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*Secure Livelihoods for South Sudanese Refugees and Host Communities in
West Nile Region, Uganda (Migration Project)*

Entrepreneurship Skills Development

A Trainer's Toolkit

November 07, 2017

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DISCLAIMER

This training manual was developed by AFARD and PALM Corps with funding from Austrian Development Cooperation, Bruder und Schwester in Not Innsbruck (BSI) and Caritas Kärnten through HORIZONT3000.

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1.1 About the Migration project

The civil conflicts in South Sudan has since 2013 resulted into increased influx of refugees into West Nile, Uganda. As at February 2017, the FAO estimated the total refugee population in West Nile region at 628,000 people (86% women and children, 3% the elderly, and 5 people per household). While the progressive Uganda Refugee Act (2006) and Refugee Regulations (2010) allow refugees freedom of movement, the right to work, the right to own a business and property, and access to education and health care, right on arrival, refugees compete with the local citizens for scarce resources such as land, water, housing, vegetation, food, social infrastructures (education, health, water sources, transport) and employment. In a bid to enable refugees and host communities to achieve economic, social and environmental self-sufficiency, HORIZONT3000 in partnership with the Agency for Accelerated Regional Development (AFARD) and Palm Corps secured a two-year funding from the Austrian Development Cooperation, Bruder und Schwester in Not Innsbruck (BSI) and Caritas Kärnten to support livelihood initiatives in Arua and Yumbe districts.

The primary objective of the project is, "Refugees and host communities have secure livelihoods and contribute to sustainable development within Rhino camp and Yumbe resettlement areas, in West Nile Region, Uganda." The specific objectives are: To improve the nutrition status of 750 targeted households (60% female headed) in refugees and host communities;

- (i) To increase the income of 750 targeted households and 225 beneficiaries in refugees and host communities;
- (ii) To promote peaceful settlements for refugees and host communities where natural

- resources are conserved and shared; and
- (iii) To capitalize and share the experiences made in this project as learning exercise to deal with refugee dynamics.

1.2 About the Manual

The Migration Project seeks to enable youth enter, stay, and sustain their (self)-employment. To achieve this, the youth need both entrepreneurship skills with which they can identify profitable enterprises, plan and start those enterprises and finally grow them into viable ventures able to meet their life goals as well as the business growth of such enterprise.

Users of the Manual

The Migration Project will work with Project Officers and Farmer Field School Facilitators (FFSFs) as lead trainers. This manual is therefore designed primarily for their use.

Objectives of the manual:

This manual is aimed at providing a locally sensitive, technically responsive, and learner stimulating guide to participatory learning using tested youth learning and behavior change principles in entrepreneurship skills development. Trainers are encouraged to allow time within the training for youths to define concerns and seek practical solutions as participants open and build successful businesses skills. An important component of the training will be to provide access to local knowledge.

Specifically, this manual is designed to help learners acquire the skills and tools to:

1. Clarify their aspirations and set relevant life goals;
2. Identify and select business viable ideas, plan, start and grow such businesses;

3. Routinely assess their performance with respect to their learning, behavior change, and achievement of their goals.

How do the sessions flow?

These sessions are developed in ways that encourage:

- (i) Unfreezing by learners through reflections on their own practices and abilities;
- (ii) Discovery through practical experience sharing; and
- (iii) Actions meant to enable learners put to use what they have learned.

To achieve this visualize, discover, and act learning model. Trainers are advised to always:

1. Ensure that the learning environment is favorable for learning especially for the method to be used in the session;
2. Introduce the training session objective so that participants know what they are out to achieve;
3. Solicit learners fears and expectations in order to always conduct learning reflections;
4. Ensure that there are ground rules set for the day- time, respect, phones, etc.
5. Final reflection questions are asked in order to close the learning loop achievement of expectation/objectives and dispelling of fears as well as stage setting for way forward.

1.3 Roles of Trainers

As trainers	As a facilitator	As peer educators
<ul style="list-style-type: none"> ■ Develop training plans ■ Set learning objectives ■ Develop training profiles (sex, age, hopes, fears) ■ Ensure training venue is fit for learning ■ Choose better methods for youth 	<ul style="list-style-type: none"> ■ Promotes effective participation minus domination ■ Builds cumulative learning from basic to complex ■ Respects diversity of opinion 	<ul style="list-style-type: none"> ■ As peers youth will listen to and imitate your behavior ■ Models of change through life styles ■ Able to support, encourage and help peers ■ More interactions outside training areas

Core qualities of an effective trainer

To ensure maximum stimulation and participation of youth in the learning process, trainers need to develop and exhibit the below qualities:

- Warm personality that is receptive to youth
- Bonds and melts with learners (social skills)
- Strong organizational skills for group learning
- Problem solving skills to ensure harmony, always
- Flexibility to adapt to changing needs and skills of youth
- Knowledge of local and diverse context to upper cross learning
- Knowledge of participatory methodologies
- Self confident with considered opinion
- Honest and dependable and liked
- Has own 'behavior and experiences' to share out

Tips on promoting "real world" learning for youth
Youth learn effectively when:

- They perceive that their needs will be addressed
- The learning is meaningful in their lives
- They actively participate in the process
- Contents are real to their lives and experiences
- The process is gradual, starting with basic issues they know and delves into competition issues
- The process allows them to double check their learning against other experiences

1.4 Tips on Learning for behavior Change

Participative learning is:

- Active through learning by doing
- Interactive with open discussions
- Relevant by using real-life issues
- Critical to encourage youth to think for themselves
- Collaborative through group work

Principles of behavior change

1. Provision of relevant and tested information
2. Fear information hardly induce change
3. People are more likely to try behaviors they feel capable of performing.
4. Individuals are more likely to adopt a new behavior if they are offered choices among alternatives.
5. Change is more likely in a community if 'leaders' adopt the change.
6. Relapse in behavior is common and should not be seen and end in itself. Encourage retrial.

1.5 Training Ground Rules

- Only one person speaks at a time
- Everyone gets a chance to speak
- Everyone should listen to the other person's view
- Do not make fun of or laugh at one another
- Everyone should respect everyone else.
- Do not use bad words or boo anyone
- Do not hit anyone
- Do not answer on someone else's behalf

<h2>Session 1: Goal Setting and Evaluation</h2>	<h3>Methods</h3> <ol style="list-style-type: none"> 1. Group game 2. Question and answer 3. Lecture
<p>Objectives: At the end of the session, participants are able to:</p> <ul style="list-style-type: none"> ■ Define life goals and their importance ■ Develop personal development plans for-13 years 	
<p>Sub-topics:</p> <p>What is a life goal?</p> <ol style="list-style-type: none"> 1. Why do youth need to set a goal in their lives? 2. How to set one's goal 3. How to review one's goal achievement 	<p>Duration:</p> <p>3 ½ Hrs</p>

1. Please, introduce this session with the below game. Ensure that you have all the required tools. Also inform the learners that today's session will focus on life goals.

<h3>The Bottle Top Game Competition</h3>
<ul style="list-style-type: none"> ■ Carry 12 bottle tops to the training venue ■ Select 3 males and 3 females and divide them in 3 groups of 2 people each and inform them that they will compete against each other. ■ Give the groups-12 minutes to prepare ■ Give each group 4 bottle tops ■ Dig a hole 7 meters away (using your long feet stride) ■ Tell everyone to drop their bottle tops into the hole
<ul style="list-style-type: none"> o Starting with all 3 bottle tops at once o Followed with each bottle top
<ul style="list-style-type: none"> ■ Encourage the learners to clap for the winning group and settle the group back ■ Ask the players to narrate what their experiences were and note them down on the flip chart

2. Ask learners to define, "What a goal is?"

Sum the game and feedback with emphasizing that:

- Life is all about achieving goals e.g., winning the current game
 - A goal is a future good that can be: Tangible (livestock, house, bicycle, etc.) or Intangible (Marriage, Qualification, Belief, winning a competition). This can be (Where you want to go; What you want to achieve; or Who you want to be)
 - A goal has to be very clear- have a target, timewhen to be achieved, and meaning to one's life (justification)
 - A goal involved a series of processes and hard work to be achieved.
 - A goal can be short term (every farming season of 6 months or 1 year) or long term (2 years and more).
 - YEAP is more focused on economic goals and improved life skills.
3. Ask learners again: "Why do youth need a life goal?"
Sum with below

- Get a focus of where one want to go/be
- Get a motivation and effort to work hard
- Be able to monitor progress towards the goal
- Show our values of living to our words
- Pride in being able to achieve something
- Encouragement for setting and attaining the next goals

