



# ***BUSINESS TRAINING MANUAL***

***A practical guide for training micro entrepreneurs***



# ***BUSINESS TRAINING MANUAL***

***A practical guide for training micro entrepreneurs***

By Emil Tin / LORIKA Foundation.

Revision 1.0.1 October 2007.

This manual is published under the Creative Commons Attribution-Noncommercial-Share Alike 2.5 license, as detailed on <http://creativecommons.org/licenses/by-nc-sa/2.5/>

Under this license, you are free to copy, distribute, and use the manual, and to make derivative works, as long as you attribute the work to LORIKA Foundation and include this license information. However, you may not use the work for commercial purposes.





# Table of Content

## Background

<b>Introduction</b> . . . . .	<b>6</b>
<b>Target Groups</b> . . . . .	<b>8</b>
<b>Group: Rural Maasai.</b> . . . . .	<b>10</b>
<b>Group: Business Owners</b> . . . . .	<b>11</b>
<b>Sustainable Communities.</b> . . . . .	<b>12</b>
<b>Business Skills</b> . . . . .	<b>14</b>
<b>The Tree Metaphor</b> . . . . .	<b>16</b>
<b>The Timanoy Story</b> . . . . .	<b>18</b>
<b>Working with Illiterates</b> . . . . .	<b>19</b>
<b>Creating a Learning Space</b> . . . . .	<b>20</b>
<b>Training Activities</b> . . . . .	<b>22</b>
<b>Training Delivery</b> . . . . .	<b>24</b>
<b>The Business Club</b> . . . . .	<b>25</b>
<b>Materials</b> . . . . .	<b>26</b>
<b>Further Reading</b> . . . . .	<b>27</b>

## Program

<b>Three Day Training</b> . . . . .	<b>28</b>
-------------------------------------	-----------

## Modules

<b>Welcome</b> . . . . .	<b>30</b>
<b>What is a Business?</b> . . . . .	<b>32</b>
<b>Profit and Loss</b> . . . . .	<b>36</b>
<b>Credits</b> . . . . .	<b>40</b>
<b>Money for Living.</b> . . . . .	<b>44</b>
<b>Avoiding Failure</b> . . . . .	<b>46</b>
<b>Business Community</b> . . . . .	<b>48</b>
<b>The Business Plan</b> . . . . .	<b>50</b>
<b>Business Ideas</b> . . . . .	<b>52</b>
<b>Marketing.</b> . . . . .	<b>54</b>
<b>The Money Plan</b> . . . . .	<b>56</b>
<b>What you Need</b> . . . . .	<b>60</b>
<b>Loans</b> . . . . .	<b>64</b>
<b>Keeping Records.</b> . . . . .	<b>68</b>
<b>Business Activities.</b> . . . . .	<b>72</b>
<b>Sustaining Life</b> . . . . .	<b>76</b>
<b>Your Next Steps</b> . . . . .	<b>80</b>
<b>What you Learned.</b> . . . . .	<b>82</b>
<b>Goodbye</b> . . . . .	<b>84</b>

## Energizers

<b>Energizers</b> . . . . .	<b>86</b>
-----------------------------	-----------

## Templates

<b>Template Overview</b> . . . . .	<b>88</b>
------------------------------------	-----------

### Timanoy

### Business Tree

### Business Flower

### Money Plan

### Daily Records

### Business History

### Training Certificate

### Questionnaire

### Business Plan

### Checklist

# Introduction

## About this Manual

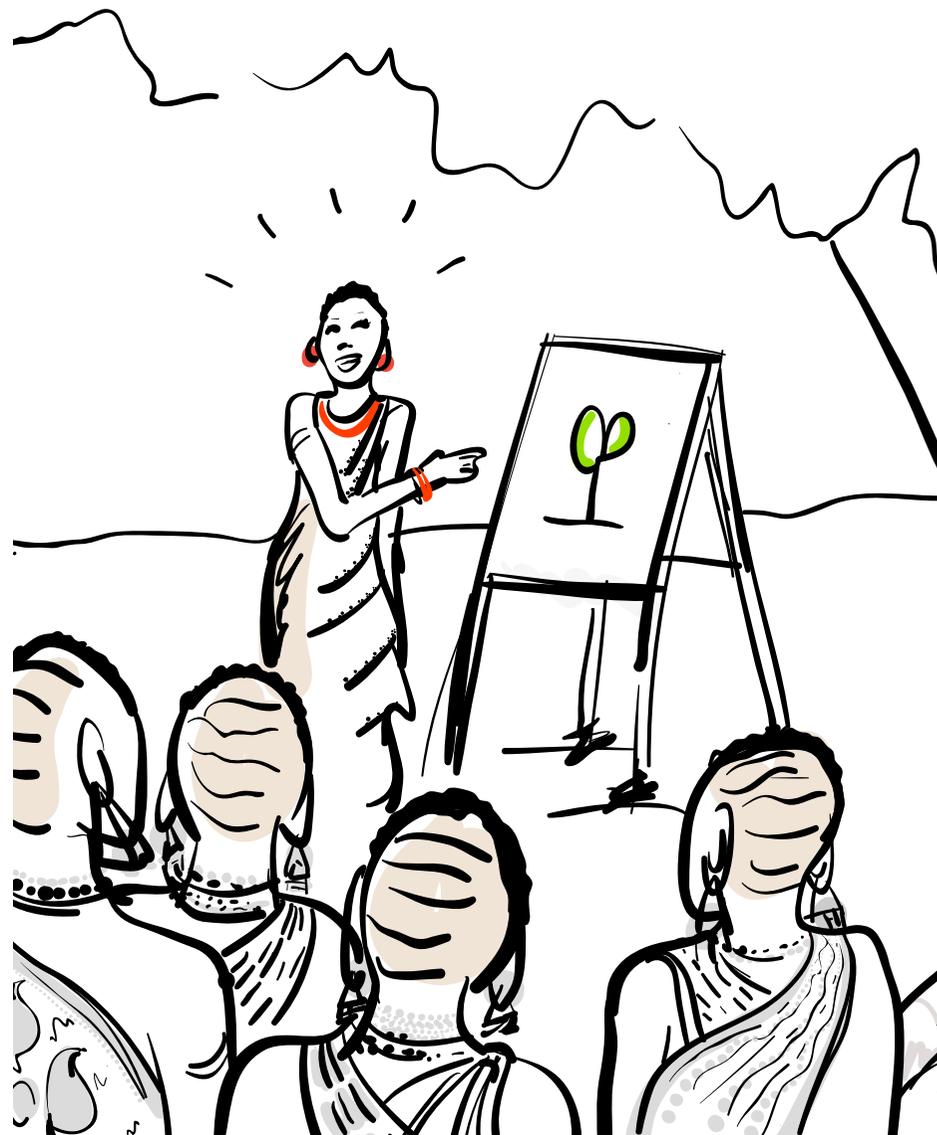
This is a manual for how to conduct a business training program for Maasai micro entrepreneurs, providing basic skills needed for starting up or improving a micro business.

The training program has been developed in the Olkiramatian group ranch in the Rift Valley in Kenya, based on field research and test trainings. The program is made suitable for illiterates by the use of drawings and stories.

## About the Training Program

This program builds on the belief that business, community and nature are interlinked. Economic growth in itself can no longer be seen as the answer. Instead it must be coupled with a broader understanding of the principles of sustainability and ecology. Otherwise we only accelerate the destruction of the web of life that we all depend on. Understanding how to sustain this web of life will help people to build healthy and thriving communities.

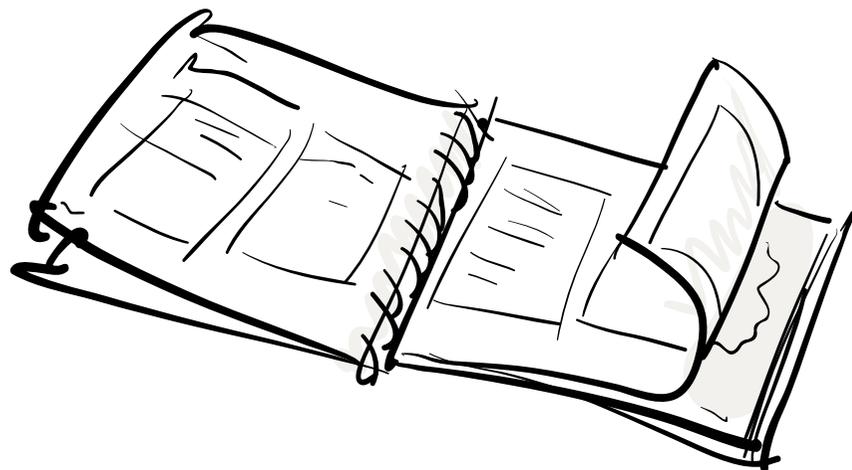
When we want to create sustainable communities, we can learn from nature, because ecosystems are sustainable communities of living organisms. The training uses many images and metaphors from nature, for example the tree. The purpose is to communicate practical business skills in a fun and effective way, and at the same time inspire an integrated understanding of business, community and environment.



## Content of the Manual

The intention of this manual is to provide background information and tips, as well as work as a field guide. You might want to read it through before you do your first training, and then bring it as a reference after that. The manual is divided into four main sections.

- The Background section explains the ideas behind the training program, as provides general tips for how to conduct the training.
- The Timetable section provides the suggested ways to combine the modules into a three day training.
- The Modules section contains description of the individual modules for teaching, including the goal, preparations, games and activities, exercises, etc.
- The Templates section contains visual templates and tools for use during the training, ready to be copied or printed.



## Notations used in the Manual

Games are described as a series of steps, marked with small squares.

- Find a ball.
- Play football.

Stories you can read aloud are marked with big double quotes.

“ Timanoy is a young Maasai woman. She has a husband and two children. ”

Business scenarios are indicated as a sequence of steps, marked with small arrows.

- Timanoy invests cash of 2 to start a bead business.
- Timanoy uses all her cash of 2 to buy a stock of beads.

When participants should have time to work on their business plans, a small pencil is shown:



# Target Groups

## How to define Target Groups

The training program is intended for people with low levels of formal education, including illiterates.

However, choosing the target groups can be a challenge, because people vary according to three independent parameters:

- Literacy level
- Level of business experience
- Languages spoken

You might find almost any combination of these - people with business experience who don't read and write, people who read and write but don't speak Maa, people who speak Swahili but don't have any business experience, etc. If a class is too mixed it can be slowed down because everybody doesn't speak the same language, and it can become difficult to find a pace that suits everyone. So it's important to make a choice of the groups you want to reach.

## Target Groups in Olkiramatian

When it comes to Olkiramatian group ranch, the training program is initially intended for two groups: a large group of rural Maasai, and a smaller group of existing business owners, many of which are Gîkûyû and Kamba.

The definition of the two target groups might exclude a small group of Maasai who already own a business and but don't speak Maasai. But it will improve trainings, because you avoid problems with multiple languages and differences in level of business experience. If you don't have enough resources to reach everyone, it's better to start focused and ensure quality for those who attend the training.

The two target groups are described in more detail below.



## Filtering Participants

To know how many will attend a training, you need to setup a registration process before the training. During this registration people can sign up, and pay the contribution. During the registration it's important to be clear on the intended target groups and filter participants strictly. Otherwise you might get groups where not everybody speaks the same language. For example, if you're doing a training in Swahili, make sure that everyone really do speak Swahili.

## Barriers to Self-Employment

Not everybody is ready to start a business. Their circumstances might prevent them from having success. In such cases, it's better that they deal with these barriers before they try to start a business. The registration or public information meeting can include a discussion about such barriers and the pros and cons of self-employment. This can help people to make a more informed choice of whether or not to invest time in the training.

## Women

The training program is targeted at both men and women. Although it might make sense to focus on women, because they need empowerment the most, and are often more responsible, a choice has been made to not to exclude the men. It was decided that not allowing men at the trainings would generate too much resistance among the men in the community. However, it should be considered at a later point to do separate trainings for men and women.

Women do show up and also participate well in the training. The Maasai women are often a little more quiet than the men, but do ask questions, take part in all the exercises, etc. But you should be careful to include them and provide them the space to speak up, discuss and participate. Don't let the men speak all the time.



# Target Group: Rural Maasai

## Definition

Those who speak Maa, cannot read and write and don't own a business.

## Situation

The group consists mainly of traditional pastoral Maasai, living in the bush. Very few ever go to Nairobi. Most depend heavily on their cattle and goats. Income is very low and comes mainly from selling animals. Periods with drought can be very tough because animals often die. Their traditional culture is increasingly under pressure.

## Language

They all speak Maa, a few speak Swahili, and very few speak English. They have very low levels of formal education. Only few have entered primary school, and very few have finished it, specially amongst women. Most are illiterates, but everyone can count and are used to handling money.

## Views

Most are traditional or even conservative in their views when it comes to gender issues and business ideas. Women are not traditionally allowed to own anything, or speak in front of men, although this is now changing. Almost all woman in this group are married and household duties take up considerable amount of their time. Most women are part of at least one woman group.

Most in this group consider self-employment a second choice, and would rather be employed if they had the choice.

## Outreach

The people in this group are harder to train, especially because most are illiterates, but they also need the training most.

## Key characteristics

- Speak Maa
- Cannot read and write
- Don't own a business
- Harder to reach and train
- Lives in the rural/bush areas
- Less resourceful
- 80-90% of the potential training participants in Olkiramatian

## Key training needs

- Learning how to start up a business
- Teaching done in Maa
- Teaching process adapted to illiterates
- Training close to where they live

# Target Group: Business Owners

## Definition

Those who speak Swahili, can read and write, and own a business.

## Situation

The group consists of the 'business experts' in the community, although many actually struggle to run their businesses well. The group consists mainly of Gikûyû and Kamba, but also has some Maasai. Most live in the villages. In the Olkiramatian group ranch, the main part live in Entasopia. Many go regularly to Nairobi to trade goods, or for other reasons. Many have moved to the area from other places, and they often have some amount of business network to rely on.

## Language

They all speak Swahili, many speak English and some Maa. Most read and write.

## Views

They are less traditional in their views, and are open to new ideas. Women are often business owners. Self-employment is seen by most as something respectable and beneficial, also when compared to being employed.

## Outreach

The group is relatively easy to reach, and also easier to teach. By involving them in the program, they can inspire and help the group of rural Maasai. It will also be valuable to be in contact with this more resourceful group, who can provide input, knows local regulations, etc. They might also be a potential source of new training staff.

## Key Characteristics

- Speak Swahili
- Can read and write
- Owns a business
- Easier to reach and train
- Lives in the villages
- More resourceful
- 5-10% of the potential training participants in Olkiramatian

## Key training needs

- Learning how to improve their business
- Teaching done in Swahili
- Written material in Swahili and English

# Sustainable Communities

## What is our Challenge?

Our current economic system is threatening to undermine the fabric of life that we all depend on for our survival, through the degradation of natural environments all over the world. To change this, economic development must be coupled with a broader understanding of the principles of sustainability and ecology. Instead of just growing, our goal must be to create sustainable communities.

When it comes to training, it means that our challenge is not just to teach business skills, but to teach how to sustain the web of life, and to do it in a way that is relevant to poor people who need food on the table, an whose only way to get it is to start a micro enterprise.

The aim of this training program is to provide practical business skills in a fun and effective way, and at the same time inspire an integrated understanding of business, community and environment. Hopefully this will help people build healthy and thriving communities.

## Sustainability and Ecoliteracy

To build sustainable communities, the first step is to understand sustainability. Here's how author Fritjof Capra, describes sustainability:

*Since its introduction in the early 1980s, the concept of sustainability has often been distorted, co-opted, and even trivialized by being used without the ecological context that gives it its proper meaning. So, I think it is worthwhile to reflect for a moment about what sustainability really means.*

*What is sustained in a sustainable community is not economic growth, development, market share, or competitive advantage, but the entire web of life on which our long-term survival depends. In other words, a sustainable community is designed in such a way that its ways of life, businesses, economy, physical structures, and technologies do not interfere with nature's inherent ability to sustain life.*

*The first step in this endeavor, naturally, is to understand the principles of organization that ecosystems have developed to sustain the web of life. This understanding is what I call ecological literacy. The ecosystems of the natural world are sustainable communities of plants, animals, and microorganisms.*

*There is no waste in these ecological communities, one species' waste being another species' food. Thus matter cycles continually through the web of life. The energy driving these ecological cycles flows from the sun, and the diversity and cooperation among its members is the source of the community's resilience.*

*A sustainable community is designed in such a way that its ways of life, businesses, economy, physical structures, and technologies do not interfere with nature's inherent ability to sustain life.*

*Being ecologically literate, or ecoliterate, means understanding the basic principles of ecology and being able to embody them in the daily life of human communities. In particular, I believe that the principles of ecology should be the guiding principles for creating sustainable learning communities. The word ecology comes from the Greek oikos ("household"). Ecology is the study of how the Earth Household works. More precisely, it is the study of the relationships that interlink all members of the Earth Household.*



## Six Principles of Ecology

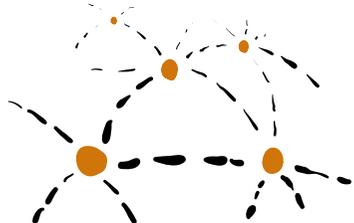
Fritjof Capra summarizes six principles of ecology, described below. These principles can provide guidance when we attempt to integrate business skills with ecoliteracy in the training.

### Networks

All ecosystems consist of networks nested within larger networks. For example, a forest is a network of tree, plants and animals. And each animal is a network of organs and cells.

In a similar way, a society is a network of communities. A community is a network of businesses and people. A business can be seen as a network of different activities working together.

Our challenge is to become aware of the different networks we are part of (not least the environmental networks), and build businesses that sustain and strengthen these networks, instead of degrading them.



### Cycles

In ecosystems, energy and matter cycle continuously through the networks. Nothing is wasted. One species' waste is another species' food. For example, manure is used by plants to grow.

In a similar way, a business thrives on a continuous flow of money and goods.

Our challenge is to create an economy where all materials are recycled continuously, and nothing ends up as poisonous waste.

### Partnerships

Ecosystems develop through partnerships, not competition.

A lively community also depends on a multitude of partnerships between businesses, organizations and people, both formal and informal. No business can exist on its own.

Our challenge is to create new partnerships across traditional boundaries, and find creative solutions that provides mutual benefit. We must also learn to see nature as the essential partner it is, instead of an enemy.

### Diversity

Diversity strengthens an ecosystem and makes it stronger. A lack of diversity makes it fragile. For example, a field with only one type of crop is more at risk of suddenly being destroyed by a pest.

In a similar way, a community with only one type of business can suddenly be hurt hard by a drop in market price. A variety of business types will make the community more resilient.

Our challenge is to value diversity and find ways to sustain it, both when it comes to culture and the natural environment. Understanding the value of diversity will also lead to an appreciation of the local.

### Solar Energy

The various ecological cycles are all driven by energy from the sun. Green plants convert sunlight and store the energy in special molecules. Animals then eat the plants. The heat of the sun also causes drives wind, rain and rivers.

Our challenge is to switch energy sources based on the sun, instead of depending on fossil fuels like oil which pollute and will eventually run out. Solar cells, solar cookers, wind power and electric cars are all part of this move towards clean, renewable energy.

### Dynamic Balance

Ecosystems are ever-fluctuating networks where no single variable is maximized. A thriving community will also experience fluctuations as people make appropriate responses to changing conditions.

Our challenge is to think beyond profit as the only goal, and establish a broader agenda that includes quality of life, social inclusion and environmental sustainability.

# Business Skills

## Guiding Principles

The choice of topics can be seen as guided by two questions: What will the participants use most? And what will cause them the biggest problems if not used?

## Core Skills

The goal of the training program is to help micro entrepreneurs start up a business, or improve their existing business, by teaching a set of core business skills:

- Generating business ideas
- Choosing a marketing strategy
- Using a balance sheet
- Creating a business plan
- Creating a cash flow budget
- Taking and repaying loans
- Keeping business records
- Managing the use of profits for personal use

This might seem like an ambitious list, considering the fact that many participants can't read or write, and that the suggested length of the training is only three days. Many other topics that could be taught, perhaps more easily, like producing sales materials or improving sales techniques, and indeed this is often taught to micro entrepreneurs.

However, a lack of more fundamental business skills, especially financial skills, is often what causes the biggest problems for micro entrepreneurs. So this program tries to take up the challenge of communicating such skills. It's true that sophisticated budgets or lengthy business plans can't be expected from participants who can't read or write.

However, the basic principles and processes behind the list of core business tools above are actually not too complicated, and can well be understood as long as the usual accounting language is dropped, and things are explained in a more creative way, using everyday words, drawings and stories.

## Teaching current Business Owners

Amongst current micro business owners, there's also a lack of basic business skills, and few have tried to use tools like a budget or the marketing mix. So core business skills are useful for almost all micro entrepreneurs, which means that the same set of skills can be taught to both beginnings and current business owners.

But when training the group of current business owners, the pace can be faster, and finer details or more complicated examples can be covered. Presenting the same topics for both target groups will make the training program simpler to deliver, and also make it easier for the two groups to meet and help each other after the training. This can facilitate the creation of a community of practice around entrepreneurship.

## Focus on Financial Skills

When looking at the list of core skills, some might seem more 'fun' to teach, like marketing. Other topics, like the cash flow budget, might seem more 'dry' and challenging to explain. However, financial skills and planning are important, and must not be left out or pushed to the end where they risk becoming a footnote.

For this reason, financial skills are introduced from the beginning of the training, but are given simpler names and explained using the metaphor of a tree:

- Balance Sheet > Business Tree
- Cash Flow Budget > Money Plan
- Business Plan

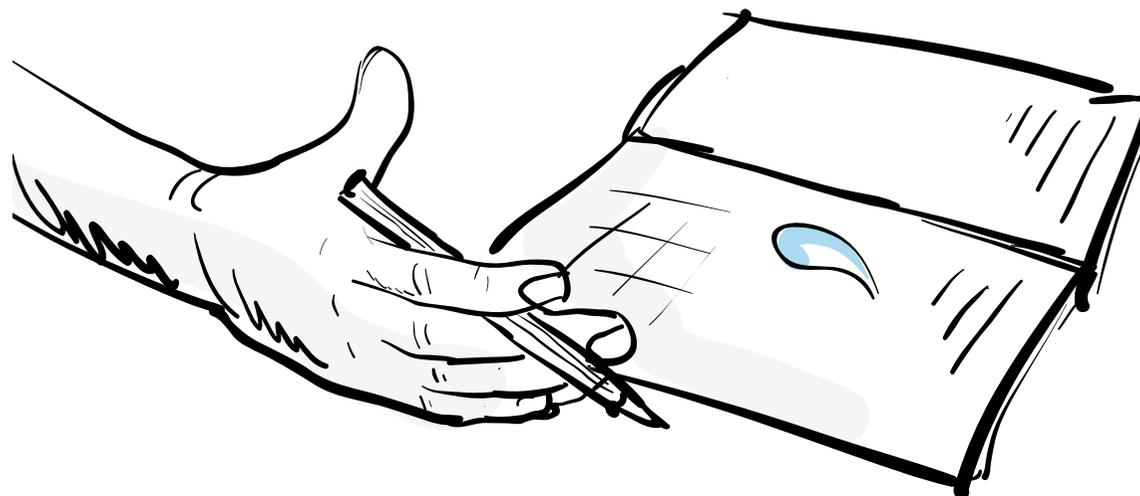
The money plan (budget) is probably the most difficult topic, and is given special attention. There are three modules dealing with different aspects of using the Money Plan.

