

Title: Transformational Development: The Role of Christian NGOs in SME Development

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Abstract:

Development theorists and practitioners are increasingly interested in the role small and medium-sized enterprises (SMEs) play in the development of strong local economies. Widely recognized as the principle driver of job creation and growth, the SME sector, often considered to be the “missing middle” in developing countries, is now being carefully studied, first to determine what and how it contributes to development, and second to understand how it can be promoted and strengthened. After explaining the contributions that SMEs can make to local and national development and the ways that development organizations and government policy makers can facilitate the growth of the SME sector, the paper presents the results of a 2007 evaluation study of Partners Worldwide, a Christian NGO dedicated to “mentoring, equipping and encouraging small and medium-sized business with the goal of creating and sustaining jobs.” The study provides evidence that both entrepreneurial capabilities and enabling business environments are important, but that a transforming vision also plays an important role in building up a business sector that is truly transformational. The paper examines the extent to which the Partners Worldwide strategy of organizing business people into Christian associations contributes to the development of that vision, to the development of successful SMEs and, ultimately, to the development of society as a whole.