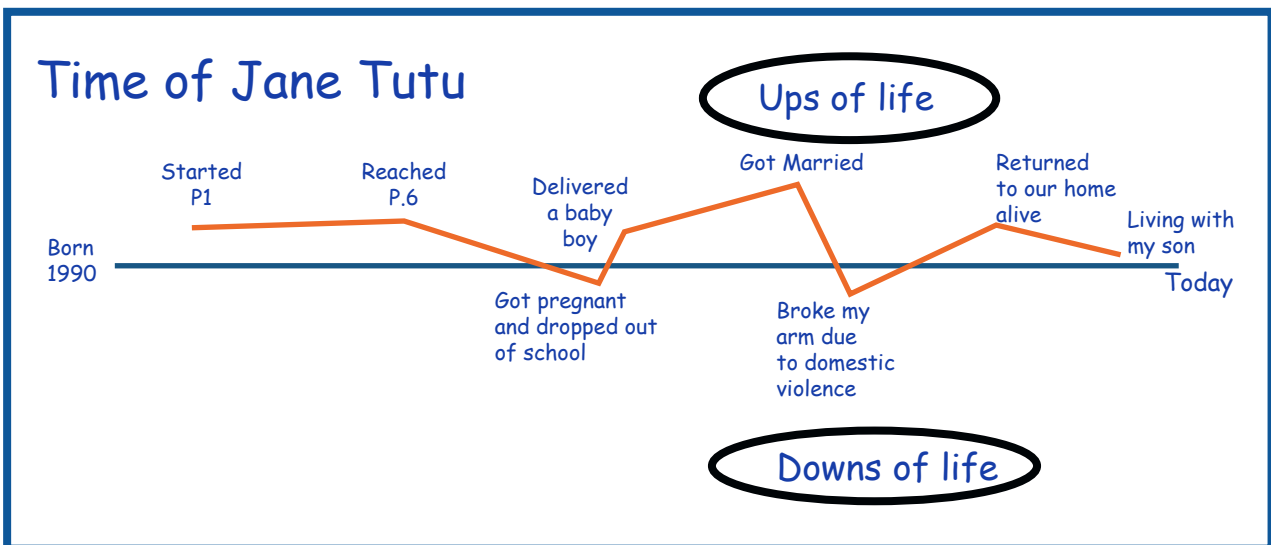
4. Notify learners to be very attentive because you will take them through the process of “ How to set and monitor one's goal.”

Inform them that there are 4 steps in formulating a goal, namely:

- (i) Understanding where I am
- (ii) Identifying what I need for a happy life
- (iii) Deciding on what actions to take to achieve the happy life
- (iv) Assøssing, have I achieved my goal?

A. Understanding where I am

- Ask each youth to take 5 minute to reflect on what challenges they have faced and achievements made in their lives since they were born to today
- Take one youth and use his/her example to demonstrate the life story
- As s/he narrates the achievements draw the time line with clear achievements and failures
- (the ups and downs of life) as is below for Jane Tutu.



NB: Use informatics

- Ask the learners of what lessons do they learn from this experience and sum their feedback by including:
Life is not a bed of roses. It has valleys (Downs of life) and hills (Ups of life)

- Every day counts in life for you may walk into a valley or on top of the hill (work every day of your life)
- One needs to make informed decisions always before taking any action (think before you act)
- Failures are never the end of life. They are lessons!
Once you can discover where you are, you can project your future.

B. What do I want for my happy life? <ul style="list-style-type: none"> ■ Ask the youth to reflect on and list ■ What tangible or intangible things will make my life happy? ■ Which of these items on the list do I want to achieve within YEEP lifetime in year 1-3? ■ How much will they cost me in terms of money? ■ Why do I set these as my priority? 	C. What must I do to achieve my goals? <ul style="list-style-type: none"> ■ Ask the youth to again reflect on their list and financial cost ■ What actions will I take to achieve the goal? ■ Will these actions alone help me to achieve my goal? ■ What will help me to achieve my goal-people, skills, and networks? 	D. Have I achieved my goal? <ul style="list-style-type: none"> ■ Did I achieve my set targets? ■ If yes, how? ■ If no, why? ■ What are my next goals?
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WHAT GOOD GOALS MUST HAVE

Many people set goals and they do not attain them because many such goals lack the key qualities of a good goal. A good goal MUST be:

- Specific on what you want to achieve e.g., Save money for dowry in SACCO X
- Measurable so that it can be verified e.g., Saved UGX 2 million for dowry in SACCO X
- Achievable so that it has meaning as to why you planned
- Realistic to my life situation in terms of its importance and suggested actions
- Time-bound so that it gives time when the goal will be achieved so that other goals too can be pursued e.g., Saved UGX 2 million for dowry from my business in SACCO X by end of 2018

Fill in the Template below

The Personal Development Plan of

.....(name)

Time	The goal	Value (UGX)	Action required	Assessing goal achievement	
				Was it achieved? Yes/No	How/Why?
By June 2017	I will own a boda boda motor 2.5 million cycle in order to diversify my 2.5 million income sources		Grow 1 acre of passion fruits		
By December 2018	I will own 3 cows so that I can 1.5 million pay dowry for my wife.		Weekly savings of UGX 10,000 in our VSLA Buying a cow after every share out		

Reflection/Session Evaluation

Does everyone now have a very clear goal to pursue on the next 1 year first and then in 2-3 years? Kindly share that with us.

Facilitators' Notes:

Session 2: What Entrepreneurship Is	Methods 1. Question and answer 2. Brainstorming 3. Lecture 4. Self-assessment
Objectives: At the end of the session, participants are able to: <ul style="list-style-type: none"> ■ Define entrepreneurship and an entrepreneur ■ Describe at least 5 functions of an entrepreneur ■ List at least 5 qualities/characteristics of an entrepreneur ■ List at least 5 benefits and challenges of being an entrepreneur ■ Use a self-assessment tool to determine their own strength and weakness 	
Sub- topics: 1. What is entrepreneurship? 2. The importance and myths of entrepreneurship 3. Who is an entrepreneur? 4. Qualities of an entrepreneur	Duration: 60 Minutes

Introduction

The world we live in is very rich in resources and opportunities because God desires each one of us deserves to live a dignified life. Yet majority of us are trapped in poverty. We have been born and raised up in poverty. As young people we desire better lives from those of our grandparents and parents Is this possible? Yes it is! All we need to do is to know ourselves, assess our strengths, and assess the opportunities available at our doorsteps. We also need to change our mind set from “good life is impossible” into “Yes I can.”

This session today will take us into:

- a Asking whether entrepreneurship is the answer to the achievement of our goals.
- b Understanding what entrepreneurship and who an entrepreneur is.
- c Assessing whether or not we have qualities/characteristics of a entrepreneur

Ask 5 learners to volunteer to answer some few questions:

1. What 2 most “economic” goals have you set to achieve in 2018?
2. How much will each goal cost?
3. How will you raise the money required to achieve these goals?
4. How sure are you that these sources will generate the money required?

Emphasize on sources of money:

- Family, friends, programs of government, religious institution or NGOs are sources of money. But these are unreliable because they are dictated.
- Formal jobs that will earn salary/wages but there are few such job opportunities in the area.
- Self-employment in income generating activity/business where one is in full control is the best option.
- Engaging in business therefore requires entrepreneurship skills so that one is a successful youth entrepreneur.

Group work: Divide learners into 3 groups and each group should answer the following questions: As we now know entrepreneurship is crucial for one to be a successful entrepreneur, ask learners:

Group 1: What is entrepreneurship? What type of enterprises do we have in our villages?

What are the myths about entrepreneurship?

Group 2: What are the benefits and challenges of entrepreneurship in our community?

Group 3: Why don't many youth start businesses? Why do few succeed? Why do many fail?

Emphasize the following:

2.1 The meaning of entrepreneurship

- Entrepreneurship refers to the skills and practice of identifying, starting, and growing a business primarily to make profit.
- This planning capacity involves identifying profitable business ideas, mobilizing resources, organizing production, marketing, managing risks and constantly working for growth of the business.
- Business refers to the economic activity of producing or selling goods or services primarily for profit. (P) occurs when the incomes (I) generated is greater than expenses (E) incurred ($P=I>E$)
- No profit occurs when incomes equals expenses ($P=I=E$).
- Loss (L) occurs when income is less than expenses ($L=I<E$). When this state persists, it is advisable that you close down the business as soon as possible.

2.2. Forms of Business

There are basically four forms of business

- i. The sole trader
- ii. The partnership
- iii. Limited company
- iv. Cooperatives

A) The sole trader: This is a one-person business. The owner of the business takes all the profits just as s/he suffers all its losses, problems and worries. All profits made by sole trader are subjected to income tax rather than corporate tax levied on company profits.

Advantages

- The formalities for starting up are minimum
- Complete autonomy to run the business as the individual wishes
- The profits of the business belong to the trader
- No public disclosure of accounts

Disadvantages

- The sole trader is entirely responsible for the debts of the business
- The individual as a manager has to be responsible for all aspects of the business (marketing, sales, product development finance etc.)

B) Partnership: This is a business owned by least two people and usually not more than twenty. These people share amongst themselves according to their share value all the profits, risk and losses.

