

# Checklists for a PACA Exercise

Version 5.4

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local economic delivery

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**Updates on methodological issues around PACA  
are available at the password-protected  
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# 1 Introduction

## 1.1 PACA Terminology

There has sometimes been terminological confusion in the execution of PACA Projects. This table defines the terms commonly used around PACA.

PACA Exercise	Diagnosis at the beginning of a PACA Project	PACA Team	Group of PACA Facilitators and local PACA team members who conduct PACA
PACA Project	Sequence of diagnosis, implementation of LED projects and interim appraisals, based on the PACA Philosophy	PACA Facilitator	Specialist in LED and PACA, not from the locality, leader of the PACA Team
PACA Philosophy	LED is a learning process Look at strengths and potentials instead of weaknesses and problems Start with simple projects for quick, visible results	Local PACA Team Member	Local person who is conducting the PACA Fieldwork and available for follow-up activities (repeat presentations, conducting or accompanying projects)
PACA Fieldwork	Interviews and mini-workshops to gather information	PACA Host	Local organization which initiates and sustains PACA Project
PACA Interview	Structured, qualitative interview with local stakeholder ("conversation")	PACA Champion	Individual or organisation responsible for implementation of a PACA activity
PACA Mini-Workshop	Structured 2-hour-exercise with homogeneous group of local stakeholders	Three Criteria for proposal prioritization	Is a proposal feasible with local resources?
Hypotheses Workshop	Workshop of the PACA Team before the Kick-off		Can the implementation start next week?
Kick-off Workshop	Workshop with local stakeholders at the beginning of the PACA Exercise		Can there be visible results within three months?
Results Workshop	Workshop of PACA Team to identify findings and proposals	Way Forward Workshop	Workshop to plan the implementation of one of the proposals
PACA Presentation Event	Event to present findings and proposals to local community	PACA Interim Appraisal	Exercise of 2 – 4 days, about six months after the PACA Exercise, to assess progress, reflect on experiences and brainstorm on next steps

## 1.2 Explaining some main activities in a PACA Exercise

	<i>What it is</i>	<i>What it is not</i>
Hypotheses workshop	<p>A workshop with all members of the PACA Team before the kick-off workshop</p> <ul style="list-style-type: none"> <li>• to get acquainted</li> <li>• to explain basic concepts and issues of PACA</li> <li>• to brainstorm on hypotheses</li> </ul>	<ul style="list-style-type: none"> <li>☛ An open workshop where the interested public is welcome</li> </ul>
Kick-off workshop	<p>A workshop, facilitated by the PACA Team,</p> <ul style="list-style-type: none"> <li>• to inform the local community about the PACA project</li> <li>• to get information about the local economy (using Porter's diamond)</li> <li>• to identify further institutions and companies for interviews and mini-workshops</li> </ul>	<ul style="list-style-type: none"> <li>☛ An internal exercise of the PACA Team</li> <li>☛ A scientific conference</li> <li>☛ Lots of presentation, little participation by participants</li> </ul>
Mini-workshop	<p>A workshop, facilitated by the PACA Team, to get information about a specific segment of the local economy:</p> <ul style="list-style-type: none"> <li>• a business sector (e.g. small garments companies, small metalworking companies, business service providers, women entrepreneurs, new entrepreneurs)</li> <li>• a group of representatives from supporting institutions (SME promotion, training/education/skills)</li> </ul>	<ul style="list-style-type: none"> <li>☛ An internal exercise of the PACA Team</li> <li>☛ An unstructured meeting with all sorts of representatives from the local (business) community</li> </ul>
Results workshop	<p>An internal exercise of the PACA Team</p> <ul style="list-style-type: none"> <li>• to elaborate the findings of the fieldwork</li> <li>• to elaborate proposals</li> <li>• to elaborate the presentation</li> </ul>	<ul style="list-style-type: none"> <li>☛ An open workshop where all sorts of local stakeholders may participate</li> </ul>
PACA presentation event	<p>An event where the PACA Team presents its findings and proposals to the local community</p>	<ul style="list-style-type: none"> <li>☛ A closed workshop with a small group of local leaders</li> </ul>



## 2 Preparation of PACA exercise

### 2.1 Sequence of Preparation for PACA: Technical Assistance Organization

When?	What?	Who?	How?
x –9 weeks	Raise interest for PACA among decision-makers in localities	TA organization	<ul style="list-style-type: none"> <li>• presentation conducted by organization's staff</li> <li>• presentation by representative from location with positive PACA experience</li> <li>• presentation by PACA Facilitator</li> </ul>
x –8 weeks	Identify local host for PACA	TA organization	criteria for identification: <ul style="list-style-type: none"> <li>• good local standing</li> <li>• good connection to both business sector and local government</li> <li>• ability to sustain the PACA process after the initial diagnosis</li> </ul>
x –8 weeks	Define territory for PACA	TA organization and PACA host	Discuss: is the local administrative unit the adequate level of aggregation, or is it too large (→ define part of unit as object for PACA) or too small (→ decide upon adjacent units to be part of PACA exercise)
x –8 weeks	Contract PACA Facilitator(s)	TA organization	obtain information regarding experienced PACA Consultants from mesopartner
x –7 weeks	Define date for PACA, including dates for kick-off workshop, results workshop and presentation	TA organization and PACA host	agree with local stakeholders and consultants
x –5 weeks	Organise presentation on upcoming PACA Exercise at relevant meetings	PACA host, possibly supported by PACA facilitator	examples: <ul style="list-style-type: none"> <li>• meeting of directors of local Business Chamber</li> <li>• meeting of LED Forum or Stakeholder Forum</li> <li>• Council meeting</li> </ul>
x –5 weeks	Start selection process for PACA Team	PACA host with assistance from TA organization	criteria for identifying possible candidates: <ul style="list-style-type: none"> <li>• available for at least 50% of time during PACA fieldwork</li> <li>• certain prestige and standing in the local community, not too junior</li> <li>• good understanding of business and economics issues</li> <li>• from public sector, business sector, NGOs, training inst.</li> </ul>

**NB:** x = the day of the kick-off workshop

### As things heat up

When?	What?	Who?	How?
x –4 weeks	Locate relevant re- search	PACA Fa- cilitators	<ul style="list-style-type: none"> <li>interview PACA Host: who has done research / feasibility study / study / business plan on the location, specific sectors or projects</li> <li>do Google search to identify reports on location and on patterns of competition in sectors that are relevant for the location</li> </ul>
x –4 weeks	PACA shirt	PACA Host	<ul style="list-style-type: none"> <li>Decide whether to produce a PACA t-shirt or polo for the team</li> <li>Commission the production of the shirt</li> </ul>
x –3 weeks	Define invitation list for kick-off work- shop	Meeting of TA organi- zation, PACA Host and PACA Team	<ul style="list-style-type: none"> <li>Potential invitees: see list below</li> </ul> Size of targeted audience = 30-50 persons
x –3 weeks	Define date and venue for kick-off workshop	same meeting as before	criteria: <ul style="list-style-type: none"> <li>adequate size</li> <li>easily accessible</li> <li>sufficient parking space</li> <li>cocktail and snacks after workshop?</li> </ul>
x –3 weeks	Determine the number and focus of mini-workshops Draw preliminary list of candidates for in- terviews and mini- workshops	same meeting as before	criteria: see below
x –3 weeks	Invite participants for kick-off work- shop	PACA Host	
x –3 weeks	Start to make ap- pointments for in- terviews and mini- workshops	PACA Host	Explain the importance of using at least three of the six channels of communication: face-to-face, phone, fax, letter, e-mail, SMS
x –1 week	Make appointments with local media to advertise PACA to community	PACA Host	
x –1 week	Reserve venue for PACA Presentation	PACA Host	Date and venue for the PACA Presentation, after the fieldwork, should be announced at the Kick-off Workshop

x –4 days	Reiterate invitation for kick-off workshop	PACA Host	Consider to use a mass-SMS service (e.g. <a href="http://www.clickatell.com">www.clickatell.com</a> ) to send out an SMS reminder to the invitees
x –4 days	Reserve meeting room for Hypotheses Workshop	PACA Host	Ideally, the PACA Team would have a meeting room available continuously during the PACA Exercise to collect materials and for internal meetings
x –3 days	Detailed programme	PACA Host	Have a print-out of the programme available for each PACA Team member
x –2 days	Hypotheses workshop	PACA Host	Use it also to clarify open issues with the PACA Team members
x	Kick-off Workshop	PACA Host	

## 2.2 Criteria for selection of PACA Team members

The PACA Team consists of

- two external PACA Facilitators who have gone through formal PACA training and who have conducted PACA exercises,
- three to five local persons (and possibly more, if more local stakeholders are interested to join the team, and if it makes sense to have more team members to improve buy-in and the probability of successful implementation).

The local team members have to meet two key criteria.

- First, they should not be too junior. They are not only participating in the diagnosis, but also have to play an important role in the implementation and accompanying of practical activities, and therefore they ought to be persons whose word carries some weight. In particular, they ought not be junior university researchers with some theoretical knowledge but zero experience with real-life business and government institutions.
- Second, they should have different backgrounds. For instance, a good team might consist of one person each from the local business promotion organization, local government, the local Chamber of Industry and Commerce and the local university's community extension agency. Moreover, it may be useful to look for persons who bring a good understanding of key sectors of the local economy.

What is the adequate skills background for PACA Team members? They should have some understanding of economic development and business, but this does not mean that they need a PhD in development studies or an MBA. The point is rather that individuals who have a background in, say, social work are not the most adequate members of a PACA Team.

More specific criteria for the selection of local PACA Team members include the following:

- LED and/or BDS background
- Ability to work under pressure, both regarding time constraints and emotional pressure
- Ability to work in a team
- Flexibility
- Self-confidence and assertiveness
- Analytical skills
- Communication skills
- Facilitation and interviewing experience and skills

- Skills to assess interviewees and workshop participants correctly
- Conflict resolution skills
- Organization and planning experience
- Structured way of acting
- Ability to communicate in a common language with the external PACA team members respectively with the PACA trainer

This list of requirements is indeed very demanding and will in most PACA locations hardly be fully achieved. However, when recruiting PACA team members we should take the full range of criteria into consideration and strive for team members which seem to meet as many criteria as possible. Since the team members are so important not only in the PACA Exercise but also, and often even more so, in the follow-up, their lack of skills will seriously compromise the impact of PACA.

PACA government, business association / chamber and NGO professionals will often not meet many of those criteria. The objective must then be to identify individuals who have good analytical, social, and communication skills as well as self-confidence and leadership qualities. Facilitation, moderation and visualization is not rocket science. Individuals who have these qualities will learn facilitation and visualization techniques swiftly.

Moreover, members of a given PACA team should have different backgrounds. Since most of the team members in our example from Central Serbia were low ranking officials of the local municipalities, the teams lacked variety of perspectives and disciplines. For instance, a good team might consist of one person each from the local business promotion organisation, the local Chamber of Industry and Commerce, the local university's community extension agency, the economic development section of local government and if possible a real entrepreneur. Let us take a practical example of a very suitable and heterogeneous PACA team. During a PACA Exercise that focused on tourism in the region South Bačka (Vojvodina / Northern Serbia) a team was assembled consisting of a leading representative of the local SME development agency (the local PACA host), two directors of private travel agencies, a representative of the provincial public tourism office, two very capable economic students (who have previously been trained in PACA) and one **mesopartner** consultant. The quality of this PACA Team was outstanding.

In the end, the quality of the local PACA Team is a function of the buy-in of the local host and other local organizations. If the PACA is driven by an external agency (a national-level agency and/or a donor) and the local host is not convinced, we may find individuals in the PACA Team whose main quality is that their respective bosses want to see them in the office as little as possible, so that they can cause as little damage as possible. If the PACA is truly owned by the local host, s/he will make sure that the members of the PACA Team are suitable and are likely to make PACA work.

### 2.3 Checklist for selection of candidates for interviews

- Firms from the main local branches of agriculture, industry, and services. This should include both leading firms (in terms of size and competitiveness) and “typical” firms, especially SME. It is important to limit the number of companies to be interviewed. In particular, there is no point in visiting half a dozen micro-enterprises from the same sector. You should rather visit to of them, to get a first-hand impression of their way of operating, and invite a larger group to a Mini-workshop.
- Firms which have a specific perception of the local business situation:
  - banks,
  - suppliers of key inputs,
  - subcontractors,
  - vendors and local manufacturers of capital goods,
  - consultancy and software firms,
  - transport firms,
  - export agents,
  - generally all sorts of business development services,
  - also less obvious candidates like
    - ✓ job placement firms,
    - ✓ construction firms,
    - ✓ insurance agents,
    - ✓ realtors.
- Supporting institutions, such as
  - the local chamber of commerce and industry,
  - important business associations,
  - trade unions,
  - professional associations,
  - SME support organizations,
  - technical schools / polytechnics and the local university,
  - business-related NGOs (including agricultural-related NGOs and cooperatives etc.),
  - technology and testing institutes, and the like.
- Local government representatives, preferably the mayor, the secretary in charge of economic development, and representatives of other branches of local government which are relevant for firms, like for instance the local environmental agency.
- Key informants, for instance journalists or retired persons who were in important political, administrative, or private sector positions in the past.