## Rules and Regulations

The training does not include teaching about official rules and regulations, because it's not needed by most micro entrepreneurs.

In Kenya a business is not required to pay tax, deliver accounting information, etc. if it's below a certain threshold. In principle, you're supposed to register your business, no matter how small, but in practice, this is never done anywhere.

However, it should always be your responsibility as a teacher to advise participants if they are about to do things that requires them to observe rules and regulations. You should at least know the overall framework of official business regulations that might affect your participants.



# The Tree Metaphor

## A Visual Language

When working with illiterates, it's very helpful to use an inviting visual language. The training program uses the metaphor of a tree to explain key business topics, and create a link to the natural world and the principles of ecology. The tree can provide you with straight-forward metaphors for many business concepts:

- Tree - business
- Seeds - ideas
- Water - money
- Branches - activities
- Roots - sources
- Withering - loss
- Drought - bad times
- Flowers - marketing
- Fruits - results
- Soil - market

Throughout the training material, these metaphor are used for a range of visual icons that are easy to understand for illiterates and can help them memorize and recall the content.

## Tapping into Existing Knowledge

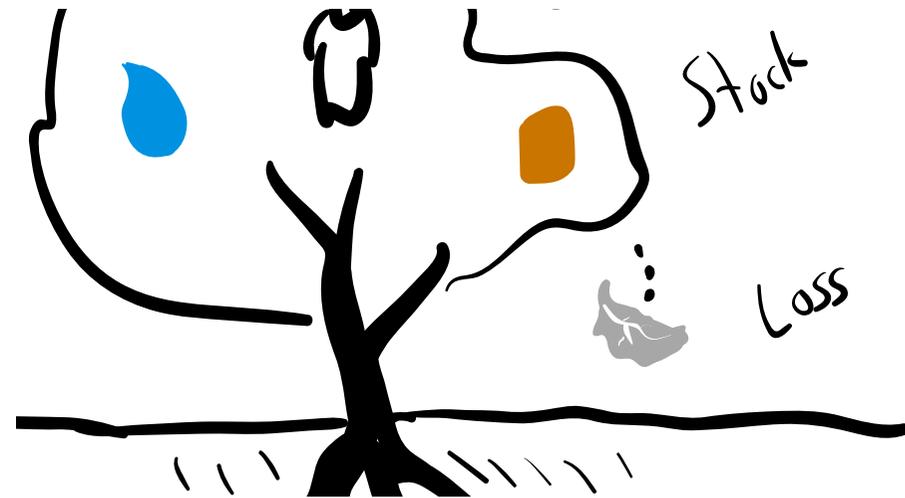
Another benefit of using the image of a tree is that it taps into existing knowledge. Everybody knows many things about trees; their different parts, how they grow, their needs, etc.

The tree can therefore provide a shortcut to an understanding of the dynamic interplay of business activities, how a business requires a continuous flow of money, etc. The tree is also quite culturally neutral, which helps to avoid cultural misunderstandings during the training.

## Connecting to Business

The tree is a good way to explain the dynamics of business, and can link a range of business, community and environmental topics in a natural way. For example, it's a way to explain the otherwise difficult topic of the balance sheet. Roots show assets, while branches show liabilities.

In this way, the business tree work as an inviting entry point into different business topics like markets, balance sheets, cash flows, management and planning.



## Connecting to Ecology

The tree metaphor is straightforward and easy to understand, yet rich when explored further.

The image of a tree provides a different mental framework than the one provided by an image of a machine.

A tree is alive, and part of a larger network of organisms, supporting each other, continuously recycling energy and matter. Considering the relationships between leaves, roots, branches, flowers, fruits, soils, etc. can open up a deeper understanding of both business and ecology.

You can't control a tree in the way you control a machine. You can't command the leaves to grow, as you might hit a button on a machine. Instead you must care for the tree by creating the right conditions for the natural process of healthy growth. This is a better foundation for creating a sustainable and socially responsible business.

The tree help to clarify how similar principles operate in business, nature and communities. Using images from the living world will hopefully remind us that we're all part of the web life, and that the businesses we create should sustain this web.

## Hands-On

Using the image of a tree provides opportunities for hands-on learning. For example, you can draw a business tree on a flip chart, and move pieces around between branches and roots to show how the value in a business changes when you buy and sell, etc.

When the tree is drawn on a piece of paper, it also works well as a kind of board game, where participants can play out different business situations, by moving beans around between the different branches and roots, indicating buying of stock, taking loans, etc.

## Business Scenarios

A number of small business scenarios are described in the manual, made up of a sequence of steps. For example:

→ Timanoy invests cash of 2 to start a bead business.

Cash:2 / Owners Cash:2

→ Timanoy uses all her cash of 2 to buy a stock of beads.

Stock:2 / Owners Cash:2

→ Timanoy sells all her beads for the price of 2. (Profit of 1)

Cash:3 / Profit:1 Owners Cash:2

The scenarios can be used for demonstrating how to use the business tree, as exercises, etc. Each step indicated by a small arrow describes a business event. If a step results in a profit or loss, it is indicated in parentheses at the end of the line.

After each step, the resulting situation is written in small letters. The part before the slash (/) is the branches of the business tree (the assets), while the part after the slash is the roots (the liabilities). If a particular item on the business tree has a value of zero (cash, stock, loans, etc), it's not shown.

## Symbols

A number of small symbols based on the tree metaphor is used to illustrate central items and roles.



Small Business



Product



Small Business Owner



Supplier



Money



Lender



Customer

# The Timanoy Story

## Stories Stick

Humans like stories. A story can often make it much easier to understand a topic and remember information. This is especially true for people without formal education.

Say hi to Timanoy: A local Maasai woman who starts up a small beadwork business. She lives in a traditional settlement with her family. Timanoy experiences different things like borrowing money, buying beads from a supplier, having a good day at the market, paying for school fees, losing her goods, having to buy on credits, etc.

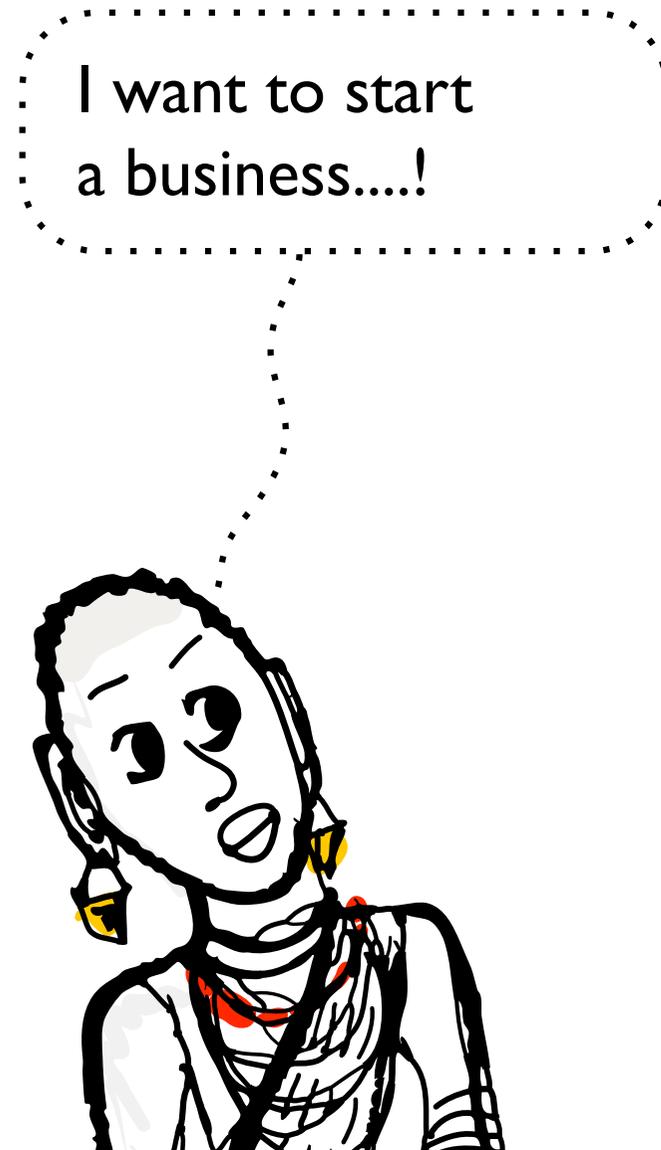
The Timanoy story can support you during the training, by making topics like giving credits, taking loans, losing money, buying on credit, etc. easier for participants to relate to.

Throughout the manual, many topics include pieces of the Timanoy story, indicated by big quotes. Some topics also include a number of additional 'events', indicated by small arrows, which you can use for group work or exercises, to work with the business tree, discuss possible cause and solutions to Timanoy's problems, etc.

## Improvising

Don't be afraid to make up new events in the story about Timanoy, if it can help you in your training. You can even ask participants what might happen next with Timanoy, for example when you're working with the business tree and want to play out different scenarios.

If you improvise, it's helpful to know a little about the local business situation - what typical problems and challenges are, what kind of goods are produced and sold, etc.



# Working with Illiterates

## Drawing

When people can't read, drawings are useful. For example, when using a flip chart, try to add drawings and symbols to all titles and text. Mixing drawings and words are good when some in the class can read.

Making up good symbols require a bit of imagination. Try to find some that are easy to understand, and not ambiguous. It's often helpful to keep building on the same underlying metaphor. For example, if a tree symbolizes a business, a forest is the business community, a drop is money, etc.

But you also have to accept that numbers and words are effective tools for recalling and manipulating meaning and language. When you lack them, things will take longer.

## Telling Stories

Stories is a natural way to structure and memorize information when you can't read or write. Explaining things through the use of stories can be powerful. Even people who read and write enjoy stories - they make things more interesting and fun!

## Counting

Almost all people can count, even if they might not be able to read or write numbers. So when working with numbers, try to use physical things you can count instead of written numbers. Move pieces around on the flip chart and provide the participants with beans they can count. This way, participants can follow examples, and even do simple addition and subtraction themselves.

To make this possible, use small amounts (1-6) when giving examples. Numbers above ten quickly become impractical when you have to count and move pieces.

If typical prices are counted in hundreds or thousands (as is the case in Kenya) just drop the zeroes. Instead of 200, use 2. You can still say 'two hundred' when presenting the example if you wish.

## Avoiding Negative Numbers

Negative numbers can be confusing, especially to illiterates. For example, the result in a month can either be a profit or a loss. When creating a budget, we would often use a single box, and write a negative number if we have a loss, or a positive if we have a profit. Instead, it's better to use two boxes next to each other; you write in one if you have a profit, in the other if you have a loss. This way you avoid negative numbers and can place a visual symbol next to each box, like a healthy leaf, and a withering leaf.

Another problem with negative numbers is that you can't easily display them with things you count. Again, it's better to have two different boxes for placing the pieces or beans in.

## They're not Kids

Working with illiterates require imagination and a bit of patience. Even though participants can't read and write, it's important to remember that they are not kids - otherwise you risk being patronizing. It's useful to tell yourself that the problem is not that they can't understand it - it's that you can't explain it.

## They can Get Help

Illiterate participants often have children or friends who can help them to read material or write things down later. You should also encourage participants to help each other in the class.

# Creating a Learning Space

## Facilitating Learning

The best learning does not come from being told something, but from discovering it yourself. When you discover something yourself, you believe it and remember it easier. To make the training effective, it's important to include a variety of activities where the participants can get hands-on experience, try things themselves, etc. It should not just be you talking all the time.

Providing opportunities for participants to discover things for themselves requires that you take a role that's a little different than the traditional role of the teacher. Instead of just transmitting knowledge, you need to create a space where learning can happen. Instead of providing the answer, you help participants find it themselves. You facilitate learning.

A big part of being a facilitator is to be receptive of what is happening, and what is needed in each moment. For example, it's important to sense when the energy in the class goes low, so you can adjust the pace, or put in breaks or games when needed.

## Four Flows

A way to improve your facilitation skills is to be aware of four 'flows' that are always present when people work together. When all four flows work well, things will feel easy, fun and productive.

1. Purpose. When the purpose is clear, people are motivated. When the purpose is not clear, the participants might be frustrated or resist what you're doing.
2. Emotions. A spirit of helping each other, honest reflections and fun games all provide good energy. On the other hand, conflicts can drain the energy and prevent learning, even if your training is otherwise good.
3. Information. Facts, clear explanations, good drawings and relevant examples help the participants. If they lack, participants might be confused, or the training might feel irrelevant.

4. Action. Filling out business plans, playing games and moving beans around on a business tree allows participants to actually try things and take decisions, instead of just talking.

## Adjusting the Frame

You should try to adapt your teaching style to what the participants find appropriate. Be careful about assuming that the participants like the same thing as you like.

For example, in places where resources are lacking, a teaching style that is too informal can make participants insecure. In this case it's better to make the training a little more formal, because it shows you respect the participants, and go to the trouble of making things neat.

Being formal can be as simple as aligning tables, providing a timetable, assigning a timekeeper and a chairman, ringing a bell at breaks, doing prayers before and after training, and handing out official-looking certificates at the end of the training. A more formal training style does not mean you can't be friendly and personal or do games and physical exercises.

## When things don't go as Planned

When you facilitate learning, instead of just explaining things, unexpected things might happen. So part of being a good facilitator is to be able to adjust along the way and work with whatever happens. So be ready to improvise. You might need to change games, use different examples, change the timetable or deal with small conflicts.

If things don't go as you planned or hoped, your task is not to force things back on track, but instead to find an appropriate way forward.

It's often a good idea to tell the participants what you observe is happening in the class, and present participants with relevant choices.

For example, if you can see that you don't have enough time, you can tell the participants that you're now running short on time, and ask if they would rather finish what they're working on, or move on to the next topic.

Of course it's still your responsibility as a trainer to organize the training, but involving participants in this way can often improve learning by building an atmosphere of honesty.

It's also important for you to be honest and admit when one of your game or ways of explaining didn't work well. Then you can find a more helpful way.

### Trainer Skills

There are some skills that will help you as a trainer. You don't necessarily need them all. You might think of them as possibilities for you to learn more and become an even better trainer.

- Pedagogical skills and experience with training is good. But what's more important is that you like to help others, are patient and enjoy explaining things.
- Facilitation skills, like how to lead games and reflections and create a good learning space, are very helpful.
- Business experience is great when you're teaching business, and will make you more trustworthy. At least, be sure you really understand the core tools like the balance sheet and the cash flow budget.
- An understanding of ecology is important, because the goal of the training is to integrate ecoliteracy into the business training. There's a list of recommended articles in 'Recommended Reading', in case you want to learn more about ecology and sustainability.
- You need to draw. But don't worry - everyone can draw! You don't need to be an artist. The point is just to draw simple things to help the participants follow along.

- Speaking the same language as the participants is important. It is possible to do the training using a translator, but it's impractical and will slow things down.
- Local knowledge is very useful, including the local business situation - what are common types of goods, what are produced locally, what is not produced locally? What are typical prices for common goods?

### Tips for Working with Maasai

- Let the group choose someone to lead prayers at the beginning and end of each day of the training.
- Let the group choose a chairman, who will gather requests, complains etc. from the group and deliver them to you.
- Assign a timekeeper, who will ring the bell to start and end classes.
- Maasai like to sing gospels - they are almost all Christian.
- Maasai prefer beef or goat meat for lunch.
- Many Maasai don't eat fish or chicken because it's considered taboo.



# Training Activities

## Vary the Training

Some people learn best by working in groups, others individually. Some learn well from doing games, others like stories. People have different styles of learning. For this reason, it's good to have different types of activities in the training. By having a mix of activities, you can make the training fun and engaging for everyone, change dynamic and lift energy.

## Flip Chart

A flip chart is a good way to focus attention and is important when you need to draw. You can use it to explain things. It also works well to invite someone up to the flip chart and do some kind of task while the class watches. For example, you might work with the person to analyze their business using the business tree. This would provide a real-world example, and make things relevant.

## Individual Work

Individual work is used when participants fill out their business plans. It's often good to combine it with group work, so they can help each other at the tables.

## Group Work

Working in smaller groups, for example around each table, provides space for all participants to speak and get help from their peers. Someone who might not speak when the whole class discuss will have an easier time when there's only two others.

## Class Discussion

Asking questions to the class engages the participants. If it's only you talking, it can get boring! Asking questions gives participants a chance to share their knowledge, which is important when teaching adults. The key is to ask good questions, which cannot be answered with just a yes or no. How? Why? are often good questions.

You can also ask participants for real-world experiences related to the current topics. Have someone experienced a similar situation?

## Games

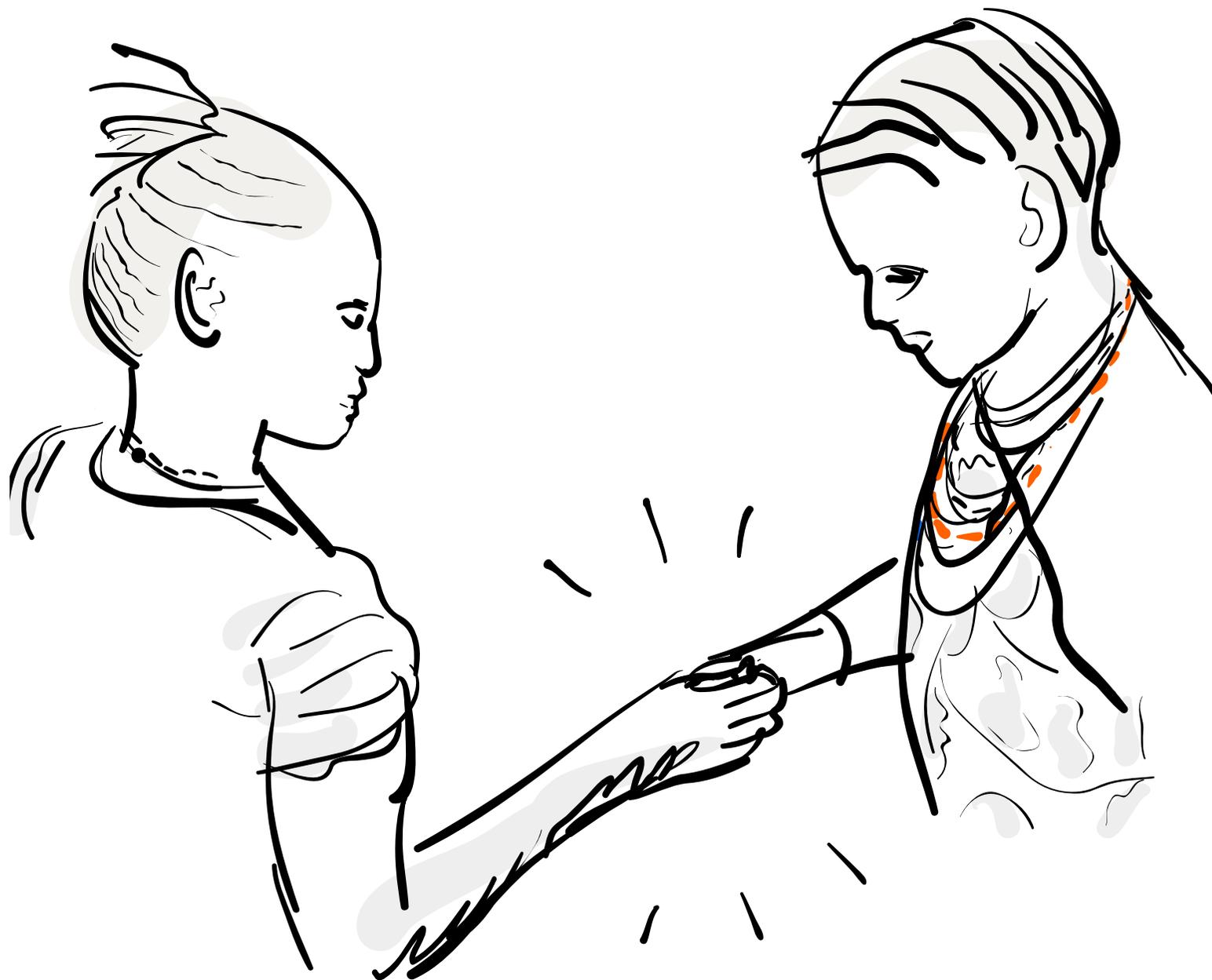
Games work very well for lifting energy and as a basis for reflections. Often we learn something better when we use the body in some way. It helps to make a topic concrete, fun and easy to remember. If participants start to look sleepy - it might be time for a game!

## Reflection

Reflecting and sharing insights is important when learning. The key to facilitating good reflections is to avoid discussion, and instead focus on personal experiences and insights.

## Breaks

Breaks are an important part of any training. Mix in smaller breaks for stretching and drinking water when you feel the energy is going down.



# Training Delivery

## Length

The suggested format for the training program is 15 hours of training, delivered over three days. (18 hours including lunch breaks.)

This length was chosen as a balance between resources and needs. On one hand, longer trainings would provide more time for teaching the skills people need. On the other hand, longer trainings would make it more difficult for people to attend, and require more resources to deliver.

Three days is enough time to teach basic business skills if you focus on the essentials. It's short, but makes the delivery flexible.

Suggested time of day for the training is from 11 am to 5 pm on weekdays. (But remember to avoid marked days, etc.)

## Price

Other NGO's have done business training in the nearby city of Magadi, paying people to attend, as well as providing free transport, accommodation and food.

For this reason, locals might tell you that people will never pay to attend a training. But the pilot project showed that people are in fact willing to pay a price of KSh 100 (about 1€) for a training in the local area. The turnout was good, and included traditional Maasai women. Some even choose to pay again to go to the second training as well.

Providing the training for free would send the wrong signal - after all, business is about the value of things. Charging a price also makes sure that only motivated people attend.

The price of KSh 100 was chosen because it is approximately the local price of the physical things the participants get: three lunches, a notebook, a pencil and a rubber. This provides a simple way to justify the price.

Charging a fee also provides a direct feedback to the training organization - if people are not satisfied with the training they will stop paying. This will help make sure that the training stays relevant and useful.

## Typical Steps

To deliver a training, typical steps will include:

- Decide location
- Coordinate with local chiefs
- Arrange venue
- Invite the community to a public meeting (baraza)
- Public meeting (baraza)
- Registrations and payment
- Training
- Business Club. It's good to arrange opportunities for the participants to meet again and help each other, keep up their motivation, etc.

# The Business Club

## The need to Follow Up

15 hours of training is not a lot, and people will need to learn more. The Business Club can be arranged as a regular half-day follow up learning sessions for everyone who have attended the business training.

## The Business Club

The intention is to create a simple structure for peer support and continued learning. The Business is a self-organizing group process, where people chose topics themselves, discuss, help each other and share learnings at the tables.

First, everyone gets the chance to announce a topic they would like to discuss. Anything can be a topic, for example how to fill out a money plan, how to grow bananas, the possibility of producing bricks locally, sales technique, how to deal with family issues, etc. But encourage topics related to the theme of entrepreneurship, since this is the Business Club!

Each person announcing a topic then hosts a dialog on the topic at a table. Everybody else is free to walk to a table with a topic they're interested in. You can always change between tables, or even go for a walk outside. You can be like a bee, going from one table to the next. Or you can be like a butterfly, going at random or even going for a walk outside. The rule of the two feet says that whenever you feel you're not learning anything, or can't contribute, you're free to go somewhere else.