Advantages

- Few formalities required for starting up
- Sharing of partner's knowledge and skills
- Sharing of management of business
- No obligation to publish accounts
- Sharing of profits or losses

Disadvantages

- Each partner is liable for the debts of the partnership
- Risks that the partners may not be able to work together at a personal level
- The death or bankruptcy of one of the partner will automatically dissolve the partnership, unless otherwise provided for in the partnership agreement

C) Limited companies: This is where two or more people become shareholders and 'incorporate' a limited company. The corporation so formed is treated, according to law, as a separate entity, independent of its members. Limited companies fall into two categories:

- A public limited company that must make its shares available to the public for purchase and the company name must end with the words, Public limited company.
- A private limited company on the other hand is not compelled to float its shares to the public

In registering a limited company, the following are the legal requirements:

- The company's name
- The location of the registered office
- The objectives/purposes of the company
- A statement that the liability of members is limited
- The amount of share capital

Advantages	Disadvantages
<ul style="list-style-type: none"> ■ In the event of failure of business, shareholders are protected against the loss of more than the nominal value of their shares ■ The separate legal person of the company exist independently of the members ■ Shares (in plc.) are readily transferable 	<ul style="list-style-type: none"> ■ Precisely because liabilities are limited, it may be difficult for a small company to borrow as extensively as desired since banks may be unable to recover their funds if business fails ■ There are considerable legal procedures to be followed when setting up a company.

D Cooperatives: This is a business set up by a small group of people using democratic membership principles and limited liability benefits. Some of the rules governing cooperatives are:

- Each member must have equal control on the 'one person one vote' principle
 - Members must benefit primarily from their participation in the business
- Interest on the loan or share capital has to be limited.

Advantages	Disadvantages
<ul style="list-style-type: none"> ■ Provide an opportunity for pooling of capital ■ Encourages active collaboration between all section of the workforce ■ Provide limited liability (if registered) ■ Provides rewards on an equitable basis 	<ul style="list-style-type: none"> ■ There is less likelihood of a level of profitability and growth that could be achieved by a limited company ■ Relationships can deteriorate ■ Decision making process can be lengthy

2.3. Main business sectors

There are many business sectors are:

- Agribusiness that deals with agricultural related crop, livestock, and fisheries products e.g., marketing of produce, animals, feeds, poultry, eggs, fish, etc.
- Manufacturing business that involves changing raw materials into finished products for instance, Tailors who makes shirts from clothes, carpenters who turns timber to furniture, hoteliers and restaurants that cook raw food, cottage makers who weave baskets, blacksmith irons, curve trees, etc.
- Service business that offers intangible products but makes a profit by charging for labour e.g., hair salon, drama actors, musicians, etc.
- Trading business that buys and sells already made goods e.g., general merchandize retail trade of paraffin, soap, sugar, salt, clinics, etc.

Echo the fact that agriculture is not just about tilling the land. It involves many businesses in any one given value chain. For instance, there is business in supplying agroinputs, providing extension service training at a fee, trading in produce, adding value to produce to sell a different product, transporting produce to buyers, acting as a retailer of finished agro-product made by a factory, etc.

2.4. Myths about business

Myths	Counter view
• Business is just luck.	It is about strategic planning and commitment to hard work
• Big business involves witchcraft	Business needs skills, money, people, and raw materials, but not witchcraft
• You need capital first in order to start a business	You need a plan first in order to start a business
• Debt is bad omen in starting a business	Business capital can come from any source, credit inclusive
• Better businesses are in urban areas	Business markets exists anywhere as long as it is what people want
• Business is not good for women	Anybody can be a business person as long as they honest and trustworthy
• Salaried jobs are better than businesses	A business person is self employed and owns all his/her profit

2.5. The importance of a business and challenges



2.6. The Ups and Downs of business

Why youth don't start businesses	Why few youth businesses succeed	Why many youth businesses fail
<ul style="list-style-type: none"> • Lack of capital to secure inputs • Lack of skills to plan and manage businesses • Lack of market information • Culture of dependence 	<ul style="list-style-type: none"> • Having the right business attitude (and ideas) • Commitment to do a business • Knowledge of the business • Willingness to start with any small capital and grow • Separating business and home money and expenditures • Networking with other traders • Commitment to save every profit made • Limiting credit sales • Having a business person characteristics e.g., being honest and trustworthiness 	<ul style="list-style-type: none"> • Indebtedness (e.g., too much loan or loans with unclear terms of payment) • Poor customer care • Selling on credit • Failure to separate business and home money • Premature diversification of business • Inability to withstand competition

Participants' Activity 1:

After looking at what entrepreneurship, let us now turn and look at an entrepreneur. Ask participants, in your view:

1. Who is an entrepreneur?
2. What motivates an entrepreneur into entrepreneurship?
3. What are the qualities of a successful entrepreneur who you know?

Emphasize the following:

- An entrepreneur is an individual who identifies, starts and run a business with the motive to make profit. Note that a salesman who sells well someone's shop is only an employee and not the entrepreneur.
An entrepreneur is a strategic and self-motivated person who identifies a business opportunity and translates it into a reality. S/he sees an opportunity, the market, the profit, and takes a timely and calculated but bold decision to act.
- An entrepreneur is an individual who has the ability to see and evaluate business opportunities, gather the necessary resources, start the business and once started, take appropriate actions to ensure its success. Entrepreneurs are people who have a high drive and creativity. They take responsibility for every outcome, good or bad.

2.7 Types of entrepreneurs

- a Necessity entrepreneur - This is a business person who only needs to survive through a business because s/he has no job, lost a job, or earns little from a job.
- b Opportunity entrepreneur - This is a business person who strives to prosper in business size, employment of others, and amount of profits.
- c Social entrepreneur - This is a business person who desires to engage in profitable business but with the

motive of "paying back the community."

2.8 Motivations of Entrepreneurs

- Self realization through achievements or solving a problem in one's community
- Independence and autonomy to control one's life, work, decisions, etc.
- Financial success to ensure income security
- Winning recognition and status from family, friends, and the community
- Continuity of family legacy
- Dissatisfaction with previous job
- Community and social drive

2.9 Qualities of an entrepreneur

- 1 Has self-confidence and good self-esteem - does not fear to face reality.
- 2 Is goal driven - Seeks results through setting achievable business and financial goals and strives to achieve them at all costs.
- 3 Is opportunity seeker - is always on the lookout for something new, some new ways of making more money.
- 4 Is people centered - is good at serving people or responding to people's needs.
- 5 Has commitment to hard work - does not sit and wait. Works more where profit is greatest.
- 6 Is persistent and persevere without giving up easily. Does not fear failure but sees failure as points of learning lessons.
- 7 Is a risk taker - Takes calculated risks because risks involve possibility of losing money. Yet, an opportunity lost is also money lost.
- 8 Is innovative/creative - Always strives to do things better in order to be market relevant.
- 9 Has hunger for information - Always looks for additional information to enrich his/her own.
- 10 Is a visionary - Plans for the future of

- the business.
- 11 Has money discipline Saves for lean
 - 12 Have good networking skills with other people who can give him/her business.
 - 13 Is honest, dependable, and trustworthy- Never lies for the sake of money.
 - 14 Abhors poverty and will do anything to avoid being poor fears being enslaved by poverty.

FACILITATOR'S NOTE SECURITY ANCEMENT THROUGH ENERENEURSHIP SKILLS

- Opportunity seeking: An opportunity is a favorable set of circumstances that creates a need for a new product, service or business. It includes access to credit, working premises, education, trainings etc. An entrepreneur always seeks out and identifies opportunities. He/she seizes an opportunity and converts it into a realistic and achievable goal or plan.
- Persevering: An entrepreneur always makes concerted efforts towards the successful completion of a goal. An entrepreneur perseveres and is undeterred by uncertainties, risks, obstacles, or difficulties, which could challenge the achievement of the ultimate goal.
- Information seeking: Successful entrepreneurs do not rely on guesswork and do not rely on others for information. Instead, they spend time collecting information about their customers, competitors, suppliers, relevant technology and markets. Gathering relevant information is important to ensure that the entrepreneur makes well-informed decisions.
- Risk Taking: Given that entrepreneurs offer answers to unknown future needs (i.e. no precontracts), they invest their own skills, money, and relationship,

days instead of rushing to spend every coin that is earned. etc. into offering such new or improved products/services. Such risks they take because they could have enrolled into someone else's job, or invested their money into a bank account. But with confidence they wade into such unknown water and start and grow their businesses.

- Demanding for efficiency and quality: Entrepreneurs seeks to continuously produce quality results (products or services) with minimal wasted effort (efficiency). It is this why the desire to offer products or services that meets customer's expectations but in ways that earn them profit.
- Time management: Entrepreneurs know that the difference between rich and poor people (who all have 24 hours a day) is how they effectively use their time to generate value (income, profit, and wealth). They therefore do not engage in time wasting activities - rumors, wondering around, etc. They spend most of theitime into what can earn them income or business relationship.
- Goal Setting: Entrepreneurs know what they want to achieve in their lives. They know that it is through business that they can do so. So, they clearly set their short and long term goals and work towards their goal achievement.
- Planning: This is concerned with making a decision about the future in terms of what to do, when to do it, where to do it, how to do it, by whom it should be done and using what resources. An effective entrepreneur therefore usually plans his/her activities and accounts as best as they can for unexpected eventualities.