## **2.4 What is the appropriate focus for mini-workshops?**

You try to invite a homogeneous group of participants to a mini-workshop. Typical examples would be

- a group of owners of small (and possibly medium-sized) businesses from the same sub-sector, e.g. food processing or garment production
- a group of business people who an important feature in common, e.g. young entrepreneurs or women entrepreneurs
- representatives from various training centers and institutions
- representatives from various development support and promotion organizations

If your PACA Exercise has, intentionally or by default, a sectoral / value chain focus, the focus of a mini-workshop would become even narrower. For instance, if your focus is a local or regional tourism value chain, you might have a mini-workshop each

- for owners of hotels and guesthouses
- for owners of restaurants
- for owners of activity businesses (cycling, hiking, rafting, riding, etc.)
- for tour operators and other businesses involved in bundling products

## 2.5 Ex-ante-Checklist on Localities

This checklist is meant to give the external members of the PACA Team crucial advance information about the locality where they are about to conduct a PACA Exercise. The relevant information should be gathered by the PACA Host and the local PACA Team. It is crucial for the external team members to get this information at least **two weeks before the start of the PACA Exercise**. Don't forget to complement this with information you locate via [www.google.com](http://www.google.com).

### General Information on City / Region

- Number of inhabitants
- Approximate number of enterprises (by size and employees)
- Most important sectors and value-chains
- Existing big or nationally/regionally important enterprises
- Existing meso institutions in the fields of education/vocational training, technology (industry and agriculture), financing, entrepreneurial associations, chambers of commerce and industry, trade unions etc.
- Political actors and conflicts, "social capital"
- Specific advantages and disadvantages of the region as such (natural resources etc.)
- Availability, quality and cost of infrastructure
- Economic situation, regional vocation, historical strengths, dynamic sectors
- Existing studies on city/region

### Specific Information regarding Business Promotion

- What kind of relationship exists between business promotion agencies and companies? Are the agencies public entities, and are they run in a government administration-style or in a business-style?
- Why would companies do something about their competitiveness? Is there any specific pressure, or a crisis, questioning the prevailing business model and behavior?
- What kind of relationship exists between businesses, both along the value chain and among competitors? Do they see each other as enemies and are they involved in finger-pointing when it comes to problem-solving, or are they used to joint action to solve common problems?
- What is the relative importance of local factors, compared to national and international factors? How important are local markets, and interaction between local companies, compared to national-level and foreign markets and companies?
- Are there any unusual inputs, products or processes in the region? Is there any unusual / specialized / sophisticated demand in the region?



## 2.6 Checklist for Equipment and Materials: PACA Exercise

<i>Equipment</i>	<i>Basic Solution</i>	<i>Advanced Solution</i>
Pin-boards (also known as “ZOPP boards”)	<i>Alternative:</i> Putting kraft paper on appropriate Wallspace	4
Flipchart	1	1
Personal Computer / Notebook (ideally with CD recorder)	1	2
Printer (make sure you can connect it to the PC, and that you have the driver CD at hand!)	1	1
LCD beamer (for PowerPoint Presentations)	<i>Alternative:</i> Preparing a Presentation on Flip-chart-Sheets	1
Digital Photo Camera	-	1
Copy Machine	<i>Alternative:</i> Using copy-services	1
Digital Video Camera	-	1

<i>Materials</i>	<i>Basic Solution</i>	<i>Advanced Solution</i>
Kraft Paper (118 x 140 cm)	60 Sheets	60 Sheets
Flipchart paper (72 x 99 cm)	30 Sheets	30 Sheets
10 Sheets card paper A3 different colours* (Helps you to produce your own forms for presentations)	?	?
Rectangular cards in 3-5 colours (9.5 x 20.5 cm.)	2,000	5,000
Oval cards in 3-5 colours (11 x 19 cm.)	-	500
Circular cards in 3-5 colours (Ø14 cm.)	-	200
Title strips (9.5 x 54.5 cm.) (for Mesocard-Questions)	<i>Alternative:</i> Can easily be produced by cutting flipchart paper into stripes	60
Black Markers (with 2-6 mm. pen stroke)	100	100
Markers in different other colours (blue, green)	10	10
Pins (Ø of pinhead 6 mm)	-	600

Masking Tape (2.5 mm stroke)	8 rolls	2 rolls
Glue sticks	5	5
A4 paper in white (80 g/ m2)	1.000 Sheets	1.000 Sheets
Pencils	20	20
metering ruler of 1m	-	1
Scissors	1	1
Compact Discs	-	1
Packets of Sweets	-	2

<i>Handouts/Flyers</i>	<i>Basic Solution</i>	<i>Advanced Solution</i>
Flyer “PACA Exercise” (Design with information about PACA Host and sponsoring agencies)	200	200
Flyer “Invitation for Mini-Workshops and Interviews” [with space to fill in date, tour and place of the meeting by hand]	-	100
PACA Mini-Workshop Handouts (showing and explaining PACA Tools)	80	80
PACA Interview Handouts (showing and explaining PACA Tools)	50	50
Guides for Mini-Workshops and Interviews	20	20
Photocopies of the PACA Checklists Manual	No. of PACA Team members	No. of PACA Team members

All quantities (materials, hand-outs) listed in the tables above are based on the experience with typical PACA exercises. The quantities may vary according to the number of participants in all different events, the number of mini-workshops, the number of interviews and the size of the PACA team.

## 2.7 Crucial checklist a week before the start of the PACA Exercise

- Have the Flyers been prepared (to inform interviewees, Mini-workshop participants on the PACA Exercise)
- Have the Handouts been prepared (5 Forces, for interviewees)
- Are the necessary materials available – mesocards, markers, tape, brown paper
- If you want to serve drinks or food at workshops: have you ordered this? How is it going to get there?
- Make sure you have a complete printout of the detailed programme of the PACA Exercise available for each PACA Team member

## 2.8 Using templates

You can make your life easier by using several templates that are available on the PACA CD-ROM and the PACA Community of Practice Website. In particular, we would like to highlight the following templates:

Kick-off_invitees.dot	Template to manage the list of invitees for the Kick-off Workshop
PACA-Interviews-Timetable.dot	Template for the timetable for interviews and miniworkshops
Fact sheet on company or organisation.dot	Template for advance information on company or organisation, to be distributed to interviewers
Template for Interview Minutes.dot	Template for interview minutes
Attendance_list.dot	Template for an attendance register
Pfeiffers_6_Questions.dot	Template for the detailed action planning in the Way-forward Workshop

You should launch a .dot file by double clicking on it in the Explorer.

Note that there are also templates for PACA Flyers and for handouts on some of the tools (5 Forces, Business Association circle). There are also templates to manage information on implementation of PACA activities.

## 2.9 Things that often go wrong at this stage

<i>Typical errors,</i>	<i>why they occur,</i>	<i>and how to avoid them</i>
PACA is introduced in a top-down way without sufficient effort to mobilise a local Host.	External agencies underestimate the importance of a local Host for the success of PACA. The local Host is crucial. Without strong ownership at the local level the PACA Exercise will not be well-prepared, will not go well and will have little impact.	Don't rush to do a PACA Exercise. Rather spend some more time and effort trying to identify one or a few local Hosts.
The PACA Host does not succeed in explaining to other local stakeholders what the purpose and the specific features of a PACA are	The PACA Host has not fully understood PACA, which is only to be expected if s/he has never conducted a PACA	<p>Make a Powerpoint presentation on PACA available in the local language</p> <p>Make standard letters / faxes available in local language, to avoid confusion about terminology</p> <p>Prepare experience-oriented exercises which help local stakeholders understand why PACA is different</p> <p>Make PACA Video available</p>
Only the "usual suspects" are invited for kick-off workshop, mini-workshops and interviews (for instance only those companies who are already clients of the organization which is hosting the PACA)	<p>PACA Host and other organizations involved in the preparation</p> <ul style="list-style-type: none"> <li>are uncertain how to approach companies they do not know yet</li> <li>are prisoners of their routines</li> </ul>	<p>Persuade PACA Host to have a wide scope in invitations</p> <p>External PACA Consultant or sponsor of PACA Exercise discuss specific names of invitees with PACA Host, and question his selection / proposals</p>

<p>Invitations for Kick-off Workshop and Mini-workshops are only sent out by letter (and perhaps only few days before the event)</p>	<p>PACA Host and other organizations involved in the preparation</p> <ul style="list-style-type: none"> <li>• are prisoners of their routines</li> <li>• do not give high priority to PACA</li> <li>• delegate PACA preparation to secretarial staff that is not particularly motivated</li> </ul>	<p>Make sure that the PACA Host understands the necessity to extend a personal invitation for workshops and interviews</p> <p>Re-check that personal contact has been made, and that letters/faxes are only used as a backup/re-confirmation</p>
<p>The media are not informed about the PACA and are not invited for the Kick-off Workshop</p>	<p>The PACA Host has little or no experience in dealing with the media</p>	<p>Brief the PACA Host on the importance of involving the media, and clarify the practical approach to do this</p>
<p>The PACA Host underestimates the organizational effort involved in preparing a PACA Exercise</p>	<p>The PACA Host confuses "rapid" with "little"</p>	<p>The external consultants sit down with the PACA Host some weeks in advance, face-to-face, to go through the organisational details.</p> <p>Supply the PACA Host with the Book of Checklists – but not all of it at once! S/he will be overwhelmed. Only send those pages that are immediately relevant.</p> <p>Allocate adequate time and manpower for preparation. For instance, for invitation to Kick-off Workshop and Mini-Workshops and organisation of interviews calculate 15 minutes per invitee =  Kick-off: 30 people = 7:30 h  Mini-W: 5 x 12 people = 15 h  Interviews: 30 = 7:30 h  – which means effectively four person-days</p>

## 3 Formulating hypotheses

### 3.1 Hypotheses Workshop: A comprehensive format

15'	Presentation of PACA Team members
30'	Mesocard: Personal expectations regarding this PACA Exercise
60' to 120'	Presentation of PACA Methodology (video, PPTs), clarification of questions
60'	<p>Mesocard on each bullet point (if it applies to the location) – ask for the strengths and weaknesses of:</p> <ul style="list-style-type: none"> <li>• medium-sized businesses</li> <li>• small producers</li> <li>• agriculture</li> <li>• traders / retailers</li> <li>• business services</li> <li>• consumer services</li> <li>• supporting institutions</li> <li>• local government</li> </ul>
60'	<p>Questions to assess overall expectations:</p> <ul style="list-style-type: none"> <li>• what is the local competitive advantage?</li> <li>• what kind of local business opportunities should be there?</li> <li>• what are the main obstacles to realizing the business opportunities?</li> <li>• which LED projects are ongoing or planned?</li> <li>• what do we expect to be the proposals that will come out of this PACA Exercise?</li> </ul>
15'	Mesocards: What are the terms of collaboration in the PACA Team?
30'	<p>Organisational matters:</p> <ul style="list-style-type: none"> <li>• agenda for the PACA Exercise</li> <li>• definition of the roles of team members</li> <li>• which team members are going to participate in which events?</li> </ul>

This format is appropriate in situations where

- the PACA Team has not met before
- some members of the PACA Team are not yet familiar with the PACA Methodology

### 3.2 Hypotheses Workshop: A quick format

30'	Mesocard: Personal expectations regarding this PACA Exercise
60'	Questions to assess overall expectations: <ul style="list-style-type: none"> <li>• what do we expect to be the main findings coming out of this PACA Exercise?</li> <li>• what is the local competitive advantage?</li> <li>• what are the main obstacles to realizing the business opportunities?</li> <li>• which LED projects are ongoing or planned?</li> <li>• what do we expect to be the proposals that will come out of this PACA Exercise?</li> </ul>
15'	Mesocards: What are the terms of collaboration in the PACA Team?
30'	Organisational matters: <ul style="list-style-type: none"> <li>• agenda for the PACA Exercise</li> <li>• definition of the roles of team members</li> <li>• which team members are going to participate in which events?</li> </ul>

This format is adequate in situations

- when time is scarce
- when the PACA Team is familiar with the methodology.