At the end, each host can present highlights or insights from the dialog they hosted.

The process might seem very loose, but it works well and ensures that topics are relevant. You can read more about this kind of group process on:

<http://www.openspaceworld.org>

The Business Club might start with half an hour of teaching, a guest speaker talking about his/her experiences, an new business idea, etc.

## A Community of Practice

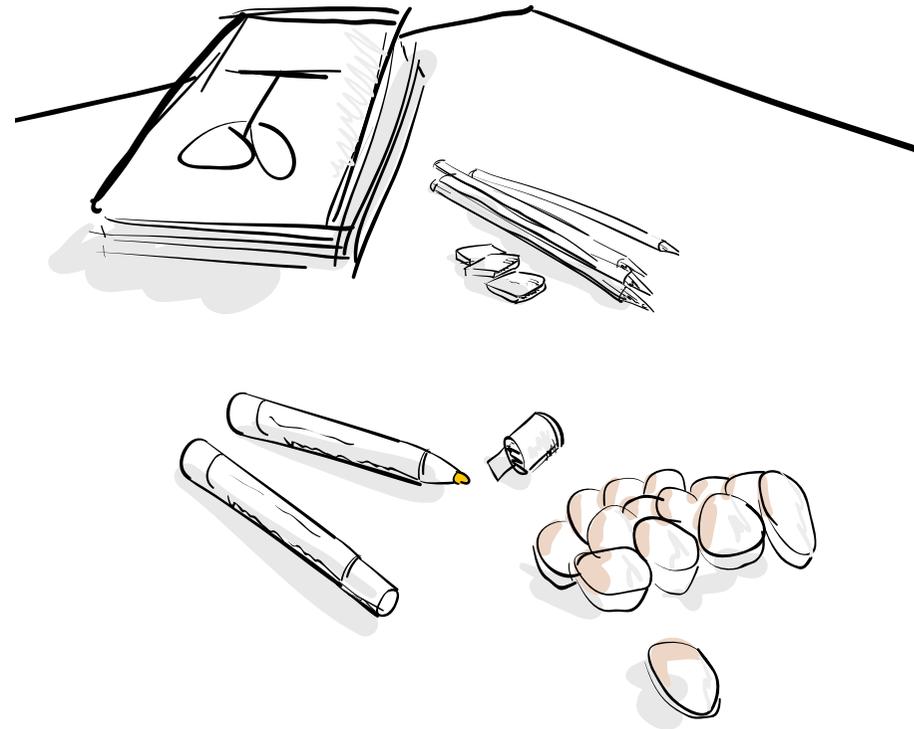
As more people attend the trainings, the Business Club can be an important element of the training program. It serves the purpose of creating a community around entrepreneurship. It will remind people of their commitment and encourage peer support. The Business Club can help the aspiring community of entrepreneurs build a shared identity, connect the participants from separate trainings, sustain an influx of inspiration and knowledge and keep a learning focus. Because it is very simple in structure and doesn't require much facilitation skills, it can also serve as a platform for locals to step up and start inviting guest speakers, facilitating the session, arrange meeting dates, etc. In this way it can help people stand on their own feet without support from outsiders, which should be the goal of any attempt to truly help people.

# Materials

## Materials

Here's the materials you need during the training:

- A timetable for hanging on the wall.
- A flip chart with paper and pens.
- Pieces for moving around on the flip chart.
- Tape or other ways to hang things on the wall.
- Big beans or seeds. (At least one for each participant.)
- A handful of smaller beans for each table.
- A printed set of papers for each participants, including timetable, business tree, money plan, business plan.
- A ball pen, pencil, pencil sharpener and rubber for each participant.
- A questionnaires for each participant.
- A personalized certificate for each participant for handing out at the end of the training.
- Lunch and water for the participants and yourself.



# Further Reading

## Books

Malcolm Harper (1996): Empowerment through Enterprise. Intermediate Technology Publications

Fritjof Capra (2002): The Hidden Connections. Anchor Books.

The Grove Consultants International (2004): Principles of Facilitation. The Grove.

David Sobel (2004): Place-based education: Connecting Classrooms and Communities. The Orion Society.

Jeremy Seabrook (2003): The No-Nonsense Guide to World Poverty. New Internationalist Publications.

Lotte Hughes (2003): The No-Nonsense Guide to Indigenous People. New Internationalist Publications.

Richard Swift (2002): The No-Nonsense Guide to Democracy. New Internationalist Publications.

## Articles

Fritjof Capra: Ecology and Community

Fritjof Capra: Creativity and Leadership in Learning Communities

UNEP: Exploring the Links - Human Well-being, Poverty and Ecosystem Services

ACCIÓN InSight Nr 14: Practical Skills for Micro-Entrepreneurs

Ernestina Coast: Maasai socio-economic conditions: Cross border comparison

Michael Thompson and Katherine Homewood : Entrepreneurs, Elites, and Exclusion in Maasailand

# Three Day Training

## Length

On the next page is the suggested way to combine the modules into a three day training.

## Days

Suggested day of time is from 11 am to 5 pm on weekdays because participants might have to work in the morning and evening.

Avoid market days. In the weekend most people go to church, so avoid this too.

## Target Groups

The program can be used both for the Rural Maasai who want to start up a business, and for the current Business Owners who want to improve their existing business. The reason that the same program can be used for both groups, is that most owners of micro businesses lack basic business skills. But it's best not to mix the two groups in the same class.

## Overview

Each day has a main theme:

- Day 1 is about the basics of business. The business tree is the main tool
- Day 2 is about planning the business. The business plan and money plan are the main tools.
- Day 3 is about running the business in a sustainable manner.

## Outcomes

The program is structured so that the participants can fill out a business plan template during day 2 and 3 of the training. Each question in the business plan template corresponds to a topic in the training. When it's relevant to provide time for working on the business plans, it's mentioned in the module descriptions.

## Day 1

Understanding Business



### Welcome

30 min



### What is a Business?

1 hour



### Profit and Loss

1 hour



### Credits

30 min

### Lunch Break

1 hour



### Money for Living

30 min



### Avoiding Failure

30 min



### Business Community

1 hour

## Day 2

Planning your Business



### The Business Plan

30 min



### Business Ideas

30 min



### Marketing

1 hour



### The Money Plan

1 hour

### Lunch Break

1 hour



### What you Need

1 hour



### Loans

1 hour

## Day 3

Running your Business



### Keeping Records

1 hour



### Business Activities

1 hour



### Sustaining Life

1 hour

### Lunch Break

1 hour



### What you Learned

30 min



### Your Next Steps

30 min



### Goodbye

1 hour

# Welcome



## Goal

Creating a good learning space. Providing participants with a clear overview of the training, and give them a chance to say hello to each other.

## Prepare

Create a big visual timetable and hang it on the wall. Include drawings, so those who can't read can understand the timetable.

Prepare printed material for the participants, including business plan, money plan and timetable.

If you want to hand out certificate at the end of the training, bring the registration list and use the lunch break to note who attends each day.

## Focus Attention

Make it clear when the class starts, for example by ringing a bell.

If some participants does not show up on time, you might not unsure whether you should start the training on time or wait for them. It can be a good idea to ask the participants who have already arrived what they would like to do.

## Welcome

Welcome the participants, and tell them you're looking forward to the training!

## Explain the Purpose

When a group meets for the first time, people try to find out what's going on and if it's the right place for them to be.

Depending on the participants, explain that the purpose of the training is to learn to either start up or improve a business.



## Hand out Material

Hand out the materials for each participant.

## Provide an Overview

Provide an overview of the training by going through the timetable. Keep it brief, and try to use simple words. Focus on the overall goal of each topic. Don't start to explain the content yet.

## Encourage Questions

Make it clear that you want to create the most useful training possible, and encourage questions and comments regarding the timetable.

## Game: Sharing Hopes

The purpose of the game is to say hello to each other and create energy and motivation for the rest of the training.

You need a place with enough space for all participants to walk around amongst each other, and a big bean or seed for each participant. Using seeds or beans is nice because they symbolize possibilities, dream and new beginnings.

- Make everyone stand up somewhere with enough space for walking around. If needed, you can move chairs or go outside.
- Hand each participant a seed.
- Explain that even big trees start as small seeds, and all businesses starts with a dream.
- Explain how the game works: Walk around and find another person to say hello to. Tell the person your name, and your hopes and dreams for the training. What do you hope to learn? What do you dream about achieving after the training? Then hand your seed to the other person. Then the other persons tells you his/her name and hopes and dreams for the training, and then hands you his/her seed. (Now you have exchanged seeds, and still have one each.) Then find a new person and do the same, and so on, until you have meet with all the others. It's a good idea to show what you mean by example.

- Make sure everyone understands the rules.
- Start the game! You should participate yourself. You can tell the other person what you hope will happen at the training, and what you dream the participants will achieve after the training.
- When it looks like everyone has meet everyone else, ask for the group's attention.
- Ask how it felt to exchange hopes for the training? Why? What did they learn? Make sure only one person talks at the same time.

# What is a Business?



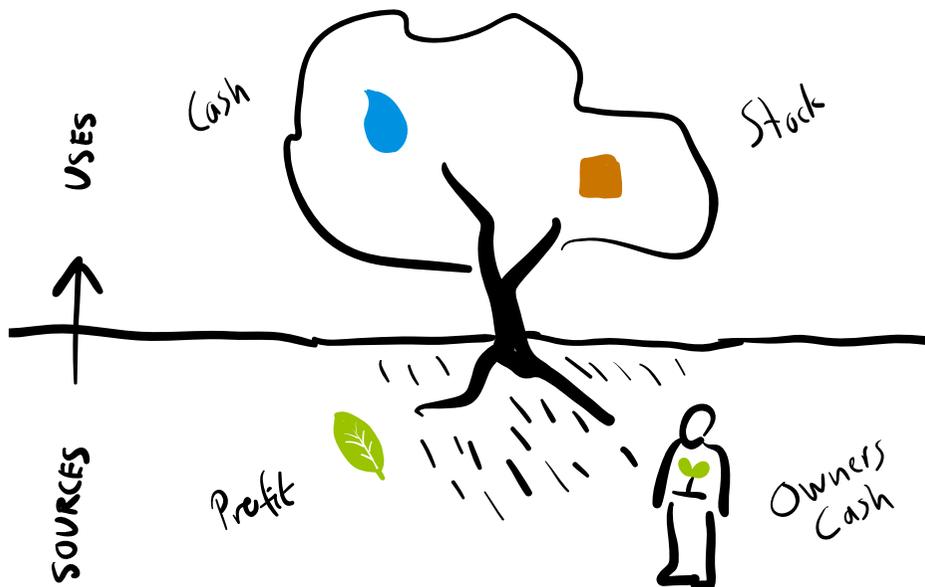
## Goal

Understanding what a business is, and how the basic process of buying and selling works.

Using the business tree to understand business better by looking at sources and uses of money.

## Prepare

Draw a simple business tree on the flip chart. Then cover it with a blank paper.



## Create Work Groups

Make sure participants sit in small groups of 3-5 people.

Ask each group to choose a type of tree as their group name. (Acacia, Mango, Baobab...) You can then use the group names to when asking groups for answers, etc.

## What is a Business?

Ask participants what a business is? What makes something a business? All businesses provides something that others want to pay for. Some businesses buy things and sell them again at a higher price, for example a shop. Other businesses produce things, for example by growing fruits or making furniture out of timber. Another type of business provides a service which others need, like building a house or grinding grain into flour.

## Trees and Business

A tree starts from a small seed. If you choose a good seed and a proper place to plant, it can grow into a healthy tree over time. In a similar way, a business starts with from an idea. If you choose a good idea, it can grow into a healthy business.

A tree must have water to survive. The roots draw up the water from the soil, so the branches can be healthy and grow. A business must have money to survive. Money can come from different sources, like your own pocket or loans, and can be used for things like stock, cash or tools.

If you take care of a tree, it can give nice fruits. If you take care of your business you can give good results.



## Timanoy

Introduce Timanoy, by showing the drawing of her, and reading the following story aloud for the participants.

“ Timanoy is a young Maasai woman. She has a husband and two children. One day Timanoy is walking home from the market, thinking about how to get money for paying school fees for her children. ‘Maybe I could sell beadwork at the market?’ she wonders. ‘Many people here wear beadwork. I could buy some beads and make earrings and necklaces. Then I could bring them to the market and sell them’. After talking to a good friend about her idea, she decides to try. She has 2 (hundred KSh) to start with, and uses them for buying beads.

”

## The Business Tree

The business tree is a way to understand your business better, by looking at the money in your business. What have you spend money on, and where that money came from?

The different roots and branches of the business tree show the different sources and uses of money in your business. At each branch and root, you note the value. You can place a number of beans or pieces, or write a number. It's the value that you should show, not the amount of animals or other goods. For example, if we have some vegetables they might have a value of five, and we would place five pieces (or write five) on the business tree.

When using the business tree, it's not necessary all the branches and roots are in use. A trees starts small with only a few branches.

Explain that you're now going to use the business tree on the flip chart to understand Timanoy's business. You're going to place pieces on the business tree to show how money has been spend, and where it came from.

## Cash

On the business tree, Cash shows the amount of cash in the business. Cash is the money you have in coins and bills.

Is there any cash in Timanoy's business? Not anymore, because she used them all for buying beads.

## Stock

On the business tree, Stock shows the value of the stock in your business. Stock is the things you're going to sell, like vegetables, beads, etc. Note that it's not how much you can get when you sell the stock, but what you paid for it.

Is there any stock in Timanoy's business? Yes, she used the cash of 2 for buying beads. We place 2 pieces on the Stock branch.

## Owners Cash

On the business tree, Owners Cash shows the money you have invested in your business from your own pocket. Once you have placed money on this root, you will not need to move it again.

Where did the money in Timanoy's business come from? From Timanoy's pocket. So we place 2 on Owners Cash to show that Timanoy invested 2 into the business.

## Profit

On the business tree, Profit shows the amount of money the business has made since it started. If you buy something for 3, and sell it for 4, you have made a profit of 1. In the same way, if you buy something for 5, but sell it for only 3, you have a loss of 2, and the profit goes down by 2. When you make a profit, more money come your business and make it grow. Profit is root on the business tree because it's a source of money.

Is there any profit in Timanoy's business? Not yet! It hasn't made any money yet.

## Balance between Roots and Branches

You cannot spend more money than you have. Big branches require big roots. The business tree is always balanced in this way. If you count the total amount at the roots, it must be the same as the total amount at the branches, no matter what has happened in your business. This is no mystery, because it's just the same money we're describing in two ways. We're explaining where the money came from, and what they're being used for.

Show how this is true in the example with Timanoy. There's 2 at the roots, and 2 at the branches.

## Demonstrate the Business Tree

Now read the following events one at a time, and move the pieces around on the business tree on the flip chart to reflect the situation in Timanoy's business. Explain everything you do carefully, and make sure everybody understands. This module is the foundation for the rest of the training! Remember that adding and subtracting can be difficult for many, so use counting.

Remember that there should never be money on both *Profit* and *Loss* at the same time. If Timanoy loses money, start by removing money from the *Profit* root.

→ Timanoy invested 2 and used them for buying beads.

Stock:2 / Owners Cash:2

→ Timanoy creates beadwork from all the beads, and then sells the beadwork for the price of 2. (Profit of 1)

Cash:3 / Profit:1 Owners Cash:2

→ Timanoy buys new stock of beads for 2.

Cash:1 Stock:2 / Profit:1 Owners Cash:2

→ Timanoy sells beads that cost her 1 for the price of 2 (Profit of 1)

Cash:3 Stock:1 / Profit:2 Owners Cash:2

## Work at the Tables

You can now read the following events aloud one at a time, and ask participants to work together in the groups to update the business tree by moving beans around on a printed version of the tree. After a while, ask a table what conclusion they reached, and explain anything they didn't understand correctly.

Cash:3 Stock:1 / Profit:2 Owners Cash:2

→ Timanoy sells beads that cost her 1 for the price of 1.

Cash:4 / Profit:2 Owners Cash:2

→ Timanoy buys new beads for 1.

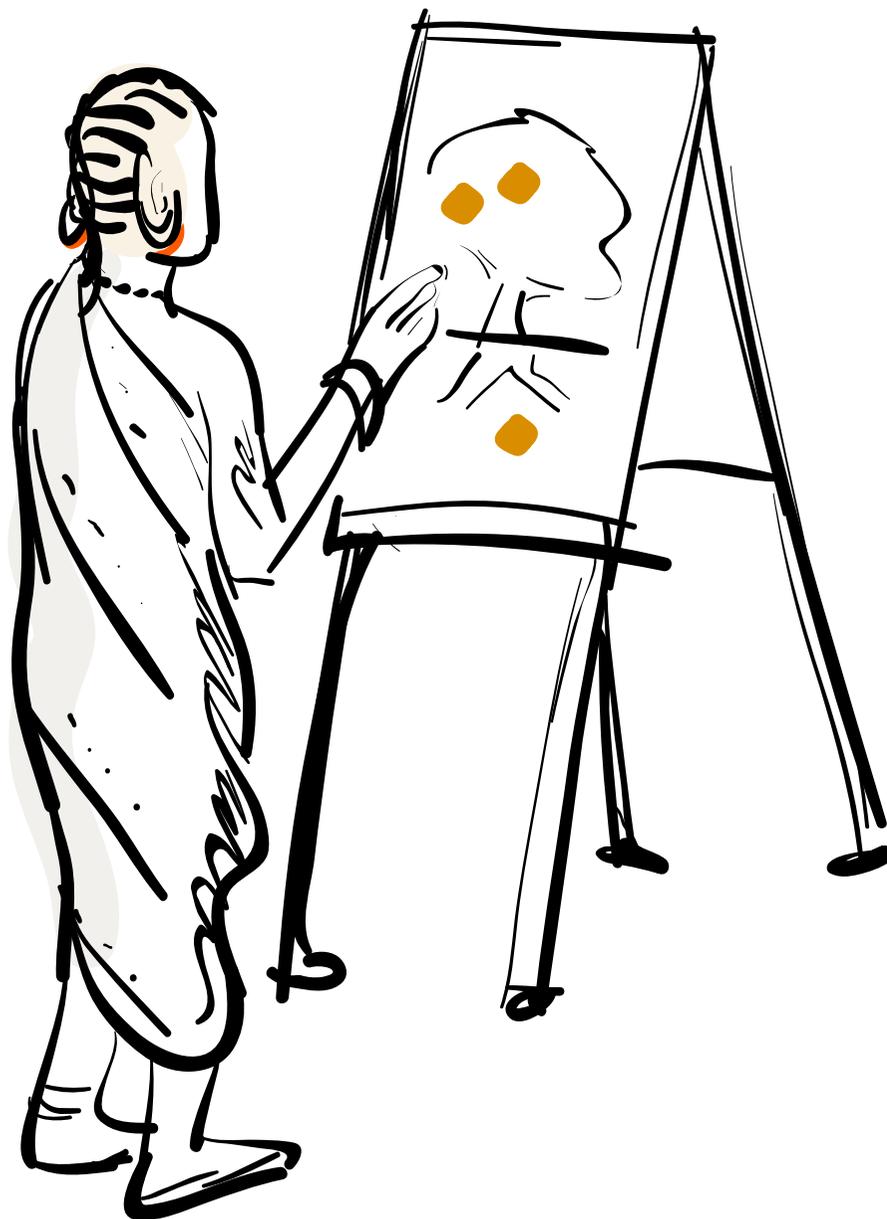
Cash:3 Stock:1 / Profit:2 Owners Cash:2

→ Timanoy sells all her beads for 2. (Profit of 1)

Cash:5 / Profit:3 Owners Cash:2

→ Timanoy uses all her cash to buy more beads.

Stock:5 / Profit:3 Owners Cash:



## Invite Participants to the Flip Chart

When participants seem a little more confident, you can ask volunteers to help you at flip chart. Read a story event, then ask someone to update the business tree at the flip chart by moving the pieces. Be sure to have extra pieces available in case Timanoy makes a profit!

Use the fact that roots and branches always balance as a way to help participants check if the tree has been updated correctly. If something is not right, you can ask if the tree balanced. If not, what's wrong?

Stock:5 / Profit:3 Owners Cash:2

→ Timanoy sells all her beads to a friend for 3. (Loss of 3)

Cash:3 / Profit:1 Owners Cash:2

→ Timanoy buys new beads for 2.

Cash:1 Stock:2 / Profit:1 Owners Cash:2

→ Timanoy sells them again for 4. (Profit of 2)

Cash:5 / Profit:3 Owners Cash:2

→ Timanoy uses 2 to buy beads.

Cash:3 Stock:2 / Profit:3 Owners Cash:2

→ On the way to the market, Timanoy loses beads that cost her 1. (Loss of 1)

Cash:3 Stock:1 / Profit:2 Owners Cash:2

## Need more Story Events?

If you make up more examples yourself, you might want to avoid situations where Timanoy's profit goes below zero (turns into a loss), just to keep things simple at this point. On the simple business tree, there's no branch showing loss.

## Reflect

Ask participants what they learned? How can it help them? Did anything surprise them?

# Profit and Loss



## Goal

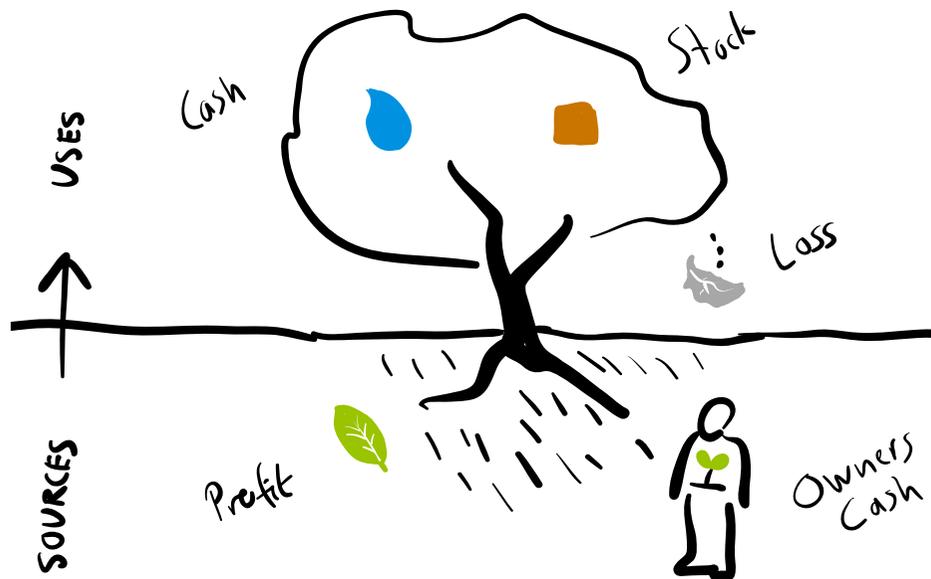
To understand what causes profit and loss, and when it happens.

To learn the difference between making profit and the total profit in a business.

To understand the relation between profit and loss, and how a profit turns into a loss, and a loss turns into a profit.

## Prepare

Draw a business tree on the flip chart. Prepare pieces for moving around on the tree.



## The Profit or Loss of a Business

Profit means the money a business has made. When we talk about the profit or loss of the business, we mean how much money the business has made or lost in total since it started. We can also talk about the profit or loss made from a particular sale.

## Profit or Loss - not both

Profit and loss are two ends of the same thing. A loss is like a hole in the ground - if we start throwing soil into it, the hole gets smaller and smaller, and then turns into a heap which gets bigger and bigger.

