	27
Kurunegala	29	27	1378	212
Puttalam	16	15	534	64
Total	75	70	2939	441

The trainings were hosted by the Divisional Secretariat and the Divisional Secretaries dispatched the invitations to participate in the training course. Due to the large number of Divisions involved, SLIDA engaged local trainers (trained by SLIDA) from the respective Districts to conduct the trainings. There were 20 local trainers and 5 SLIDA trainers of which 7 were women, (source: SLIDA Report).

Effectiveness and relevance of training

To analyze the extent to which the training has been relevant and applicable to the participants we will examine the training of trainers (ToT) and the training for the public officers separately.

Training of trainers (ToT)

Skills enhancement and relationship building: The trained trainers found the training particularly effective in terms of: (i) knowledge and skills enhancement which resulted in better performance of daily duties and (ii) building better rapport and relationships with the other agencies involved in the process of business registration and licensing, also a new area for the local trainers. The trained trainers particularly benefited from the technical sessions on business registration rules and regulations, customer orientation and the business registration manual.

Training for public officers

Knowledge and skills: Overall, the training was well received by the public officers who found the training an eye-opener. The training has clearly enhanced their technical skills, enabled them to perform better at their jobs and also offer better services to MSEs. They think that the training program was a highly relevant and timely intervention as their technical knowledge on the legal framework governing business registration was severely lacking previously. The public officers also state that they have obtained invaluable insight on the importance of business registration and licensing as well as on the role of the other agencies involved in the process. They gained a complete overview of the process including all the necessary steps the enterprise must take to register, which they were previously not aware of. The business registration manual is also perceived to be an effective training tool which was used during the course and provides for easy reference during their daily work. They view the manual as beneficial given this is the first attempt at producing a simplified, user-friendly version of a business registration and licensing information package for the implementing officers.

Shift in attitudes: The officers also greatly appreciated the session on customer orientation. They state that with the knowledge gained they are in a better position to educate MSEs on the benefits of business registration, and help motivate them to register to the extent

possible. They can better appreciate the problems that MSEs face and understand why entrepreneurs do not register. This in turn makes the role of the public officers in servicing and motivating MSEs all the more important. The most significant change as a result of the training is the change in the attitudes of participants regarding the importance of client service and of the MSE sector as a whole.

Issues raised by Participants

Awareness training for MSEs

Conversely, the public officers also had negative feedback with regard to the training intervention, as they still face practical difficulties in their day-to-day business registration and licensing work. While the officers themselves have acquired valuable knowledge through the training, they find it is not always easy to impart that knowledge to the entrepreneurs themselves. One of the main problems public officers face when implementing their day to day work, is that MSEs still lack the necessary knowledge regarding registration procedures and other legal measures. Also, the entrepreneurs hesitate to register due to their lack of understanding of income tax policies and their overall fear of taxes. Another problem mentioned is that entrepreneurs are not interested in registering their business as they do not receive any immediate concrete benefits from registration.

There is a need for a mind shift on the part of the entrepreneurs; the same mind shift that the public officers have achieved through the training program. Hence, many of the officers interviewed highlight that it is important to conduct an awareness program which is directly aimed at entrepreneurs. The training could be carried out by the existing local trainers in the respective District Secretariats, and this should be incorporated into their annual work plan for 2009. It was further suggested that desks with designated business registration officers should be set up at the local government offices to help provide MSEs with related information, to guide them to the other relevant institutions involved in the process and to help troubleshoot issues when they arise.

Level of participation

With regard to training coordination, the focus group discussion with the local trainers revealed that SLIDA communicated only with the Divisional Secretariat offices and not with other supporting organizations such as the MoH office, Pradeshiya Sabha, Provincial Environmental Authority and others. These organizations should have been contacted through the chief secretariat office. This resulted in poor attendance on the part of supporting organizations that play an important role in the business registration and licensing process.

A further observation, in terms of implementing the knowledge gained during the course, was the need for a change in the perspectives and attitudes of the top officers within the Pradeshiya Sabha, Divisional and District Secretariat offices. The trained trainers in particular state that these high-level officers should have participated in the entire training program in order to gain an appreciation of the importance of business registration, to help them to prioritize work in this area, and to allocate the necessary technical and human resources.

Professionalism of Training Manager (SLIDA)

The local trainers stated that they found SLIDA's support to act as observers during the training sessions deficient. SLIDA did not always attend the sessions as observers, as mutually agreed, nor did they give any advance notice that they would not be able to join

the training. They also fell short in providing the technical and multi media support as had been promised to the local trainers.