### 3.3 Checklist after the Hypotheses Workshop

- Are there contradictions in the hypotheses? Are we going to meet the right people to address this?
- Are there contentious statements in the hypotheses? Are we going to meet the right people to address this?
- Regarding institutions and projects that were identified: Are they involved in miniworkshops or interviews?

### 3.4 Structure of and tasks in the PACA Team

The PACA Team is structured as follows:

- One of the experienced PACA Facilitators, usually the most experienced of them, is the team leader. This involves, among other things:

- cross-checking at every step of build-up and exercise that the organisation of the process is on track (e.g. the relevant persons have been invited and they actually intend to come; time and place of the Presentation Event has been defined before the Kick-off Workshop; etc.)
  - taking the lead in facilitating PACA Team meetings, including making sure that time is managed adequately
  - giving further topical, conceptual and methodological input during the PACA exercise, if and when it is needed. It is more important that the team leader takes the responsibility for the process of the PACA Exercise than to contribute concrete proposals
  - assigning tasks to individual team members if various activities (miniworkshops, interviews, etc.) are occurring concurrently
- Regarding the other team members, there is no formal hierarchy. There is, obviously, an informal hierarchy which is due to the fact that other PACA facilitators know the movements well, whereas local team members initially have only a vague idea of what they are involved in. However, it is crucial to make sure that this informal hierarchy disappears over time, rather than to reinforce it by the way the team is organised and operates. Experienced PACA facilitators must consistently point out that the impact of PACA depends on the buy-in and energy of local stakeholders, in particular the local team members.

In order to reinforce the coherence of the PACA Team, and the sense of ownership of the local team members, the following points are important:

- When introducing the PACA Team at the Kick-off Workshop or a miniworkshop, make sure that the local PACA team members are introduced as such.
- Involve local team members in workshop facilitation. Everybody can collect cards and pin/stick them up.
- If you have a balanced team of more than five team members available and you plan to conduct several fieldwork activities simultaneously, you can even consider forming sub-teams: small teams of 2-3 PACA team members continuously going together to interviews or jointly facilitating mini-workshops. Each sub-team should consist of a combination of a local member and an external consultant incorporating both local knowledge and more advanced facilitation and interviewing skills. The more experienced sub-team members are expected to soon step back and let the local member take the lead, if appropriate. This helps to coach and train local members to take a more active role in the PACA process. By this composition, we saw encouraging results of local PACA team members making quick progress during fieldwork and, subsequently, successful performance at the presentation event (and in a few cases even a later promotion in their usual job). At the same time, there is a risk that sub-team members identify themselves too much with “their” sec-



tor. Therefore it is recommendable to mix up the sub-teams during the exercise and emphasise the inter-sectoral linkages. If you stick to sectorally specialised teams, it is essential to have frequent team meetings to share information and to look systematically for linkages and synergies between sectors.

- Consider to produce a T-shirt or polo shirt with a printed or embroidered “PACA”-logo for the entire team.

### 3.5 Things that often go wrong at this stage

<i>Typical errors,</i>	<i>why they occur,</i>	<i>and how to avoid them</i>
The PACA Team does not conduct a Hypotheses Workshop.	Team members underestimate the importance of hypotheses.	Always conduct a Hypotheses Workshop! It is extremely helpful if, at a later stage of the exercise, you can compare your insights with your expectations. You will often note major discrepancies.
The PACA Team is not quite sure what a “hypothesis” is in the first place.	Team members have little academic education.	Explain that a hypotheses is a factual statement that may or may not be true, and that will be checked in the course of the PACA Exercise. A question is never a hypothesis.

## 4 Organizing the kick-off workshop

### 4.1 List of invitees for the kick-off workshop

<i>Who?</i>	<i>Who exactly?</i>	<i>Who is responsible to invite?</i>
Representatives of different sectors and groups within the local business chamber	(for criteria see list on page 8)	PACA Host? Somebody else, like the chamber executive, a chamber director, etc.?  Always identify the most appropriate person to invite people for the Kick-off Workshop! For instance, business people will often not show up if invited a local government, and vice versa.
Representatives of local government		
Representatives of other government agencies relevant for LED		
Representatives of technical schools		
Representatives of university		
Representatives of R&D, MSTQ, technology incubator, extension agencies		
Representatives of SME promotion and other business support organizations		
Representatives of business and important professional associations (e.g. associations of micro and small firms, association of retail firms, branch associations, engineers' association)		
Representatives of trade unions, community organizations, and other non-governmental organizations which may have an interest in economic issues		
Representatives of local banks		
Representatives of important local firms		
Representatives of the local and regional media		

NB: This table is available as a Winword template.

## 4.2 How to invite participants for Kick-off Workshop and Mini-Workshops

<i>What may work</i>	<i>What usually doesn't work</i>
<ul style="list-style-type: none"> <li>• First send them a fax or e-mail, then call them, then send the same fax or e-mail again</li> <li>• Visit them and invite them personally</li> <li>• Ask local leaders to personally invite participants from their respective sector</li> <li>• Use local media (radio, newspaper) to invite participants, in particular for the Kick-off Workshop</li> <li>• Get the help of “connectors” and clubs to spread the news about the PACA Exercise</li> <li>➤ Make sure that information on the upcoming PACA Exercise hits local stakeholders from various angles</li> </ul>	<ul style="list-style-type: none"> <li>• Sending a letter, a fax or a mail without talking personally to people</li> </ul>

Discuss in your team which method would be most appropriate in the context of your culture. Go for the most effective option, not the one which is most convenient for you!

## 4.3 Checklist: Organization of Kick-off Workshop

<i>Necessary:</i> <ul style="list-style-type: none"> <li>• venue: sufficiently large room with sufficient wall space, chairs but no tables for participants</li> <li>• flip-chart</li> <li>• mesocard equipment: 12 m x 0,75 m Kraft paper 25 cards / participant sticky tape 1 marker / participant</li> </ul>	<i>Optional material:</i> <ul style="list-style-type: none"> <li>• moveable mesocard panels</li> <li>• pins</li> <li>• Powerpoint projector</li> </ul>	<i>Further options:</i> <ul style="list-style-type: none"> <li>• cocktail</li> <li>• finger food</li> <li>• lunch / dinner</li> </ul>
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#### 4.4 Sequence of Activities in the Kick-off Workshop

Time	Activity	Remarks
0 – 20'	Opening, formalities, presentation of participants	Don't make this too formal. PACA is different from conventional approaches, and a certain degree of informality during the kick-off is supposed to signal this to the participants.
20' – 30'	Explanation of PACA and the purpose of the Kick-off Workshop	Use mesocards, flipchart or Powerpoint projector
30' – 40'	Explanation of Porter's Diamond	Use the flipchart or mesocards, put it up in such a way that it is visible during the subsequent steps
40' – 45'	Explanation of mesocard rules and exercise	3 rules: 1 card per observation, write legibly, maximum 3 lines / 7 words per card
45' – 70'	Writing and reading cards on 'Main companies / sectors'	Ask for strong and weak points regarding each of the four corners of the diamond. Participants can mark observations on strong points with a '+' and on weak points with a '-'
70' – 90'	Writing and reading cards on 'Supporting industries'	
90' – 110'	Writing and reading cards on 'Supporting institutions / factor conditions'	
110' – 130'	Writing and reading cards on 'Demand conditions'	Be prepared to give some examples, as participants usually don't understand what you want
130' – 150'	Optional: mesocard exercise on 'What is the competitive advantage of this location?' or 'What will be the economic profile / vocation of this location in 10 years' time?'	
150' – 160'	Closing of workshop  Afterwards: meet some of the participants to arrange individual interviews or their support for the organization of mini-workshops	

NB: ' = minute

#### 4.5 Issues regarding the explanation of the four corners of Michael Porter's Diamond

	<i>Porter terminology</i>	<i>PACA terminology (Kick-off Workshop)</i>	<i>Remarks</i>
1	Firm strategy and rivalry	Main industries and companies	<ul style="list-style-type: none"> <li>For each corner, ask for observations on strengths and weaknesses.</li> <li>Participants are invited to mention both individual companies and (sub-)sectors.</li> </ul>
2	Related and supporting industries	Supporting industries (suppliers, services)	<ul style="list-style-type: none"> <li>It is sometimes unclear whether certain companies or sectors are supporting industries or supporting institutions. For instance, banks relate to factor conditions and are thus "supporting institution", idem utilities / infrastructure.</li> <li>It is often useful to remind participants that this corner not only refers to suppliers of raw materials and inputs but also to service providers, such as maintenance, software or subcontracting.</li> </ul>
3	Factor (input) conditions	Supporting institutions	<ul style="list-style-type: none"> <li>Supporting institutions are not necessarily government bodies. Training providers, banks or utilities may be private businesses.</li> </ul>
4	Demand conditions	Demand conditions	<ul style="list-style-type: none"> <li>To explain this corner, refer to examples such as large corporations, foreign buyers or tourists who demand high quality, punctuality etc. without necessarily being willing to pay a premium for this.</li> </ul>
5	Government		<ul style="list-style-type: none"> <li>An additional element which appeared in Porter's articles after 1998. You may want to introduce this element during the kick-off workshop.</li> </ul>

Why explain the Diamond completely before starting the card-writing exercise?	So that participants know what is to come, and don't write up everything they find relevant in response to the first corner.
Why is the sequence in going through the four corners relevant 1. Main industries 2. Supporting industries 3. Factor conditions 4. Demand conditions	Especially for business people, responding to the question on supporting industries is more straightforward than reflecting on factor conditions.

#### **4.6 Roles in the Kick-off Workshop**

If you have a relatively large PACA Team, you can keep quite a number of persons busy:

1. Master of ceremonies: A person very familiar with the structure of the Kick-off Workshop, who can jump in if things don't go well, but who basically assures continuity between the steps in the workshop.
2. One person must present the purpose of the PACA Exercise.
3. One person has to present Porter's Diamond.
4. At least two persons run the card-writing exercise, reading and putting up the cards.
5. One person may take notes of issues that are raised orally during the workshop.

#### **4.7 Checklist after the Kick-off Workshop**

- Do the main sectors mentioned by the participants match the expectations of the PACA team?
- Do the supporting industries mentioned match the expectations of the PACA team?
- Are the supporting institutions mentioned by the participants involved in miniworkshops or part of the interview schedule?
- Based on the information we received in the Kick-off Workshop, is there a need for adjustment of the fieldwork schedule (additional miniworkshops, additional interviews)?

#### 4.8 Things that often go wrong at this stage

<i>Typical errors,</i>	<i>why they occur,</i>	<i>and how to avoid them</i>
There are only few participants, and many of them are not decision-makers.	The build-up has not been done properly. The PACA Host has not been able to communicate the relevance and benefit of the PACA Exercise to local stakeholders.	Do the build-up properly.
There are far more participants than you expected, and most of them are not decision-makers.	You have announced the Kick-off Workshop in the local media, and all sorts of people arrive because they hope they may get something for free.	Be careful when announcing the Kick-off Workshop in local media. Communicate it in a targeted way.
The PACA Team spends too much time with the explanations of concepts and background at the beginning.	Team members are irritated by the puzzled faces of workshop participants. Team members are convinced that it is important to give a long presentation at the beginning of any workshop.	Keep the introductory part short. Explain things as you go along. Business people in particular tend to get very impatient if they are exposed to lengthy presentations that have no immediate relevance to them.
The facilitator does not explain the Diamond concept before going into the meso-card-writing exercise.	The facilitator is nervous. The facilitator is not aware of the relevance of introducing all elements of the Diamond at the outset.	Explain the complete Diamond, so that participants know that there is more to come after the first element.

## 5 Organizing the fieldwork time-table

When organizing the execution of the fieldwork, it is essential to prepare and to constantly update a time-table. The following table gives you an example.