- Persuasion and networking: Without people, there is no business. Entrepreneurs are therefore able to convince other people to participate in their businesses either as customers, suppliers, employees, financier, etc.
 - Has self-confidence: Self-confidence is having confidence in oneself when considering a capability. Entrepreneurs have confidence that they are capable at doing whatever they strive to do. It is this emotional drive that spur their risk taking, perseverance, etc. It also helps them to admit their mistakes and learn from them.
 - Listening to others: An entrepreneur does not simply impose his/her idea on others. Rather, he/she listens to other people in their sphere of influence, analyses their input in line with his/her own thinking and makes an informed decision.
- What entrepreneurial qualities do you possess?

- Demonstrating leadership: An entrepreneur does not only do things by him/herself, but also gets things done through others. Entrepreneurs inspire, encourage and lead others to undertake the given duties in time.

Reflection/Session Evaluation

What have you learnt today that will help you improve on your mindset toward business and being a businessperson?

Facilitators' Notes

<h2>Session 3: Identifying A Viable Business Opportunity</h2>	<h3>Methods</h3> <p>Lecture, Question and answer, group work, storytelling and Take home work</p>
<h3>Objectives</h3> <p>At the end of the session, participants are able to:</p> <ul style="list-style-type: none"> • Know how to identify an innovative business opportunities • Know how to prioritize and select their top most business opportunity • Know how to validate their business opportunities to be sure that they will succeed. 	
<h3>Sub topics:</h3> <ul style="list-style-type: none"> • The business life cycle • How to identify business opportunities • How to prioritize profitable business ideas • How to validate a business idea 	<h3>Duration</h3> <p>2 hours</p>

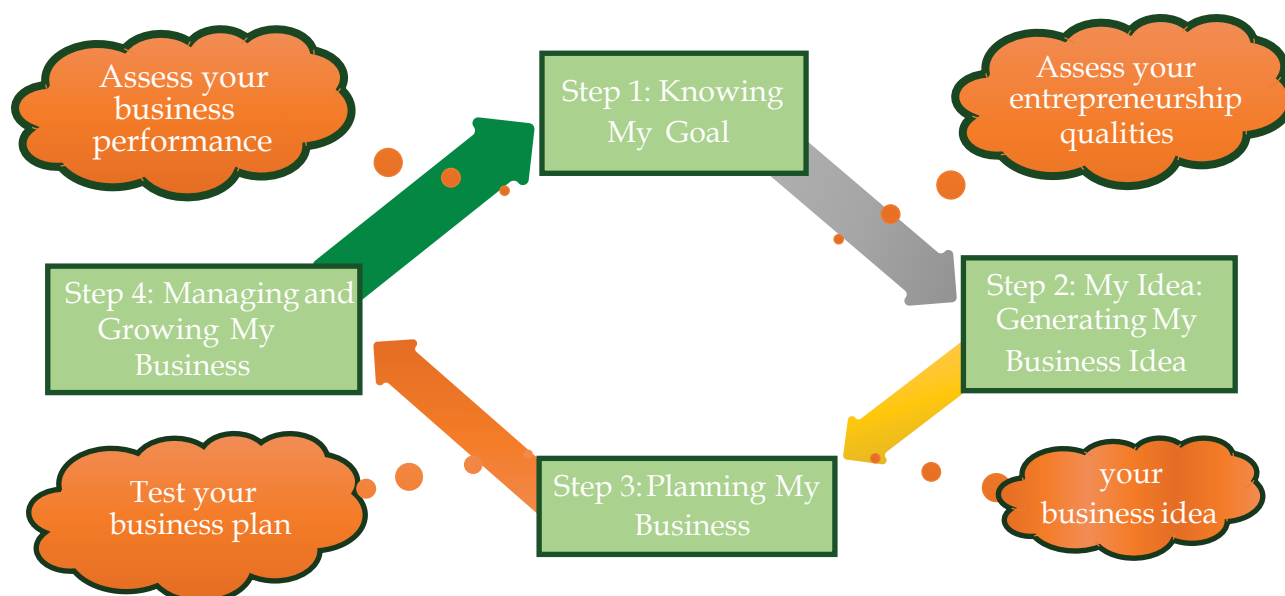
Introduction

Tell the learners that a business, like a human being, has a life cycle. It has to be conceived, born, and supported to grow. Not well handled, it can die at any stage. For instance:

- There are many business opportunities around us in our communities yet many youth hardly see them.
- Some youth see many business opportunities but hardly take any action.
- Some take actions and fail along the way (giving us very few successful youth entrepreneurs)

The fundamental challenge is always in how we identify rather than organize our businesses.

Figure 1: The Business Cycle



3.1 The Business Cycle

The Business cycle can be clustered into 4 steps, namely:

Step 1: Knowing My Goal Covers setting a business and financial goal so that youth can avoid doing business for the sake of it. Its focus is to ensure that every youth develops a Personal Development Plan for the next 2 years. These PDPs will be monitored to ensure that the youth entrepreneurs are focused on their aspiration.

Step 2: My Idea: Generating My Business Idea

- This stage covers the "how to" for any youth to identify a business opportunity in her/his area as well as dig deeper to ensure that the idea is sieved amongst others and well understood.

Step 3: Planning My Business At this stage, the youth will be taken through the basic business planning skills needed for many rural small enterprises

- 1 Ask by show of hands how many of the learners are currently doing business.
- 2 Ask them to mention the different businesses they are doing.
- 3 Again ask them to explain how they identified and zeroed on those businesses.
- 4 Ask them also to share from their experiences how other people identify business opportunities.

Emphasize the following

- a. Unexpected changes (can be change in population, technology) leading the need for more of existing products/services
- b. More skills leading to production of better quality of product/service
- c. Filling existing gaps providing products/services that are needed but not currently available in a given area

Step 4: Managing and Growing My Business:-

This step, as above, will focus on the basic skills needed to operate a small scale income generating venture

Finally, for every step, an assessment skills will be provided so that youth learn both the many steps as well as hands-on validation exercises to operationalize their skills as well as to build confidence in their learning.

3.2 How to identify suitable business ideas

- Tell learners that a business opportunity is anything that you will do and earn a profit
- Since anything is generic, one needs to identify something very specific to do for that profit.
- This identification of a business opportunity is a process that requires some skills, concerted efforts, and being interested.
- This process starts by identifying a suitable business idea.
- Selecting a business idea starts with generating as many ideas as possible.
- The process involves exploring existing opportunities in your local area that can be transformed into money making venture. This process includes:
 1. Identifying potential business ideas
 2. Prioritizing the most suitable business idea
 3. Validating the prioritized business idea
- Business ideas can come from:
 - a. Assessing the local assets/resources in the area that can be used to produce goods.
 - b. Looking into your skills, talents, hobbies, and passion

Below is a simple tool for opportunity identification. As you use the various information gathering methods, fill in as many options as possible. The result of this exercise will be a very long list of:

- Information generation through:
 - a. Asking people what they want;
 - b. Observing in your community what is missing or is in short supply always or is in poor quality;
 - c. Listening to complaints in the market, shops, and at homes;
 - d. Paying attention to the media - radios, TVs, etc.;
 - e. Travelling purposely to different places to find out what is happening;
- Completely new business opportunities that is nonexistence in the area;
- Expansion of old existing business opportunities where a business has high needs but the current one inadequately meets the needs of customers;
- Modification to an old existing business opportunity e.g., milling cassava chips into flour or packaging an old product into units that many customers can afford.

A 3 x 4 Product/Services Identification Matrix

	PRODUCTS	SERVICES
EXISTING	1. 2. 3. 4. 5.	1. 2. 3. 4. 5.
MISSING	1. 2. 3. 4. 5.	1. 2. 3. 4. 5.
In poor state (Quality, Quantity, Price, Time)	1. 2. 3. 4. 5.	1. 2. 3. 4. 5.

3.3 How to Prioritize the Most Suitable Business idea

Tell the learners that the above process finally yields a list of a variety of potential business ideas. However, no one person can implement all those options. This leads us to the next process of prioritizing the most suitable business idea from among the many potential opportunities. To do so, the below group work is helpful.

Group work

Divide the learners into 4 groups and ask each group to take a 1hour walk into their village to identify at least three (3) possible businesses opportunities that can be done in the community.

They should:

- a Show whether their business opportunity is new business, an expansion of a old business, or an improvement of an existing business.
- b Discuss why they selected their business opportunities.
- c Conduct a participatory selection process for the top 4 business ideas.

Emphasize the following

Using the table below, fill in all the scores for the identified enterprises using the 6C Business Opportunity Prioritization table. Record Yes = 1 and No = 0 and add up the business idea scores in order to select the top rated opportunities. The idea with the highest total score would be the best idea to choose for now.

