



Good practices and typical challenges in BEAM Projects

The focus of BEAM Developmental Evaluation has been on the programme-level and not on evaluating individual projects. However, there are some good practices and typical challenges that have been identified at the programme-level. The field missions of the Evaluation have especially provided valuable findings for recognition of these factors. The actual project cases presented below are provided by Business Finland and serve as examples of BEAM projects.

Common success factors and typical challenges are divided into two themes; 1) Planning and implementation, and 2) Partnerships and consortia. Evaluation recognises the uniqueness of each project and the need to study the background factors for each project based on, for example, its target market, sector, product/service and maturity, to identify unique success factors for each project. The below factors are more general and common factors which have been recognised and raised in several reporting outcomes of BEAM developmental evaluation during the years.

Certain factors in the planning phase of the project, for example, have been recognised to increase the likelihood of a successful implementation phase. In some cases, the shortcomings of the planning phase have been turned into learnings in the implementation phase. Naturally the quality of the product, service or business model, or the knowhow of the team or consortia play a large role in the success of any business. This paper aims to identify factors which are more specific to BEAM projects.

Both the success factors and recognised typical challenges serve as learnings for the BEAM projects and the programme in the future.

1. Planning and implementation

The following good practices related to project planning and implementation have been identified to support the success of BEAM projects:

- Finnish partners have or are willing to invest in long-term presence in the market.
- Needs analysis is conducted before the implementation of the project.
- The product/service to be introduced to the developing markets is not at the concept stage, but rather is sufficiently mature for further development at the start of the BEAM project.
- Project's implementing partners recognise that Finnish solutions, services, business models, pricing, and delivery methods may need significant redesigning before they can be introduced to the developing markets.
- Project's local partners have relevant expertise to support the adaptation of the product/service and its commercial launch.
- The project utilises the services and networks of the Finnish Embassy and other Finnish in-country support systems and collaborates with other projects and organisations present in the target market.

Typical challenges related to planning and implementation include:

- Underestimating the amount of time needed for the contracts, paperwork and other processes before actual implementation lead often to unrealistic scheduling, causing delays that may affect the project's reliability in the eyes of its partners and beneficiaries.
- Unexpected delays have also created financial difficulties especially for smaller companies, which in some cases have not had sufficient resources to continue and have had to pull out of the projects
- Underestimating the importance of connections, local culture and building of trust can cause unexpected problems and delays.
- Focusing interactions solely in sales creation rather than problem solving and innovation lead to incomplete understanding of the market conditions and needs and may also frustrate potential clients and users.
- Failures to recognise the level of technological progress at the developing country has led to difficulties, as in some cases the offered technological solution has been incomplete and adapting it to the target market conditions hasn't been possible.
- Preparation shortcomings, insufficient knowledge about the markets and local ecosystems, as well as failures to carry out risk analysis completely or partly cause companies to be taken by surprise in some situations and lead to unexpected negative outcomes.

Case: As global meat production grows rapidly, developing countries lack the solutions necessary for processing and recycling animal waste. Honkajoki exports a Finnish circular economy concept that helps safely recycle environmentally hazardous animal waste and reduce environmental load.

Honkajoki launched market surveys in India as part of their BEAM project. In India, animal waste is often left to be handled by abattoirs and is dumped in landfills, incinerated or used by the poor as food.

"In India the locals had trouble understanding the benefits of recycling animal waste. Religious beliefs about animals also made the task more difficult. In the end, we chose not to set up a test plant in India but the information we gained about the market helped in our development work."

Honkajoki also carried out surveys in the Middle East, China and Africa. In Africa, the company formed contacts and networks with the help of the BEAM project, and in the Middle East and Asia, matters have progressed negotiating with partners.

BEAM project helped Honkajoki adjust its product concept to be suitable for emerging markets. Honkajoki's global conquest also brings benefits to locals in the target countries. The export model provides both jobs and education for the local population.

"We export technology and expertise into the target country, where we then hire and train locals to maintain the plant. Naturally, we also employ local workforce in construction of the plant, infrastructure and electrical work. This also helps grow the economy of the target country."

More on this BEAM project: <https://www.businessfinland.fi/en/whats-new/cases/2019/Honkajoki-exports-solutions-for-recycling-animal-waste/>

2. Partnerships and consortia

The following good practices related to partnerships have been identified to support the success of multi-partner BEAM projects:

- At least one of the Finnish project partners in the consortium has pre-existing experience, connections and trusted partners in the target market. In some cases, this partner has been a research organisation or an NGO.
- Already at the planning phase, partners have clearly defined roles and expectations for each partner.
- The Finnish partners have kept the local partners informed on the progress of the project also between the country visits.
- Local partners have been included in the planning and implementation phases, and there's funding available for their contribution.
- There is regular communication between all project partners with the aim of getting to know each other well.

Typical challenges related to partnerships include:

- Inadequate and infrequent communications from the Finnish partners to the local partners.
- There hasn't been enough emphasis and time to build trust and to get to know the local partners.
- Local partners have not been sufficiently involved in the design, planning and decision making. Instead, they have had a more subcontractor-like role, which has reduced their motivation.
- During the planning and budgeting phase, there hasn't been sufficient funds allocated to the local partners or there have been overly optimistic expectations about the availability of funding from local instruments. This has led to significant delays.

Case: Finnish water technology company Solar Water Solutions has invented the most sustainable water purification technology in the world and wants to bring it to the people in developing countries.

The solar-powered SolarRO unit was installed in a village school in Tseikuru, an impoverished rural area in Kenya. The unit produces safe drinking water for 700 villagers, 400 of whom are school children. SolarRO system is based on the reverse osmosis method, and it produces drinking water from any water resource without chemicals. The technology is unique because it can use the solar energy directly without expensive batteries.

Despite careful planning, the company faced many challenges on the site. For example, the road to the destination was terrible because of the rainy season. Solar Water Solutions experts had to bring all their tools

with them because such tools were not available in the local hardware stores. The expertise of local partners was found to be vital in these kinds of circumstances. The Tseikuru project was implemented with World Vision. After good experiences, the company continues to enter the markets in Kenya and its neighboring country, Tanzania.

More on this BEAM project: https://www.businessfinland.fi/en/whats-new/news/2018/kenyan_kids_can_enjoy_quality_drinking_water_made_by_finnish_solarro_system/

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