**Table 1: Organization of the fieldwork – a fictive example**

<i>Day + Time</i>	<i>Meeting organized by whom</i>	<i>Organization</i>	<i>To meet whom</i>	<i>How to get there</i>
	(1)		(2)	(3)
Tuesday, 04 May 08:30 – 09:30	Steve (LED Unit) Phone (082) 234 1444	Worldwide Trade Export & Import 101, Freedom Av., New Business Town	Mr. Joe Longway, General Manager Phone (072) 919 2244	First Regional Bank building, third floor, yellow door
Tuesday, 04 May 10:00 – 11:30	Chris (Business Chamber) Phone (082)	Marvelous Metals Melting Corp. 1, Metal Road, Old Industrial Park	Mr. Harry Digger, Director Business Strategy Phone (081) 818 7419	N4 northbound, exit town, follow signs "Industrial Park", turn right at traffic light after Texaco station, pass the "Gate 1", enter at "Gate 4"
Tuesday, 04 May 13:30 – 15:30	Harriet Cooper, Phone (082) 224 5588	Mini-workshop: Education institutions Technical Highschool, 28 Republic Road	(4)	Director's meeting room: not on the main campus, but in the green building on the opposite side of the road
date of last revision (if using MS Winword: insert field with automatic update function)				

Some points merit explanation:

- (1) It sometimes happens that you appear for an appointment and the person you want to meet is not there or is difficult to locate. In that case, it is useful to know who made the appointment so that you can reconfirm the information you've got.
- (2) Never forget to note exactly whom to meet. In many organizations, knowing the name of the person you want to meet is the most effective entry ticket. Just knowing that you want to see "the general manager" will hardly get you past the security guards. Also, never forget to write down the phone number (preferably the cellphone number)



- in case you are running behind schedule, so that you can contact the person,
  - in case you get lost, so that you can ask for directions,
  - in case the security guards won't let you in, so that you can ask for authorization,
  - in case you are not sure whether the interview is really up, so that you can verify this with the person you hope to meet.
- (3) When arranging an interview, never forget to ask for specific directions. Business companies in particular are often difficult to locate, and knowing just the address often does not help at all.
- (4) When organizing a Mini-workshop, make sure that it is really organized. For instance, it sometimes happens that at the Kick-off workshop some persons from the same sector volunteer to organize a Mini-workshop, and then each of them waits for another one to start, so that in the end nothing gets organized at all. Therefore, it is essential to make sure that one person is really in charge of organizing a given Mini-workshop.

## 5.1 Things that often go wrong at this stage

<i>Typical errors,</i>	<i>why they occur,</i>	<i>and how to avoid them</i>
The PACA Host arranges many Mini-workshops but only few interviews	<ul style="list-style-type: none"> <li>The PACA Host is so busy with the organisation of interviews that s/he forgets about interviews</li> <li>The PACA Host likes the efficiency of Mini-workshops and finds interviews unnecessary</li> </ul>	Both Mini-workshops and interviews play a crucial role in the PACA fieldwork. It is crucial to organise them both in advance. It is important to leave some time slots available towards the end of the schedule of the fieldwork to accommodate interview opportunities and needs that emerge during the fieldwork.
The PACA Host arranges only interviews for the first phase of fieldwork and only interviews for the second phase, or vice versa	<ul style="list-style-type: none"> <li>The PACA Host has a theory about one format being important for generating information and the other one to verify it</li> </ul>	Mini-workshops and interviews provide complementary information. There should be both interviews and at least one Mini-workshop on each day of the fieldwork.

## 6 Mini-workshops

### 6.1 Standard sequence for any workshop format

as soon as participants arrive until 5-10 minutes after the announced start	One or two team members personally welcome each arriving participant Brainteaser	
4'	Explain PACA and purpose of Mini-workshop, present the Team	
4'	Explain structure of PACA Exercise	
2'	Explain basic Mesocard rules	
10'	Mesocard: Expectations of participants	
10'	First Mesocard question: warm-up towards main tool used in the workshop	
5'	Presentation of participants (latecomers have arrived) via Mesocards (better understanding, connect local players)	
1'	Ask participants to fill in the Attendance Register	
about 60'	Work on main tool (e.g. 5 forces, interaction matrix) <i>- see next pages -</i>	
	After working through the main tool, there are two options on how to proceed:	
	Option 1: End of the mini-workshop. Thank the participants and invite them to the presentation of the PACA diagnostic	Option 2: If the participants insist on asking "What can we do to enhance the competitiveness of our sector?", run a further mesocard with precisely this question
		Ask the participants to rate their proposals either using the Pareto method or applying three criteria: Is this a realistic and viable proposal? Can it be quickly implemented? Can it render a quick and visible result?
		Optional: Go into planning. Take the priority proposals and ask: How exactly to do it? Who is responsible? Who has to collaborate? What resources do you need? When will you start implementing?
		Thank the participants and invite them to the presentation of the PACA diagnostic

**List of topics to be explained at the beginning of a workshop:**

- PACA methodology
  - o What is PACA?
  - o Objectives
  - o Sequence of a PACA exercise (Indication where we are now)
  - o Potential Results
- Management of expectations:
  - o don't promise that you will solve the local stakeholders' problems (but rather tell them that you help to solve their problems collectively)
  - o don't give the impression that you come with a big bag of money
- Clarification who supports and organized the PACA Exercise
- Introduction of the PACA team
- Explanation what is the specific outline of this PACA (focus, locality)
- Upcoming activities (interviews, mini-workshops, presentation event, way-forward)
- Explanation of the PACA tool used
- Explanation of hand-out
- Explanation of *Mesocard* rules

**List of topics to be mentioned at the end of a workshop:**

- Explanation what will be done with the results of this workshop
- Thank the participants
- Invitation to Presentation Event (Date / Venue)

## 6.2 Porter's Diamond

Main idea, purpose	Understanding key factors that determine the quality of a location for business
Application, context	In a workshop with a mixed group (public/private, different business sectors)

### Sequence of Activities

25'	Standard opening sequence
10'	Introduction of the Diamond concept
20'	Participants are asked to write mesocards with observations on strong points and weak points on leading firms in the given sector
15'	Participants are asked to write mesocards with observations on strong points and weak points on supporting industries for the given sector
15'	Participants are asked to write mesocards with observations on strong points and weak points on supporting institutions, particularly with respect to the given sector
15'	Participants are asked to write mesocards with observations on strong points and weak points on demand conditions
15'	Participants are asked to write mesocards with observations on strong points and weak points on government

### Preparation

Materials you need	Mesocards, markers, brownpaper, masking tape / moveable boards with pins
Things you can prepare	Explanation of Diamond on mesocards or flipchart Handout explaining the Diamond

### Typical questions

Why do you use the Diamond rather than another format?	The Diamond looks at issues beyond the realm of businesses, in particular factor conditions / supporting institutions and government. You use this format in a situation where you expect substantial information about these issues.
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### Typical problems and errors

<i>Problem / error</i>	<i>Solution</i>
The facilitator does not explain the entire Diamond before starting with the mesocard exercise.	Explain the complete Diamond so that the participants know what is to come. Otherwise, they will tend to raise all their main concerns responding to the first element.

The image shows a large wall covered with numerous colorful sticky notes and diagrams, representing a complex supply chain analysis for the meat and poultry industry. The notes are organized into sections, with arrows indicating the flow of goods and information. Key sections include:

- MAIN INDUSTRIES + COMPANIES**: A central diagram with arrows pointing to 'MAIN PRODUCERS + PRODUCTS' and 'DEMAND CONDITIONS'.
- SUPPORTING INDUSTRIES SUPPLIERS, SERVICES**: A section on the left with notes about 'MEAT PROCESSING' and 'LIVE-STOCK FARMING'.
- DEMAND CONDITIONS**: A section on the right with notes about 'MEAT PROCESSING' and 'LIVE-STOCK FARMING'.
- LIVE-STOCK FARMING**: A section in the middle with notes about 'MEAT PROCESSING' and 'LIVE-STOCK FARMING'.
- MEAT PROCESSING**: A section on the left with notes about 'MEAT PROCESSING' and 'LIVE-STOCK FARMING'.
- RETAIL & FITNESS LINES**: A section on the right with notes about 'MEAT PROCESSING' and 'LIVE-STOCK FARMING'.

The notes contain detailed information about various companies, products, and market conditions. Some of the visible text includes:

- MAIN INDUSTRIES + COMPANIES**: 'MAIN PRODUCERS + PRODUCTS', 'DEMAND CONDITIONS'.
- SUPPORTING INDUSTRIES SUPPLIERS, SERVICES**: 'MEAT PROCESSING', 'LIVE-STOCK FARMING'.
- DEMAND CONDITIONS**: 'MEAT PROCESSING', 'LIVE-STOCK FARMING'.
- LIVE-STOCK FARMING**: 'MEAT PROCESSING', 'LIVE-STOCK FARMING'.
- MEAT PROCESSING**: 'MEAT PROCESSING', 'LIVE-STOCK FARMING'.
- RETAIL & FITNESS LINES**: 'MEAT PROCESSING', 'LIVE-STOCK FARMING'.

### 6.3 Five Forces

Main idea, purpose	Understand the competitive position of a company or organisation
Application, context	With a group that comes from the same sector

25'	Standard opening sequence
5'	Introduction of the Five Forces Model
15'	Participants are asked to write mesocards with observations on their own firms and their competitors
15'	Participants are asked to write mesocards with observations on the bargaining power and behavior of suppliers
15'	Participants are asked to write mesocards with observations on the bargaining power and behavior of customers
15'	Participants are asked to write mesocards with observations on the possibility of new entrants (new competitors selling the same product)
15'	Participants are asked to write mesocards with observations on the possibility of substituting products
5'	End of the mini-workshop. Thank the participants and invite them to the presentation of the PACA diagnostic

#### Preparation

Materials you need	Mesocards, markers, brownpaper, masking tape / moveable boards with pins
Things you can prepare	Mesocards to explain the 5 Forces

#### Typical questions

Is the sequence in which you introduce the forces relevant?	Yes. The issues competitors / competitive advantage, suppliers and customers is usually more easy to address than new entrants and substituting products. So you want to leave these issues to a later point in the Mini-workshop, when participants have already warmed up.
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#### Typical problems and errors

Problem / error	Solution
What is meant by "substituting product"?	<p>Typical examples are PCs instead of typewriters, frozen food instead of canned food, Internet-based distance training instead of face-to-face.</p> <p>The leading question in this respect is: "Is there a possibility that the same solution your product / service provides can be delivered in a radically different (better / cheaper) way"?</p>



## What does it look like?





Name of exercise	<b>Interaction Matrix</b>
Main idea, purpose	Understand the logic of co-operation between two parties
Application, context	<p>Typical applications:</p> <ul style="list-style-type: none"> <li>• interaction between government and private sector</li> <li>• interaction between firms and supporting institutions</li> <li>• interaction between big firm and SME</li> </ul> <p>The exercise leads to a balanced view of benefits/advantages and costs/risks of co-operation</p>

The basic format of the Interaction Matrix is as follows:

Interaction between A and B in XY		
	Benefits Advantages	Costs Risks
... for A	(1)	(2)
... for B	(3)	(4)

### Sequence of Activities – Example: Interaction between firms and supporting institutions

25'	Standard introduction sequence	
15'	Mesocard: When we talk of (possible) interaction between A and B, what exactly do we mean / can you give examples?	To clarify the issue to be addressed in the matrix
5'	Explain the basic structure of the Interaction matrix: Benefits/opportunities and costs/risks of denser interaction between firms and supporting institutions (training, technology)	Draw the interaction matrix on the brown paper or on a separate flipchart, title the columns and rows and explain each quadrant
10'	Mesocard on quadrant 1: Benefits/advantages for A	Make sure that participants understand that they are to look at only this quadrant now, e.g. by making a cross or putting an empty card into the quadrant concerned  For A, take the group predominantly represented among the participants. If they are mostly business people, slot in the business sector as A
10'	Mesocard on quadrant 2: Costs/risks for A	
10'	Mesocard on quadrant 3: Benefits/advantages for B	Make sure that participants understand that they have to switch their view now
10'	Mesocard on quadrant 4: Costs/risks for B	
15'	Eliminate duplicates and cluster similar cards, Pareto (over the whole matrix, not quadrant by quadrant!)	Explain that the purpose is to identify the most relevant observations. The objective is not to distribute the points equally by quadrant, column or row.
5'	Add up the points <ul style="list-style-type: none"> <li>by quadrant</li> <li>by column</li> </ul>	Observe: <ul style="list-style-type: none"> <li>Which cards get the highest score?</li> <li>What is the balance of points in the left and the right column?</li> </ul>

### Preparation

<i>Materials you need</i>	Wallspace, brown paper, Mesocards, markers, possibly sticky points (for Pareto)
<i>Things you can prepare</i>	Titles for columns and rows

### Typical questions

But isn't this exercise mostly about perceptions?	This exercise is all about perceptions, and only to some extent about facts! Perceptions are often the most important obstacles standing in the way of collaboration of actors / organisations.
Why the horizontal sequence of addressing the quadrants?	Imagining the position / view of the other party is often a challenge. Work on the two quadrants in the first row first. Look at your audience: Do they mostly come from one of the two actors addressed in the exercise? Then put this actor into the first row.
Can you apply the matrix if both parties are present?	<p>You can, but we would not recommend this. You want to go for separate sessions for three reasons:</p> <ol style="list-style-type: none"> <li>1. Participants will be more open / frank / honest if the other group is not present.</li> <li>2. Participants don't switch into self defense mode.</li> <li>3. For the participants, it is an important experience to think themselves into the role of the other party, which can induce an important learning process and make a subsequent meeting, where you bring both groups together, much easier.</li> </ol> <p>In the subsequent joint meeting, it is useful to present and compare the results of the first, separate workshops.</p>

### Typical problems and errors

Problem / error	Solution
At the beginning of the matrix exercise, the facilitator announces “Let us now look at the benefits and risks co-operation would have for both sides.”	The facilitator must make it very clear that filling the matrix involves four distinct steps. Initially, cards are only written for the first quadrant.  It is useful to use different colours of cards, to distribute on colour of cards only at the beginning, and to put one card in that colour into the first quadrant.
Participants find it hard to see things from the perspective of the “other”.	
Participants are not always clear about the difference between costs and risks / benefits and opportunities	Point out that risks are potential costs that may occur in the future or due to unexpected events and that opportunities are potential benefits.
Only typical financial costs are mentioned	Point out that costs are not necessarily only financial costs but also opportunity costs (e.g. the time you need)

### What does it look like?



The photo on the right side shows the result of an exercise where only the cards which received the highest scores were left on the wall.