The 6C Business Opportunity Prioritization Matrix

	Idea 1	Idea 2	Idea 3	Idea 4	Idea 5
CHARACTER: Is my personality suitable for this business? Am I interested in doing this? Does it align with my moral values? Do I have the skills/knowledge to do this business? Do I have any experience in this business?					
CUSTOMERS: Are there enough customers for this business? Are they able to pay for the product/services? Is their number able to make the business to grow?					
COSTS: How much would it cost to start? Do I have the capital to start it off?					
COMPETITION: Who are the competitors for this business? Are they many in the area? Am I able to compete?					
CONDITIONS: Is it allowed by law to deal in this business? What are the legal requirements? Am I able to comply with such requirements?					
COMPENSATION Is the business profitable? Is the profit able to expand the business? Is the profit able to lift me out of poverty?					
Total score					

3.4 How to Validate Your Prioritized Business Idea

Tell learners that exercise 2 above helps with identifying the most suitable business idea from among the many potential business ideas that were identified during exercise 1. Once this is done, there is a critical need to validate the suitability of this business idea. This must be done so as to know whether or not and how the business idea will work by:

- Understanding more the target customers and how to attract and retain them;
- Understanding more the competitors and how to manage them;
- Knowing more what other people feel about the business idea; and
- Getting ready to plan the business.

This process is called the market survey/research. It is concerned with market information collection. The main methods of such information collection are by:

- Observing what is happening in the market
- Talking to people
- Visiting sales points, research institutions, etc.
- Listening to customers' complaints
- Doing mock purchase from potential competitors
- Conducting quantitative surveys if possible to gauge the strength of business.

The final information generated at this stage is filed in a Marketing Plan that will later be used in the Business Plan.

Sample market plan

Objective	To have.....customers in one year,in year 2, and.....in year 3 To increase my sales income from UGX in year 1 to UGXin year 2 and UGX in year 3.
Target customers	<ul style="list-style-type: none"> • Who are the target customers? • What do they prefer? • What price are they willing to pay per unit? • What volume are they able to purchase in a period (days, weeks, months, year)?
Marketing tactics	<ul style="list-style-type: none"> • How will my product/service be unique to attract and retain customers? • What will be the affordable and competitive price? • How will I promote the business to make customers aware and attracted? • At what convenient place(s) will I deliver the product/services to the customers?
Competitor management	<ul style="list-style-type: none"> • Who (and how many) are the potential competitors? • What strategies will I use to beat them – quantity, quality, price, packaging, delivery, time, etc.? • How will I collaborate with them with win-win gains?

Reflection/Session Evaluation

What have you learnt today that will help you improve on your mind set toward business idea generation, prioritization, and validation?

Facilitators' Notes:

<h2>Session 4: Planning My Business</h2>	<p>Methods:</p> <ol style="list-style-type: none"> 1. Discussions 2. Question and answer 3. Exercise 4. Lecture
<p>Objectives: At the end of the session, participants are able to:</p> <ul style="list-style-type: none"> • Know what a business plan is • Explain the purpose of having a business plan • Cost and price their products/services • Develop a business plan for their prioritized businesses • Identify and select suitable sources of business funds 	
<p>Subtopics:</p> <ul style="list-style-type: none"> • What a business plan is • The importance of a business plan • Costing a business idea • The contents of a business plan document • Resource mobilization strategies 	<p>Duration: 180 minutes</p>

Introduction

Tell the learners that after validating your business idea your next step is start develop a business plan for your proposed business. This is a critical stage that requires one to have the facts and figures correct. It also needs us to pay key attention to every stage of the business we want to run. The final output of this stage is a written business plan. However, given the nature of our markets, we will use a simplified version of a business plan that is easy to write and use. To achieve this, we:

- a Need to understand what a business plan is;
- b Need to know what the different stages of business planning are; and
- c Need to know the critical parts of a business plan.

Ask the participants, in your views:

What is a business plan?

Why must an entrepreneur have a business plan?

What are the processes of developing a business plan?

Emphasize the following:

- A business plan is a written summary of your proposed business. It includes information about the business ownership, operations, and finances.
- A business plan serves many purposes, namely:
 - 1 Its shows an entrepreneur's business aspirations.
 - 2 It is a tool for resource mobilization. No bank will give you a business loan without it.
 - 3 It shows the business ability to make profits in the future.
 - 4 It enables an entrepreneur to identify parts of the business that require improvement.
 - 5 It provides a map against which an entrepreneur can measure her/his success.
- Before you write your business plan, you will need to do the following:
 - 1 Costing the business idea. This activity will involve developing a business budget to help you:

- Know your required startup capital;
 - Know at how much you will price a unit of your product/service;
 - Know what volume of sales you will need to make any profit; and
 - Accept or reject any continuity with this business idea.
- 2 Writing the business plan document using the simplified or standard template.

4.1 Budgeting for the business

Every enterprise must have a budget. A budget is a financial estimate of the business. It is composed of the expenditure (the business costs) and the income (business revenues). Without a budget, it will be impossible to: (a) control the business; and (b) know if the business is feasible and profitable. If you do not know how much it costs you will not know how much you need.

To develop the business expenditure

- List all inputs required for the business- labour, equipment, rent, marketing, licenses, etc.
- Estimate the cost of all the required

It is important to note that:

1. For small- scale businesses, a short period of profitmaking is preferred. Meanwhile for many medium sized businesses the owner(s) may not make profit in the first year.
2. By varying sales volume and prices relative to the market condition, an entrepreneur can find the perfect profitable units of both.
3. Not all profits are good because a small profit does not allow both the business to grow and the entrepreneur to meet his/her financial goals and move out of

inputs by asking the suppliers or owners of those inputs.

- Where a loan is going to be used, the interest rate of the loan should also be included
- Calculate your total expenditure.

To develop the business income

- Include all the various sources of income for the project own invested fund, loan, grants (in cash or kind) and their sources
- Include all sales income that will be earned in the business period.
- Calculate your total income.

After all these calculations, it is important that you calculate:

- The breakeven price of the product/service to find out which price is profitable (comparative with the prevailing price).
- The net income in order to know whether the business is profitable or not. If expenditures are more than income then the business will make losses. On the other hand, if income is more than expenditures then the business will make profits.

Business costs:

These are cost for any good or services a business needs to operate. Knowing these costs is very important for:

- Making spending decisions on key priority areas;
- Ensuring that there is money as and when needed (cash flow management); and
- Setting a profit-generating price for goods and services.

Business costs includes

Start-up costs (Are one off cost incurred to start a business)	Operational cost (Are cost of day today running of a business)	Cost of goods or services sold (Are cost for items purchased for resale or cost of production)
<ul style="list-style-type: none"> • Preparation of business plan • Market research • Construction • Machines • Business registration 	<ul style="list-style-type: none"> • Salaries/wages • Sales promotion • Utilities (water, electricity, airtime) • Insurance • Rent • License and permits 	<ul style="list-style-type: none"> • Raw materials • Packaging • Storage

Total cost = Start-up cost + Operational cost + Cost of goods or services sold.

It should be noted that:

- Start-up cost cannot be recovered in a short period of time. Sometimes it can take years to recover.
- Operational costs and cost of goods or services sold vary depending on the market stability.

Example1

Mr. Haruna is newly married to Ms. Zubeda. He noticed that all the children who go to school in his village stay hungry at school all day long. When he talked to the teachers they told him some children come with money but have nothing to buy and eat. When he talked to some parents they expressed the willingness and ability to buy doughnuts. Mr. Haruna then embarked on planning his business. His costing were as below.

During this market survey and costing Mr. Haruna realized that he is able to bake all the 3 packets every week. From this he will be able to bake 2,000 units of doughnuts. Because of his innovative baking, parents are willing to pay UGX 100 per doughnut.

Items	Description	Quantity	Price/unit	Total cost
Start-up cost				
Trading license	Fee	1	10,000	10,000
Sauce pan	Unit	2	15,000	30,000
Sales table	Unit	1	5,000	5,000
Sales chair	Unit	1	2,500	2,500
Apron	Unit	2	1,500	3,000
Cost of goods				
Baking flour	Packets	3	25,000	75,000
Cooking oil	Litres	1	8,000	8,000
Sugar	Kilogram	2	3,000	6,000
Boda boda	Hire	7	500	3,500
Operation cost				
Airtime	Units	1	2,000	2,000
Soap	Pieces	1	200	200
Total				145,200

A) What will be Mr. Hanuna's:

1. Start-up cost?
2. Operation cost?
3. Cost of goods sold?
4. Breakeven price?
5. Weekly sales income?
6. Weekly profits?

B) What is Mr. Haruna's profit margin per doughnut?

C) Do you advice Mr. Haruna to invest or abandon thisbusiness? Why?

Note the following

1. Breakeven cost is the cost per unit of doughnut produced (i.e., Total cost divided by the number of units produced).
2. Sales income is the total revenue earned from the sales of all the doughnuts.
3. Profit is the net income earned after deducting all cost.

Terminologies

Sales Volume	Quantity of goods sold or services rendered by a business in a specified period of time.
Price	The amount of money for which a good or service is bought, sold, or offered for sale. (Cost + Profit)
Revenue	The income earned from sales of goods/services during a specific period of time (Price x sales volume).
Expenditure	Actual payment of cash or cashequivalent for goods or services purchased by a business. (Start-up cost + Operational cost + Cost of goods or services sold)
Profit	The net income earned after deducting all cost. (Revenue- Expenditures)

Answers

- Start-up cost = UGX 50,000
- Operation cost = UGX 2,200
- Cost of goods sold = UGX 92,500
- Breakeven price = UGX 73
- Weekly sales income = UGX 200,000
- Weekly profits = UGX 54,800
- Mr. Haruna's profit margin is 37.8%
- Mr. Haruna should invest in this business because it is profitable. Every month, he will be making a profit of UGX 219, 200. This money can support him and his wife a better life.

