

**Terms of Reference (ToR)  
for  
External Researcher**

**To conduct the Study on 'Recovery of COVID-19 Affected Microenterprises  
Supported by the RAISE Project'**

**1.0 Background**

PKSF is currently implementing the Recovery and Advancement of Informal Sector Employment (RAISE) project through 70 POs, with joint funding from PKSF and the World Bank. The primary objective of the RAISE project is to provide services that enhance income generating opportunities for low-income youths and micro-entrepreneurs (MEs) adversely affected by COVID-19, particularly in urban and peri-urban areas across the country. Under the RAISE project, COVID-19 affected MEs get priority in accessing inclusive finance for the revitalization of their businesses and are provided with capacity enhancement supports to enable provisions of risk management and business continuity. Additionally, young MEs receive inclusive financing, complemented by capacity development initiatives encompassing Business Management and Entrepreneurship Development (BMED), Risk Management and Business Continuity (RMBC), and Life-Skills Development to promote sustainable growth. The project also includes technical training for 90,000 MEs engaged in various businesses, with a strong emphasis on young MEs with over two years of business operation. These young MEs are encouraged to apply the knowledge gained from the training to expand their businesses, thereby generating employment opportunities as their businesses grow.

**2.0 Project Objectives**

The project development objective of the RAISE project is to enhance access to income generating opportunities for low-income youth, including those impacted by COVID-19, residing in urban and peri-urban areas. The RAISE project has following clear and specific objectives; however, the current study will focus on the first objective:

- a) **Recovery of COVID-19 Affected Microenterprises:** This objective focuses on revitalizing microenterprises in urban and peri-urban areas that have been negatively impacted by the COVID-19 pandemic. The project aims to achieve this by strengthening the skills and capabilities of micro-entrepreneurs and by providing them with improved access to inclusive financial services.
- b) **Empowerment of Youth and Young Micro-entrepreneurs:** The project seeks to enhance the skills, knowledge, and overall productivity of young individuals involved in the informal sector, particularly micro-entrepreneurs. This objective aims to equip them with the necessary tools and resources to thrive in their businesses. Additionally, the project aims to facilitate their access to inclusive financial support.
- c) **Youth Employment Through Apprenticeship Programs:** This objective is centered on engaging young people from low-income households in sustainable employment opportunities. The project plans to achieve this by establishing apprenticeship programs that provide valuable

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training and work experience to youth, ultimately increasing their employability and income prospects.

### **3.0 Target Population of the Sub-Project**

Approximately 50,000 (Fifty thousand) microenterprises severely impacted by COVID-19, given priority access to inclusive financing and capacity-building assistance. This support aims to help them recover their pre-pandemic businesses and ensure their ongoing sustainability. Therefore, fifty thousand micro-enterprises will be considered as a population of this study.

### **4.0 Objective of the Study:**

The broad objective of the study is to understand/investigate the state of recovery of the COVID-19 affected microenterprises under the RAISE project.

The specific objectives of this assessment are:

- i) To assess the influence of financial supports on the financial performance of the COVID-19 affected micro-enterprises.
- ii) To examine the changes in the level of understanding and practices of COVID-19 affected micro-entrepreneurs after receiving the 'Risk Management and Business Continuity' training.
- iii) To assess the employment opportunities created in the micro-enterprises.
- iv) To identify the coping strategy of the COVID-19 affected micro-enterprises.

### **5.0 Scope of the Study**

The researcher will perform the following duties and responsibilities:

1. Conduct an initial meeting with the research cell at PKSf to get an overview of the project;
2. Prepare a research proposal for the study including methodology, data collection methods, sampling techniques, and analytical framework and collect feedback from the PKSf and finalize it;
3. Collect primary data through surveys, interviews, focus group discussions, and other relevant methods in collaboration with PKSf Research Cell;
4. Analyze the collected data using appropriate statistical and qualitative analysis techniques;
5. Prepare a comprehensive report summarizing the findings of the impact study jointly with PKSf Research Unit;
6. Present the results in a clear, concise, and visually appealing manner, using tables, charts, and graphs as appropriate;

### **6.0 Methodology**

The study aims to assess the performance of microenterprises under the RAISE project. The study will employ a mixed-methods approach, including data collection through surveys, interviews,





document reviews, and on-site visits to project locations to address the specified scope of work objectives. Data analysis will encompass both quantitative and qualitative techniques.