## 6.4 Mapping on the floor

Main idea, purpose	Get an understanding of players involved in a given issue (governance, value chain, cluster)
Application, context	Doing a mapping exercise on the floor is an alternative to other techniques, such as mapping on a flip-chart. The obvious advantage is that there is usually more floor space, so there are not immediate obstacles to the size of the mapping. Moreover, it tends to be more interactive, since the participants can participate more easily in writing cards and reorganising them.

### Sequence of Activities

25'	Standard opening sequence	
20'	Elaborate, together with the group, the actors involved in a given issue. Write each one on a separate Mesocard. Put the card onto the floor, initially without any clear order.	Use cards of different shape and colour for specific types of actors (government, private actors, associations etc), if available
5'	Cluster the cards, or use some other way to order them.	An alternative to clustering is to have the participants to determine one key actor, and organise the mapping around him.
20'	Put down narrow cards (e.g. cutting a normal Mesocard into two, each about 5 x 21 cm) to connect the actor-cards, indicating which actors are connected through whatever type of interaction, collaboration, rivalry, conflict, etc.	Option: Hand out cards in three different colours – for positive relationship, tense / conflictive relationship, no relationship  If participants disagree, lay both a “positive” and a “tense” card
15'	Write onto the narrow cards what kind of relationship is there.	
As you have connected many of the actors (and in the process probably reorganised the order of the actor-cards on the floor) and described the type of relationship they have, a complex but still relatively clear picture of the actor structure in the location emerges. The next step is then to glue this picture to sheets of brown paper, so that you can keep it for later use or can photograph it more easily.		

### Preparation

Materials you need	Markers, rectangular cards in different colors
Things you can prepare	

### Typical questions

Is it permitted to indicate elements and connections that are missing?	Yes. In fact, it is often one of the most valuable outcomes of this format. Indicate them clearly.
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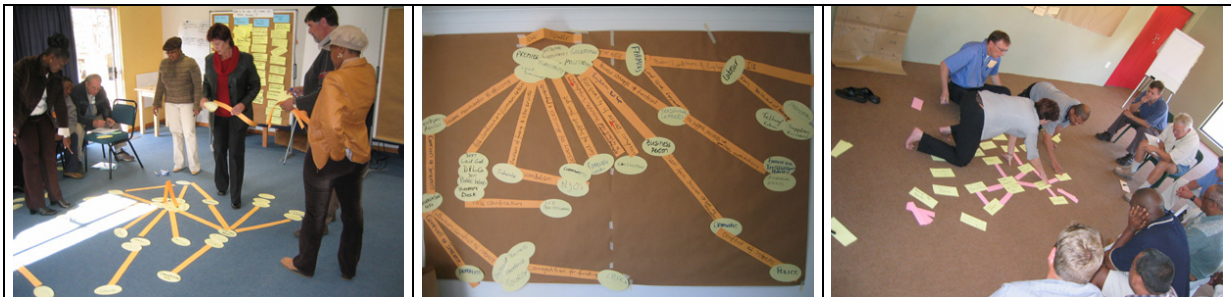
### Typical problems and errors

Problem / error	Solution
The facilitators do all the work.	Involve the participants. Let the participants write the cards, organise them on the floor and connect them.

### Variations

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### What does it look like?



There is also the possibility to use mindmapping software or other tools to transform the mapping into a digital file.

## 6.5 Expectation Matrix

Main idea, purpose	Understand the expectations a variety of organisations have regarding everybody else's activities
Application, context	Mini-workshop with a variety of representatives from different organisations

Alternatively, you can also use this workshop format in a situation where a number of business people and organisations are interested in getting engaged in a joint project. The workshop then serves in clarifying who can bring what to the table.

### Sequence of Activities

20'	<p>Topical warm-up, e.g. mesocard question:</p> <ul style="list-style-type: none"> <li>What is the competitive advantage of this location?</li> <li>What are the critical success factors in this initiative?</li> </ul>	Use this exercise to make sure that there is a shared understanding of the purpose of the workshop
1'	<p>Put up the guiding question:</p> <ul style="list-style-type: none"> <li>What does our institution/organisation expect from the other organisations?</li> <li>What do I expect from the other players involved in this initiative or project?</li> </ul>	The question depends on whether you have representatives from different supporting institutions or various stakeholders interested in a given project
5'	Each participant writes two cards with his/her name and organisation	You need the cards to create the basic matrix
5'	<p>Create a simple matrix with the names of each organisation represented in the workshop in the left column and the top row.</p> <p>Draw vertical and horizontal lines to divide the matrix into fields.</p> <p>Number the columns from 1 to n.</p>	
20'	<p>Each participant is asked to write a series of cards: one regarding each other organisation, expressing his/her expectation regarding that organisation, plus one card with his expectations regarding his/her own organisation.</p> <p>The cards are read and put up one by one.</p> <p>If you have more than ten participants, have cards written and put them up column by column, or go through one row and put up example cards so that each participant understands what the other participants are doing or suggesting to do.</p>	<p>Participants should number their cards according to the numbers given for each, using the numbers indicated for each column</p> <p>Put up the cards written by a participant in a row, i.e. horizontally, rather than in a column.</p> <p>Encourage the participants to be specific in their statements.</p>

10'	Each participant receives sticky dots in two colours: green ("We can meet this expectation") and red ("we cannot meet this expectation, or we can only fulfil it with great difficulty") and sticks them onto the cards in the columns below the name of his/her organisation	Each participant looks at the column under his/her name or organisation.  Some participants will put up both a green and a red dot because they feel that they can meet only part of a given expectation
15'	Discuss the result with participants	

### Preparation

<i>Materials you need</i>	Wallspace, brown paper, Mesocards, markers, sticky points in red and green
<i>Things you can prepare</i>	Put enough brown paper up

### Typical questions

When do you use this format?	It is very useful if your participants come from various business promotion / LED-related organisations, in particular various government institutions that often do not communicate much with each other
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### What does it look like?





Example of the basic structure of the matrix: A tourism initiative

	Tourism Assn	Guesthouse Assn	Municipal Tourism Desk	Main hotel in location	...
	1	2	3	4	n
Tourism Assn					
Guesthouse Assn					
Municipal Tourism Desk					
Main hotel in location					
...					

## 6.6 The Paper Computer

Main idea, purpose	Identify points of leverage for action.
Application, context	This is a tool which may be useful in a Mini-workshop setting. It is particularly practical when it comes to identifying priority action, like in the Results Workshop or a Way-forward Workshop. It is very powerful in persuading local actors to ignore, at that stage, some issues that figure high on their list of priorities but that are very difficult to address, or to make a difference.

Sequence:

1. Conduct a mesocard-based brainstorming on a question like: What are the factors which influence the success of our organisation?
2. Organise the cards. Eliminate duplicates. Prioritise them (Pareto: no. of cards : 5 = number of points per participant)
3. Take the top seven to ten highest scoring cards. Pin them underneath each other. On each card, ask: “What are opposing expressions for this factor?”  
For example: The initial question was “What are the critical success factors of a PACA Exercise?”  
One high scoring response was “Facilitators have an understanding of the location before starting the exercise”. Opposing expressions would be:  
“Facilitators locate information (reports, studies etc.) on location and read it” and  
“Facilitators stumble into the PACA Exercise without digesting any information on the location”.  
The purpose of this step is to make sure that everybody understands the factors in the same way.
4. Take six to ten cards with highest priority. Write each item onto a second card. Create a matrix like this:

	A	B	C	D	E	F	G	Active sume
A	X	How does A influence B?	How does A influence C?	etc.				
B	How does B influence A?	X	How does B influence C?					
etc.			X					
Passive sume								X

Note: The values can be between 0 and 3. Negative values are not allowed (i.e. we don't distinguish between a constructive and a destructive influence).

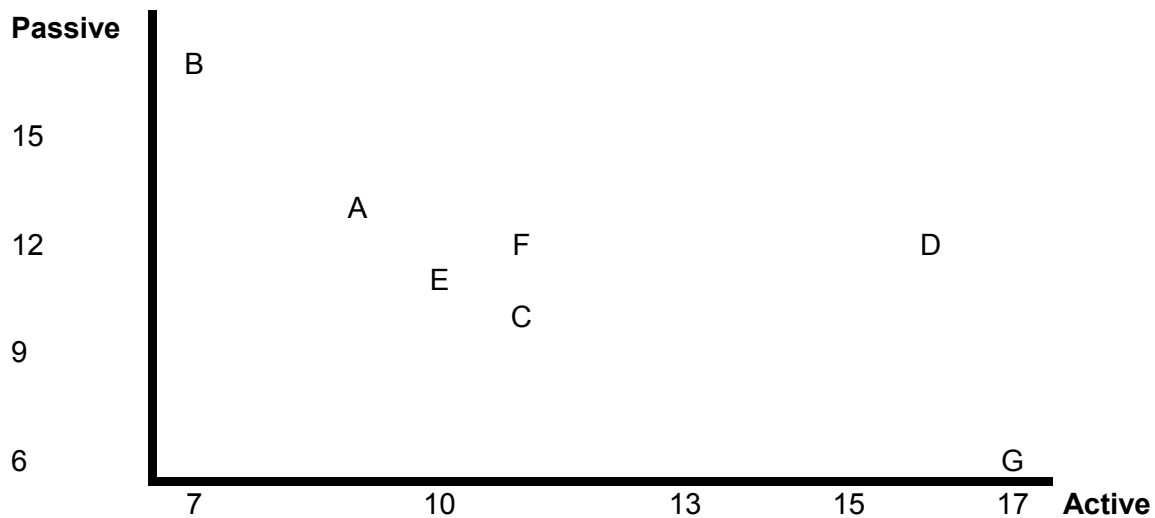
Participant often find it difficult to distinguish the directions of influence, especially when factors are mutually influential. However, if A influences B strongly (=3), this does not necessarily mean that B influences A also strongly. It rather depends. The facilitator will have to emphasise this point repeatedly.

Perhaps you want to give an example, for instance: What is the relationship between the weather and the wetness of my feet? There clearly is a relationship. What is the influence of the weather on the wetness of my feet? It is strong. What is the influence of the wetness of my feet on the weather? It is zero.