Ways to Increase Profit

In order to increase profit one or both of the following must be done:

Increasing Revenue	Reducing Expenditure
<ul style="list-style-type: none"> • Selling more by reducing price • Aggressively promoting the product • Changing sales places to attractive locations. • Making the product more attractive. • Increasing quality, etc. 	<ul style="list-style-type: none"> • Acquiring supplies from more affordable sources • Joining with other traders to reduce the cost of transportation or selling costs • Improving production efficiency (unit per time)

4.2 A Simplified Business Plan Template

Note that this template has been downscaled to allow starter and-semiliterate youth write the basic requirements for their business. The Business plan is expected to be 2 pages maximum.

[Name of Group]

[Name of Business] Business Plan

[Period in years e.g., 2018 -2019]

Address and Management	District	Sub county	Parish	Village				
	Names of contact persons: Chairperson: Secretary: Treasurer:			Telephone number				
	Provide a brief highlight about the business (year formed, registration status government authorities with ownership product/services to be offered ; and a brief of how the business is managed							
Business description	Indicate the problem the business seeks to address and the							
	State the business goal stating quantity of commodity to be produced, price of sale, revenue and time. For mature groups, develop the vision, mission, and goal (where possible).							
	Indicate the sources of capital (members,promoter, government, etc.)							
Production and sales history and targets								
Year/season	Actual/Est. Total units	Actual/Est. Total output (Indicate units)	Actual/Est. Total production cost (UGX)	Actual/Est. Volume sold (indicate units)	Actual/Est. Average sales price (UGX)	Actual/Est. Total revenue (UGX)	Actual/Est. Total net revenue (UGX)	Actual/Est. Average revenue per unit (UGX)
A	B	C	D	E	F	G= C*F	H= GD	I =H/B

Marketing plan	State the projected sales volume for the current and upcoming period (and its increase/ decrease trends)
	State the target customers (who they are; the volumes they are willing to buy)
	State the marketing strategy (individual, collective or both; sales point either within group or delivered to buyer; and promotional activities to increase sales
	State competitor management strategy- who and where they are, their strengths and weaknesses, and how to defeat or collaborate with them

Implementation plan																											
Output oriented Activity	Month 1				Month 2				Month 3				Month 4				Month 5				Month 6				Reponsible person		
	W1	W2	W3	W4	W5	W6	W7	W8	W9	W10	W11	W12	W13	W14	W15	W16	W17	W18	W19	W20	W21	W22	W23	W24			

Budget/costs

Indicate all the requirements of inputs for production and sales of the product/services

Inputs/activity	Quantity needed	Price per unit (UGX)	Total Amount (UGX)	Needed in cash (UGX)	Family/in kind contribution (UGX)
Total cost-add sub totals from I to IV					

Cash flow

This helps the youth to anticipate when and how much money is needed for planned activities and to reflect on how to get that money.

	J	F	M	A	M	J	J	A	S	O	N	D	Total
Cash In- state sources of income/cash													
Sub total													
Cash out-State activities that need cash													
Sub total													
Monthly total													

Risks and mitigation strategies	
Anticipated risks	Mitigation measures
1.	1.
2.	2.
3.	3.
4.	4.
5.	5.

MUST EMPHASIZE

1. A business name gives identity to and uniquely help to market a business. It is also the name that is used to register a business.
2. A business vision should state an entrepreneurs' aspiration and desired future state e.g., To be a leading supplier of doughnuts in Oriama Sub county.
3. A business vision should state the most important things to the business e.g. To deliver doughnuts to every school timely, daily and at affordable price.
4. For business plan purpose refer to *(page 19)*
5. For product description refer back to business idea generation *(pages 15)*
6. For marketing plan refer to business idea validation exercise *(pages 17)*
7. For financial plan refer to costing the business idea *(pages 21)*
8. Under implementation plan, emphasis should be placed on the core activities that will be implemented to ensure that the business operates, markets, and makes profits.
9. A business risk refers to any impediment to business operations that in turn affects profit. These can be changes in a government policy, occurrence of an event such as drought or floods. Because such situations pose as threats to a business operation, every entrepreneur is expected to foresee them and plan adequately to mitigate them.

4.3 Resource mobilization

Tell the learners that once the business plan (written down or in one's head) is ready, it is time to swing into action. No entrepreneur would like to waste time sitting on an opportunity that can earn her/him profit. However, to take actions all the basic required inputs must be in place. Hence, there is the urgency to mobilize the required resources.

Ask the learners who already have running businesses to share their experiences by asking:

1. How did you mobilize resources – especially funds, for the business?

Emphasize the following

Start-up capital is needed by all businesses. The most critical resource for smallscale-businesses is funds/money. It is money that will be immediately required to secure-startup/investment inputs, pay initial rent and utility bills as well as licenses, if necessary.

But, business capital is not easy to get especially for youth. It therefore requires that an intending entrepreneur develops and pursues a rigorous resource mobilization strategy as is shown below.

Resource mobilization strategies

Source	Characteristics	Advantages	Disadvantages
Own Resources/ Owner's Equity	Is the private money one puts into his/her business from own savings, sales of assets.	<ul style="list-style-type: none"> • Has short decisionmaking process and availability time • Sign of self-reliance and faith in one's business • Has full control and benefits • Attracts no extra costs (interest) • Has less pressure as is from repayment of borrowed funds • Can attract partnership from other investors 	<ul style="list-style-type: none"> • Is always small in size given the limited individual savings capacity • Is too risky due to unshared risks • Can trigger relaxation in business management
Grants/ gifts from government, NGOs, family and friends	Is an interest free fund that is provided by government or NGO programmes to support small businesses	<ul style="list-style-type: none"> • Has no extra costs involved e.g. interest • Has follow up mentorship support • Can offer business linkages • Provides visibility 	<ul style="list-style-type: none"> • Is not reliable (timely) • May be tied to other person's agenda, wishes • Is often dictated on eligibility criteria • Has high competition
Advances	Advances can be taken from customers who book products Suppliers too can offer start up stock on credit	<ul style="list-style-type: none"> • No interest is charged • Offer relaxed pre- financing • Builds trust between the business and customers and suppliers 	<ul style="list-style-type: none"> • Increases dependencies on suppliers • Can create tension should customers get inferior products/services
Loans	Loans (debts) can be taken from family, friends, VSLA, banks	<ul style="list-style-type: none"> • Enforces financial discipline • Ensures access to mentoring support and external control 	<ul style="list-style-type: none"> • Attracts high interest charges • May not be offered timely • Tight repayment regime creates pressure • Can cause loss of ones other assets in case of failure to repay • Can breed distrusts among family and friends

Before you take a loan, note the following:

- Does the business from which you will earn the income needs the loan? It is important to evaluate this financing gap against your own capacity to provide owner’s equity fund or secure grants.
- The loan condition of the lender:
 - o The legal requirements (amount, fees, collateral, type of interest fixed Vs declining, etc.)
 - o The repayment installment requirements (time, amount, penalties)
 - o Compare at least 3 lenders’ conditions
- Ensure that the businesses monthly revenue is able to repay the loan and meet other needs
- The added value of the loan to the business e.g., tools that will continue to support production after loan repayment

The Seven rules of borrowing money

1. Borrow money only when you can use the funds to make money
2. Ensure the borrowed money is used for the intended purposes
3. Maintain a good working relationship with your lender
4. Ensure timely settlement of your loan obligations
5. Ensure proper management of the business
6. Be honest in your dealings with your lender
7. When borrowing, do not insist so much on the interest rate, but evaluate return on investment

Reflection/Session Evaluation

What have you learnt today that will help you improve on your business planning skills?

Facilitators’ Notes

Session 5 : Managing My Business: Sales and Customer care	Methods: 1. Story telling 2. Question and answer 3. Group work
Objectives: At the end of the session, participants are able to: 1. Identify what it takes to get ready to launch a business 2. Enumerate suitable sales management practices 3. Define customer care 4. Know how best customers are handled	
Subtopics: • Launching a business • Sales and customer care • Tips for best customer service	Duration : 30 mins

Introduction

Tell the learners that once you have launched your business there is need to keep it running. If you fail the business will close down. Once critical aspect of maintaining a business is keeping its target customers satisfied so that they remain loyal to the business. For a starting business to build a big customer base who are loyal requires hard work. Today, we will look at how you can start your business and growing sales through effective customer care.

5.1 Business launch

Ask participants, when you have finished with planning and mobilizing resources for your business, what is the next step that you will take? How will you do it?

Emphasize that you only have a business when you are able to offer a product/services to customer for buying.