During the focus group discussions it was highlighted that SLIDA did not involve the Provincial Council, the main responsible organization for business registration, in the development of the business registration manual which was used as course material. As a result, the manual currently contains several errors which could have been avoided if the Provincial level had been involved.

SLIDA did not follow through on several important questions raised by the public officers during the training session. The public officers had sought advice from SLIDA on how to tackle some common problems they face when implementing certain business registration rules and regulations, and SLIDA did not revert to the officers with any solutions despite promises to do so. Although the practical issues raised may have been beyond SLIDA's knowledge or capacity, SLIDA could have relayed the problems raised to ILO Enter-Growth. ILO Enter-Growth could have then facilitated the necessary linkages with the relevant authorities either through the MSE Forums or through separate meetings.

Usefulness of day two of training: The local trainers interviewed found day two of the trainer training to be an unproductive use of their time. The session on "Introduction to new business registration software" could not be successfully completed due to technical issues; SLIDA could not open the business registration software CD and hence the training was not done. It was also mentioned that the business registration software CD distributed during the training course could not be opened, possibly because the CD is not compatible with the computers at the local government offices. As such, the session on the software was viewed as a failure. Day two also included a session on the business registration process, which was more detailed than day one. From the follow-up by the local trainers, it was mentioned that some of the officers also thought that this session was unsatisfactory.

The authorities however, understand the need for the software and view it as an important step in simplifying and streamlining their daily work. It is crucial therefore to address the issues and install the business registration software as expectations have been greatly raised amongst the authorities who currently feel quite doubtful that ILO Enter-Growth and SLIDA's will indeed carry out the implementation of the database as promised.

Business registration leaflets

The field discussions indicate that business registration leaflets, which were presented and distributed to the officers during the training program, have been made available to the entrepreneurs. The leaflets have been disseminated directly to the entrepreneurs and through indirect means (placed on notice boards at the government offices, in post offices, in boutiques, convenience and cooperative stores). The local officers consider the business registration leaflets an effective information, education and communication tool and find them helpful in carrying out their daily business registration work. However, it remains unclear how well this leaflet has reached the target group, non-registered entrepreneurs. A random check with entrepreneurs to see if they have seen or received the business registration leaflet could not be done as the entrepreneurs were unavailable to meet during MDF's field visit. However, from the statistics given in the follow-up report, the local trainers suggest that leaflet distribution is unstructured and in most as a relatively low proportion of the identified entrepreneurs have been given leaflets:

District	Division	No. of MSEs contacted	No. received leaflet
Anuradhapura	Thambuththegama	6	3

Polonnaruwa	Lankapura	5	2
Kurunegala	Rideegama	128	2
	Ibbagamuwa	160	4
	Wariyapola	352	0
Puttalam	Arachchikattuwa	20	4

How many MSEs may have seen and picked up a leaflet still remains unclear given that mostly already registered businesses were contacted by survey facilitators but it is suggested that the local officers could play a much more pro-active role in this process.

The MDF field discussions with the local trainers further re-confirmed that none of the Samurdhi Committee Representatives in Wariyapola (48 of them) had seen the business registration leaflet, hence it is unlikely that any MSEs in Wariyapola would have received the leaflet.

The local trainers as well as Enter-Growth in Kurunegala have expressed their concern over the effectiveness of distributing leaflets through the public officers. Instead, they propose alternative methods such as business registration posters and billboards to capture a large number of MSEs in a cost effective way. The use of mass media (both TV and radio) was also suggested as local television dramas are quite popular at the village level and are particularly effective when endorsed by popular figures. This is viewed to be a more effective way of reaching the target group and better achieve the desired outcome.

Implementation support in addition to training

The public officers further pointed out that training alone is not sufficient. They stated that what they need is additional support from an external agency to help them implement the newly acquired knowledge. They highlighted that it remains difficult to carry out registration activity due to the still poor coordination among relevant institutions. Some regulations, they point out, need to be reformed and business registration should be made compulsory. It may be useful for Enter-Growth to facilitate dialogue and offer a problem resolution mechanism to the authorities through the MSE Forum or separate roundtable discussions to address some priority concerns.