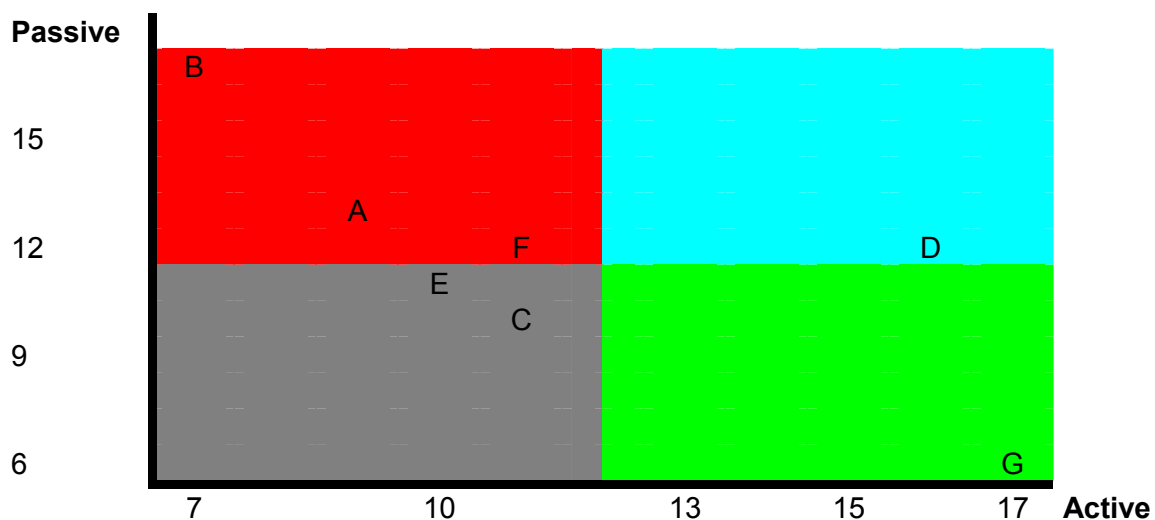
5. Add the numbers horizontally (active sum) and vertically (passive sum). The result may look as follows:

	A	B	C	D	E	F	G	Active sume
A	X	3	1	0	2	2	1	<b>9</b>
B	1	X	2	3	0	0	1	<b>7</b>
C	2	3	X	3	2	1	0	<b>11</b>
D	3	3	2	X	3	3	2	<b>16</b>
E	2	2	1	1	X	3	1	<b>10</b>
F	2	3	2	2	1	X	1	<b>11</b>
G	3	3	2	3	3	3	X	<b>17</b>
Passive sume	<b>13</b>	<b>17</b>	<b>10</b>	<b>12</b>	<b>11</b>	<b>12</b>	<b>6</b>	X

6. Prepare a scatter diagram. The horizontal axis takes the active values, the vertical axis the passive values. Each factor has an active value (on the right of the matrix) and a passive value (at the bottom of the matrix). Locate each factor according to its active and passive value in the matrix. The result may look like this:



7. Calculate the median for the active and the passive sums (in this case, it is 11.5). Draw an according vertical and horizontal line in the scatter diagram. For example:



8. The resulting matrix is labeled as follows:

<b>Impact:</b> Factors which are receiving a lot of influence, but who are exerting little influence. You can ignore them for the time being.	<b>Complex:</b> Factors which receive a lot of influence and which are exerting a lot of influence. Many stakeholders may want to attack those, but this is actually very difficult since each factor is so heavily interconnected with other factors.
<b>Posteriority:</b> Factors which receive little influence and exert little influence.	<b>Leverage:</b> Factors which receive little but exert a lot of influence. These are the factors which you want to attack initially, since they offer you the best leverage point.

In our example, factor “G” would be the one with the strongest leverage factor.

9. Option: Conduct mesocard brainstorming exercise about the factor(s) which are located in the critical square, asking: What can we do to strengthen / leverage this point?

### Preparation

Materials you need	Mesocards, flipchart-paper or brown paper, markers
Things you can prepare	

### Typical problems and errors

<i>Problem / error</i>	<i>Solution</i>
Confusion between active and passive side	Convince participants that, at one stage, they are exclusively to look at the influence of factor A on factor B, and that they will look at the inverse relationship later. At no stage we ask specifically for interaction / mutual influence / reinforcement between two factors.
Participants insist that the influence is a negative one.	Convince participants that positive or negative influence is not the issue here. It is all about the strength of the influence.

## Examples

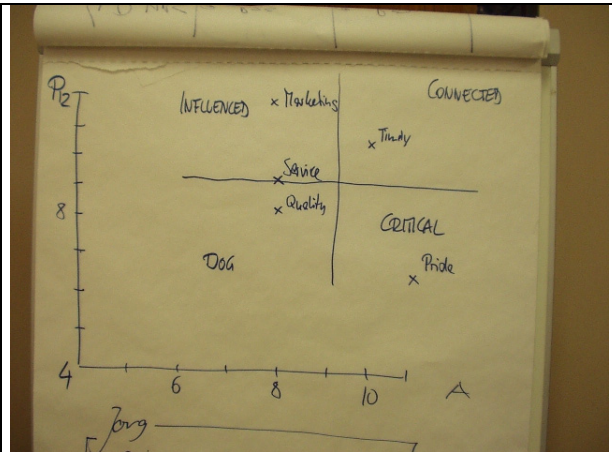
*Handwritten notes on the left margin:*

- 1. Goals
- 2. Mind
- 3. Prior to Customer Edge
- 4. Marketing
- 5. Selecting the product
- 6. Understanding Business
- 7. Understanding the market
- 8. Understanding the customer
- 9. Understanding the competition
- 10. Understanding the environment
- 11. Understanding the industry
- 12. Understanding the economy
- 13. Understanding the culture
- 14. Understanding the technology
- 15. Understanding the law
- 16. Understanding the ethics
- 17. Understanding the politics
- 18. Understanding the religion
- 19. Understanding the philosophy
- 20. Understanding the psychology
- 21. Understanding the sociology
- 22. Understanding the anthropology
- 23. Understanding the linguistics
- 24. Understanding the history
- 25. Understanding the geography
- 26. Understanding the climate
- 27. Understanding the weather
- 28. Understanding the time
- 29. Understanding the space
- 30. Understanding the energy
- 31. Understanding the matter
- 32. Understanding the life
- 33. Understanding the death
- 34. Understanding the birth
- 35. Understanding the growth
- 36. Understanding the decline
- 37. Understanding the end
- 38. Understanding the beginning
- 39. Understanding the middle
- 40. Understanding the whole

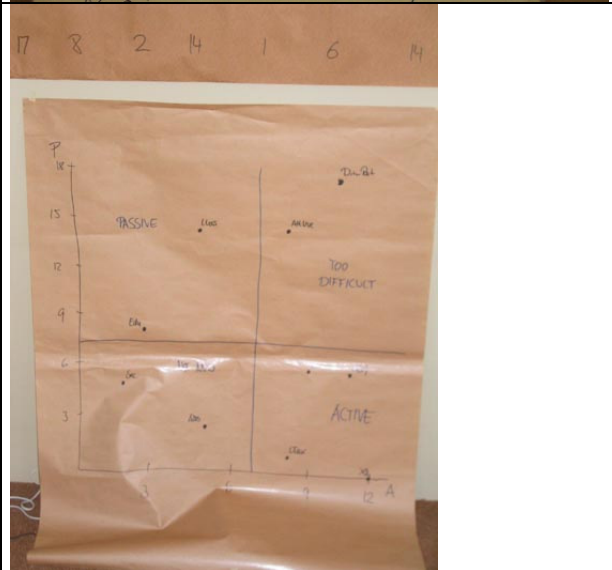
	Service	Marketing + Selling	Price in world	High Quality	Timely Delivery	
		3	1	1	3	8
2			3	1	2	8
3		3		3	2	11
1		3	1		3	8
3		3	1	3		10
9		12	6	8	10	

*Handwritten notes on the right margin:*

- Active
- Passive



	1	2	3	4	5	6	7	8	9	10
1	0	2	0	0	1	0	0	0	0	3
2	1	1	0	0	1	0	1	0	0	5
3	3	2	0	0	1	0	0	0	1	8
4	3	0	0	2	0	3	0	0	0	8
5	3	1	0	2	0	2	0	2	1	11
6	1	0	0	1	0	0	0	1	1	5
7	3	2	0	3	0	0	2	0	2	12
8	0	0	0	0	0	2	0	0	0	2
9	3	1	0	3	0	1	0	0	0	9
10	0	1	3	2	1	0	0	0	0	7



## 6.7 Things that often go wrong at this stage

<i>Typical errors,</i>	<i>why they occur,</i>	<i>and how to avoid them</i>
Inexperienced PACA Consultants experiment with their own mini-workshop format, instead of applying a proven format.	Inexperienced PACA Consultants commit all sorts of minor errors which stifle the smooth proceeding of Mini-workshop, and deduct, wrongly, that the format does not work.	Apply the proven format. Make sure that you understand the instructions. Carry the A6 card with the instructions on your body. Have two facilitators who can alternate in facilitation, and where one person comes in when the other forgets something important or explains it wrongly.
PACA Consultants don't react flexibly to very small or very large numbers of participants.	Inexperienced PACA Consultants are not yet confident in the use of Mini-workshop formats, and apply them too rigidly.	There is some degree of flexibility in the use of Mini-workshop formats. For instance, if the group is big (> 25 persons) you would like to divide it. Also, you would consider not to use meso-cards. Instead, create small groups of six to eight persons each who write their issues onto a piece of flipchart or brown paper.

## 7 Interviews

### 7.1 Checklist before leaving for an interview

When you go for a PACA interview, this is what you should carry with you:

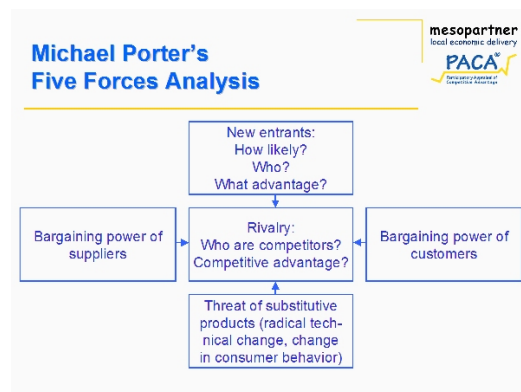
- precise instructions where to go and whom to meet
- notebook (hardcover, A5-format)
- two pens (it's awful when the first pen runs empty in the middle of an interview)
- Flyer: description of PACA project
- Handout: 5 forces / transaction matrix / business assn. cycle
- business cards



## 7.2 Interview guidelines: Company

1. Warm-up
2. General information: History, ownership structure, products, turnover, investment, no. employees
3. 5 Forces

⇒ hand out the figure to interviewee



4. Interaction with supporting institutions:

	Benefit	Cost + Risk
Training		
Finance		
Technology		
SME promotion		
Business Assn.		
Chamber		
Government		
other		

5. What can be done to upgrade the local economy? What role can you personally play in this?
6. Invitation to Presentation Event

## Explanation

The purpose of the interview is to find answers to these questions:

- What is the relevance of the company for the local economy? And what is the relevance of the local economy for the company?
- What are the main bottlenecks for the company's competitiveness? And which of those can be remedied more easily than others?

Try to create a positive, open atmosphere

Try to get an understanding of the basic features of the company.

Understand the competitive position of the company. The five forces are:

- *Rivalry among existing firms.* Main question: Who are your competitors, and what are your competitive advantages and disadvantages?
- *Bargaining power of suppliers.* Main questions: Who are your suppliers, how many of them are there, how easy is it to find suppliers, and what is the bargaining power of you vis-à-vis your suppliers?
- *Bargaining power of buyers.* Main questions: Who are your customers, how many are there, is it easy to find customers, and what is your bargaining power vis-à-vis your customers?
- *Threat of new entrants.* Main questions: How likely is it that new competitors enter your business, who might they be, and what kind of advantage might they have?
- *Threat of substitute products or services.* Main questions: Is there a threat of substitute products which may be due to radical technical innovation or a radical change in consumers' behavior?

Understand the pattern and problems of interaction between company and supporting institutions, associations/chamber and government

This question concludes the interview. It addresses the possibility of the interviewee becoming a PACA Champion, taking responsibility or at least actively participating in some PACA activity.

### 7.3 Interview guidelines: Supporting Institution

1. Warm-up
2. History, profile of activities, main products and customers
3. Transaction matrix: Benefits and cost/risk of interaction between your institution and companies
  - ⇒ hand out the matrix to interviewee

	Benefit	Cost + Risk
for your institution		
for companies		

4. What is your contribution to LED?  
What will or might be your contribution to LED in the future?
5. If you had 3 wishes for free, which would that be?
6. Invitation to Presentation Event

### Explanation

Try to create a positive, open atmosphere

Try to get an understanding of the basic features of the organization

What is the ...	Benefit of more interaction	Cost + Risk of more interaction
...for your institution	1. What do you get from more interaction with companies? In which way does it help achieve your objectives?	2. What does it cost you to have more interaction with companies? Does it create any risks – in terms of achieving your objectives or in other respects?
...for companies	3. What does a company get from having more interaction with you? In which way does it help the company achieve its objectives?	4. What does it cost the company to have more interaction with your organization? Does it create any risks for the company – in terms of achieving its objectives or in other respects?