If you have lost money, but then start to slowly make money again, the total loss gets smaller and smaller. Then it turns into a growing profit. If you have made a profit, but then start to slowly loss money, the total profit gets smaller and smaller. Eventually it turns into a growing loss.

When we use the business tree, there should never be money at profit and loss at the same time. A heap on the ground can't also be a hole in the ground at the same time! The profit root and the loss branch show the total result of the business since it started. You might have made both profit and loss along the way, but in the end, the total result is either a profit or a loss.



## Profit

On the business tree, Profit shows the amount of money the business has made since it started.



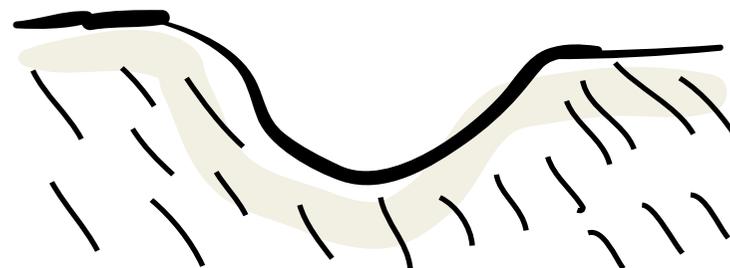
## Loss

On the business tree, Loss shows the amount of money the business has lost since it started.

Profit



Loss



## Story

Read the following story aloud:

“ Timanoy put 2 into the business when she started, and has made 1 in total profit since she started. She has a stock of beads that she paid 3 for, and no cash. She now works to turn the beads she bought into nice necklaces for selling, and then goes to the market. But she can't get a good price for her beadwork that day. However, she needs money for buying food, so she has to sell them, even though the price she gets is not very high. She sells all the beadwork for 1. ”

Ask participants whether Timanoy made money, or lost money? Why? Timanoy lost 2 because she bought the beads for 3, and sold them for only 1. The previous profit in the business of 1 disappears and turns into a loss of 1.

Invite a volunteer to help you update the business tree accordingly.



## Practice using the Business Tree

Now read each event below aloud, and work together with participants to update the business tree, either at the tables or by bringing volunteers to the flip chart.

Make sure everyone understand that the tree is always balanced, even when we have a profit or loss. The total amount at the branches is always the same as the total amount at the roots. Remember that there should never be money on both Profit and Loss at the same time on the business tree.

If you make up new story variations, avoid situations where Timanoy has no cash or stock left. In that situation she would have to put more of her own money into the business or take a loan. That's covered in another module.

→ Timanoy has been running her bead business for a little while.

Cash:1 Stock:1 / Owners Cash:2

→ Timanoy buys beads for the cash of 1 she has left.

Stock:2 / Owners Cash:2

→ Timanoy sells all the beads for a price of 2.

Cash:2 / Owners Cash:2

→ Timanoy buys new beads for 1, and sells them for a nice price of 2. (Profit of 1)

Cash:3 / Profit:1 Owners Cash:2

→ Timanoy buys a bigger amount of beads for 2.

Cash:1 Stock:2 / Profit:1 Owners Cash:2

→ Timanoy sells stock worth 2 and gets 3. (Profit of 1)

Cash:4 / Profit:2 Owners Cash:2

→ Timanoy buys a new stock of beads for 3.

Cash:1 Stock:3 / Profit:2 Owners Cash:2

→ Timanoy sells all the beadwork, but only gets 2. (Loss of 1)

Cash:3 / Profit:1 Owners Cash:2

→ Timanoy uses 2 of the cash to buy new beads.

Cash:1 Stock:2 / Profit:1 Owners Cash:2

→ On the way to the market, Timanoy loses all the beads, and never finds them. (Loss of 2)

Cash:1 Loss:1 / Owners Cash:2

→ Timanoy uses the last cash of 1 to buy beads.

Stock:1 Loss:1 / Owners Cash:2

→ Timanoy has a good day at the market, and sells all the beadwork for 2. (Profit of 1)

Cash:2 / Owners Cash:2

→ Timanoy buys new beads for 2, and sells them for 3. (Profit of 1)

Cash:3 / Profit:1 Owners Cash:2

→ Timanoy buys new beads for 3, and sells them for 5. (Profit of 2)

Cash:5 / Profit:3 Owners Cash:2

→ Timanoy buys new beads for 4.

Cash:1 Stock:4 / Profit:3 Owners Cash:2

→ Timanoy sells beads she paid 2 for, but gets only 1. (Loss of 1)

Cash:2 Stock:2 / Profit:2 Owners Cash:2

→ Prices are still low at the market, and Timanoy sells the rest of the stock and gets 1. (Loss of 1)

Cash:3 / Profit:1 Owners Cash:2

→ Timanoy uses 3 for buying beads, but can only get 2 when selling them. (Loss of 1)

Cash:2 / Owners Cash:2

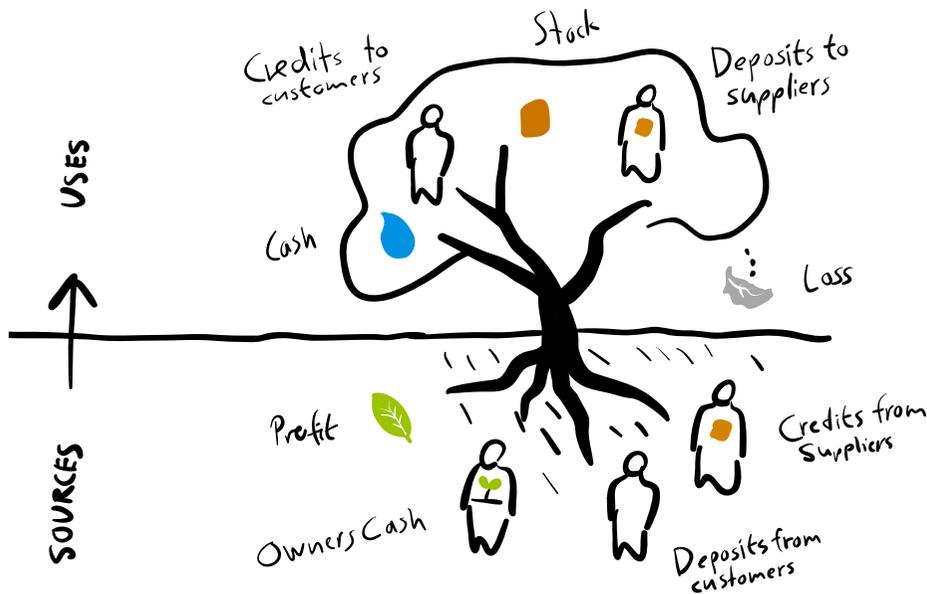
# Credits

## Goal

Understanding what credits are, and how they influence the business.  
 Understanding when the profit or loss occurs, and the difference between customer credits and supplier credits.  
 This module does not explain loans and interests. That's covered in the module 'Loans'.

## Prepare

Draw a Business Tree on the flip chart. Prepare pieces for moving around on the tree.



## What is a Credit?

What is a credit? When you allow a customer to pay later, we say you have given the customer a credit. The customer now owes you money. You 'own' the right to be paid later. You can also get a credit from a supplier. This happens when you get some goods but are allowed to pay later.

## Giving a Credit

“ Timanoy buys beads for 3 and creates some beautiful earrings out of them. Then she goes to the weekly market to try to sell them. A woman Timanoy knows well comes by and likes the earrings very much. She is interested in buying, and after some negotiations, she agrees to pay 3 for some beadwork that cost Timanoy only 1 to make! It's a good deal for Timanoy. However, the woman tells Timanoy that she will only buy them if she can take the beads now and pay next week. Timanoy accepts, because she knows the woman and the price is good. ”

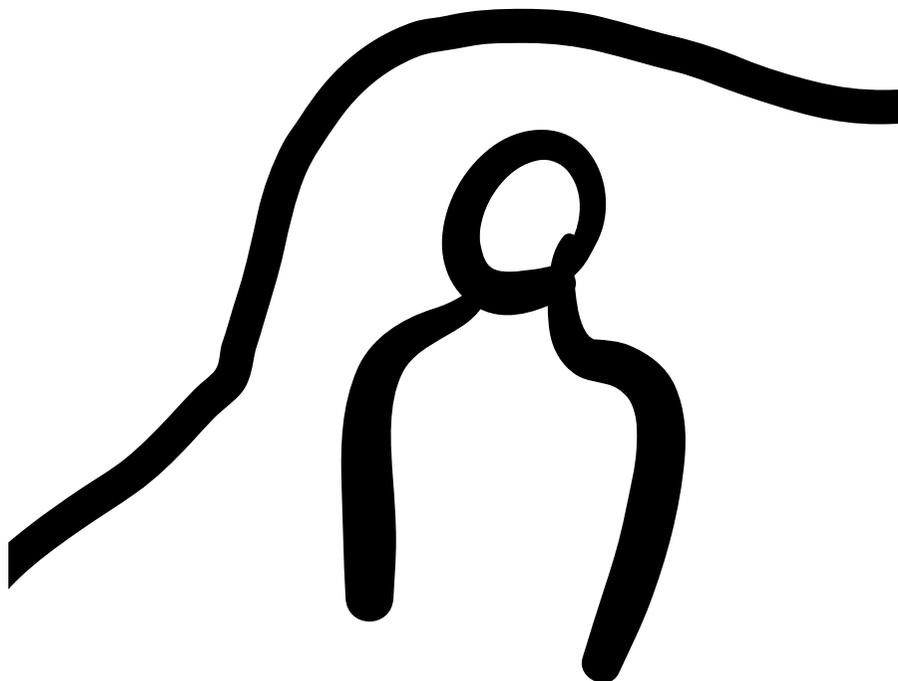
Ask participants if Timanoy has more cash than before? No! Did she make a profit? Yes! She made a profit of 2, even though she didn't get the cash yet. The profit is made in the moment you make the sale, because you know you're supposed to be paid later.

Show how to update the business tree to show the customer credit Timanoy gave.

- Timanoy invests cash of 3 to start her business.  
Cash:3 / Owners Cash:3
- Timanoy uses the cash of 3 to buy beads.  
Stock:3 / Owners Cash:3
- Timanoy sell beads of 1 for the price of 3, on credit. (Profit of 2)  
Owed by Customers:3 Stock:2 / Profit:2 Owners Cash:3

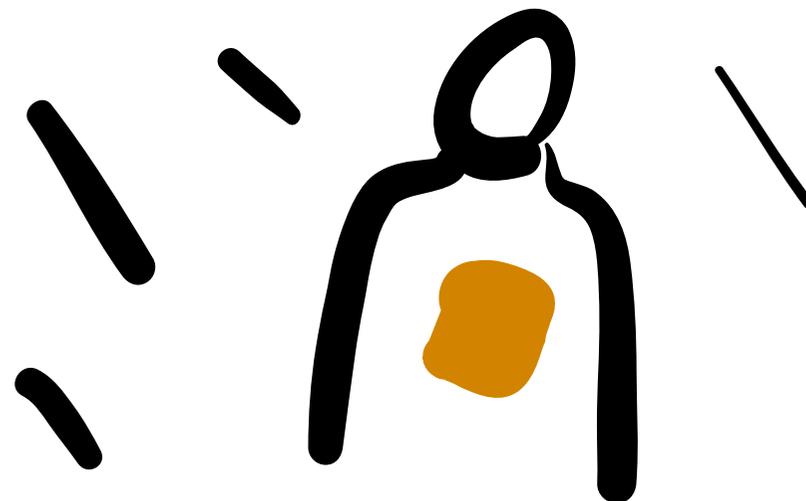
### Credits to Customers

On the business tree, Credit to Customers is indicated by a small drawing of a customer at one of the branches. Credit to Customers shows the total value of credits the business has given to customers.



### Credits from Suppliers

On the business tree, Credits from Suppliers is indicated by a small drawing of a supplier at one of the roots. Credits from Suppliers shows the total value of credits the business has gotten from suppliers.



## Getting the Money

“ The next week Timanoy goes to the market again. She waits for the woman who owes her 3. In the afternoon she shows up, pays Timanoy the 3 and says she’s happy about the beadwork. ”

Ask participants how much profit Timanoy made? It’s a trick question! Some might answer that she made 2, but explain that she did not make any profit, because she already made the profit in the moment the customer agreed to pay 3.

Show what happens to the business tree.

## Getting a Credit

“ After some good days at the market, Timanoy needs to buy more beads. She goes to where she usually buys her beads, to buy new stock for 2. But when she wants to pay, she discovers that she forgot her money at home! She doesn’t want to walk all the way once more, so she asks if she can bring the money next time. She has already bought several times, so the supplier knows her and agrees to let her pay next week. ”

Work with participants to correctly update the business tree.

Your business can also get credits. For example, you might buy goods from a supplier and agree to pay later. When your business buys on credit from a supplier, it’s very much like getting a loan, except you’re getting goods instead of money. Because it’s a source of value, it’s one of the roots of the business tree. But getting loans and credits are different from your own money, because they must be paid back!

## Practice using the Business Tree

Use the events below, either to demonstrate, make people work at the tables or to invite participants to help you at the flip chart.

Remind participants that the tree is always balanced, even when giving credits to customers or getting credits from suppliers. They can use this to check if they’re updating the business tree correctly.

→ Timanoy has been running her bead business for a little while.

Stock:2 / Owners Cash:2

→ Timanoy sells all her beadwork for the price of 4, on credit. (Profit of 2)

Credits to Customers:4 / Profit:2 Owners Cash:2

→ The customer pays the 4 she owes Timanoy.

Cash:4 / Profit:2 Owners Cash:2

→ Timanoy buys stock for 3, on credit.

Cash:4 Stock:3 / Profit:2 Owners Cash:2 Credits from Suppliers:3

→ Timanoy sells stock of 1 for the price of 3, on credit. (Profit of 2)

Cash:4 Credits to Customers:3 Stock:2 / Profit:4 Owners Cash:2 Credits from Suppliers:3

→ The customer who owed Timanoy 3 dies. (Loss of 3)

Cash:4 Stock:2 / Profit:1 Owners Cash:2 Credits from Suppliers:3

→ Timanoy sells the rest of her beadwork for 2. (Profit of 1)

Cash:7 / Profit:2 Owners Cash:2 Credits from Suppliers:3

→ Timanoy pays the supplier the 3 she owes.

Cash:4 / Profit:2 Owners Cash:2

→ Timanoy buys new beads for 4.

Stock:4 / Profit:2 Owners Cash:2

→ A customer buys beads that cost Timanoy 2 for the price of 4. She pays 2 in cash, and and is given a credit of the remaining 2. (Profit of 2)

Cash:2 Credits to Customers:2 Stock:2 / Profit:4 Owners Cash:2

→ Timanoy buys beads for 2 on credit.

Cash:2 Credits to Customers:2 Stock:4 / Profit:4 Owners Cash:2 Credits from Suppliers:2

→ The customer pays the 2 she owes Timanoy.

Cash:4 Stock:4 / Profit:4 Owners Cash:2 Credits from Suppliers:2

→ Timanoy pays back 1 of the 2 she owes her supplier of beads.

Cash:3 Stock:4 / Profit:4 Owners Cash:2 Credits from Suppliers:1

→ Timanoy sells stock worth 3 for 4. (Profit of 1)

Cash:7 Stock:1 / Profit:5 Owners Cash:2 Credits from Suppliers:1

→ Timanoy pay backs the last 1 she owes to the supplier.

Cash:6 Stock:1 / Profit:5 Owners Cash:2

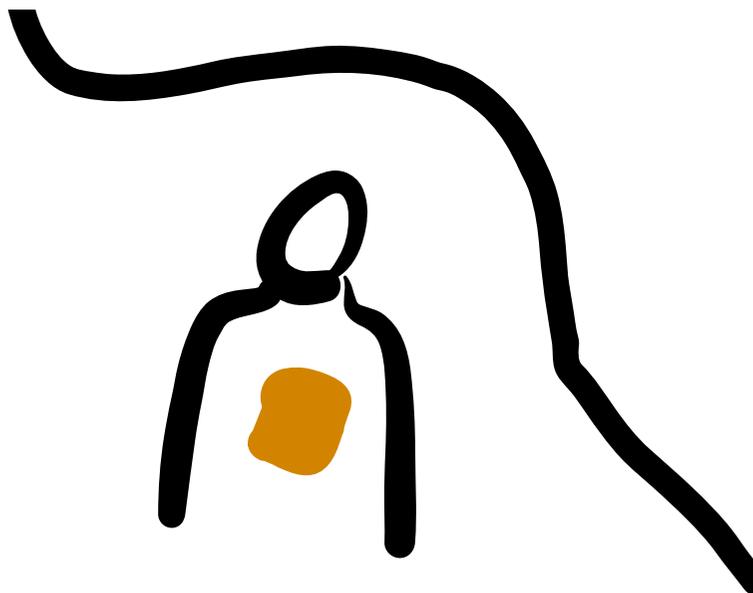
- Timanoy buys news beads for 3.  
Cash:3 Stock:4 / Profit:5 Owners Cash:2
- Timanoy sells stock worth 2 for 3, all on credit. (Profit of 1)  
Cash:3 Credits to Customers:3 Stock:2 / Profit:6 Owners Cash:2
- The customer pays 1.  
Cash:4 Credits to Customers:2 Stock:2 / Profit:6 Owners Cash:2

## Deposits

When someone gets the goods now, and pays later, we call it a credit. When someone pays now, and gets the goods later, we call it a deposit. Another way to say it is that a credit is paying later, and a deposit is paying up front.

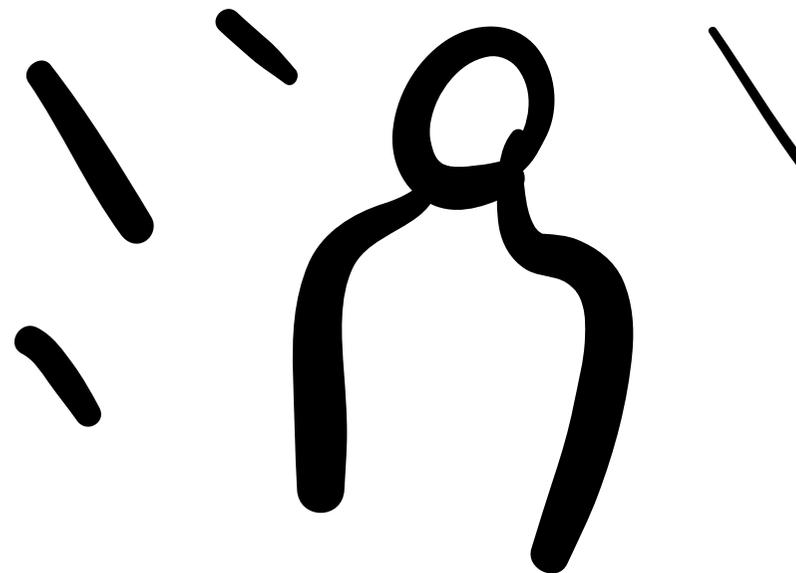
## Deposits to Suppliers

On the business tree, Deposits to Suppliers is indicated by a supplier at one of the branches, and shows the total value of deposits the business has paid to suppliers.



## Deposits from Customers

On the business tree, Deposits from Customers is indicated by a customer at one of the roots, and shows the total value of deposits the business has been paid by customers.



## Reflect

Facilitate a discussion about giving and getting credits. What are the benefits and risks? When should you do it and avoid it? What is important to remember?

When giving out a credit, there is always a risk that you will never get the money. For example, you might forget that the person owes you money, or the person might move away, or not be able to pay you. If that happens, you have a loss! Give credits only to people you trust will be able to pay you the money. Also try to find a way to record and remember who you have given credits to. (There's more about this in the 'Keeping Records' module.)

# Money for Living



## Goal

Learning how profit can be either reinvested or used, and how this affect the growth of the businesses.

Learning how to avoid taking too much money out of the business for personal use.

## Taking out Profit

The purpose of running a business is often to make some money for yourself and your family. Taking money out your business is not a problem as long as you take care not to take out too much.

When the business is small, you need to be extra careful not to dry it out. It's better to leave enough money in the business so that it can grow. When it gets bigger, and has stronger roots, when it makes more profit, taking out money for your own use is less dangerous.

When you take profit out, it's like there's another tree next to your business tree that sucks from the same water source.

## Scenario: Staying Small

Work with participant to play through the following scenario.

“ Timanoy has been running her bead business for a while. Each week she goes to the market, and sells beadwork. Timanoy usually sells all the beadwork that she brings, and get 4 in cash. The 2 she uses for buying new beads, while the other 2 is used for buying food for the family. ”

- Timanoy has been running her bead business for a little while.  
Stock:2 / Owners Cash:2
- Timanoy sells her beadwork at the market for 4. (Profit of 2)  
Cash:4 / Profit:2 Owners Cash:2
- Timanoy buys stock for 2.  
Cash:2 Stock:2 / Profit:2 Owners Cash:2

- Timanoy takes out cash of 2. (Loss of 2)  
Stock:2 / Owners Cash:2
- Timanoy sells her beadwork at the market for 4. (Profit of 2)  
Cash:4 / Profit:2 Owners Cash:2
- Timanoy Buys stock for 2.  
Cash:2 Stock:2 / Profit:2 Owners Cash:2
- Timanoy takes out cash of 2. (Loss of 2)  
Stock:2 / Owners Cash:2
- Timanoy sells her beadwork at the market for 4. (Profit of 2)  
Cash:4 / Profit:2 Owners Cash:2
- Timanoy buys stock for 2.  
Cash:2 Stock:2 / Profit:2 Owners Cash:2
- Timanoy takes out cash of 2. (Loss of 2)  
Stock:2 / Owners Cash:2

Did the participants see a pattern?

The same thing was happening every week: Timanoy takes out 2 for living, and uses 2 for buying new beads. The business never grows.

## Scenario: Growing

Now play through this scenario with the participants.

- “ Timanoy decides to try to make her bead business grow. To sell more beadwork she needs more money for buying beads. To get the money, she tries to take out less money from the business for some weeks. ”
- Timanoy has been running her bead business for a little white.  
Stock:2 / Owners Cash:2
  - Timanoy sells beadwork of 2 at the market for 4. (Profit of 2)  
Cash:4 / Profit:2 Owners Cash:2

- Buying stock for 3.  
Cash:1 Stock:3 / Profit:2 Owners Cash:2
- Taking out cash of 1. (Loss of 1)  
Stock:3 / Profit:1 Owners Cash:2
- Timanoy sells beadwork of 3 at the market for 6. (Profit of 3)  
Cash:6 / Profit:4 Owners Cash:2
- Buying stock for 3.  
Cash:3 Stock:3 / Profit:4 Owners Cash:2
- Taking out cash of 3. (Loss of 3)  
Stock:3 / Profit:1 Owners Cash:2
- Timanoy sells beadwork of 3 at the market for 6. (Profit of 3)  
Cash:6 / Profit:4 Owners Cash:2
- Buying stock for 3.  
Cash:3 Stock:3 / Profit:4 Owners Cash:2
- Taking out cash of 3. (Loss of 3)  
Stock:3 / Profit:1 Owners Cash:2
- Timanoy sells beadwork of 3 at the market for 6. (Profit of 3)  
Cash:6 / Profit:4 Owners Cash:2
- Buying stock for 3.  
Cash:3 Stock:3 / Profit:4 Owners Cash:2
- Taking out cash of 3. (Loss of 3)  
Stock:3 / Profit:1 Owners Cash:2

Ask the participants what is different about the new way Timanoy runs her business?