- A nice business plan does not in itself earn profit because it has nothing to offer customers.
- To have a business up and running, a youth entrepreneur must launch her/his product/services.
- A business launch is the event when a businessperson starts the first sales. This is the first day in the market. It is the birthday of a business.
- Therefore the “first sales and first customer”, is very important in setting a pace for your business. It requires effective preparation and sales strategy. Among other things, you must be able to:
 1. Attract your customers.
 2. Ensure that your sales location is attractive so as to distinguish you from others.
 3. Have effective communication.
- Some effective ways to launch your business include:
 1. Talking to and inviting your family and friends to your business
 2. Using the local FM radio
 3. Creating public awareness through churches/mosques, landing sites, trading centers
 4. Taking samples of your product to targeted customers

5.2 Growing your sales

Ask participants the following questions to stir an understanding of customer care

- What happened to Ms. Lee's business?
- What business values did she add to attract customers from her competitors?
- What more did she do to retain her old customer and increase her customer base?
- Using your own observations, what do you see business people doing that can attract and retain or expel their customers?

Story 1: Growing my business client base

Ms. Lee is a 20 year old female youth who owns a small teahouse in Tuku trading center. As a new entrant, Ms. Lee wakes up at 5am and starts cooking her tea. She also boils sweet cassava and bakes some mandazi. Although at the start she had few customers, her smart dressing, cleanliness of her teahouse and warm reception of every customer made her attract many customers from her competitor. Overtime, by listening to the complaints of her customers she also diversified her products. She included milk tea and started to stock chapatti and Samosa from Ms. Agnes. By so doing, the business of Ms. Lee increased within two months from 15 to 30 customers in the morning and the same number in the evening. This forced her to employ two other girls, train them in smartness, and buy for them decent clothing.

5.3 What customer care entails

Emphasize the followings

A customer is someone – a person, a company, a government – that buys' a business product/services.

Customer service is the act of taking care of the customer's needs by providing and delivering professional, helpful, high quality service and assistance before, during, and after the customer's requirements are met.

Regardless of the type of contact you have with customers (on the phone, face-to-face, online, etc.), good customer skills help everybody. A happy, satisfied customer is likely to return and or tell others about the good experiences that they had when dealing with you and your business. On the contrary, a dissatisfied customer will discourage other potential customers from buying from your business.

Customer care, therefore involves:

- Developing good relationships with customers
- Looking well after customers interests
- Helping customers with any problem regarding your product/services
- Responding well to customers complaints
- Always seeking ways to make your customers satisfied.

5.4 Tips for effective customer care

- 1 Smile: This will help the customer or client to feel at ease and welcomed, and you'll come across as friendly and approachable, setting the scene for a more positive interaction.
- 2 Make the Customer Feel Welcome: Use an appropriate greeting to make your customer feel welcome such as "Thanks for stopping by;" "How can I help?" and "Are you looking for something in particular today?"
- 3 Listen: By not listening you can become very frustrating to the customer and may lose a sale or repeat visit. Listen to the customer's needs and find the best solutions.
- 4 Be an Expert in your business: Make sure that you know more about your business than the customer does, be able to answer questions about your business
- 5 Be True to Your Word: Stick to deadlines, make sure you turn up promptly for any appointments and never make promises you cannot keep. If situations change then let the customer know as soon as possible.

Reflection/Session Evaluation

What have you learnt today that will help you improve on your customer care?

Facilitators Notes

<h2>Session 6 : Managing My Business: Records keeping</h2>	<p>Methods:</p> <ol style="list-style-type: none"> 1. Question and answer 2. Exercises 3. Reflection
<p>Objectives: At the end of the session, participants are able to:</p> <ul style="list-style-type: none"> • Know the importance of record keeping in a business • The critical financial records to be kept • List at least 5 best practices of records keeping 	
<p>Subtopics:</p> <ol style="list-style-type: none"> 1 What records keeping is 2 The importance of records keeping 3 The different types of financial records 4 Best practices in financial records keeping 	<p>Duration: 60 mins</p>

Introduction

Tell learners that in our last session we learnt about the first step towards growing a business through effective customer care. Today we will learn about another important requirement for a business growth- financial records keeping. This is needed because a business is about numbers sales volume, customers, costs, and revenues among others. These drivers of any business requires a very valid, clear, and timely records.

Ask the youth and those who have families/friends who have running businesses:

- What kind of business records do they keep?
- Why do/don't they keep business records?

6.1 The what and why of financial records Emphasize

Records refer to the information purposely created and maintained as evidence of business transactions

Records' keeping is a systematic process of compiling similar or related information from business operations into one document for purpose of tracking and assessing the performance of a business.

Why keep records?

- To identify and solve problems in a business (production, sales, payments, losses, etc.)
- To show and track a business health and performance (profits, customer base, employee performance, etc.)
- To plan for the future expansion (cash flows, loan taking and repayments, etc.)
- To have evidences of part business transactions (documentary evidence for accountability that is used by bank and government to assess business worth for loan and taxes and levies respectively).
- It reduced mismanagement by business owners or outright theft, fraud and misappropriation of funds by employees. Records helps in tracking business resources who took what, who received money and how money was spent, etc.

6.2 The Basic financial records to be kept

There are many types of records that a business must keep. However, for many of the small - scale businesses of youth the following two records are very critical.

- Daily cash records book; this book helps you to keep daily business transactions covering what the business received (income) and what it spent (expenditures). These are written in the in and out column respectively. It must be balanced and underlined every day/week/month (depending on transaction volume) in a consistent way so that a business is aware of cash in and out- flows.

Below is a simple format of a trader's sales record book

Date	Details	Amount		
		In	Out	Balance
1/9/2016	Loan from Lulu group	400,000		400,000
1/9/2016	Own contribution	500,000		900,000
2/9/2016	Purchase of a bicycle		200,000	700,000
3/9/2016	Purchase of fish		300,000	400,000
30/9/2016	Payment of rent		50,000	350,000
30/9/2016	Sales of fish	500,000		850,000
	TOTAL	1,400,000	550,000	850,000

- Creditor's records; these records are used to keep all the money that the business owes e.g. the group loan fund that a business borrows. Below is a simple format.

Date	Name of creditor	Amount borrowed	Amount repaid	Balance
1/9/2016	Lulu saving group	400,000		400,000

- Debtor's records; those who get the business products on credit are known as debtors. Their records are kept in the debtor's records book. Below is a simple format.

Date	Name of debtor/ sold to	Item	Amount in debt	Amount repaid	Balance
1/9/2016	Karombo	Sugar 3 kgs	9,000/=	6,000/=	3,000/=

- Stock records; this shows the details of what the business has bought, sold and the balance in the business. Below is a simple format.

Date	Details	Purchase(Stock in)	Sales(Stock Out)	Balance
1/9/2016	Soap	3 boxes	2 boxes	1 box
5/9/2015	Sugar	1 bag (50 Kgs)	35 Kgs	15Kgs

6.3 Some best practices in records keeping

- Keep similar records together
- Keep all records in safe place away from water, dusts etc.
- Lock up all important documents in a safe place
- Always record transactions as they occur
- Record all transactions as neatly and clearly as possible
- Use a pen to write down all records
- If you make a mistake cross out the entire entry and start again
- Verify every entries to ensure consistency and correctness
- Keep all receipts in an organized way (by date, etc.)
- All records must be balanced at an agreed date and a financial status produced.

Group Exercise

Divide the learners into 4 groups and provide each group with 3 sheets of flip chart papers and 3 markers of different colors. Ask them to select a Secretary to record their work (ensuring that there is at least 1 person who is able to read and write in each group). Provide to them copies of the below story and ask them to present the financial records. Thereafter, let each group present their work. Finally, ask a reflection question on what experiences they had in doing the exercise.

The story of Mr. Gule

Mr. Gule is a general merchandize trader in Inyanga village. On 1st of August 2016, sold his 2 goats at UGX 120,000 and lent the money at no interest rate to start his new business. That this money was not enough on 3rd August 2016 he took a loan from Kilimanjaro Savings Group worth UGX 380,000. On 4th August 2016 he spent UGX 10,000 on transport to purchase stock. Mr. Obadia offered him stock worth UGX 600,000 but he paid upfront UGX 490,000. When he returned, on 5th August he sold goods worth UGX 100,000 to his friend Ms. Kaloli about 4 bags of cement on credit. Between August 7-10 he daily sold goods worth UGX 90,000. On 28th August 2016 he repaid Mr. Obadia UGX 110,000. On the 29th August 2016, Mr. Gule repaid part of his loan worth UGX 100,000. The following day 30th August 2016 he paid UGX 60,000 for rent.

- 1 Enter the above business transaction of Mr. Gule into a cash book, creditors book and debtors book.
- 2 How much cash money does Mr. Gule have on the 30 th August 2016?
- 3 When you balance all his debts and credits, how much is Mr. Gule's business value?
- 4 What advice can you offer Mr. Gule about his business?
- 5 What experience have you gained from this records keeping?