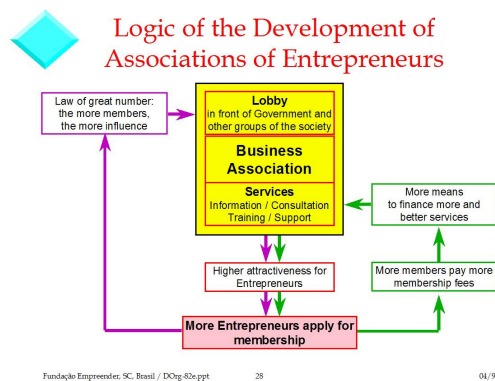
What does the organization do to promote economic development at the local level? What is its contribution to competitiveness of companies and the location? This question also addresses the possibility of the interviewee becoming a PACA Champion, taking responsibility or at least actively participating in some PACA activity

This question concludes the interview. It tries to catch an overall, summarizing statement about main priorities of the organization.

## 7.4 Interview guidelines: Business Association, Chamber

### Explanation

1. Warm-up
  2. History, profile of activities, main products and customers
  3. Discuss the virtuous circle of a business association with the interviewee.
- ⇒ hand out the figure to interviewee



Try to create a positive, open atmosphere

Try to get an understanding of the basic features of the organization

A business association or chamber has two types of activities:

- Lobby: representing the interests of its members
- Services: supporting its member firms by providing information (e.g. legal information, information on credit ratings, market information), advice, training etc.

The achievements of successful lobbying also benefit non-members, i.e. don't necessarily create an incentive to become a member. Services are exclusive for members, i.e. create a strong incentive to become a member.

4. What is your contribution to LED?  
What will or might be your contribution to LED in the future?

What does the organization do to promote economic development at the local level? What is its contribution to competitiveness of companies and the location? This question also addresses the possibility of the interviewee becoming a PACA Champion, taking responsibility or at least actively participating in some PACA activity

5. If you had 3 wishes for free, which would that be?

This question concludes the interview. It tries to catch an overall, summarizing statement about main priorities of the organization.

6. Invitation to Presentation Event

### 7.5 Things that often go wrong at this stage

<i>Typical errors,</i>	<i>why they occur,</i>	<i>and how to avoid them</i>
Interviewers don't get precise information whom to meet, and where to go.	Careless behaviour of the person who organises the interviews.	Always use the interview organisation template. For each interview, fill in all the columns in the template.
Interviewers are not well prepared: They don't know why they see this company or organisation, what it does, and what kind of specific information they should obtain.	The PACA Team is under high time pressure. The PACA Team forgets to ask and to consider.	At the very least, address these issues as you are on your way to the interview. Normally, you try to get some advance information. Ask the PACA Host to provide you with the fact sheet (based on template).
Tensions in the interview team emerge.	Members of an interview team have not defined roles in advance, and have not agreed on signals / non-verbal communication.	Define roles (lead interviewer / support interviewer). Agree non-verbal signals, to avoid interviewers interrupting each other.

## 8 Exchange of information and work on hypotheses in the PACA team

It is important that the PACA Team has a session, at least every other day, to discuss findings and to reflect on the progress in understanding the local economy and identifying possible champions for practical activities. This is particularly important in the case of a big team, where various things (miniworkshops, interviews) happen at the same time and a lot of information needs to be shared.

A simple format consists of four questions:

Mesocard #1: What have been the most surprising findings so far? Alternatively, you can ask: What have been the most important bits of information since we last met?

Mesocard #2: How do the findings so far match with our hypotheses?

Mesocard #3: Are there possible quick wins emerging?

Mesocard #4: What are the issues we need to triangulate (cross-check)?

## 9 Results Workshop: Sequence of steps to prepare the PACA Presentation

The format of this exercise is a *mesocard*-based workshop, so you need the usual elements – an appropriate room, kraft paper, cards, sticky tape and markers.

### 9.1 Preparation of the diagnosis and proposals: The Results Workshop Format

- Remember to make the documentation of the Mini-workshops, or the original collections of cards, visible at the Results Workshop.
- Make sure that every team member has read all the interview minutes.
- Don't forget to have a look at the documentation of the Hypotheses Workshop, and compare the expectations formulated there with the findings of the fieldwork.



Who is facilitating the Results Workshop? In principle, the PACA Team leader will do that, and s/he will involve all the other team members as co-facilitators on a rotation basis. Every team member writes cards, including the team leader.

The basic structure of the Results Workshop is as follows:

1. Identify the biggest surprises and the main findings.
2. Analyse each sector that was involved in the PACA Exercise. Define proposals for action for each sector.
3. Identify the myths that became visible during the PACA Exercise.

The duration of the Results Workshop is several hours. You want to allocate one whole day for it. You need to manage time very efficiently during the Results Workshop, since otherwise it may take you deep into the night. One of the principles is to have as much discussion as possible via mesocards, and as little discussion as necessary orally, since oral discussions are not time efficient.


### Part 1 of the Results Workshop

Refresh memories		The team members have a look at the documentation of all the miniworkshops – put the sheets with the cards up at the walls (left pic) or spread them across the floor (right pic).	
First question	Mesocard: What were the biggest surprises during our fieldwork?	<p>The purpose of this question is twofold:</p> <ul style="list-style-type: none"> <li>• The team has to look back at the entire exercise in order to identify the surprises. This helps to revive the memory regarding the early workshops and interviews.</li> <li>• Most team members will point out not just surprises but actually observations they found particularly relevant. Thus, this question does already take the team members towards pinpointing the most important findings.</li> </ul>	
Second question	Mesocard: What are the most important findings?	<p>With this question, team members are encouraged to have another look at the entire exercise and to formulate more findings, beyond the ones they pointed out responding to the “biggest surprise” question</p>	
Prioritisation	Clustering of responses to both questions Pareto	<p>Since the responses to both questions are similar, it makes sense to lump them together. You cluster similar and related observations. You do the Pareto cluster by cluster.</p>	
Organising the next steps	Discuss and decide: What are the main sectors we should mention in our diagnostic? (mesocard or flipchart)	<p>Specifically:</p> <ul style="list-style-type: none"> <li>– Which business sectors / industries / branches?</li> <li>– Can we make general observations for each business sector, or do we have to distinguish, for instance between micro/small and medium/large companies?</li> <li>– Should we address the supporting institutions at large, or should we distinguish, for instance between training institutions, finance institutions, business associations, and other supporting institutions? Should we name some institutions specifically, or should we keep our observations anonymous?</li> <li>– Should we address local government, i.e. have dedicated slides in the presentation that address only local government?</li> </ul>	

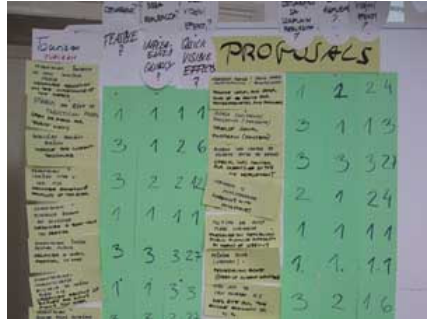

### Part 2, 3, ... n of the Results Workshop

You go through the following nine steps for each of the sectors that have been addressed in the PACA Exercise.

With a large PACA team, it is an option to divide the members into smaller groups that work in parallel on different sectors.

Step 1	<p>Which hypotheses did we formulate on sector A</p> <ul style="list-style-type: none"> <li>– in the preparatory phase?</li> <li>– during the fieldwork?</li> <li>– Which hypotheses were formulated in the kick-off workshop?</li> </ul>	<p>Everybody has a look at the documentation of the Hypotheses Workshop and the internal reflections the team conducted during the exercise. The purpose of this step is to refresh the memory and to reflect on the learning process that every team member went through during the fieldwork. There should be only little oral discussion at this step.</p>
Step 2	<p>mesocard: Based on our fieldwork, i.e. the interviews and the mini-workshops, what are the strong points and the weak points we observed regarding sector A?</p>	<p>Team members write cards and mark them with a + for strong points and a – for weak points. On the panel or the wall, the + and the – cards are put up in separate areas.</p>
Step 3	<p>Pareto on the strong points of sector A</p> <p>Verify: Do you cover all four levels of systemic competitiveness? If not: Are there strong points on the level you missed so far?</p>	<p>First cluster the cards, then Pareto on clusters.</p> <p>Refer to the systemic competitiveness framework only if some team members are familiar with it.</p>
Step 4	<p>Pareto on the weak points of sector A</p> <p>Verify: Do you cover all four levels of systemic competitiveness? If not: Are there weak points on the level you missed so far?</p>	
Step 5	<p>mesocard:</p> <ol style="list-style-type: none"> <li>1. Which proposals did you hear in the course of the fieldwork? Were there individuals who strongly championed specific proposals and may become active in implementation?</li> <li>2. What other proposals would the PACA Team like to make?</li> </ol>	<p>Team members write cards. If some interviewee or miniworkshop participant appeared like a possible champion, this should be mentioned on the respective card.</p>



Step 6	If you have more than 8 proposals: Cluster similar proposals, Pareto	
Step 7	Verify: Are proposals actually practical, or do they sound more like dreams or ultimate results of some process?	If proposals are too vague, impractical or not operationalised, have another round of card writing on the proposals that scored highly in the Pareto in Step 6.
Step 8	<p>3 Criteria Exercise:</p> <ol style="list-style-type: none"> <li>1. Is it realistic and viable, i.e. can it be implemented given the available skills and funds, and given the articulation and implementation capacity of key stakeholders? Can you put a name and face to the implementation of this proposal?</li> <li>2. Is this proposal quickly implementable, i.e. can implementation start within the next two weeks?</li> <li>3. Would the implementation of this proposal render quick and visible results, i.e. within maybe three months?</li> </ol> <p>Team members voice the score on each criterion. If you have more than five team members, it is useful to distribute cards so that every team member can indicate their vote. In case where the votes span from 1 to 3, the facilitator should invite a few individuals to explain their vote, and then call for a new vote.</p> <p>Multiply the three scores.</p>	<p>1 point = not really, 2 points = maybe, 3 points = absolutely. Example:</p>  <p>Team members give their vote on a given proposal:</p> 
Step 9	<p>Looking at the proposals: Who will be in charge of initiating implementation? Put a name to each high-priority proposal – preferably not only of an organization but also an individual.</p> <p>Verify: Were there any individuals who indicated a strong interest in championing specific proposals? Did those proposals make it into the final list? If they didn't, can we unpack them so that an initial activity can achieve a high score?</p>	

<b>Checklist for PACA Proposals</b> <b>(write them on flipcharts and keep them visible during the Results Workshop)</b>	
<i>Guiding questions to check that you are on track</i>	<i>Checking the validity of proposals</i>
<p>Do we address the issue of local competitiveness?</p> <p>Are our proposals aiming at the creation of competitive advantage?</p> <p>Do we address market failure, and look for market-based solutions whenever possible?</p>	<p>Are our proposals specific and practical?</p> <p>Do we formulate proposals for practical activities, or are we perhaps formulating medium- to long-term results of LED initiatives?</p> <p>Are we perhaps confusing ends and means?</p> <p>Did we need the PACA fieldwork to come up with this proposal?</p>

### Final part of Results Workshop –


#### Option 1: If the participants are familiar with the Systemic Competitiveness concept

Step 1	mesocard: Overall picture -- What are the strong and the weak points of the place in the perspective of the systemic competitiveness framework? Start with micro level.
Step 2	meso level
Step 3	macro level
Step 4	meta level
Step 5	Pareto covering all the cards at once (not by level!)

#### Final part – Option 2: If the participants are not familiar with Systemic Competitiveness

Step 1	mesocard: Overall picture -- What are the strong and the weak points of the location?	Revisit the “biggest surprise” and “main findings” from the beginning of the Results Workshop. Write new cards if necessary. If you are still happy with the earlier result, keep it and move to Step 2.
Step 2	mesocard: What were the myths we encountered during the fieldwork?	A myth is a widely held perception that is not true. Local stakeholders often hold perceptions on qualities of their location that do not hold when the location is compared with other places. There are also sometimes perceptions about the performance of sectors in the local economy that the PACA exercise proves to be incorrect.
Step 3	mesocard: In which areas do we see a chance to develop a unique competitive advantage?	This question introduces a strategic element, as it highlights sectors and potentials that should be prioritised in future activities.

## 9.2 Sequence of steps to prepare the Powerpoint file for the presentation

Step 1	As many PACA Team members as possible get hold of a PC with the Powerpoint software
Step 2	One person with good Powerpoint skills prepares a stylesheet for the presentation (.POT file) which is transferred to each PC
Step 3	Prepare a flipchart with the overall structure of the presentation <ul style="list-style-type: none"> <li>• introductory part with brief explanation of PACA method</li> <li>• sequence of sector diagnostics</li> <li>• sequence of sector proposals</li> </ul> > define the file name for each segment of the presentation
Step 4	<div> <p>The PACA Team members divide among themselves the task of writing up the presentation.</p> <p>The picture on the right shows the most practical way of doing this: Sitting in front of the panel with the cards, two team members working jointly, typing into a laptop computer.</p> </div> 
Step 5	Join the different files in the correct sequence
Step 6	Go through the file and verify <ul style="list-style-type: none"> <li>• the content</li> <li>• the spelling</li> <li>• the consistence of the layout</li> </ul>
Step 7	Define which member of the PACA Team is going to present which part of the presentation
Step 8	Rehearse the presentation

### 9.3 Possible structures of the presentation file

There are two different ways of organising the presentation file, or more specifically: the sections on diagnosis and proposals.

