

## Sanitation Enterprise Viability and Sustainability Diagnostic Toolkit (Thriving – Mid-Stage Program)

You are a sanitation development program implementer, 2-3 years into an MBS program, working with partner sanitation enterprises selling toilets. Do any of the below describe your situation?



Many **entrepreneurs** operate sanitation enterprises, and more are entering the market



Your partners are **present in many districts/ counties/ communes**



Entrepreneurs report **medium to high sales** and are satisfied with sales, in general



Toilet sales are spread uniformly across enterprises; everyone is thriving



Enterprises are well-established with low exit rates



You have a qualitative insight into the **factors enabling their sales and profitability**

If you observe some of the situations above, then your program needs to:

- **Generate lessons** on factors that influence profits, and apply them to new markets
- **Reduce** enterprise exit rates
- **Plan your exit strategy** to ensure sustainability

### How to Identify Your MBS Program's Situation?

MBS programs can identify with a situation by answering three key questions:

1. How do enterprises' **average toilet sales compare with their market size** (i.e., unserved households)?
2. Are the majority of **enterprises continuing in or exiting** the market?
3. What is the program's depth of understanding of factors impacting enterprise profits?

Programs with mid-high average sales per enterprise, few exited enterprises, and basic knowledge of factors impacting enterprise profits will typically be **'Thriving' or 'Successful.'**

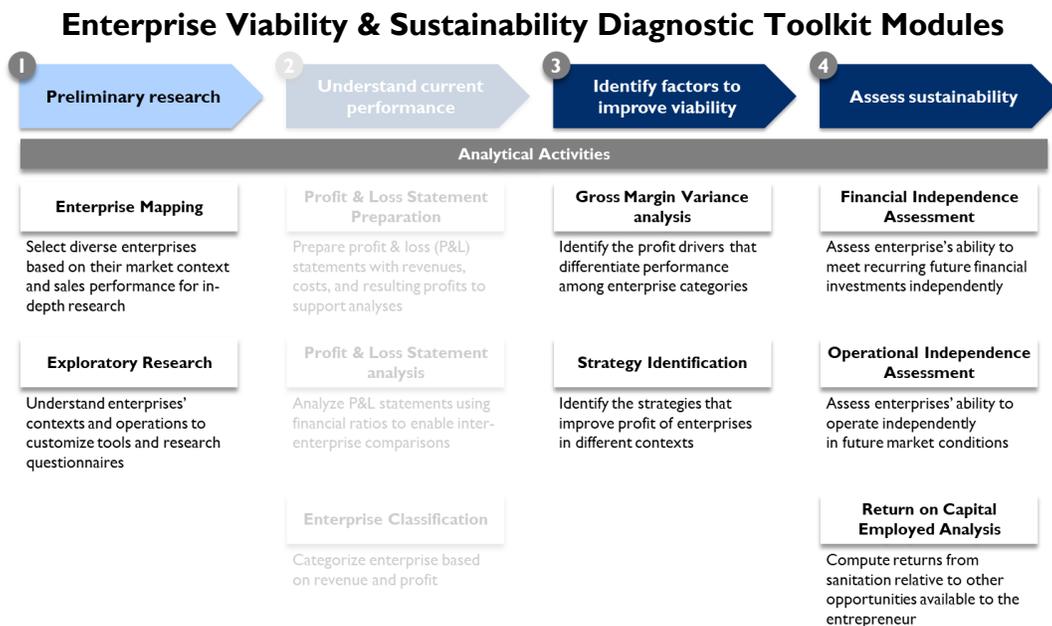


## Guidance on Priority Modules for Thriving MBS Programs

The toolkit consists of four modules, and as a **thriving** program, you should prioritize:

1. Identifying factors to improve viability
2. Assessing sustainability

The preliminary research module will be useful to map enterprises and develop a sampling plan.

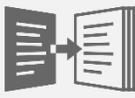


We recommend modules three and four for you because,

- Identifying **factors to improve viability** offers lessons that can be applied to **expand to new markets**, while assessing sustainability helps programs design appropriate interventions to exit the market
- In-depth viability and sustainability **research** may require **preparation**
- Understanding current performance is not required as **basic knowledge** of enterprise financials **exists**, so Module 2 may not be relevant to you

*Note: **Module 1 is optional** if the implementer understands the type of products sold by enterprises and how they track sales and costs. We recommend the exploratory research phase, primarily to **sharpen data collection**.*

## Contents of the Modules

|   |  |   |
|---|--|---|
| <p>Detailed <b>Guidelines</b> to implement each activity that is part of the module</p>  | <p>Sample <b>Templates</b> and <b>Examples</b> for select activities</p>  | <p><b>Data Requirements</b> for each activity</p>  |
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Download the toolkit at [globalwater.org](http://globalwater.org)