4. First Signs of Impact

Outcome

The expected outcome is that the public officers are able to apply the acquired knowledge to their daily tasks in business registration, and pass on their knowledge to the MSEs. All the interviewed participants said that the training course was very helpful in performing their duties in business registration, and that they have gained a new appreciation and enthusiasm for the subject. The interviewed participants have also shared the materials obtained during the course with other public officers (the manual) as well as with the entrepreneurs (leaflets). It is however, difficult to determine how many entrepreneurs have been reached as MDF was unable to meet with the MSEs in the field. Furthermore, the follow-up by the local trainers reveals (see table above) that the use of the business registration leaflet as a tool for information dissemination appears to have had limited success. It indicates that leaflet distribution by officers is haphazard and low percentages of overall number of entrepreneurs in each District have been reached.

Impact

The impact of the training focuses on the changes that have taken place at the level of the end target group (MSEs) in terms of number of businesses registered. The impact of the intervention however, is difficult to measure as it may be too early to see significant changes in these numbers. Furthermore, the business registration and licensing process involves not only public officers but the MSEs themselves as well. Hence, training the public officers is only one part of the process and what is likely needed is to create awareness and a shift of mindset on the importance of business registration amongst the entrepreneurs. Only then will it be possible to measure real impact in terms of the number of businesses of registered.

District	Division	No of Business Registration	
		Before	After
		From March to September 2007	From March to September 2008
Puttalam	Arachchikattuwa	30	28
Anuradhapura	Thambuththegama	04	02
Polonnaruwa	Lankapura	14	10
Kurunegala	Rideegama	63	56
	Ibbagamuwa	94	64

The figures in the table above illustrate a decline in the number of businesses registered in all four Districts in the post-intervention period. This however, could be attributed to economic and practical impediments that do not necessarily correlate to the intervention as described below:

- (i) One motivator to register the business is when it grows and prospers, i.e. the entrepreneur feels a greater need to register. Due to unfavorable economic conditions, MSEs have been facing difficulties financially; The demand for product and services has decreased and therefore micro and small businesses have been witnessing limited growth.
- (ii) Another main motivator to register a business is when the entrepreneur applies for a bank loan, since the banks require this. However, recently the interest rates of bank loans have increased considerably making it less attractive for entrepreneurs to apply for loans and hence register for that reason.
- (iii) When a business is declined registration, officers stated their concern that staff may be put in a difficult situation where business owners may feel they need to offer incentives or otherwise pressurize staff to get official business registration matters executed which is a factor that deters MSEs from wanting to obtain registration in the first place.
- (iv) Small business owners also fear that once they are registered they have to pay more (in terms of taxes) to the authorities. Overall MSEs view business registration as a cumbersome and costly process that does not really add any direct value to their business. This is a considerable barrier when it comes to them wanting to obtain registration.

The two latter points (iii and iv) should have been the same before the intervention and therefore not reasons for this recent decrease but the interviewed officers think they are obstacles to increase business registration, which was the purpose of training them.

5. Overall Conclusions and Learning

Based on the interviews and findings presented above, we can draw the following conclusions regarding ILO Enter-Growth's Business Registration and Licensing intervention:

Everyone interviewed agreed that the training program has been beneficial. It is well accepted that the training program was effective in achieving its desired objectives.

Factors that have contributed to the success of this intervention are:

- Training needs assessment conducted to help customize the training program
- Effective tools and course materials developed (manual)
- Qualified trainers from SLIDA and local trainers from the Districts

The benefits of the training intervention in summary:

Increased technical skills and awareness on the need for business registration

As a result of the training, the public officers have gained a better appreciation of the benefits and importance of business registration, and as such will be more motivated to encourage and inform MSE's about the business registration process. The training has equipped them with technical skills and knowledge for better implementation of process and regulations.

Better networking and partnership with other authorities

Through better understanding of the business registration process, the officers gained invaluable insight into the role of other authorities involved in the process. Participants considered this a true eye-opener. During course discussions, the participants realized the importance of relationship building and working together. The program itself was also viewed as a useful forum to discuss common problems, share experiences and identify areas of collaboration. However, more still remains to be achieved in terms of coordination and collaboration with the relevant authorities.

Shift in attitudes: increased MSE awareness and customer orientation

The most significant change for the interviewed participants is the changes in attitudes and perspectives they experienced after the training. Through the training, they gained an increased understanding of the constraints and problems that MSEs face, as well as the importance of the MSE sector to the local economy. The participants could better appreciate why entrepreneurs do not register and the important role of the officers to help motivate MSEs to register. The officers also realized the importance of making it convenient for the entrepreneurs by extending services to MSEs at their "door step".