By taking out less money in the beginning, the business could grow. When it becomes bigger, Timanoy can take out 3 each week, instead of just 2.

Ask participants what are the benefits and disadvantages of the two ways?

## What you can Take Out

When you take money out of the business for living, the total profit of the business goes down, and prevents your business from growing. When you keep the money in the business, it can grow. Profit is one of the roots of the business tree.

To take good care of a plant, you need to look at the leaves. To take good care of your business, you need to know how much profit it is making, so you can decide how much money it is safe to take out.

## Finding a Good Business Size

A tree will grow into its natural size, and then stay at that size. If it kept growing, the branches would get too heavy and start breaking! A tree also takes time to grow. New leaves must be supported by solid branches. A big tree requires many branches.

In a similar way, your business does not have to grow all the time. A bigger business requires more advanced systems for operating, which are often more difficult to setup and use. If your business grows too fast, you can get problems, because you will not have the time to learn and implement the required skills and systems.

## Bigger or Better?

A small tree with many fruits is better than a large tree with few fruits. Instead of growing your business bigger, it can sometimes be better to improve it. For example, instead of just selling more, you might learn to get better prices, or lose less on giving our credit to people who never pay. This way, you might make more money with the same amount of work, or make the same amount of money with less work.

It's good to remember that there can be advantages to being small. For example, a seedling can be replanted to a new place if needed. A big tree is much harder to move! When a business is small, you can quickly make decisions and changes. A bigger business is more difficult to change.

It can be a great idea to grow your business. It can also be great to keep it at its current size. The important thing is to consider what skills and resources it will require, and what will benefit you, the community and the land.

# Avoiding Failure



## Goal

Learning about common ways that businesses fail, and how to avoid these situations.

## When has a business Failed?

When is a tree dead? When it can't sprout new leaves, and has stopped drawing water up from the soil. A business has failed when it has run out of money and can't operate.

A failure means you don't have any choices left. For example, if you don't have any cash or stock left, what can you do? Unless someone owes you money or you can invest more money, the business has failed.

Even if you still have stock left, running out of cash is dangerous because any unexpected expense will cause a problem.

## Why do Businesses fail?

Ask participants why a business might fail? Do they have examples or experiences? Most reason have to do with running out of money because the expenses are larger than the income. You avoid failure by making sure the income is big enough, and expenses are small enough.

## Too little Income

If you can't sell enough, your business will die in the end, because too little money is flowing in. Your tree have bad roots! When this is the problem, the business often gets smaller and smaller over time, and then finally dies.

How can you avoid too little sale? The first step is to choose the right business idea. If nobody needs what you try to sell, you're in trouble. The right quality, price, etc. is also important. There's more about this later in the training.

## Too many Expenses

Even when money is flowing into your business, it might fail if too much is flowing out at the same time. This happens if you have too many expenses, or take too much out for living.

Try playing trough this scenario, perhaps inviting someone to help you update the business tree along the way:

- Timanoy invests cash of 3 to start her bead business.  
Cash:3 / Owners Cash:3
- Timanoy uses all the cash to buy beads.  
Stock:3 / Owners Cash:3
- Timanoy sells 2 worth of stock and gets 3. (Profit of 1)  
Cash:3 Stock:1 / Profit:1 Owners Cash:3
- Timanoy uses 2 for her family. (Loss of 2)  
Cash:1 Stock:1 Loss:1 / Owners Cash:3
- Timanoy buys new stock for the remaining cash of 1.  
Stock:2 Loss:1 / Owners Cash:3
- Timanoy sells 2 worth of stock and gets 3. (Profit of 1)  
Cash:3 / Owners Cash:3
- Timanoy uses 2 for her family. (Loss of 2)  
Cash:1 Loss:2 / Owners Cash:3
- Timanoy buys new stock for the remaining cash of 1.  
Stock:1 Loss:2 / Owners Cash:3
- Timanoy sells 1 worth of stock and gets 2. (Profit of 1)  
Cash:2 Loss:1 / Owners Cash:3
- Timanoy uses 2 for her family. (Loss of 2)  
Loss:3 / Owners Cash:3

Now there's no stock left - and no cash to buy new stock for. The business has failed! What happened? What mistake did Timanoy make?

Timanoy took out too much for living, which caused the business to dry out. Each week Timanoy got 3 from selling beadwork, but they cost her 2 to make. So actually the profit from sale each week was only 1. When she took out 2 for living, she was drying out the business. She picked more leaves off the tree than what had time to regrow.

Your business can fail if the value of your stock is decreasing, and you don't realize it. In the end you will run out of stock, and might not have money to buy new stock.

Money for living is an expense for the business. Customers who never pay back credits, bad prices, or food which turns bad are other types of expenses.

How can you avoid too many expenses? Be careful about how much money you take out of the business. It's good to keep some kind of records, so you know how your business is doing. This is explained later in the training.

### Running Dry before becoming Profitable

Another reason your business might fail, is if you don't have enough money to keep it running until it starts making money. For example, if you want to grow crops, it's very important that you have enough money for all the expenses you will have until you can sell your crops, like planting, harvesting and loan repayments.

If you run dry in the middle, you will not have money for harvesting, and the business will fail. If you start a shop, it might take time before people hear about it and start buying from your shop.

Remember that micro loans must be repaid each week, starting the week after you get the loan, so you will have a weekly expense even if you're not making money yet.

If your business runs out of money before it grows strong roots, it dries up and dies! To plan ahead and avoid this situation, it's a good idea to make a money plan. That's explained later in the training.

### Giving out too much Credit

When you give out credits, there's always a risk that you will never get the money, either because the person can't pay, or because you forget who you gave credits to. If this happens you have a loss. If it happens to often, it can 'eat up' all the profit you're otherwise making.

Another problem with giving out too much credit is that it might cause your business to run out of money. Then you might not be able to buy new stock, etc.

How can you avoid giving out too much credit? You should be careful about who you give a credit, and find a way to remember who you have given credits to. This is explained later in the training.

### Keep Expenses smaller than Income

The key to avoiding failure is to make sure that expenses are never bigger than the income. A tree is healthy when the roots are strong and big enough to provide water for all the branches. Your business will be healthy when the income is big enough to support your expenses. To know if you're keeping a healthy balance, it's important to know what's going on in your business, how much profit you're making, etc. There's more about keeping business records later in the training.



### Sustain your Business

To sustain a forest, don't cut more trees than what have time to regrow. To sustain your business, don't take out more money than what has time to regenerate.

### Reflect

Ask participants what they learned? Did something surprise them? Does anyone have relevant experiences they want to share?

# Business Community

## Goal

Understanding how different businesses depend on each other, and how a thriving community economy will benefit all the local businesses.

Learning how money in a community can either circulate or leak out, and what causes this.

## Prepare

Try to identify one common type of product that is not produced locally, but could potentially be. Perhaps a certain type of popular vegetable, etc.

## Planting in the Desert

You can't plant a seed in the desert. It would quickly die from a lack of water. In the same way, no business can exist on its own, because it depends on other businesses and the money that circulate. A healthy business community will make it much easier for you to run your own business.

## Game: Money Leaking from the Community

The purpose of the game is to learn how local businesses depend on each other. You will need a seed for each participant, enough space for participants to walk around amongst each other, and some chairs, benches etc, to mark the space.

- Create a 'community' by placing chairs, benches, etc. in a circle with enough space inside for all participants to walk around amongst each other. You might do it outside.
- Ask all participants to go inside the 'community' and stand in a circle. Explain that the circle will be the local community, and that each participant will be a local business in the community.
- Hand each participant a seed and explain that the seeds represent money.
- Explain that you yourself will be a business outside the community, selling something (decide this before you start) that many people in the community buy often, but which is not produced locally. Step outside the 'community' as you explain this to make it clear.
- Ask each person in turn to decide what he/she sell, (for example tomatoes, eggs, etc.) and tell the group. Nobody should sell the same as you.
- Demonstrate how the game works: Each person walks around in the 'community', announcing their goods or service. If you have money, you can choose to buy something from another business by handing over a seed to that business. You don't get anything back because in this game we're looking at the money. If you don't have any money, you keep walking around, announcing your goods, hoping someone will buy from you. You keep buying and selling.
- Remind people that they can also choose to buy from you.
- Make sure everyone understands how the game works.
- Start the game! People should be walking around amongst each other, announcing their goods, and exchanging seeds. Once in a while someone should also hand you a seed. If nobody is buying from you, announce your goods more effectively!
- After a couple of minutes, stop the game.
- Ask people to stand in a circle, and ask for reflections: What happened? Where did the money go? What did they learn?

Each time someone bought outside the community, a little money was leaking out of the community. Less and less money was circulating inside the community, making business harder for everyone in the community.



### Game: Money Circulating in the Community

- Repeat the game above, but this time, explain that someone in the local community now produces and sells your product. Step inside the 'community' to visualize it.
- Start the game! You should walk around and spend the money you get by buying from different local businesses in the community, just like all the others.
- After a few minutes, stop the game, and ask for reflections. What happened? Why? What was different this time? What did they learn about how businesses depend on each other?

This time the money was not leaking out, but was instead circulating inside the community, making business better for everyone.

### Selling to the Outside

If a business sells to the outside, money will flow into the community. For example, someone might grow Asian vegetables and sell them to someone outside the community. However, there can be a drawback: If it means that nobody in the community is growing cabbage anymore, everybody will then have to buy cabbage outside the community, perhaps at a high price!

Often the community will benefit most from producing the things it need locally, before trying to sell to the outside.

### The Business Forest

One reason that it's moist in a forest is that all the trees help draw up water from the ground and circulates it into the air. Together the trees provide shade and prevents the water from just disappearing into the sky like it does in a desert.

In the same way, if your community can circulate money, all businesses will benefit. If a business is doing well, the owner will spend the money again to buy things from other businesses. By helping each other, together you can grow a healthy business forest.

### Reflect

Ask participants what they learned? What surprised them? How can they use this learning? How can they help each other to make money circulate in the community instead of leaking out?

# The Business Plan



## Goal

Understanding what a business plan is, and how it can be useful.

Each part of the business plan is covered in a separate module, where participants can work on their own individual business plans.

## Prepare

Prepare a business plan template for each participant, including a money plan. You might already have done this at the start of the training.

## What is a Business Plan?

Ask participants what a business plan is? What are they useful for?

- A business plan is a description of your business ideas, and how you plan to start your business.
- It can help you to think ahead and avoid unpleasant surprises.
- It can help you decide if you need a loan.
- It can help you see what needs to be done, and when.
- It can help you decision whether your business idea is good enough to spend time and money on, or you should search for a better idea.
- It's a good way to explain your business idea to others. For example, if you want to apply for a micro-loan, you must have a business plan.

## If you can't Read and Write....

If you can't read and write, you can still make a business plan! You can either get someone to help you write, or you can draw. The most important thing about doing a business plan is thinking ahead and considering who will be your customers, etc. Doing this is important and useful for any person wanting to start a business.

But writing things down on paper will help you to remember what you discover and decide while you're planning.

## Overview of the Business Plan

Ask the participants to look at their business plan templates. Why is there a seedling on the front? Because it's a plan for 'growing' a business!

The plan contains questions that are useful to consider when planning a business. As you go through each question below, first ask participants to guess which drawing in their template matches the question. Then ask participants why the question is important to consider?

- What product or service will your business provide?
- Who will be your customers?
- Why will your customers buy from your business, rather than from your competitors?
- Will you plan ahead in days, weeks or months?
- What important equipment and supplies will be needed, and what will it cost?
- What is your best guess of the total sales and expenses each period?
- How much money is needed to start the business and keep it running until it makes a profit?
- Who is going to provide this money?
- Who is starting the business, and what skills do they have which should enable them to succeed?

If you can answer all these questions, you have a good plan for starting your business!

## How to fill out your Business Plan

You create your business plan by carefully considering each question, and filling in your answers. Later in the training, each question is covered. To answer the questions well, you might need to talk with other people, find out the prices of materials and equipment, etc. If that's not possible during the training you will have to fill in your best guesses. Then you can adjust your plan later.

The following modules will explain more about answering each question.

When a tree grows, the different roots and branches all grow at the same time, adjusting to the stones and other obstacles they meet. In a similar way, when you work on your business plan it's fine to go back and forth between the different questions, adjusting your answers as you discover new things and change decisions.

For example, if you change your mind about how you want to attract customers, you might need to go back and adjust your money plan.

In the end, you should have answered all the questions, and your answers should fit well together and form a plan that you believe in. You should be able to answer any relevant question people might have regarding how you plan to start your business. When you can do that, you will also feel confident yourself!

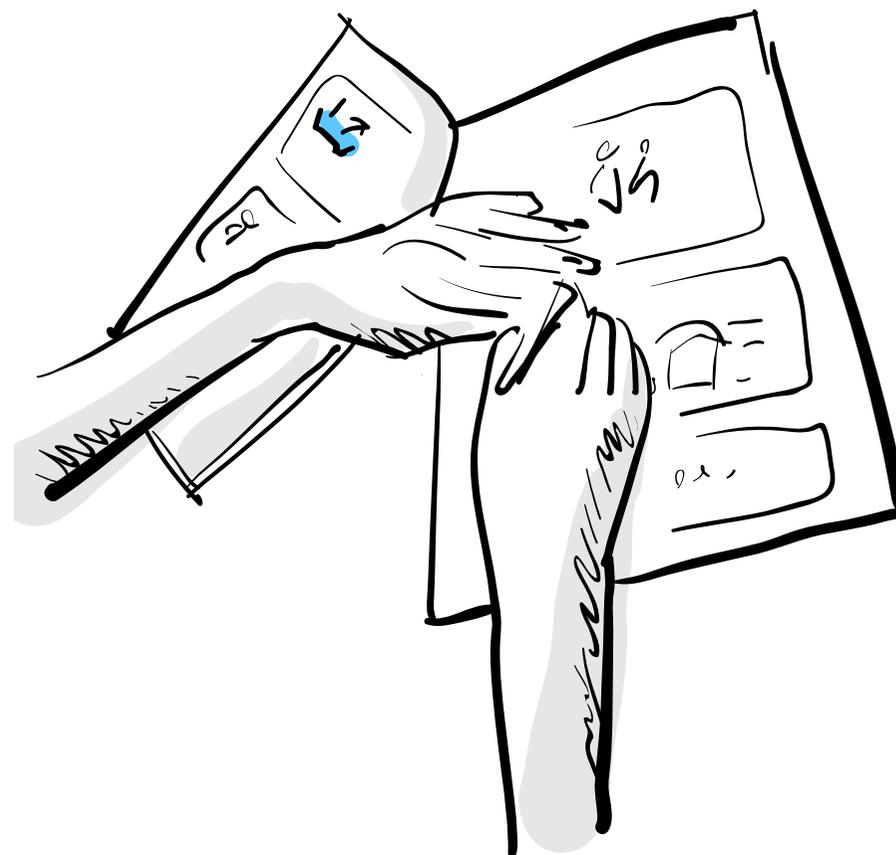
## Explaining to Others

Because an important use of your business plan is to show it to others, you should take care to explain things in a way that is easy to understand for other. Remember that things which are obvious to you might be new to the person you're explaining it to.

It's good to explain your choices. For example, instead of just saying that the location of your vegetable business is important, it's more convincing to explain that the location is important because people don't want to walk far to buy vegetables.

## Include a Money Plan

Your business plan should include a filled out money plan, which shows how much money you will need, when you will need the money, and when you will make money. Creating a money plan is explained in a later module.



# Business Ideas



## Goal

Understanding the importance of choosing the right business idea.

Learning new way to get business ideas.

Filling out the first question in the individual business plan.

## Choosing the Right Seed

Choosing the right seed to plant in a particular place is very important. Once you have planted it, it is difficult to move or change. In the same way, finding the right idea and plac for your business before you start is important.

## Good Business Ideas

Considering a business idea is like holding a seed in your hand and thinking about planting it. Can that type of tree grow well here? When can I harvest for the first time? Do I know how to take care of such a tree? Do many people like that kind of fruit? How much water will it need? What else could I plant here?

Your business plan can help you tell how good your business idea is, because you look at your seed from different angles. It should look good from all sides!

Facilitate a discussion about what makes a business ideas good?

## Ways to Get Ideas

Ask participants how you can get ideas for business?

- Solve a problem many people have. Remember that not everything valuable is something you can hold in your hand. A tree provides shade, which is very valuable, even though you can't hold it in your hand. In the same way, a business can provide a service, like building a house, or transporting goods.

- Perhaps you're good at something, which could be turned into a business?
- Perhaps you can introduce an idea to your community which comes from a different place? Maybe someone told you about a new way of using materials, a new way to produce something or a new way to solve a problem? A good idea often combines well-known things in a new and surprising way. For example, did you know that elephant-dung can be turned into paper? Or that sunlight can be used to cook water?
- You can also think about what many people buy from outside the community. If you can provide it, people might buy from you because your business will be closer by.
- You can help other businesses. For example, if you're good at writing and drawing attractive signs, perhaps you could turn that into a business where you get paid for creating signs for others businesses.
- It's good to talk with many different people, and listen carefully to their ideas and needs. If you each share an idea, you will leave with two each!

## Turning Waste into Value

Sometimes you can make a business out of turning waste into something useful. If you're creative it's possible! In nature nothing is wasted. Dead leaves are eaten by worms, and dead animals are eaten by ants. Everything is reused. We should do the same! For example, old car tires can be made into sandals and old beer cans be turned into toy cars.

If you find a way to turn waste into something useful, you might make a good business because you can get your material very cheap, or even for free, because other people think it's useless. You're also helping the community, because less material will have to be bought outside.



# Marketing

## Goal

Learning how to attract customers.

Learning to choose a marketing mix for their specific business, prioritizing price, product, place and promotion.

## Prepare

On four pieces of paper, draw the symbols for the four elements of the Marketing Flower: price, product, place and promotion.



## Introduce the Marketing Flower

Ask participants why plants have flowers? They attract insects! In the same way, your business needs to attract customers.

Draw a big Marketing Flower on the flip chart, but don't draw anything inside the four petals yet. Explain there are four main ways to attract customers. Ask participants if they can guess what they are? As participants guess them, draw the corresponding symbol in one of the four petals on the flip chart.

- The product itself, it's quality, etc.
- The price of the product
- The place of the business

- How the product is promoted (signs, special offers, sales talk, etc.)

Together, the mix of these four is called the Marketing Flower.

## Price

Price is often not as important as we think. You might buy something because the shop was near or you like the atmosphere, or because you wanted a well known brand, and not because of the price. If you think about successful brands, they are often not the cheapest.

A lower price will often attract customers, but not always! Sometimes a low price will make people think that your product is of a low quality. Rather than just a low price, most people actually want best value for their money.

## Product

The product itself is very important. A good quality will make customers come back to buy again. You can also think of how to add value by providing something extra or a special service. For example, if you make beadwork, you might offer to create beadwork in colors that the customer selects.

## Place

Place is where the business is located. For example, when you need something you buy often, like food, you don't want to walk far, and will often choose a business close by. So the place of the business is important. When you buy expensive things, you might be willing to travel far to get a good price, or a special quality.

## Promotion

Promotion is how you make people aware of your product and business. Promotion might include signs in front of a shop, or explaining the benefits of a product to your customers. It also includes special offers.

## What's most Important?

Price, product, place and promotion are all important ways to attract customers. However, it's difficult to be the best in all four areas! It's hard to offer the best quality, at the lowest price, in the best location with the best promotion, all at the same time! It's better to find out what's most important and focus on that.

Start by deciding which of the four are most important in your business. Then second, third, and finally what is least important.



## Game: What would make you buy this?

The purpose of the game is to understand the four main reasons people buy things or services. You need four pieces of papers, with drawings of symbols for Product, Price, Place and Promotion.

- Place the four drawings on four tables with space between them, preferable in different corners of the room.
- Make the participants stand up.
- Choose a typical product, for example tomatoes. Ask participants to imagine that they're going to buy tomatoes. What would be most important to them: the quality of the tomatoes, the price, where they can buy it, or how it is promoted (how well the person selling it presents it, advertises it, etc.)?

- Each participant should now go to one of the four tables, according to what they think would be most important for them.
- Go around at the different tables, and ask someone why they stand at that table?
- Try again with different types of products, for example: a haircut, a cow, beans...

Ask participants what they discovered during the game? What did they learn? The game can show how people buy different types of products for different reasons. Different businesses requires different Marketing Flowers.

## Work on the Business Plans

Participants should now work on their individual business plans. Explain that they need to decide how they want to attract their customers. Choosing the right Marketing Flower will help you sell more because it will satisfy the needs and taste of your customers.

Participants should work in the groups, helping each other to fill out the Marketing Flower question in their business plan. They must prioritize the four elements of the Marketing Flower: what will be most important, second, third and fourth? They must explain their choices, and write/draw it in their business plans!

As participants work, you should walk around at the tables, assisting as needed.

## Reflect

Ask participants to reflect on the Marketing Flower, and how they can use it in their efforts to run a business. What was important? What new did they learn?

# The Money Plan



## Goal

Learning how to use the money plan to look ahead and see how money will flow in and out of the business.

Learning to use the money plan to avoid running out of cash.

## Prepare

Prepare a big money plan and 30 pieces you can place on it, perhaps pieces of sticky-notes, pins or magnets. The pieces should be easy to see and count for all participants, and easy to move around on the big money plan.

## Purpose of the Money Plan

Ask participants what happens if a small tree dries out? It can die! What can happens if a business runs out of money? It can fail!

When your business runs out of money, it's a big problem, because you can't buy the things you need to run your business, like new stock or paying for harvesting.

When a tree has enough water, it can grow. In the same way, keeping enough cash in your business will allow your business to run well and grow.

The Money Plan is a way to avoid running out of money, by looking ahead. When you want to start a business, the Money Plan will help you figure out how much money you need to start, and keep your business running until it makes money. The Money Plan will help you see how much cash you will have left each week or month. The money plan can also help you figure out how much money you can safely take out of your business without drying out your business.

You fill out the Money Plan by thinking carefully about all the things you will have to spend money on, as well as the things that will give you money. You concentrate on the cash, because it's worse to run out of cash than to run out of stock.

## Example: Selling Earrings

This is a simple example showing money going in, and the remaining money increasing each week. Only the rows that are used are shown. As participants are getting confident, you can't invite them to the flip chart to help you fill in the 'Money Remaining' boxes in the example.

●○○○ Weeks →		●	◐	○	◑	●
↓ Selling earrings 		●	◐	○	◑	●
 Remaining		●	●●	●●●	●●●●	●●●●●

- Timanoy starts out with no cash.
- Each week Timanoy gets cash of 1 from selling earrings.
- Timanoy doesn't use any money.
- Each week Timanoy's has one more in cash remaining.
- At the end of the fifth week Timanoy has cash of 5.

Draw the example on the flip chart, and go through it. At first, don't place any pieces. Go through each week and explain what happens to Timanoy. Then explain what you do as you place the pieces.

## Weeks

The Money Plan shows a period of time, for example 12 weeks. This is different than the Business Tree, which shows a situation, or moment in time. The Money Plan shows what we think will happen each week.

The start of the plan is at the thick vertical line. There's a full moon at the top of the first week. As time passes, we move to the right, in the direction of the arrow. The top row show the time periods, symbolized by the moon going from full to half to new, and so on. Each column is a week, and shows what happens during that week - what we spend money on, where we get money from, how much you have left, etc.