### Sample Size

Sample size would be determined by research team in consultation with external researcher by using sampling formula. As of project document, total number of participants of RAISE project was about 50,000. This will be considered as the population size of the current study. Sample size of the study is determined using the following formula:

$$n = \frac{Z^2 \times N \times P \times (1-P)}{(ME^2 \times (N-1)) + (Z^2 \times P \times (1-P))} \times \text{Design effect}$$

Where:

n = Sample size to be determined

Z = Normal variate

N= Population size

P= Proportion of certain characteristics (0.50 considered in the study)

ME= Desired margin of error (expressed as a proportion)

For this study, we considered:

N= 50,000

Z=1.96 (Value of normal variate at 95% confidence level)

p = q= (1-p) =0.5

Margin of error = 0.05 or 5%

Design effect=2.0 for each stratum

Using the above formula, the sample size becomes 384 without design effect and will select two districts randomly from each of the divisions except Sylhet division. Project interventions in Sylhet division is very minimal. This study will select one branch from each districts randomly. From each branch, sample respondents will be selected randomly from the list of borrowers. Hence, the design effect needs to be multiplied with the obtained sample size. After multiplying with the design effect two due to the random selection in different strata, the effective sample size becomes 768. This study will also select 192 respondents (which is 25 percent of the treatment sample) from the study areas who have the same criteria of the treatment group. The total sample size is 960. If the sample size is equally distributed over the selected sample branches which is, then about 70 respondents need to be interviewed from each of the branches. To round up the sample size from each of the branches, a total of 70 respondents will be selected from each of the branches. Hence, the total sample size becomes 980. Summary of the sample size is as follows:

Total Number of Division:	Seven (7)
Total Number of District:	Fourteen (14)
Total Number of Branch:	Fourteen (14)
Total number of Sample from each branch:	Seventy (70)
Total Sample:	Nine hundred eighty (980)

### Data Collection Method

**Document Review:** Review various project documents, including project plans, reports, financial records and progress reports to understand the project's design, objectives, and financial status.

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**Surveys:** Conduct questionnaire surveys among project participants (COVID -19 affected micro-entrepreneurs), and other relevant stakeholders, to collect data.

## **7.0 Task/activities/deliverables**

The external researcher is expected to perform the following activities.

- Submit an inception report with a detailed work plan and methodology to PKSf along with a timeframe, draft questionnaire for interviews, and responsible persons for this assignment.
- Drawing a sample according to the sample frame and collecting data from the respondents of the study area using prescribed tools and techniques. It needs to be finalized with the approval of PKSf.
- Ensure data quality with appropriate validation and verification process.
- Perform data cleaning with possible inconsistency check and prepare the statistical table with the analyzed /synthesized data.
- Produce output table
- Present draft detail report prior to the submission of the final report. PKSf will review the draft reports and provide necessary feedback.
- Provide the soft copy of survey data (both raw and processed) and transcripts of interviews to PKSf.

## **8.0 Language**

The reports need to be written in English using MS Word compatible software, font Times New Roman and size 12 with 1.5 line spacing.

## **9.0 Timeframe**

- Total duration of the contract will be 3 months.
- The researcher needs to submit the inception report within 20 (Twenty) days from the date of the agreement.
- Submit the first draft of the report within 2 months from the date of the agreement.
- Submit the final report and policy brief within 3 months from the date of the agreement.

## **10.0 Qualification of the External Researcher**

Considering the research subject, expertise in the field of microenterprise and development is required. Therefore, the following qualifications of external researcher will be considered:

- Ph.D. degree in development studies/development economics from a reputed national/international university.
- At least 15 years of research experience in the field of finance/economics/development studies.
- At least ten peer reviewed research articles published in research journals/monographs on microfinance and relevant fields.
- Have research work experience in the field of microenterprise development.
- Have knowledge of econometrics/application of econometrics experience in research works.
- Having work experience with PKSf/InM is highly preferred.





## 11.0 Total value of the contract and mode of payment

The mode of payment for the external researcher will be as follows:

- i) Thirty percent (30%) will be released after acceptance of the inception report by PKSf;
- ii) Thirty percent (30%) will be released after acceptance of the draft report by PKSf;
- iii) Forty percent (40%) will be released after acceptance of the final report by PKSf;
- iv) Government Tax, VAT etc. as applicable will be deducted at source by PKSf as per NBR (National Board of Revenue, Bangladesh) rules.

## 12.0 Rights of PKSf

- a) In case the researcher fails to provide service or perform under the terms and conditions of the contract by the agreed delivery dates, PKSf may, after giving the researcher reasonable notice to perform and without prejudice to any other rights or remedies, exercise one or more of the following rights:
  - obtain all or part of the service or output from other sources or consulting firm/institution, in which event
  - refuse to accept all or part of the service or output.
  - terminate the contract.
- b) PKSf reserves the right to reject any or all proposals.

## 13.0 Ownership

PKSf will reserve the right to all the data and information generated for this study and this data/information must not be used for any other purpose without the prior permission of PKSf. The report, policy brief, and academic papers produced from this research will be co-authored and intellectual property of both PKSf and the external research institution.

 