#### *Option 1:*

1. Give a brief overview of the purpose of the PACA Exercise and key points of PACA methodology
2. Present the diagnosis, sector by sector
3. Present the proposals, sector by sector – allocate one slide to each proposal

#### *Option 2 – our favourite:*

1. Give a brief overview of the purpose of the PACA Exercise and key points of PACA methodology
  2. Present diagnosis and proposals for sector A
  3. Present diagnosis and proposals for sector B
  4. etc.
- ⇒ Create one slide for each proposal, addressing the following questions:
- ✓ How exactly will this proposal be implemented?
  - ✓ Who is responsible for implementation?
  - ✓ What is the expected result / benefit?
- ⇒ Create one additional slide (per sector) to highlight business opportunities that surfaced during fieldwork

#### 9.4 Things that often go wrong at this stage: Procedural issues

<i>Typical errors,</i>	<i>why they occur,</i>	<i>and how to avoid them</i>
Time management gets out of control	Too much oral discussion, too little mesocard	Consistently use mesocards for discussion

#### 9.5 Things that often go wrong at this stage: Conceptual issues

Three Criteria are not applied rigorously	<p>The PACA Team</p> <ul style="list-style-type: none"> <li>• is infatuated with fancy proposals</li> <li>• fears that the audience will find practical proposals boring</li> </ul>	<p>Trust the methodology, which is based on ample experience</p> <p>Always ask: Do we really have the resources – know-how, funds, available and prepared implementing agency – to implement this proposal?</p>
Proposals don't follow the "form follows function" principle	PACA Team members confuse means and ends. Example: A Business Chamber is a means (to organise business collaboration) and not an end in itself	<p>The PACA Team must discipline itself to clearly distinguish means and ends. A typical problem (and opportunity) is "Lack of collaboration in the business sector". There are several possible responses to that, and "Creating a Business Chamber here and now" is usually not the best. Rather, go for an informal solution, e.g. organising business breakfasts.</p>

# 10 PACA Presentation Event

## 10.1 Checklist: Materials for PACA Presentation Event

<p><i>Necessary:</i></p> <ul style="list-style-type: none"> <li>venue: sufficiently large room with sufficient wall space, chairs but no tables for participants</li> <li>Powerpoint projector</li> <li>flip-chart</li> <li>mesocard equipment: 12 m x 0,75 m Kraft paper 25 cards / participant sticky tape 1 marker / participant</li> </ul>	<p><i>Optional material:</i></p> <ul style="list-style-type: none"> <li>moveable mesocard panels</li> <li>pins</li> <li>sound amplification equipment</li> </ul>	<p><i>Further options:</i></p> <ul style="list-style-type: none"> <li>cocktail</li> <li>finger food</li> <li>lunch / dinner</li> </ul>
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## 10.2 Whom to invite to the Presentation Event

- everybody who was invited to the kick-off workshop
- everybody who was interviewed
- everybody who participated in a Mini-Workshop
- other interested persons – in particular:
  - political leaders
  - representatives of business support organizations
  - the media


### 10.3 Sequence of activities during the PACA Presentation Event

Time	Activity	Remarks
0 – 10'	Welcoming of participants, distribute mesocards, explain purpose of mesocards	Indicate to participants that you will not open the floor for a discussion after the presentation. They are rather invited to respond by writing on cards.
10' – 20'	Presentation, Part 1: Explanation of PACA	This serves to inform the audience about <ul style="list-style-type: none"> <li>the purpose of the PACA exercise</li> <li>the methodology used</li> <li>the activities that have been conducted (how many miniworkshops, interviews; how many people contacted in total)</li> </ul>
20' – 30'	Presentation, Part 2: General Diagnostic and Proposals	Give an overview of main findings, including myths
30' – 70'	Presentation, Part 3: Diagnostic and Proposals by Sector	Make sure that proposals are explained properly, and that a champion is mentioned for each of them
70' – 90'	Participants write mesocards with feedback, comments, proposals, critique on presentation  Coffee break  Facilitators organize and stick up the mesocards	The main idea here is to avoid that local dignitaries give lengthy statements, since this would tend to bore and demotivate local stakeholders
90' – 115'	Facilitators read and comment on cards, discussion with participants	It is essential to keep discussion on each point short
115' – 120'	Explanation of follow-up  Closing	Indicate the date and venue for the Way-forward Workshop (or Workshops – if more than one sector will see action)

#### Move towards the Way-forward Workshop: Option 1

115' – 130'	<ul style="list-style-type: none"> <li>Put up brownpaper with mesocards that indicate proposals</li> <li>Invite participants to put up their names on cards (or businesscards next to those proposals they want to champion or support)</li> </ul>	
130' – 145'	<ul style="list-style-type: none"> <li>Make appointments with volunteering individuals for Way-forward Workshops</li> </ul>	

Move directly into Way-forward Workshop: Option 2 (if the PACA Team is large enough

115' – 120'	<ul style="list-style-type: none"> <li>Divide participants by sector</li> </ul>	Allocate at least one PACA Team member to each group
120' – 150'	<ul style="list-style-type: none"> <li>Each group discusses <ul style="list-style-type: none"> <li>the validity of the diagnosis</li> <li>the viability of the proposals that were mentioned in the presentation</li> </ul> </li> </ul>	PACA team members <ul style="list-style-type: none"> <li>facilitate / moderate the discussion, possibly using mesocards</li> <li>make sure that the results of the discussion are captured</li> </ul>
150' – 160'	<ul style="list-style-type: none"> <li>Each group agrees on a date and place for another workshop where a concrete action plan is formulated</li> </ul>	



#### 10.4 Things that often go wrong at this stage: Preparation

<i>Typical errors,</i>	<i>why they occur,</i>	<i>and how to avoid them</i>
Invitation to Presentation Event is extended at very short notice	PACA Host is very busy with the organisation of the field-work	Reserve venue before Kick-off workshop  Invite participants of Kick-off Workshop, Mini-workshops, interviews on the spot, indicate exact time and venue  Inform media about Presentation Event
Venue for Presentation Event is not appropriate (e.g. too small)	PACA Host underestimates the number of participants	Expect many more participants to the Presentation Event than to the Kick-off Workshop  Consider a unusual venue for the Presentation Event (e.g. factory hall, construction site, hangar)

#### 10.5 Things that often go wrong at this stage: Presentation

Presentation is too long (far more than 1 hour)	Lack of rigor in preparation of presentation  No rehearsing of presentation	Stick to rules in preparation of presentation: limited number of observations in diagnosis, limited number of proposals  Rehearse presentation
Errors in the Powerpoint file for the presentation	Time pressure during preparation of presentation	Despite time pressure, proof-read the presentation  Rehearse presentation
Proposals are too vague or abstract or nice ideas instead of practical proposals	PACA Team does not stick to the rules, in particular 3 Criteria	Apply 3 Criteria  For each proposal ask: Who is going to implement this? Name the person / institution in the presentation

### 10.6 Things that often go wrong at this stage: Facilitation

No mesocards distributed at beginning of Presentation Event	Presenters are too nervous	Prepare a checklist for the presentation which lists all the activities to be conducted, and distribute to the whole PACA Team
During the presentation, oral discussion erupts	Presenters do not stick to the rules	Persuade participants who want to ask question or discuss issues to write their points on mesocards
Important local persons want to give a statement	Habit of important persons	Blame the PACA Methodology when you refuse their wish

# 11 Way Forward Workshop

The purpose of this workshop is to define the specifics of the implementation of a given proposal, which we will call Proposal M.

Time	Activity	Remarks
0 – 10'	Welcoming of participants	
10' – 30'	Explanation and clarification of the meaning, context and background of M	<ul style="list-style-type: none"> <li>PACA Team members repeat the respective part of the presentation</li> <li>Participants give comments and suggestions on mesocards</li> <li>PACA Team members respond</li> </ul>
30' – 60'	mesocard: How can we implement M?	Open brainstorming, PACA Team members may also write cards
60' – 80'	Organise the mesocards	Options: <ul style="list-style-type: none"> <li>simple clustering</li> <li>organise a mindmap, i.e. try to depict the logical connections and functional inter-dependencies between different aspects and ideas</li> </ul>
80' – 110'	mesocard: What are the obstacles and risks in the implementation of M?	Open brainstorming, clustering, Pareto If particular obstacles or risks stand out, consider to run an additional mesocard exercise, asking: How can we manage this obstacle / risk?
110' – 140'	Planning exercise: How will we implement M? – Address six questions: <ul style="list-style-type: none"> <li>How exactly will we implement each sub-activity?</li> <li>Who is responsible?</li> <li>Who has to collaborate?</li> <li>What are the necessary resources?</li> <li>When do we start?</li> <li>How do we know that we started?</li> </ul>	The result of this exercise is <ul style="list-style-type: none"> <li>that a given activity gets unpacked into sub-activities</li> <li>that responsibilities are clearly defined</li> <li>that the necessary resources are indicated – this must be linked to a reality check: Are those resources actually available, or can the persons involved in a sub-activity realistically raise the relevant resources?</li> </ul>
140' – 150'	Explanation of follow-up Closing	Agree on a date for a next workshop that will gauge the progress of activities, approximately four to six weeks after this workshop

There are several alternative formats, depending on the situation (e.g. the number of champions, the diversity of sectors, the overall energy unleashed by the PACA Exercise). For instance, in one occasion we had a group of very motivated champions, some with very concrete ideas or projects, some with not yet so clearly defined ideas. In this case, we had a group of 15 individuals. We ran a mesocard exercise asking the following questions:

1. What will I do to implement PACA activities, starting next week?
2. What will I offer to other individuals who will implement PACA activities?

– and that was it. The idea behind this little format was to encourage the positive spirit and motivation in the group, rather than generating a discussion on problems and obstacles. The last activity in this workshop was to agree on a date for a subsequent meeting two weeks later, where individuals would present the progress they had made, and where a more systematic discussion on joint activities, using Pfeiffer's 6 Questions, would take place.

The main point is this: At the Presentation Event, local champions need to agree on how to proceed. The minimum requirement is to make an appointment for a Way-forward Workshop, which should take place as soon as possible after the Event – preferably on the next day. If there is no clear agreement on how to proceed, there is a substantial risk that nothing will happen at all.

### 11.1 Things that often go wrong at this stage

<i>Typical errors,</i>	<i>why they occur,</i>	<i>and how to avoid them</i>
Way-forward workshop(s) are not organised immediately after the Presentation Event	<ul style="list-style-type: none"> <li>• PACA Host forgot to allocate time</li> <li>• PACA Host is not confident to move forward</li> </ul>	<ul style="list-style-type: none"> <li>• Allocate time for Way-forward Workshops as you plan the PACA Exercise</li> <li>• Raise the issue that a PACA Exercise is only successful if there is immediate action from the outset</li> </ul>
Way-forward Workshops are inefficiently facilitated	<ul style="list-style-type: none"> <li>• The participants in a Way-forward Workshop are too diverse, i.e. represent too many different, unconnected proposals</li> </ul>	<ul style="list-style-type: none"> <li>• Allow a sufficient number of Way-forward Workshops so that you have one Workshop per proposal or cluster of closely related proposals</li> </ul>

## 12 Reporting on a PACA Exercise

It may be necessary to report on a given PACA Exercise once it has been concluded, for instance to satisfy the demands of a sponsoring agency. Unless the agency provides you with a standard structure for a report, you may consider to organize it as follows:

1. When and where was the PACA conducted?
2. Who was the PACA Host, who was part of the PACA Team?
3. How many participants attended the Kick-off Workshop, and how did it go? How many Mini-workshops did you conduct, how many participants did you have in each of them, which sectors did they cover?
4. How many interviews did you conduct, in which types of organizations?
5. What were the main points of the diagnosis? (Copy and paste from Powerpoint presentation)
6. What were the proposals you made? (Copy and paste from Powerpoint presentation)
7. How many participants attended the Presentation Event, and how did it go?
8. What are the plans for implementation, who is responsible for them?
9. What are the general observations you would like to make – what went good, what didn't?
10. Which adjustments to the methodology did you make or would you suggest?