The area left of the thick vertical line is used for explanations of the different rows. The first week of the plan to the right of the thick vertical line.

### Money Out and Money In

In the rows next to the drop flowing out of the container, we write or draw the things we use money for. For example, one row might be 'buying beads', another might be 'transport'. Each thing you spend money on, or get money from, must be written in a separate row.

In the rows next to the drop flowing into the container, we write or draw things we get money from. For example, one might be 'sale'.

On the left side of the thick line, we write or draw what the row show. To the right of the think line, we note the amount for each week. For example we might buy beads regularly, and would then place pieces in each week.

Some rows might show things we only do once. For example, investing our own money, taking a loan, or buying equipment might only happen once. In these cases, only one of the boxes in the row would be filled out, according to which week it happens.

### Money Remaining

In the bottom row with the water container, we note how much money we have left at the end of each week.

You start each week with the previous week's remaining money. Then you add the money you get during the week, and subtract (take away) the money you spend. What you end up with is the Money Remaining.

If you end a week with 4, then in the next week, you would start with 4. If you then use 3, and get 1, you end up with 2, which is the Money Remaining.

It's important to remember that the plan shows only cash, not stock.

### Money from Before

In the bottom 'Money Remaining' row, just left of the thick line, is a special field you can use if you're making a plan for improving an existing business. In the box you can write how much cash you have before the first week of your plan begins.

If you invest cash the first week, don't write in this field. Instead add it as a row in the 'Money In' section, and fill in the amount in the first week.

### Example: Buying Beads

This is a simple example showing money going out, and the remaining money decreasing until no cash is left.

Week →		●	◐	○	◑	●
 Buying beads 		●	◐	○	◑	●
 Remaining						

- Timanoy starts out with cash of 5.
- Each week Timanoy uses cash of 1 for buying beads.
- Timanoy doesn't get any money.
- Each week Timanoy has one less remaining money.
- At the end of the 5th week Timanoy has no money left.

### Example: Buying and Selling

In this example, there are money going both in and out.

●○● Weeks →		●	○	○	○	●
↓ Selling earrings 		●●●		●	●●	●●●
↑ Buying beads 		●	●		●	●
 Remaining		●●	●	●	●	●●●

- Timanoy starts out with cash of 2.
- The first week, Timanoy uses 2 for buying beads, and gets 3 from selling beadwork.
- The following weeks Timanoy buys and sells for different amounts.
- The second week, Timanoy doesn't get any cash. The third week, she doesn't use any cash.
- At the end of the 5th week, Timanoy has cash of 4 remaining.

### Totals

If you spend money on several things during a week, it's useful to know how much you spend in total during the week. If you get money from several sources, it's useful to know how much you get in total. It's also useful to be able to compare the total in and out.

That's what the rows with 3 drops are used for. You can think of the three drops as a reminder to count, or add together. The row with drops flowing down is for the total amount of money you get during the week, while the one where the drops are flowing up is for the total amount of money you use.

●○● Weeks →		●	○	○	○	●
↓ Selling necklaces 		●	●●		●●	●
	↓ Selling earrings 	●	●			●
↑ Buying beads 				●●	●	●●
	↑ Buying string 			●		●
●●● Total In		●	●●		●●	●●
●●● Total Out				●●●	●	●●
 Remaining		●	●●	●	●	●

### Change In Money

(Note: If you use only the simple money plan, you can skip this section.)

Each week we have either the same amount of money as last week, less money than last week or more money than last week. It depends on how much money we get and use during the week. If we get more than we use, we will end up with more than before. If we use more than we get, we end up with less than before.

The 'Change in Money' row is divided by a blue wavy line, like a water surface. If get more money during the week, the water will 'rise', and you write or place pieces above the wavy line. If your money goes down, the water 'falls', and you write below the wavy line. If you have the same amount of money remaining as the week before, don't write anything.

The amount of the change is the difference between the total in and the total out. For example, if the total in is 5, and the total in is 3, money increases by 2, and you write 2 (or place 2 pieces) above the water line. If you get 1, and use 3, you have 2 less than before, and you write 2 below the water line.

● ○ Weeks →		●	○	○	○	●
	Total In	1	2	3	4	5
	Total Out	1		3	1	4
	Change	0	2	0	3	1
	Remaining	1	3	3	4	5

### Game: How much is needed?

Here's a small exercise for the participants. Draw the following money plan on the flip chart, but place only the pieced that are colored solid in this drawing. Don't place the dotted pieces yet.

● ○ Weeks →		●	○	○	○	●
	Selling earrings		1	2	3	4
	Owners Money	4	← ?			
	Buying beads	1	1	1	1	1
	Buying string	1	1	1	1	1
	Remaining	4	3	3	4	5

- Each week, Timanoy must use 1 for buying beads, and 1 for buying string.
- The first week Timanoy will not sell anything.
- The second week, Timanoy will get 1 from selling earrings.
- The following weeks, Timanoy will sell for 2, 3 and 4.
- What is the smallest amount of cash Timanoy must at least put into the business the first week, to avoid running dry? (If she has no cash left, she has run dry. She must have at least 1 left at all times.)
- If Timanoy starts with this amount, how much cash does she have at the end of the 5th (last) week?

Ask participants to work at the tables to find the answer. Then ask someone to the flip chart to show their answer, by placing pieces in the 'Owners Money' box (first week), then updating the 'Remaining' row for all weeks.

The dotted pieces in the drawing above shows the correct answer: Timanoy must put cash of at least 4 into the business the first week, and will end up with 3.

Remember that in your business you might not want to run as low as in this example. It's must safer to keep a reasonable amount left. In this example we're just finding the minimum amount needed.

# What you Need



## Goal

Filling in their money plan with best guesses of income and expenses.  
 Figuring out how much money is needed to keep the business running until it is profitable.  
 Filling in the relevant questions in the business plan.

## Example: Growing Vegetables

Explain that the participants are now going to put their skills to use, filling in their own money plan. To help them, you will go through an example of Timanoy growing vegetables. Start by drawing an empty money plan on the flip chart, and explain as you fill in the rows. Each step is explained in the following sections. After each step, the participants should have time to fill out they own money plans. You should end up with a plan looking something like the one shown here.

		→							
	Investing cash								
	Selling vegetables								
	Buying seeds								
	Buying fertilizer								
	Money for living								
Total In									
Total Out									
Remaining									

In the business plan, there's a handful of questions that relates to the money plan. The answers should sum up the conclusions from working with the money plan.

At each step, the participants should fill in their own money plan to show when and how much they think they will have to spend on the different items. After doing this, they can answer the corresponds questions in the business plan.

When working, the participants should help each other at the tables, and you should walk around, assisting as needed.

## Weeks or Months

When using the Money Plan to think ahead, the first thing to do is to decide whether's it's best for you to plan ahead in months or weeks. Planning in months is better for businesses like growing bananas or fattening animals that takes months. Planning in weeks might be better for businesses like shops or selling vegetables where the time from you start your business until it's profitable is shorter.

		→							

→ Timanoy is planning ahead in weeks.

You should note clearly on your money plan whether you're using weeks or months. If you're not using the advanced plan, it shows weeks by default. If you want to use months, you can fill out all the moons in the top row to show that each column is a full cycle of the moon (a month).

If you're using the advanced plan, there's two boxes in the top row where you can tick either weeks or months.

If you need more weeks or month, you can choose to continue your plan on another piece of paper. Just remember to number the pages, or attach them together.

### Equipment and Supplies

When you start a business, you often have to spend money on things to get started, like buying important equipment, seeds, initial stock, etc.

	Buying seeds 									

→ Timanoy buys seeds for 2 the first week.

The participants should now consider what important equipment and supplies they will need in their business, and add it to their money plans. Each thing that they will have to spend money on should have it's own row in the plan.

### Income and Expenses

As you run your business, you will hopefully start to get income from selling. But you will also have some expenses along the way. For example, you might have to transport goods, or buy new stock. To make a good plan, you must remember everything. Expenses might include things like buying stock and paying for fertilizers, harvesting, transport, etc. If you plan to take money out for living, you must remember to add that to the plan. If you think you are going to have losses, for example from giving out credits that are never paid back, you should add that too.

↓	Selling vegetables 									
	Buying seeds 									
↑	Buying fertilizer 									
	Money for living 									

- In weeks five and seven, Timanoy buys fertilizer for 1.
- Every week Timanoy takes out cash of 1 for living.
- The third week, Timanoy can start harvesting and gets 1 from selling vegetables.
- From the fourth week, Timanoy can get 2 from selling each week.

When you fill out the money plan, you try to look into the future. Some things, like how much you are going to sell, is impossible to know for sure. So you should make your best guess, based on your experience. To improve your guess, you can talk with other people who have relevant experience. For example, if you plan to grow vegetables, talk with someone who have already tried to grow vegetables.

When you make your money plan, it's very important that you remember all the things you will have to spend money on, and don't put in numbers that are too small. It's better to be realistic. It's also important that the numbers for what you can sell is not too high. It's better to sell more than you planned, than less! That way it will be a pleasant surprise, instead of a bad surprise!

It's important that you believe in the numbers you put in your money plan. Otherwise it's not helpful, and you might get into trouble when you start your business. It's better to be realistic.

The participants should now consider what income and expenses they will have in their business and add it to their money plan. Each expense and income should have it's own row in the plan. Remember to place income in the section with the drop flowing down, and expenses in the section with the drop flowing up.

## When will the business be Profitable?

When you plant a seed, it takes a while before you can harvest. In the same way, it often takes a while before a business makes money. For example, if you grow vegetable, it might take weeks or months before the vegetables are ready to harvest. If you start a shop, it might take a while before people learn about it and start buying from it.

At some point, the income must become larger than the expenses. It's important when this happens, because all the way up to this point, your business loses money. After this point, your business is profitable, and is making money. Being profitable means that the income is bigger than the expenses.

By looking at your money plan and the numbers you have filled in so far, you can tell when your business will be profitable. It's the point where the income becomes bigger than the expenses.

↓	Selling vegetables				●	●●	●●●	●●●●	●●●●	●●●●	●●●●
	Buying seeds	●●									
↑	Buying fertilizer					●					
	Money for living	●	●	●	●	●	●	●	●	●	●
	Total	●●				●●	●●	●●	●●	●●	●●

- In the fourth week, the income from selling is bigger than the expenses. So the vegetable business is profitable from week 4.
- In the fifth week, the expenses is the same as the income. In the sixth week, the business is profitable again.

Ask participants to look at their plans, to find out when their business will be profitable. After some minutes of working at the tables, ask different tables what result they reached. Try asking people with different types of businesses.

Remember that businesses which make more money often take longer to become profitable!

## How much money is needed?

Few business are profitable right away. If your business is not profitable right way, it will cost money to run until it becomes profitable.

If your business runs dry before it becomes profitable, it might fail. In fact, this is one of the most common reasons why small businesses fail.

So it's very important to figure out before you start how much money you need until the business is profitable.

It's not enough to have money to start - you must have enough money to keep your business running until it makes money!

You can use your money plan to figure out how much money is needed, by using the 'Remaining Money' row. One way to do it, is to start out with an amount that you think will work, and then update the 'Remaining Money' row according to the expenses and income you have filled in. If you see that you will run dry, you must start with a bigger amount and try again!

↓	Investing cash	●●●●●									
	Remaining	●	●	●	●●	●●	●●	●●	●●	●●	●●

- Timanoy invests her own cash of 5 the first week.
- Cash of 5 is enough money to start the business and keep it running until it is profitable. Timanoy can start the business without taking a loan. But Timanoy will be close to running dry, with only cash of 1 left in the second and third week.

The participants should now find out how much money they need to start their business and keep it going until it is profitable without running dangerously low on cash. They should help each other at the tables.

### If our Money Plan shows you will Run Dry

The reason for making a Money Plan is to look ahead and see if there's a risk of running out of cash. If you run dry, your business can die. If your plan shows that you might run out of money, you must change your plan!

Ask participants what they can do if their Money Plan shows they will run out of money? Here are some possibilities:

- Reduce expenses
- Take out less for personal use
- Invest more of your own money
- Take up a bigger loan
- Increase sale
- Find a new business idea

Facilitate a discussion about the benefits and drawbacks of each way to change the plan.

If the plan shows you something you don't like, remember that it's actually a help, because you are being warned of potential trouble, and has a chance to change your plan to avoid it!

### Work on Money Plans

Participants should have time to work on their money plans.



# Loans

## Goal

Understanding loans, interests and repayment.

Learning how to use the Money Plan to plan taking and repaying a loan.

## Prepare

When discussing loans, interest rates will often be a hot topic. You should prepare by knowing the precise offers, interest rates and conditions of the loans your organization offers.

If you want participants to work with real interest rates and numbers, instead of rough estimates, you need to know how to calculate a loan and the size of the regular repayments, and should remember a calculator. An alternative is to bring a list of pre-calculated examples of loans and their repayment. Or you can choose only to work with approximations.

Be prepared for tough questions on why the rates are so high!

## Interests

Unless you have enough money yourself to start the business, you need to find other sources. One way is to take a loan. However, you will often have to pay back more than what you borrowed - this extra amount is called interests. For example, if you borrow 5, you might need to pay back 6. You then paid an interest of 1.

The longer time you borrow the money, the more interest you need to pay. For this reason it's better to borrow money for as short a time as possible. Don't borrow the money until you need it, and pay them back as soon as you can.

Calculating the interest is often complicated, because it depends on many things, like the size of the loan, how long you have borrowed the money, how much you have already repaid, etc.

## Loan Groups

To get a micro-loan, you must be in a loan group. If anyone in the group cannot repay their loan, the others will have to repay instead. So you must choose carefully who you want to be in a group with - if the person doesn't repay his/her loan, you will have to repay instead! Choose only people you trust.

## Security

Often you will need to place something as security, for example animals. In case you can't meet your loan repayments, the animals will be sold to cover your loan. Security is a way for the lender to be sure to get the money back.

## Repayment

When you take a micro-loan, you must make a repayment each week, starting the week immediately after you get the loan. There is no 'grace period' until you start paying back.

It's very important that you remember not to use all the money right away, for example for buying stock. If you do, you will not have any money left for your loan repayments, and might be in big trouble.

If you can't meet your weekly repayments, your security might be sold, your loan group might have to repay the loan, and you might be denied any loans in the future.

### Example: Repaying a Loan

This example shows how a loan is repaid in weekly payments. You can simply explain it yourself, or let participants help you update the 'Remaining' row.

●○○ Weeks →		●	◐	○	◑	●
↓ Getting Loan		●●●				
↑ Repaying Loan		●	●	●	●	
🪸 Remaining		●●●	●●●	●●	●	●

- Timanoy starts out with cash of 2.
- The first week, Timanoy gets a loan of 3, agreeing to pay back the 3 plus 1 in interest. The repayment period is four weeks.
- Each week Timanoy makes a loan repayment of 1.
- After 4 weeks, Timanoy has repaid the loan and the interest.
- Because Timanoy paid 1 in interest, she ends up with one less than the 2 she started out with.

Was it a good idea for Timanoy to borrow the money? In this case, she didn't use the money for anything, but still had to pay the interest. There's a cost of borrowing money. You should only borrow money when you have a plan for how to use them for making more money than the price of borrowing them.

You should not borrow the money until you need it, because you start paying interests as soon as you borrow the money. It might feel nice to have the money in the beginning, but if you don't put them to use in your business, you will end up in a situation that's worse than before!

### Example: Using a loan to Grow Vegetables

In this example, Timanoy plans to take a loan for growing vegetables.

●○○ Weeks →		●	◐	○	◑	●	◐	○
↓	Investing cash 🌱	●●●						
	Getting loan 👤	●●●						
	Selling vegetables 🥬			●●	●●	●●	●●	●●
↑	Buying seeds 🌱	●●						
	Buying fertilizer 🌱		●		●			●
	Money for living 👤	●	●	●	●	●	●	●
	Repaying Loan 👤	●	●	●	●	●		
🪸 Total In	●●●		●●	●●	●●	●●	●●	
🪸 Total Out	●●●	●●	●	●●	●	●	●	
🪸 Remaining		●●	●	●	●	●	●●	

- Timanoy takes a loan of 4 and invest 4 of her own money the first week.
- The loan plus 1 in interest must be repaid over five weeks, 1 each week.
- After the fifth week, the loan plus interests is paid back.
- The first week, Timanoy uses cash of 2 for buying seeds.
- Each week, Timanoy takes out cash of 1 for living.

- Every second week, Timanoy uses 1 for buying fertilizer.
- Vegetables are ready for sale in the third week, where Timanoy gets 2 from selling.
- From the fourth week, Timanoy gets 3 from selling vegetables every week.
- At the end of the seventh (last) week, Timanoy has cash of 5. Because Timanoy used her loan to make money, she ends up in a situation that's better than how she started.

The example shows how a business often has a 'dip' in the remaining money until the business becomes profitable. Because it takes a while before the vegetables are ready for harvesting, the remaining cash goes down in the first weeks. It's important to have enough money to start out with so the 'dip' does not cause your business to run out of money.

### Different types of Loans

Ask participants what different places or ways you can borrow money? Facilitate a discussion about the benefits and drawbacks of each.

- A regular bank loan often has lower interest rates than micro-loans, but you have to borrow larger amounts. The banks often don't want to give out small loans. You also have to go to a city to get it, and often you must present an advanced business plan and have a house or a car to place as security.
- Micro-loans often have higher interests than regular bank loan, but can be given in the local village, and you can take a small loan. You must often be in a loan group of 5-7 people and repay a small amount every week. You can often use animals as security. You often have to present a business plan.
- Sometimes you can borrow from someone in your family. You might even get the loan without paying interests. Because you most often don't have to show a business plan, there can be a risk that you use the money without proper planning.

- Women groups often use a merry-go-round to give out loans without interests, but you might have to wait until it's your turn.
- If you saved up money, you can even 'borrow' from yourself! That way you can choose to use the money for starting a business when you want. And if your business makes money, you will get the 'interests', not the lender!

### Finish the Money Plans

The participants should now work at the tables to finish their money plans. They should discuss whether they will need a loan to start, and where they might borrow the money.

If they think they need to take a loan, they should add two rows to their money plan: 'Getting Loan' and 'Repaying Loan', and add the relevant numbers. They should remember to update the 'Remaining Row' and make sure that the business does not run dry at any point.

The participants should also finish their business plan by answering the corresponding questions about loans.

You should walk around the tables and assist as needed.

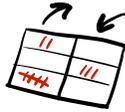
### Reflect on the Business Plan

The participants have now filled out the main parts of their business plan, expect the part about their own skills and next steps. The main business planning is now done.

Ask participants how they did? How was it? What have they learned? What was difficult and easy? How can it help them?



# Keeping Records



## Goal

Understanding why and when keeping records can be helpful.

Learning simple ways to keep business records.

## Don't walk in the Dark

If you don't know how your business is doing, you can't make good decisions. It's like your walking in the dark - you can easily fall over! For example, you might be taking too much money out of the business without knowing it.

Keeping business records is a way to remember what has happened, and get an overview. It can show you whether you're following your plan, and help you take good business decisions.

Keeping records can be done in many different ways. The important thing is to find a way which works for you. It should not take too much time, or be too difficult. You should also know how to use the records - otherwise it's a waste of time to keep them! Keeping records should be a help.

## If you can't Read and Write

Ask participants how a person who can't read and write can keep records? Do they already use ways of keeping records?

Instead of using numbers we can count things. For example, using a jar with beans in, adding knots to a string, or placing marks on a card are all different ways to keep records.

## Remembering who you gave Credits

If you forget who you have given credits to, or how much, you can lose money. Keeping records of credits can help you avoid this.

One way to do it is to keep a collections of cards, one for each person you give a credit. On the front of the card, draw the person in a way that is easy remember. You can add the persons face, clothes , family or house as ways to remember. On the back of the card, place marks according to the amount of credit you give the person. When the person pays back, you can remove or cross out marks. If you give the person more credits, you can add new marks. To make it easy for yourself, you can count in tens or hundreds, and only give and get back whole amounts of tens or hundreds.

You could also keep a small glass or box with the drawings inside, and use pebbles or beans to keep track of how much the person owes you. When you give a credit, place some pebbles in the glass. When the person pays you, remove some pebbles.

Keeping records might also help to avoid disagreements with the person about the amount owed to you.



## Keeping track of Money for Living

If you don't know how much money you're taking out of the business, you risk drying out your business.

Keeping track of the money you take out can help you avoid this.

If you made a money plan, you should keep track to not take out more for living than what you planned.

For example, if you want to be sure not to take out more than 50 each month, you can fill a jar with 50 pebbles. Each time you take out money for living, you remove the same amount of pebbles. When the jar is empty, you know that you should not take out any more money that month.

Another simple way to know how much you're taking out of the business is not to take out any money at all until the amount of money in the business reaches a fixed amount, for example 1000. At that point you take out a certain amount for yourself, like 100, and use the rest for buying new stock.

## Following your Money Plan

When you filled out your money plan, you made your best guess about how things would go, how much you would sell, take out for living, etc.

To make sure you're following your plan, it's helpful to keep some records. You can then compare and see if you're following your plan. If things are not going as well as you planned, you have a chance to do something before you run out of money.

A way to do it is to make another money plan. This time, you fill in how much you actually spend, sell, take out for living etc. That way it's easy to see if you're following your money plan, or need to make adjustments to how you're running your business.

Sometimes we need to change our plans. But try to do it as a result of a decision, instead of something that just happens.

## Daily Records

To know how much you sold during a week, you need to record each sale as it happens. To know how much you took out for living, you need to record each time you take out money.

To do this, many businesses keep daily records. At the end of the week, or month, the daily records are then added together to see what happened in total during the week.

A simple way to keep daily records, is to use jars with beans in. For example, you could have three jars, one for counting how much you sell, one for counting expenses, and one for counting how much money you take out for living. At the end of the week, you count the beans. If you're keeping a business history, you write the numbers there. Then you empty the jars, so you're ready for a new week.

Another way is to use the Daily Records paper, and draw marks or numbers. At the top row you can see the sun, symbolizing days. Each column is a day. The first day is Monday. The black dots are for counting the days. When you sell place marks to show the amount. Do the same when you have expenses, or take money out for living. At the end of the day or week, you can count the marks to see the total of the day or week.

### If you can Write

IF you can write, you can use a more advanced way of making daily records, where you write the date, item and value of each thing in separate rows. You then use different columns for different types of items. For example, you can mark different rows with 'buying stock', 'transport', etc. or use small drawings. The bottom row can be used for adding together the total of the period. You can also buy special notebooks for keeping business records.



# Daily Records Simple



Day



Sales



Expences



Money for Living

Monday	Tuesday	Wednesday	Thu

Date	Sales	Expenses	Money for Living

## Business History

To tell how a tree grows, you can look at the leaves to see if they're healthy. But to really tell how much it is growing, you need to be able to remember how the tree looked like a week ago, a month ago or a year ago. Then you can tell the history of the tree, and how it was developed over time. For example, you might be able to tell that the tree has stopped growing bigger, or that it will soon have fruits.

In a similar way, looking at your business as it is right now can tell you many things. But remembering how it has changed over time can tell you other important things that you cannot learn just by looking at your business as it is now. Seeing the history of your business can help you take good business decisions.