Answer: Mr. Gules's Daily Cash Records Book

Date	Particulars	In	Out	Balance
1/8/2016	Interest free loan from own capital	120,000		120,000
3/8/2016	Loan from Kilimanjaro Savings Group	380,000		500,000
4/8/2016	Transport		10,000	490,000
4/8/2016	Purchase of stock from Mr. Obadia	110,000	490,000	110,000
5/8/2017	Credit sales of cement to Mr. Kaloli		100,000	10,000

7/8/2016	Sales (4 days,-710 th)	90,000		100,000
8/8/2016	Sales	90,000		190,000
9/8/2016	Sales	90,000		280,000
10/8/2016	Sales	90,000		370,000
28/8/2016	Payment to Mr. Obadia		110,000	260,000
29/8/2016	Loan repayment to Kilimanjaro Savings Group		100,000	160,000
30/8/2016	Rent		60,000	100,000
	TOTAL	970,000	870,000	100,000

Mr. Gule's Creditor's record Book

Date	Name of creditor	Amount borrowed	Amount repaid	Balance
1/8/2016	Interest free loan from own capital	120,000	0	120,000
3/8/2016	Loan from Kilimanjaro Savings Group	380,000	100,000	280,000
4/8/2016	Purchase of stock from Mr. Obadia	110,000	110,000	0
	TOTAL	610,000	210,000	400,000

Mr. Gules, Debtor's record Book

Date	Name of debtor/ sold to	Item	Amount in debt	Amount repaid	Balance
5/8/2017	Mr. Kaloli	Cement 4 bags	100,000	0	100,000
	TOTAL		100,000	0	100,000

Mr. Gule's financial Summary on August 30, 2016

	TOTAL
Daily Cash Records Book balance	+ 100,000
Debtor's Record Book balance (Mr. Kaloli)	+ 100,000
Creditor's Record Book balance (Kilimanjaro Savings Group and Own capital)	- 400,000
Total Business Balance	- 200,000

Mr. Gule's business has more money it owe to other stakeholders than what it has in cash. This makes his business very risky. He will need to increase his revenue the next month or else he will be forced not to grow or even to close close down his business.

Reflection/Session Evaluation

What have you learnt today that will help you improve on your business records keeping?

Facilitators' Notes

Session 7 : Managing My Business: Savings and Investments for Wealth Creation	Methods: 1 Story telling 2 Discussions 3 Question and answer
Objectives: At the end of the session, participants are able to: <ul style="list-style-type: none"> • Describe the meaning of and the various forms of savings • Enumerate the important of saving to their businesses and livelihoods • Appreciate the value of reinvesting in their businesses 	
Subtopics: 1 The savings dynamics 2 What business growth is 3 How can I reinvest to grow my business	Duration: 60 mins

Introduction

Tell the learners that in the past trainings under VSLA and Life skills, they were trained in-depth about savings and personal financial management. Today we will test our internalization of the learning that occurred. In addition, we will learn about the need to grow a business.

7.1 The Savings dynamics

Facilitator’s note: PLEASE REFER TO VSLA TRAINING GUIDE UNDER CONCEPT 1: SAVINGS TO EFFECTIVELY GUIDE THIS SECTION.

Conduct a rapid knowledge check by asking:

1. What is savings?
2. Why do we save?
3. In what forms do we save?
4. Where do we save?

7.2 Investment for business growth

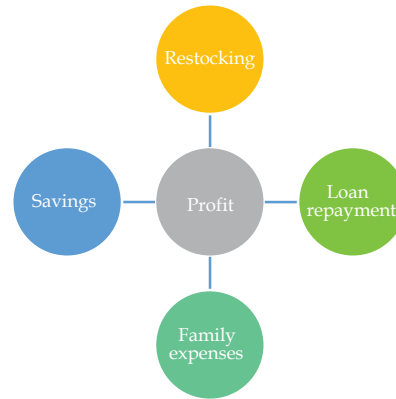
At this point, turn to the business and explore the role of savings in business growth. Ask the following questions:

- What are the signs that a business is growing?
- How does savings support business growth?

Emphasize:

What are the signs that a business is growing?	How does savings support business growth?
<ul style="list-style-type: none"> • Increased customers • Increased sales outlets • Increased stocks • Increased workforce • Increased business assets • Adoption of automation system • Improved life of an entrepreneur 	<ul style="list-style-type: none"> • Savings means increased capital base that means • Increased stocking (more business volume) • Timely stocking (for stable volume of trade) • Quick response to business opportunities • Better opportunity to expand (in location also from one place to another or workforce)

- A Business has a life that starts with ideas, a start - up, and finally it grows.
- The goal of every business is to make profit (the reason why entrepreneurs take risk)
 - Profit means extra income over and above what was invested
 - It is good practice that once a profit is earned an entrepreneur makes rational decisions on how best to spend it.
 - If no profit is reinvested in the business it means that the business will remain the size it was at the start.
 - Every small part of the profit that is reinvested in a business allows it to grow in stock, sales volume, sales revenue, customers, assets, workforce, etc.
 - The growth of a business makes it more visible in its business community.



- B Business visibility builds customer trusts and helps to attract more customers.
- A business visibility also builds community trust in the entrepreneur's social recognition.
 - Business trust is critical when an entrepreneur needs support from banks, government, etc.

Important: As a business grows, an entrepreneur increases her/his market share. This demands an effective "customer care" so that the business is able to attract new and retain old customers.

End the session by pointing out that one of the keys to a business growth is that you MUST keep putting the money you earn back into the business to develop it and make sure it grows. The more it grows, the more money you can start withdrawing as salary. More reinvestment also spurs more knowledge and skills and more passion about your business.

Reflection/Session Evaluation

What have you learnt today that will help you improve on growing your business?

Facilitators' Notes

<h2>Session 8: Business Health Check</h2>	<p>Methods:</p> <ul style="list-style-type: none"> • Discussions • Question and answer • Reflection
<p>Objectives: at the end of the session, participants are able to:</p> <ul style="list-style-type: none"> • Know the importance of conducting periodic business health check • Know how to assess the performance of their businesses 	
<p>Subtopics:</p> <ul style="list-style-type: none"> • What is business health check? • Why conduct a business health check? • How to conduct a business health check 	<p>Duration: 45 minutes</p>

Introduction

Tell learners “every journey has a destination.” In business, every marketing plan has a destination (objectives: targets of customers and revenue) that must be achieved. It is therefore important that every youth entrepreneur conducts a periodic health check. As a person would go regularly to a health facility to find out how well or not s/he is, so does an entrepreneur needs to know her/his business health. Today’s lesson is therefore about learning how we can routinely assess our business health.

8.1 What a business health check is

A healthy business is one that meets both the entrepreneurs’ business and financial goals. Our focus on both goals is because the twin motives why an entrepreneur is employed in a business is to earn income with which s/he can:

1. Grow the business (to sustain her/his employment); and
2. Meet her/his life goals (in order to live a better life).

8.2 Why conduct a business health check

Brainstorming Exercise

Two years ago, Mr. Congo started an Internet café in Kingo Trading Center. He sold his late father’s land for UGX 5 million and bought equipment, paid rent, and hired two sales agents. His aim was to recover this money and buy a prime plot of land as a replacement.

At the start the café business grew very fast. Youth flocked the premise every morning and evening. Often customers had to book time beforehand. Every evening Mr. Congo would go home with UGX 300,000. However, ten months later, the number of customers declined. The machines were getting old. Sales agents also left because they had not been paid wages for three months.

At the end of the year when Mr. Congo sat down to review his business he could not tell what happened. Without records, government was on his neck for taxes. WENRECO was also chasing him for unpaid electricity bill. The land he sold had not been replaced either.

Ask learners:

- What went wrong with Mr. Congo’s business?
- What lessons can we learn from Mr. Congo?

Emphasize:

Regular business health check helps you to:

- Know if your business plan is working well
- Know the problems your business is facing and solve them before it is too late
- Know the growth of your business
- Plan well for your business expansion
- Know whether or not your business is contributing to your goal

8.3 How to conduct a business health check

The tool below provides a quick help in assessing how your business is performing and how to respond in a way that will ensure both business growth and the attainment of your financial goals.

Business Diagnostic Form

General information	District:	LLG:	Parish/Ward:	Village:
	Name of Business	Full Names:	Sex: Male; or Females	Age
		Telephone Number	How many years has your business been in existence	
	What business sector are you engaged in (Agric; Trade; Services; Manufacturing)	What is the source of your business working capital	What was the size of startup capital (UGX)	
	What is your current business value (UGX)		Is the business registered with (License / VAT)	
Business Leadership	Is my business plan written down?			
	Is my business vision clear? Am I sticking to the business vision?			
	Is my business management skill improving?			
Marketing and sales	Is my product still unique on the market?			
	Is my price competitive and profitable in the market?			
	Has sales increased in the last 6 months?			
	Has the number of customers increased in the last 6 months?			
	Are my competitors beaten or collaborating?			
Financial management	Are critical business records(cashbook) kept and used to monitor progress?			
	Are business costs stable or decreasing?			
	Has my profit increased in the last 6 months?			
	What percent of my profit do I reinvest in my business?			
	What percent of my profit do I save for my business?			
	Do I have access to business loan?			
	Do you mitigate your business risks? Have you insured your business?			
Goal achievement	Do I separate my business and family incomes/expenditures?			
	Have I acquired adequate productive assets?			
General	Is the business enabling me to meet my financial goals?			
	What is working well:			
	What is not working well:			
	What are my next course of actions:			
	Signature & date			
	Name of entrepreneur:			

Reflection/Session Evaluation

What have you learnt today that will help you improve on your readiness for a business launch?

Facilitators' Notes
