Identifying High-Potential Farm Business Advisors

BACKGROUND iDE’s Farm Business Advisor (FBA) Program seeks to improve rural livelihoods in Zambia by developing a corps of entrepreneurs who connect geographically isolated farmers with inputs, markets, credit, services, and advice. iDE links FBAs with business partners, brokering the initial relationship and payment scheme, and provides FBAs with training in the areas of sales techniques, irrigation technology, crop management, and output marketing. Between 2014 and 2016, iDE plans to introduce at least 150 additional FBAs in five provinces. The Research and Evaluation Funds to Improve Non-subsidized Extension (REFINE) project funds the partnership between iDE and IDinsight to support the expansion of the FBA program via operational research exercises designed to optimize components of the FBA model.

QUESTION iDE management posed the question: How can iDE better identify new, high-potential FBAs? The project goals are 1) to strengthen iDE’s FBA recruiting processes and 2) to identify measurable predictors of FBA performance.

EVIDENCE FROM THE REFINE INITIATIVE

METHODS Comprehensive surveys exploring personal characteristics and skills were administered to current and former FBAs. Structured interviews were conducted with iDE Team Leaders and Field Officers to document FBA recruitment practices and assess characteristics of active FBAs. Backward elimination stepwise regressions were used to identify traits that correlate with improved FBA performance.

SAMPLING All FBAs involved in the program to date were invited to participate in the survey. Compensation for transport and time was provided. 133 FBAs participated in the interviews, 111 of whom were active FBAs with at least three months of FBA experience. Five iDE Team Leaders and five iDE Field Officers were interviewed about recruitment and selection in their respective areas.

LOCATION Lusaka, Central, Southern, Copperbelt, and North-Western Provinces of Zambia

TIMEFRAME August 18-September 22, 2014

LIMITATIONS The small pool of existing FBAs limited the precision of the quantitative analysis. All FBA indicators were collected after respondents became FBAs. It is possible that the indicators were affected by experiences or training received as part of the FBA program. As a result, FBA indicators likely do not resemble perfectly the FBA’s initial situation when they first became an FBA. FBA sales is an important performance indicator, but only self-reported sales data were available. These data may not be accurate since most FBAs do not document their sales in a systematic way and stated FBA earnings may be subject to social desirability bias.
FINDINGS

1. IDE staff have differing definitions of FBA success.
2. There is limited competition for new FBA positions – 39% of FBAs were the only candidate considered for their position.
3. FBA recruitment and selection is informal. No set of tools exists to guide Field Officers.
4. FBA interviews are not standardized, and many FBAs were not interviewed before becoming an FBA.
5. No standard criteria to judge / rank candidates exists.
6. Several personal characteristics may predict stronger FBA performance, including social connectedness, personal wealth, management experience, and gender (females perform better).

RECOMMENDATIONS

1. Establish a unified definition of FBA success that emphasizes FBA sales, autonomy, and farmer impact.¹
2. Recruit and consider several candidates for each new FBA position.
3. Develop a structured process and toolkit that encourages several recruitment strategies and formalizes the interview process.
4. Interview candidates using a standard interview guide before confirming a new FBA.
5. Create and use unified FBA selection criteria to drive consistency across the program.
6. Assess social connectedness, wealth, work experience, and gender for all FBA candidates and continue to collect data on other characteristics for all newly confirmed FBAs.

Due to study limitations (described above), no definite predictors of FBA performance were identified. However, a set of likely predictors of FBA performance were identified. Continued data collection around additional potential predictors with more FBAs and with cleaner outcome metrics may provide deeper insights over time.

The evaluation team identified predictors that met the following criteria:

1. Predictive Power – Associated with at least one FBA performance outcome
2. Practicality – Easy integration into an interview and/or recruiting process
3. Intuitiveness – Clear channel of how predictor can be associated with FBA performance

The variables that met all three of the above criteria are recommended to include in future FBA interviews. These variables are: gender (female FBAs associated with higher performance), management experience, value of personal assets, and total number of social connections.⁵

USEFULNESS FOR FBA SELECTION:

<table>
<thead>
<tr>
<th>TRAITS</th>
<th>PREDICTIVE POWER</th>
<th>Practicality</th>
<th>Intuitiveness</th>
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<tr>
<td></td>
<td>Team Leader Score: Initiative</td>
<td>Team Leader Score: Overall</td>
<td>Sales: Three Months</td>
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<td>Gender</td>
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<td>Management Experience</td>
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<td>Personal Assets</td>
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<tr>
<td>Social Connectedness</td>
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“+” indicates that the trait is positively associated with higher performance indicator scores over 5,000 simulations of a backward stepwise regression
“X” Indicates that the trait satisfied the respective criteria
Based on the findings from this study, the evaluation team recommends the following four-step process for FBA recruitment and selection. All materials listed in bold can be found in the Recruitment and Selection Manual that IDinsight developed with IDE:

1. **FIELD OFFICER FINDS FBA CANDIDATES**
   a. Creates an FBA recruitment plan with the Recruitment Planning Sheet
   b. Uses a variety of recruitment channels
   c. Advertises the position with a Sample Job Posting
   d. Identifies several FBA applicants
   e. Team Leader should approve Recruitment Planning Sheet

2. **FIELD OFFICER INTERVIEWS FBA CANDIDATES**
   a. Lists FBA applicants on the Recruitment Cover Sheet
   b. Schedules in-person interviews with at least five candidates
   c. Conducts interviews using 1 Field Officer Interview Guide (including diagnostics for asset index and social connections) for each candidate

3. **FIELD OFFICER RECOMMENDS FBA CANDIDATE**
   a. If Field Officer is not satisfied with candidates, returns to area to search for more FBA candidates
   b. If Field Officer recommends a candidate to become an FBA, Field Officer indicates selected candidate on Recruitment Cover Sheet and Field Officer Interview Guide

4. **TEAM LEADER CONFIRMS FBA CANDIDATE**
   a. Team Leader interviews recommended candidate using the Team Leader Interview Guide
   b. If Team Leader approves, then sign Recruitment Cover Sheet and Field Officer Interview Guide
   c. If Team Leader rejects candidate, then consult with Field Officer to find other candidates

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1. The total sales required for an FBA to be considered “high-performing” was not consistent among IDE staff. Farmer impact will require deeper inquiry and will not be measured for FBAs in the near term.
2. Based on the limitations of the study, the data analysis carried out to date has not identified definite predictors of performance, but rather characteristics that appear likely to predict FBA performance and merit continued data collection.
3. Tobit regressions were used to assess potential correlates with three month income. Linear regressions were used to assess potential correlates with Team Leader assessments of “initiative” and “overall performance”.
4. Moving forward, verified FBA earnings across all service areas (inputs, equipment, output marketing, credit, and services) will be collected monthly using a dynamic mobile data collection tool.
5. The evaluation team entered a total of 64 variables into each backward elimination stepwise regression (5,000 simulations, 80% sample set and 20% testing set). This table reflects regression output only for the four variables recommended for immediate integration into FBA selection.