You can use the Business History to get an overview of how your business is changing over time. Each week or month you record the situation of your business. How much cash do you have? Stock? Loans? In the Sources and Uses sections, you will find the same things as on the business tree. In the middle is a row called 'Size of Business'. Here you can write the sum of all the sources, which must be the same as the sum of all the uses. The tree is balanced, remember!

If there's not a balance between sources and uses, it's either because you forgot something, made an error, or simply because you have made a profit or loss.

At the bottom is a section called Activity. It's used for recording the Sales, Expenses and Money for Living during each week.

The last row named Result shows the profit or loss of the week. You calculate it by subtracting Expenses and Money for Living from the Sales. If the result was a profit, write above the dotted line. If it was a loss, write below the dotted line. For example, if sale was 6, expenses was 3 and money for living was 1, the result is that you made a profit of 2.

# Business History

		● ○ ○ ○ Week	●	○	○	○
Uses	 Cash					
	 Credits to Customers					
	 Stock					
	 Loss					
	 Size of Business					
Sources	 Profit					
	 Owners Cash					
	 Deposits from Customers					
	 Loans					
Activity	 Sales					
	 Expenses					
	 Money for Living					
	 Result					

# Business Activities

## Goal

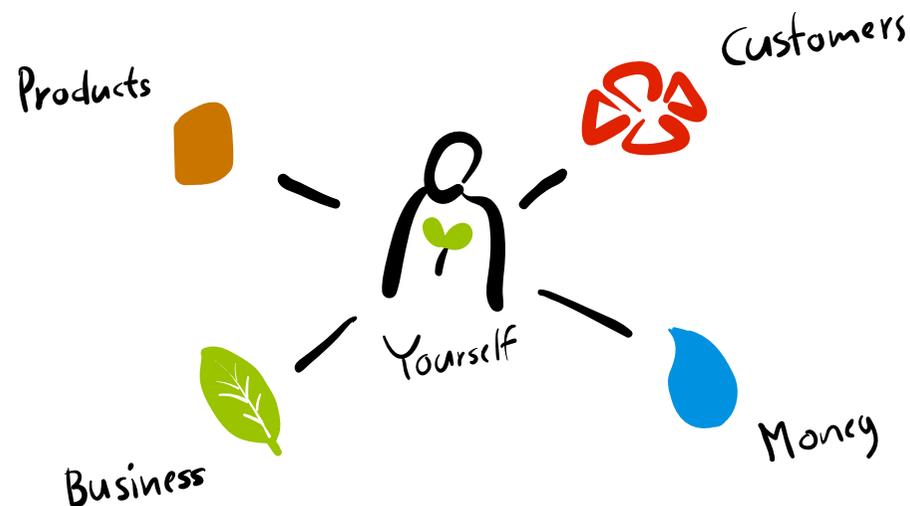
Getting an overview of the important activities involved in running a business, and brief tips on each.

Discussing ways to learn more.

## Game: Areas to Take Care Of

To run your business successfully, you need to take care of a number of important activities. If you do them all well, they will support each other, just like the roots and branches of a healthy tree.

There are four main areas to take care of.



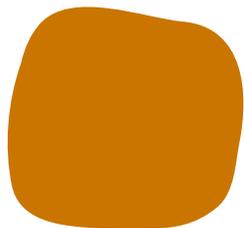
- As the participants guess the areas, draw the symbols. (The four areas are: Products, Customers, Money and The Business.)
- When participants have guessed all four, tell them that there is one more thing to take care of. What is it?
- You also need to take care of yourself.

- Draw a person with four lines going out on the flip chart.
- Ask participants to guess the main four areas that needs to be taken care of when running a business?

## Taking care of the Products

Why is it important to take care of the products? What activities are needed?

Customers want good value for money. You will be able to provide good value for money by taking care to produce quality products or buy quality products without spending too much money. If you do not take care of the products, customers might not want to buy them, or you can't



get a good price.

- Choosing the right products
- Producing a good quality
- Buying supplies at a good price
- Making up new products or solutions
- Maintaining good relationships with your suppliers

## Taking care of the Customers

Why is it important to take care of the customers? What activities are needed?

When you satisfy your customers and give them a good experience they might come back. If you do not take care of the customers, they might not want to buy from you.

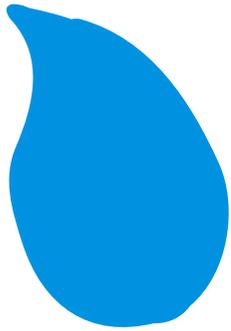


- Learning about customers needs and tastes
- Attracting customers
- Maintaining an inviting shop
- Transporting products to where the customers are
- Choosing the right prices for selling
- Explaining the benefits of products to customers
- Being friendly and helpful towards customers

## Taking care of the Money

Why is it important to take care of the money? What activities are needed?

By managing the money in your business well, you can make good decisions about how to spend money, and increase your profit. If you do not take care of the money, you might lose money or even run out of money without warning.



- Finding money for starting
- Keeping business records
- Making sure you're making a profit
- Repaying loans on time
- Remembering who you gave credits to
- Managing money for living

## Taking care of the Business

Why is it important to take care of the business? What activities are needed?

You should also take care of the business itself. Caring for the business includes all the activities that are not directly related to products, money or customers, but are still important for your business. For example, if you are a group running the business, it's important to learn how to work well together and solve conflicts. Managing the different activities is also part of taking care of your business.

If you do not take care of the business, it might be inefficient, you might forget things or take bad decisions.

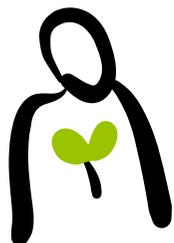


- Working well together
- Thinking ahead
- Taking good decisions
- Finding easier ways to do things

## Taking care of Yourself

Why is it important to take care of the yourself? What activities are needed?

Don't forget to take care of yourself. You're the one who takes care of all the other things. When you're healthy and learning new things, you can take care of your business well. When you're sick or don't learn the right skills, it's difficult.



- Learning new skills
- Learning from experience
- Staying healthy
- Joining groups or clubs

## Learning More about Business Activities

There's more to learn about all of these different activities.

Ask participants how they might learn more about the activities? Here are some ways:

- Going to other trainings
- Talking with experienced people
- Asking for help
- Attending the Business Club
- Learning from your own experiences
- Reading books, articles or internet pages

## Game: Learning Maps

The purpose of the game is to make participants aware of the areas where they feel they need to learn more, and to give each other ideas and suggestions for how they can learn it.



- Each table should have a paper with a map of the main business activities.
- Each person should now place a bean somewhere on the drawing, to show where he/she feel a needs to learn more. For example, if you feel you're not sure how to keep records, place your bean on the drop.
- Each person should explain the placement of their bean to the others around the table.
- Now it's time to give each other suggestions for how to learn. Each person around the table gets suggestions in turn. The other persons around the table should each give the person a suggestion for how to learn the skills they feel they need. For example, if someone feels unsure about how to keep records, you might suggest talking with an more experienced person, attending a business club, etc.

## You current Skills



Participants should now work to fill on the questions 'Who is starting the business?' in their business plan. Their should help each other in the groups.

# Sustaining Life



## Goal

Understanding what makes a business sustainable or not.

Learning how business, community and environment are interlinked and support each other.

Exploring how we can learn from nature when we want to make things sustainable.

## What it means to Sustain Life

When you start a business you would like to keep it alive instead of failing after a while, so that it can keep on providing you with money for living. To sustain your business, you need to take care not to take too much money out, provide good products, etc. There is a connection between what you do to sustain your business, how well it runs, and what benefits (or troubles) it will provide you. If you depend on your business, you should learn how to sustain it.

But we can't eat money. We depend on the land and its plant and animals. For example, trees provide us with shade, fruits, medicine, timber and food for animals. They even clean the air and create soil, although not everybody knows this! If we keep cutting a little more trees than what grows up, eventually there will not be any trees left. Suddenly we will wonder why we're living in a desert! So we also need to learn how to sustain the land and its life.

The life of the community also provides you with many benefits, for example places for meeting people, shops and schools. So it makes sense to sustain the community too.

Just like different businesses depend on each other, different plants and tree also depend on each other. In fact, we are all part of a big 'web of life'. But sometimes we forget it, and stop sustaining the life of things we depend on, or even destroying it.

## Game: How many Trees?

The purpose of the game is to broaden the time horizon of the participants, and to let them think about the 'long journey'.

- Ask participants if they remember how many trees were in the community when they were children?
- Ask the oldest person in the room to tell how the community looked like when he/she was a child? Were there more or less trees?
- If things continue as usual what will your grand children see? How many trees will be left?

We might not think about how many trees are left in our community, because the number changes slowly. In the same way, you might not notice if the value of the stock in your business decreases slowly. But suddenly you will wonder why your business failed!

To sustain the life of the business, the community and the land, and keep them all healthy, we must understand both the small steps and the long journey.

Many small steps in the right direction will eventually get you to where you want to be. Many small steps in the wrong direction will create a problem.

We should look back to see how things have changed, and look forward to see what might happen. When we remember the long journey, and adjust the small steps, we can get where we really want to be.

## Connections

Connections help to sustain life. The foot is only useful because it's connected to the leg, which is connected to the body. Roots are only useful because they're connected to the branches.

In a similar way, a business has different activities that must all be connected to the idea of your business, and support each other. For example, a good relation with your suppliers will allow you to buy quality goods and make your customers happy. A good relation with your customers will allow you to learn more about their needs and tastes, so you sell more. When you sell more, you can invest in good tools, and so on. Planning can guide your actions. And experience can guide your planning. On the other hand, if you keep records but don't use them to adjust how you run your business, it's not helpful. Then it's more like a branch that has broken of the tree.

A tree starts small with only a few branches. As it grows bigger it gets more branches. All the time, every branch is connected to the stem. In the same way, you should grow your business from the business idea, and start with the most important activities. As your business develops, you can include more activities, keeping them all well connected. If you start too big, you might not be able to keep all your activities connected.

The community will also be healthier when there are many connections between people and businesses. When people talk together, help each other and use local businesses, knowledge and money will circulate for the benefit of all.

Just like a tree is centered around the stem, and a business is centered around a business idea, a healthy community is centered around the shared wish for a happy life for everyone.

When things are connected, they can work together.



## Exchanging

Exchanging things help to sustain life. A business is alive when it exchange goods for money with your customers. Animals exchange food for manure with the plants. There are many ants in the bush. But an ant does not live very long. So why is it that the bush is not already filled with dead ants? It's because dead ants are eaten by birds or used by plants as fertilizer. In this way, nothing is wasted. Everything is reused and exchanged over and over.

An exchange will only continue when it's for the benefit of both sides. If you spend money in a shop, but don't get anything back or it's a bad quality, soon you will stop spending money in that shop.

You can sustain your business by making sure your customers feel that the exchange is fair, and that you provide good value for money.

When both sides feel they benefit from the exchange, you can build a good partnership, and will want to help each other.

The more you exchange, the more you receive. If you produce something that nobody can use, who will you exchange it with? To sustain life, we should not produce things that cannot be reused or are poisonous.

The community is also more alive when people exchange stories, experiences and knowledge.

## Diversity

Diversity helps to sustain life. A variety of plants help a forest stay healthy. If a field has only one type of crop, and a pest comes by that likes that particular kind of crop, all of the crops can suddenly be destroyed. In a forest with many different plants, the pest can only eat a little bit.

In a similar way, a variety of businesses help a community stay healthy. If everybody in the community have cows, and the price suddenly drops or there's a drought, the entire community will suffer.

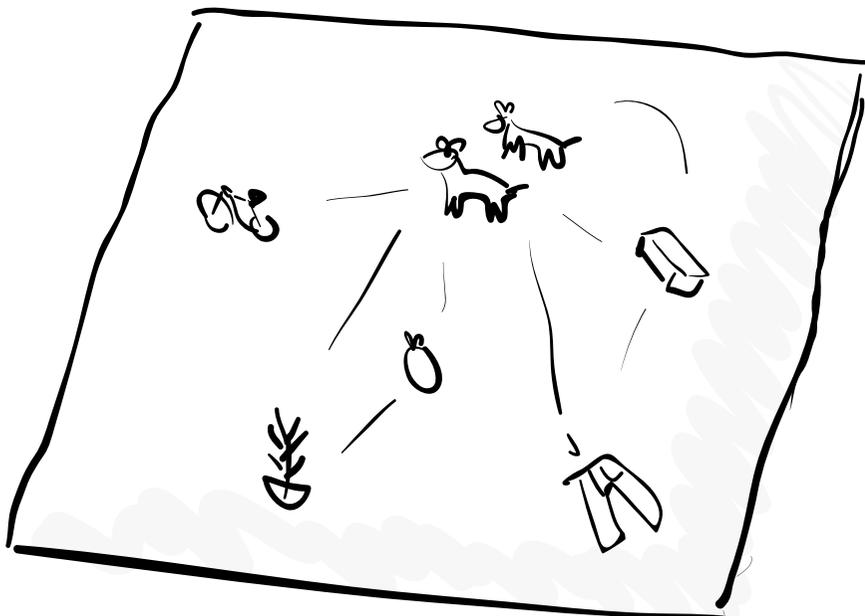
If we had only feet, we couldn't grab things. If we had only hands, we could not walk. Having both is much better. In the same way the community will be stronger if there are different types of businesses, serving different needs of the community.

It's often easier for you to sustain your business when it offers something different than everybody else in the community. That way you have a way to attract customers apart from just a low price.



## Game: Drawing Connections

This is a game that illustrates how things are interconnected. You need a big piece of paper, and pens for the participants.



- Place a big piece of paper on a table or wall, and some pens.
- Every participant should make a small drawing somewhere on the paper representing their business. For example, if someone wants to grow vegetables, he/she draws a vegetable. Or if somebody plans to sell used clothes, he/she might draw a pair of trousers. If the participants already drew a map of ideas, you might use that as a starting point.

- The goal is now to draw connections to the things your business depends on. It might depend on supplies, animals, plants, timber, people who help you, transport, loans, a weekly market day, tools, etc. For example, a vegetables business might depend on water from the river, a business selling fertilizer, someone transporting the vegetables, advice from an experienced person, good soil, a loan, etc.
- If the thing your business depends on is already on the paper, connect your business to that thing by drawing a line. Otherwise, draw the thing first, and connect it to your business with a line.
- Each thing that you depend on, depends on other things. Draw them too! For example, fertilizer business might depend on chickens, and the river depends on rain,
- Everybody can work at the same time, filling in more things and connections.
- If the participants have difficulties getting started, help them by asking questions. For example, you might ask where they get their seeds from? Or how they get money for starting? Or how they transport their vegetables? Or what the goats eat? Or what the plant requires to grow?
- After a while when many things have been drawn, make the participants stand back, and look at the drawing, and ask for reflections. What do they see? What did they learn? What surprised them?

# Your Next Steps

## Goal

Creating a simple personal action plan.

## The First Step

Every journey starts with a small step. The training is only one step of longer journey towards running your own successful business.

It's nice to dream about starting a business, and also useful to talk about how to do it. But if you don't take the first step, you will never reach your goal. At some you need to stop talking, and start walking.

Sometimes the first step of a long journey is the most difficult. It might be difficult to leave home. You might be unsure if you can find your way, or other people might tell that you can never make it - especially if they don't dare themselves!

If the first step seems difficult, it might be helpful to divide it into smaller steps. Nobody starts a journey with a jump to the other side of the village! The first step just needs to take you across the doorstep.

For example, getting a loan might include smaller steps like creating a money plan, talking with someone who have tried getting a micro loan, or joining a loan group. Learning to write might include smaller steps like asking someone in your family to teach you or learning to read just the numbers.

Try to find steps that are not too big, and not too small. They should be big enough to get you somewhere, but not so big that you risk falling over.

## Finding your First Step

Important steps might be to buy stock, join a group or get loan. It can also be to investigate a possibility, learn a skill, talk with an experienced person, take a decision, or deal with a family issue. It depend on your situation. You're the best person to decide what steps you need to take.

Perhaps you don't know what your first step should be. If you're trying to get to a specific place, but you don't know the way, what can you do? You might look around and ask other people. In a similar way, if you don't know what your first step should be, it's often useful to investigate possibilities and talk with other people.

## Finding your Way

You don't have to know every step of a journey before you start.

As you start walking, you can find your way or ask people for directions, as long as you know where you want to end up.

In a similar way, running a business requires learning and getting help along the way. Perhaps you can find others who are also starting a business, and share your experiences. Maybe you can find an experienced business person who can provide some insights and guide you in your decisions. Or perhaps there are other trainings or books where you can learn more.

## Your Next Steps

The participants should now work in the groups. Each person should chose three steps each that he/she want to take to start their business. Remember that what seems like a small step to one person, might be big to another person. It's all about what is most helpful to each person. They must also decide when they want each step to be completed.

For example, a step might be to join a loan within two weeks, finish the money plan within one week, or talk with a shop owner tomorrow.

The participants should work together to make sure each person has three clear steps. If the person is not sure, the others should help by asking questions and giving suggestions.

They should now write the steps into their business plan.

## Game: Stepping into the Circle

The purpose of the game is to give participants a chance to present their steps in front of the group, to share with each other, and make their decisions feel real by taking a physical step.

You need enough space for the participants to stand in a circle.

- Make participants stand in a circle.
- Each person can now choose to step forward and present their first step. They must keep it short, like 'i will talk with a shopowner tomorrow' or 'i will finish my business plan this week'. Otherwise the game might take too long.
- You should not let participants present in turn around the circle. Instead, each person should step forward when they wish. But only one person at a time should step forward and present. It's okay if there are moments of silence until someone steps forward.
- If there seems to be a group in the end that does not wish to step forward, you can ask if anyone else wishes to step forward. If nobody answer, you might then end the session.
- Ask participants to honor each other by clapping!



# What you Learned



## Goal

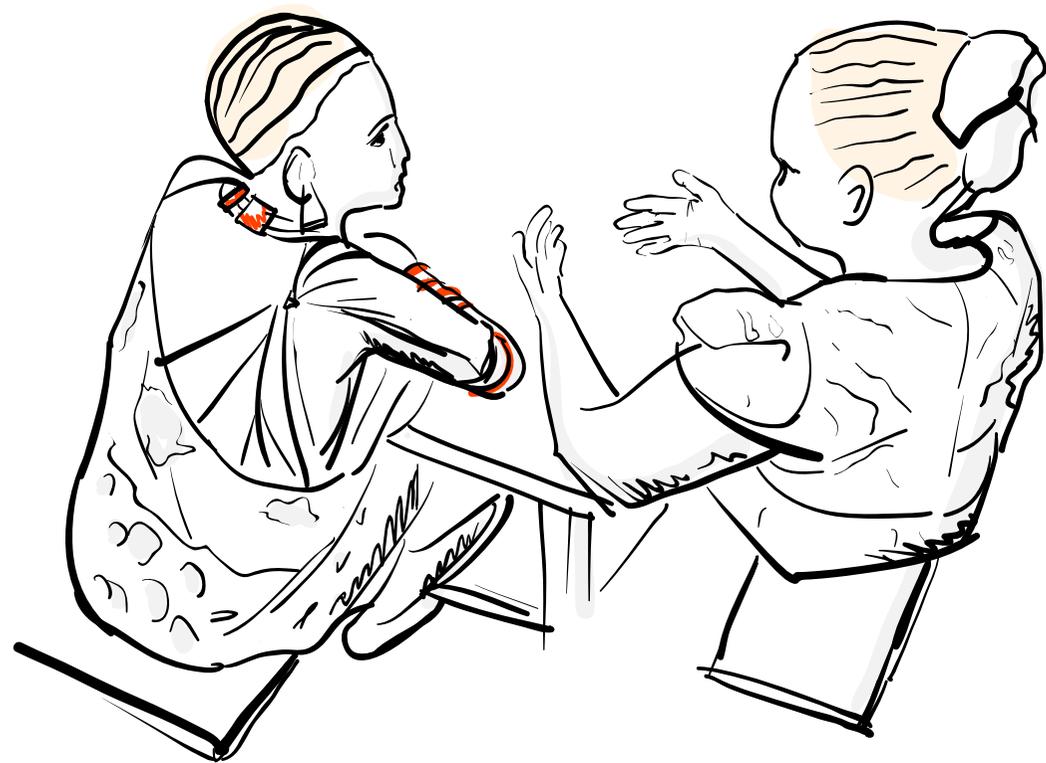
Reflecting over what they learned, and sharing it with each other.

Filling out a questionnaire with feedback about the training.

## Talking about Learning

The participants should now spend some time in the groups to talk about the training. The goal is to become aware of what they have learned, and share it with each other. It's not a goal to agree on what was good or bad. What was important might be different from person to person.

- What was the most important thing they learned?
- Why was it important to learn?
- How will they use what they learned?
- What surprised them?
- What inspired them?



## Filling out Questionnaires

Explain that you're also learning as a teacher, and is always looking for ways in which the training can be improved and made more helpful and relevant.

Hand out a questionnaire to each participants and explain they you would appreciate if they would fill it out, but that it's their own choice. Explain that it not them that are being tested, it's you as a teacher! The questionnaires is a way of helping you to improve the training. They don't need to put their name on the paper.

If enough of the participants can read and write, you can use the advanced questionnaire. Otherwise, you can use the simple one that is based on drawings.

## The Simple Questionnaire

On the simple questionnaire, the big boxes at the top shows all the different topics covered during the training. Next to each are five faces, from sad to happy. The participants can circle one of the faces according to how useful they feel the topic was.

	Welcome	☹	☹	☹	☺	☺
	What is a Business?	☹	☹	☹	☺	☺
	Profit and Loss	☹	☹	☹	☺	☺
	Credits	☹	☹	☹	☺	☺
	Money for Living	☹	☹	☹	☺	☺
	Avoiding Failure	☹	☹	☹	☺	☺
	Business Community	☹	☹	☹	☺	☺

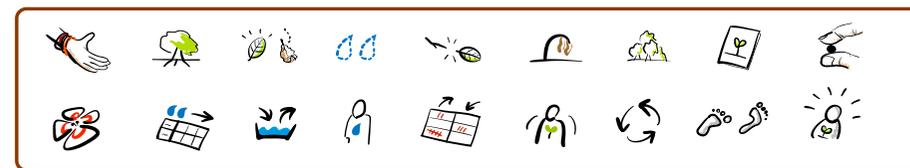
	The Business Plan	☹	☹	☹	☺	☺
	Business Ideas	☹	☹	☹	☺	☺
	Marketing	☹	☹	☹	☺	☺
	The Money Plan	☹	☹	☹	☺	☺
	What you Need	☹	☹	☹	☺	☺
	Loans	☹	☹	☹	☺	☺

	Keeping Records	☹	☹	☹	☺	☺
	Business Activities	☹	☹	☹	☺	☺
	Sustaining Life	☹	☹	☹	☺	☺
	Your Next Steps	☹	☹	☹	☺	☺
	What you Learned	☹	☹	☹	☺	☺

At the bottom to the left, participants can circle either the man or the woman according to their gender.



At the bottom right, the participants can the most useful topic, and cross out the least useful.



Make sure participants understand what to do, then give them time to fill out the questionnaires. You should try to be in the background, perhaps even go outside, so they feel free to give honest answers.

Answer are personal, and they should not feel they have to agree in the group.

Remember to collect the questionnaires at the end and thank the participants.

# Goodbye



## Goal

Ending the training in a nice way by wishing each other good luck.  
Sharing reflections about the training, and handing out certificates.