The participants also highlighted that this change in attitude is not only useful in their business registration related work but also in their overall job capacities and in relationship management with their clients. This can be considered the greatest achievement of the intervention given that such shifts in attitudes and perspectives especially for the public sector are typically only achieved over long periods of time if at all.

The study also shows a number of areas that could be improved:

Increasing awareness of the ultimate beneficiaries (MSEs)

While the officers have achieved a higher level of understanding, the MSE community still lacks beneficial knowledge on the advantages of business registration and the value formalization can bring to businesses. From the findings of the local trainers, it can be concluded that the business registration leaflet reached only a small percentage of the target group and in some Districts, (i.e. Wariyapola), did not reach them at all. Also, the public officers seem to count on outside parties to do the job of informing and convincing MSEs about business registration. Typically, the officers have an important role to play in this regard, and this is one reason the public officers were trained so they could increase their capacity to approach MSEs. However, in practice this is not happening to the extent necessary.

To ensure the intervention's intended outcome, it will become necessary to create better awareness amongst the entrepreneurs through simple mini-training programs on business registration and licensing (including taxation policies). The local trainers could be responsible for implementing the training workshops which should be incorporated into their annual work plan. It will also be important to foster more dialogue and trust-building between entrepreneurs and local authorities, (e.g. on the issue of denial of registration and ethical issues with regard to incentives being offered or accepted). Furthermore, the prior attitude of public officers towards entrepreneurs (see report of local trainers), may have created a mistrust that will need to be rebuilt and the MSE Forums can play an important role here.

The need for follow-up implementation support

The study shows that while the training has been found to be highly beneficial, the officers still struggle with several difficulties in implementing their business registration related work. Training is a first step but training alone is not sufficient for more efficient implementation of business rules and regulations. Further implementation support is equally important as the government authorities need to address common issues and establish a mechanism for problem resolution. The intervention needs to create better linkages within government bodies at the local and national levels. The MSE Forum encouraged by ILO can play a stronger role in facilitating these kinds of linkages or alternatively, separate round table workshops could be facilitated by ILO.

The importance of implementing agency commitment

While SLIDA undertook its responsibility to develop the training manual and conduct the training of trainers, there are a number of short-falls that may have lessened the overall impact of the intervention, and should be addressed where possible in future:

- (i) There was a lack of follow-through on issues raised by the officers during the training sessions
- (ii) SLIDA failed to provide support as observers during training sessions to monitor quality of delivery, etc.
- (iii) Supporting agencies, important to the business registration process (MoH, Environmental Authority, PS) should have been involved in/invited to attend the trainings
- (iv) The business registration manual contained a number of errors that could have been avoided/rectified with the involvement of the Provincial Council during the development of the manual.

- (v) As a result of the technical problems the trainers were unable to conduct the demonstration of the business registration software at the training sessions and in addition, the software was never installed in the public offices.
- (vii) It would have been better if SLIDA had liaised with the local ILO Enter-Growth office in Kurunegala when obstacles occurred in order to bring the right people on board to resolve the technical and coordination problems

Next Steps

Enter-Growth's intervention was particularly successful in achieving a change in the attitudes and perspectives of the public officers' involved in MSE related business registration work. The training program has increased their enthusiasm, interest and motivation and should be cited as an exemplary and effective tool for change to be replicated at other government institutions outside the four project Districts.

Enter-Growth needs to resolve the technical problems with the software and ensure installation of the business registration software in the Districts as a top priority. During the installation process, Enter-Growth will need to consider that most of the implementing authorities' staff lacks the necessary computer skills, and this will have to be addressed. The errors that have been identified in the business registration manual must be addressed and the manual re-distributed to the training participants as well as officers at the government agencies outside of the four Districts (ILO Enter-Growth has so far updated the manual, corrected the errors and distributed the new version in the project Districts). More focus could also be given to providing support to local authorities in the four Districts in their attempts to streamline, simplify and find concrete solutions to impediments in the implementation of current business registration and licensing rules and registration.

To ensure the trickling down of the training to others, especially to MSEs that come in for business registration, intense follow-up will also be needed. An annual update of the training and training of new officers will be helpful in increasing the intervention's impact and sustainability. A rigorous follow-up by someone from the District (for example by one of the trainers trained), will probably result in more hands-on assistance to ensure that the training knowledge and skills are applied in the intended way. SLIDA can become involved by including a session on business registration in their training courses for Divisional Secretaries and providing forums to push business registration issues with the Provincial Councils.