## Prepare

You should have formal-looking certificates for each participant ready for handing out. Be sure to double-check spelling of names, and sign them personally. You might want to fill in the number of days each person attended on the certificate. Try to do as much as possible in advance, because it might take some time.

## Game: May your Business be Healthy!

The purpose of the game is to end the training in a nice way, a wish each other good luck. You need a big bean or seed for each participant, and enough space for everybody to walk around. This is the last game, and it's good to make it a little important/emotional!

- Make everyone stand up somewhere with enough space for walking around. If needed, you can clear chairs to the side or go outside.
- Hand each participant a seed.
- Tell them that the training is almost over, but it is only the first step in a longer journey.
- Remind them that even big trees start as small seeds, and all businesses starts with a dream.
- Explain how the game works: Walk around and find another person. Say 'May your business be healthy!' and hand your seed to the other person. Then the other person tells you the same and hands you his/her seed. (Now you have exchanged seeds, and still have one each.) Then find a new person and do the same, etc. until you have meet with all the others.

- Make sure everyone has understood the rules.
- Start the game! You should not participate yourself.
- When it looks like everyone has meet everyone else, end the game and say thank you.

## Sharing Reflections

It's important to share learnings, insights, etc. The final reflection round is a chance to do this. It can be very inspiring and helpful to hear what other participants have learned and experienced during the training.

- Put enough tables together to form a single table, big enough for everybody to sit around, including you.
- Explain that you are now together going to share reflections about the training.
- Explain how the 'talking bean' works: You can only talk when you have the bean. When you're done, you place the bean back on the table, so someone else can choose to take it. Speak from the heart and listen with the heart. There is no right or wrong. You are all learning together.
- Pose the question: "What is the most important thing you have learned during this training?" then place the bean on the table.
- If participants start to discuss or talk when they don't have the, remind them of the rules of the talking bean.
- Periods of silence are okay.
- When you feel that there's no more important reflections, pick up the bean and thank the participants for their reflections and their time and energy during the training.

### Hand out Certificates

Hand out certificates to each participants, one at a time. Remember to shake hands and say congratulations!

### End the Training

Make it clear that the training has now ended, for example by ringing a bell, etc.

### Stay around for a little while

It's often good to have a little after the training just for talking with the participants. Perhaps someone has suggestions for you, or has an important question or need information about other trainings or practical issues.



# Energizers

## Game: Catch the Customer

The game is a fun way to be reminded that it requires an effort to get customers to buy your products or services. It has a lot of movement and can lift the energy. You need enough space to for the participants to form a big circle holding hands and run around on the outside of the circle.

- The game is like the children's game called 'Cat and Mouse', except that instead of a cat catching a mouse, it's a business catching a customer.
- Participants stand in a circle, holding hands. One person is the business and starts inside the circle. Another is the customer and starts outside the circle.
- The business and the customer can only pass from the inside to the outside, or the other way, when two people in the circle chooses to 'open a door' by raising their arms together, forming an opening.
- The people in the circle should create enough openings to make the game fun - not too easy, and not too hard!
- Play the game.
- Ask participants what the game can teach us about marketing? For example: You have to be smart and make an effort to catch the customers!

## Game: Walking Triangles

The game is a fun way to be reminded how we all have an effect on each other. You need enough place for everyone to walk around amongst each other. You might do it outside.

- Everyone should pick to other people in their mind, but not tell anyone.
- Explain the rules: You now have to walk so that the three of you form a triangle where all three sides are of equal length. The triangle must be 'perfect'. Because the other two have picked other person, they will be walking too. So you constantly have to keep walking to try to keep the triangle shape.
- Start the game!
- After some time, stop the game
- Ask for reflections? What can we learn from this game about how we effect each other?

### Game: Singing a Gospel

Most Maasai are christian and like to sing gospels. This can be a great idea for a short break that lifts the energy in the class.

- You might ask participants to chose a lead singer.
- Make everyone stand up.
- Get the participants started, and sing/clap along!

### Game: Clapping Circle

The game requires the participants to focus and help each other..

- Stand in a circle.
- Send a clap around - you look at the next person in the circle,, get eye contact, and clap.
- The person then turns to the next persons, gets eye contact, claps, etc.
- You can only pass the clap when you have eye contact.
- When participants learn to do it well, you might ask them to to it faster.
- You can try sending two claps around, one in each direction.

# Templates

## About the Templates

On the following pages, you will find templates and models you can copy and give to the participants, or just use as inspiration.

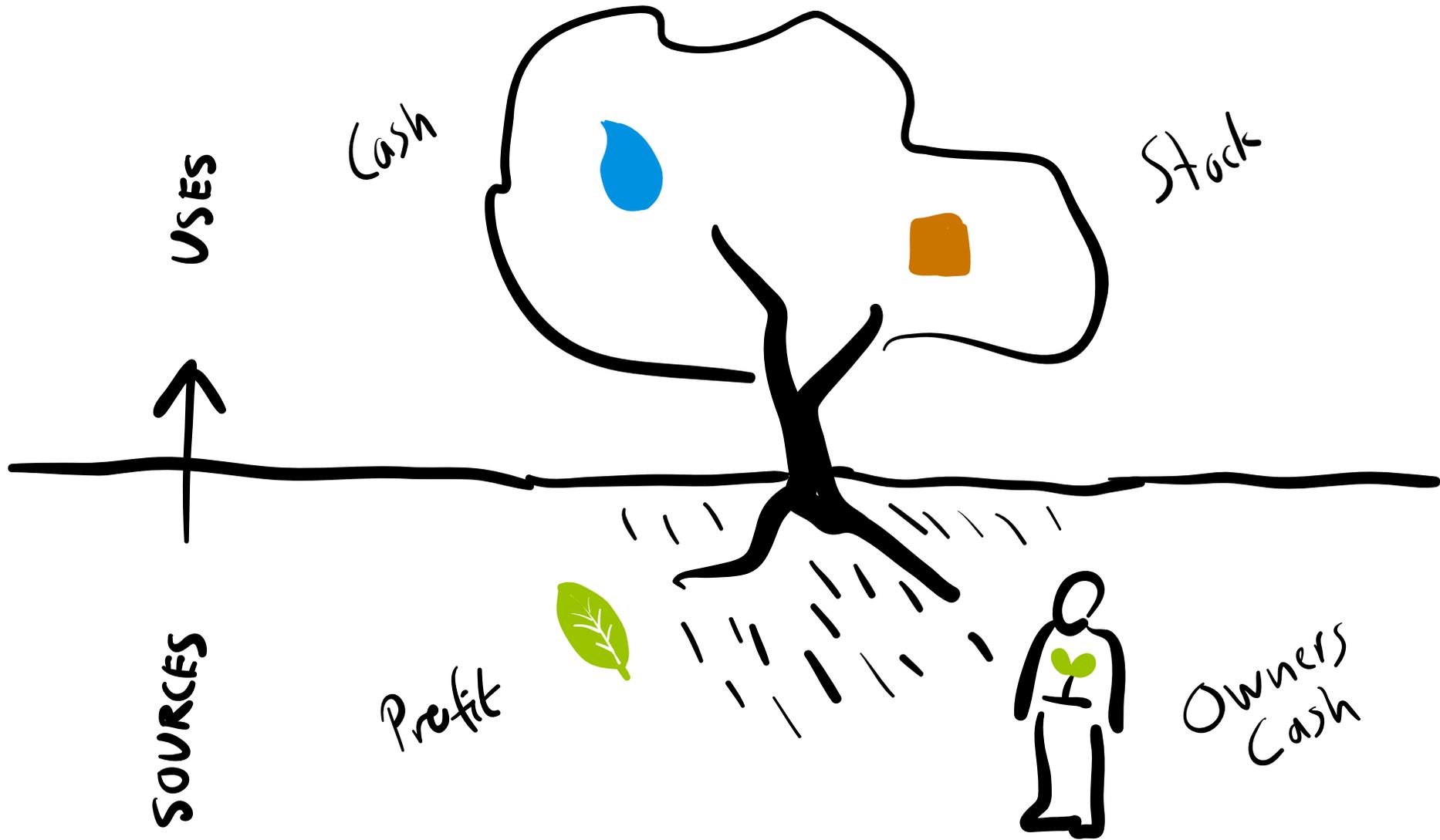
## Levels

Some of the templates you will find in different version, from simple to advanced. You can then choose the one that fits the needs of the participants best.

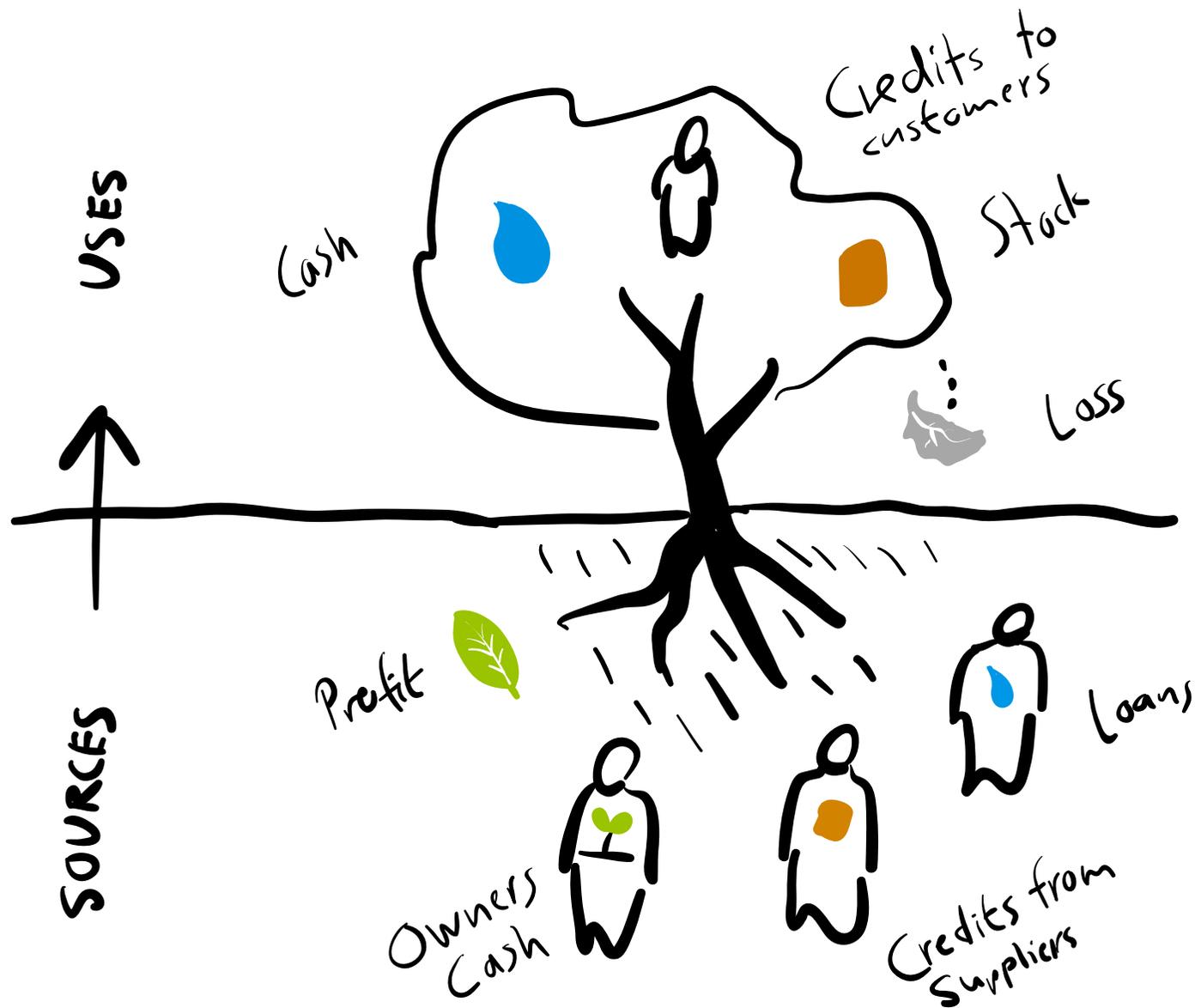


**Timanoy**

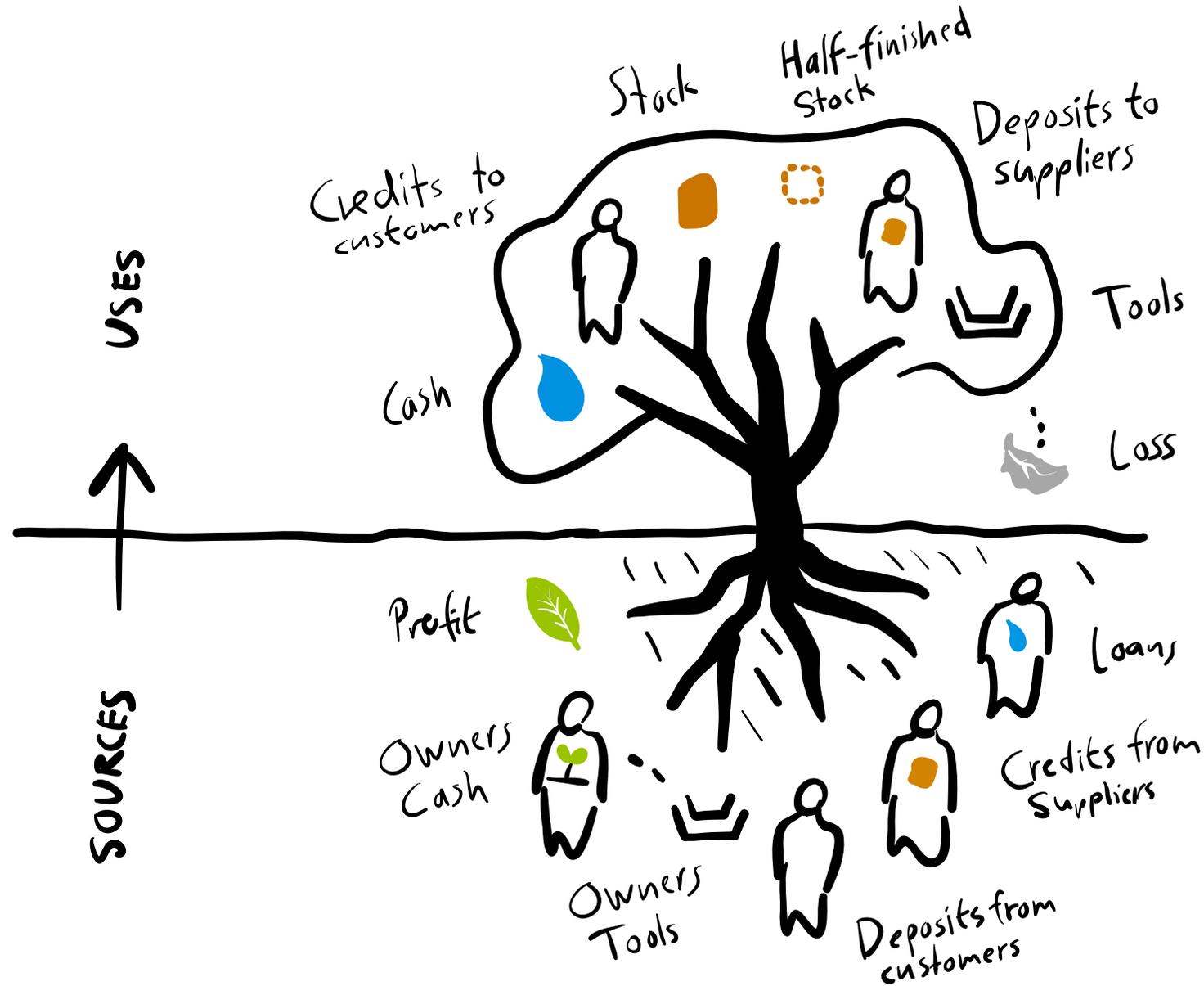
# Business Tree Simple



# Business Tree



# Business Tree Advanced



# Marketing Flower

How will you attract your customers?



# Money Plan Simple



				
 <p>Money In</p>				
 <p>Money Out</p>				
 <p>Money Remaining</p>				

## Money Plan Simple (Continued)



# Money Plan



 Weeks													
Money In 													
Money Out 													
 Total Money In													
 Total Money Out													
 Money Remaining													



# Money Plan Advanced



<input checked="" type="radio"/> Weeks <input type="radio"/> Months																			
Money In 																			
Money Out 																			
 Total Money In																			
 Total Money Out																			
 Change in Money																			
 Money Remaining																			





# Daily Records Simple



Day



Sales



Expences



Money for  
Living

Monday 	Tuesday 	Wednesday 	Thursday 	Friday 	Saturday 	Sunday 





# Business History Simple



 Week												
 Sales												
 Expences												
 Money for Living												
 Result <div style="display: flex; justify-content: space-between; width: 100px;"> <span>↑</span> <span>↓</span> </div>												



# Business History



		● ○ ○	●	○	○	○	○	○	○	○	○	○	○
		Week											
Uses	Cash												
	Credits to Customers												
	Stock												
	Loss												
	Size of Business												
Sources	Profit												
	Owners Cash												
	Deposits from Customers												
	Loans												
Activity	Sales												
	Expenses												
	Money for Living												
	Result												

# LORIKA

foundation

## Training Certificate

*is hereby awarded to:*

*to certify the completion of the business training course:*

*Granted:*

For and on behalf on Lorika Foundation

\_\_\_\_\_

Head of Projects

\_\_\_\_\_

Teacher



# Training Questionnaire Simple

How useful do you think each training topic was? Please rate each topic by circling a face.

## Day 1

	Welcome					
	What is a Business?					
	Profit and Loss					
	Credits					
	Money for Living					
	Avoiding Failure					
	Business Community					

## Day 2

	The Business Plan					
	Business Ideas					
	Marketing					
	The Money Plan					
	What you Need					
	Loans					

## Day 3

	Keeping Records					
	Business Activities					
	Sustaining Life					
	Your Next Steps					
	What you Learned					

Are you a woman or a man? Please circle one.

	
---	---

Please circle the topic that was most important for you, and cross the least important.

# Training Questionnaire

Please help us improve the training, by answering the following questions. Thank you!

## WHO ARE YOU?

What gender are you?

Man  Woman

Which languages do you speak?

Maasai  Swahili  English

How old are you?

What tribe are you?

Did you ever own a business?

Yes  No

Do you currently own a business?

Yes  No

## THE BUSINESS TRAINING

What was the most important thing you learned?

Why was it important?

What was the most useful topic?

Why was it useful?

What was the best game?

Why was it good?

How useful do you feel the following training topics was:

What is a Business	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
Profit and Loss	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
Credits	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
Money for Living	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
Avoiding Failure	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
Business Community	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
The Business Plan	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
Business Ideas	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
Marketing	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
The Money Plan	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
Loans	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
Record Keeping	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
Business Activities	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
Sustaining Life	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
Your Next Steps	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺
What you Learned	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺	☹	☺

### HOW CAN WE IMPROVE?

What topic was missing?

What topic could we leave out?

What topic should we spend more time on?

What topic should we spend less time on?

How could we improve the training?

What should we remember next time?

### WHAT SKILLS DO YOU HAVE NOW?

How confident do you feel about the following task:

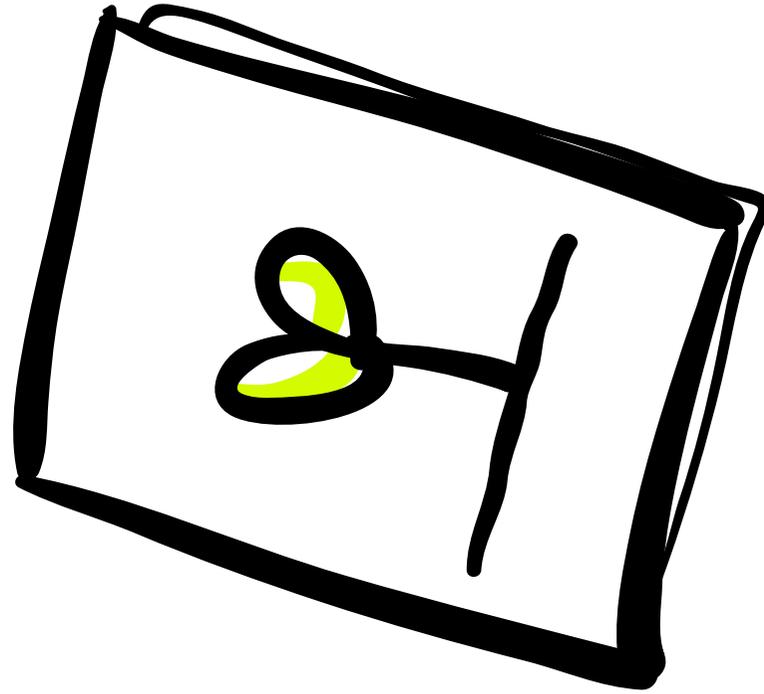
- I know how to fill out the business plan  No!  Not sure  Yes!
- I know how to fill out the money plan  No!  Not sure  Yes!
- I know how to repay a loan  No!  Not sure  Yes!
- I know how to take out money for living  No!  Not sure  Yes!
- I know how to choose my marketing mix  No!  Not sure  Yes!
- I know how to make my business sustainable  No!  Not sure  Yes!
- I know how to start a business  No!  Not sure  Yes!

### HOW FAR DID YOU GET?

- How far did you get with your business plan?  Not started  On my way  Completed
- How far did you get with your money plan?  Not started  On my way  Completed
- Do you plan to apply for a micro loan?  No  Maybe  Yes

What is your greatest challenge to starting a business?

How do you think the training will benefit you in the future?



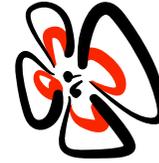
# BUSINESS PLAN



**What product or service is your business going to provide?**



**Who will be your customers?**



**Why will your customers buy from your business, rather than from your competitors?**

**Marketing Mix: How will you prioritize between low price, quality product, nearby place and attractive promotion?**



**Is it best to think ahead in weeks, month, or some other period?**



**What important equipment and supplies will be needed?**

**Where and when will they be obtained?**

**How much will they cost?**



**What is your best guess of the total sales and expenses in each period?**

**When is the business expected to be profitable?**



**How much money is needed to start the business and keep it going until it starts to make a profit?**



**Who is going to provide this money?**

**If you need to borrow money, how will you pay it back, and what security will the lender have?**



**Who is starting the business?**

**What skills and experience do you have, which should enable you to succeed?**

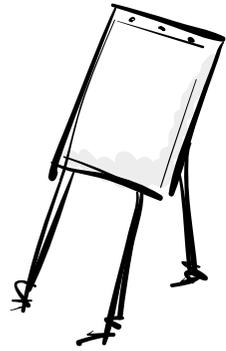


**What will be your next three practical steps?**

•  
•  
•

**When will these steps be completed?**

# Checklist



Flip chart with paper



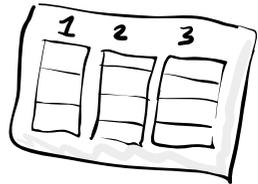
Flip chart pens



Flip chart pieces



Clock



Big timetable



Tape



Training Manual



Small beans



Drinking Water



Big beans

For each participant



Ballpoint pen, pencil, pencil sharpener and rubber



Two big beans



Business plan



Questionnaire



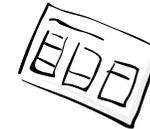
Money plan



Certificate



Business compendium



Timetable



Lunch

