

# Small Business Support Strategy Training Report For



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## **1.0 Introduction**

The training was on business skills with the main content of the training based on the assessed training needs of the small business operators in NE Turkana. The training needs assessment was done in the month of December 2006, as a preamble of the Business Support Project. The operators who were assessed during this period were all beneficiaries of Oxfam CFW initiatives. At least 80% of the businesses are newly established and similarly the operators are new to business, having recently diversified their livelihood and/or dropped out of the pastoralism livelihood.

The training took place between January 20th and 28th, 2007. A total of 153, small business operators were trained. The training took place in a total of 6 centers, seeing participants from 18 centers congregating at central training venues. Training events were running parallel, with two main training facilitators from Practical Action Consulting, each being in charge of one training event at a time. The main facilitators were assisted by Oxfam field monitors who co-facilitated, particularly through provision of translating services. See the training plan in the Annex section.

The training participants were small-scale business operators specializing in buying and selling of consumer products. The consumer products range from sugar, cooking fat, tobacco tea leaves and omo detergent, fish marketing is quite prevalent in Lake Turkana Region. Some also stocked maize flour, soap, rice, salt and assortment of cereals. Sugar and tobacco selling is common among the traders. This is due to their high demand. Some of them have goats and camels. Some of the areas have experienced significant influence from cross border trade. These include Kokuro, Loruth etc.

## **2.0 Methodology**

### **2.1 Training needs assessment**

The training needs assessment of the small business operators in NE Turkana was done in three ways;

- identifying expressed needs
- identifying implied needs and
- observing and deducing needs.

Expressed needs: these are those needs that were expressed during the assessment of small businesses in NE Turkana, in the month of December 2006. A total of 187 CFW work beneficiaries, out of who 85 are business operators were interviewed in order to determine the expressed needs of the small businesses. In addition to the field interviews, the participants in the business skills training were allowed to shape the training agenda at the onset of the training event.

Implied needs: These are the needs that interviewees were unable to identify in a definitive manner but were able to bring them out through sharing the various constraints they experience in running their businesses.

Observed and deduced needs: these are the needs that the interviewed CFW beneficiaries were unable to either express or imply but the assessors and trainers were able to observe and/or deduce from first hand experience of the business environment and/or transaction with the business operators.

One of the ways that observations were made was through physical visits to small businesses at the various centers, prior to the training event.

Deduction was done by listening to the challenges faced by the business operators, for which the operators were not able to understand the genesis e.g. losses realized at the expiry of stock. In

addition to this, observing some of the practices of the business operators and analyzing what they portend in the entire picture of a business.

A number of the combined needs could be addressed through provision of training, while others required non-training support e.g. finances, coordination, linkages etc.

The combined needs formed the basis from which training modules were prepared. The initial training modules prepared were standard for the area of small business management. The draft was then customized so as to retain content that is contextualized to the NE Turkana businesses and business environment. Through joint effort of the assessor and the training team, various training areas were prioritized. However, during each training event, participants were given an opportunity at the onset of the training to prioritize the training needs that would best address their skill gaps.

## 2.2 Training delivery

The training delivery approach and methodologies were developed for each of the training module sections. Overall the training process was highly participatory. Bearing in mind the low level of literacy among the NE Turkana small business operators, the main approach identified was to apply the discourse approach, for 80% of the training and the short lectures for 20% of the training. The discourse approach involved various techniques; the main technique was to get participants to form the 'springboard' from which new skills would be taught i.e. the participants would share how they approach certain aspects of business management or their views of certain aspects of business management and then the trainer would then harmonize the understanding and provide key information for the target area. The aim of this was to know the general level of the participants' business skills in order to fill the gap. Another part of the discourse approach involved identifying participants who stood out in terms of knowledge, skills and experience, in a specific training area. The participants were probed by the trainers in such a manner as to share their knowledge, skills and experience with other participants. Syndicate activities were applied as part of the discourse approach. Some were in the form of group discussion and reporting. Role plays were applied in order to illustrate important points and vividly entrench certain learning into the minds of the participants. Some role plays were designed in order to give the participants an opportunity to 'wear the shoes of their clients and fellow business operators'. The idea was to give them key and vivid insights on important aspects of business management as relates to people or institutions that they relate with or issues that they encounter.

## 3.0 Participants' training areas of interest and training emphasis, by training center

### Lowereng'ak, Kaaleng, Kaikor Centers – combined

Training areas of interest	Training emphasis
How to succeed in business	General overview of entrepreneurship
How price their products	Identifying business opportunities
How to deal with credit sales	Business diversification
How deal with expiring goods	Business growth strategies
	Costing and pricing
	Sources of business financing
	Managing business risk
	Keeping business records

	Marketing and customer care
	Transaction in Kenyan currency

**Lokitaung, Kokiselei, Natoo**

<b>Training areas of interest</b>	<b>Training emphasis</b>
How to handle, operate and run business.	Entrepreneurship skills
How to use income from business wisely	Business Resources and utilization
Learn more about business skills/enhance their business skills.	Costing and Pricing for small businesses
How to determine prices of products.	Credit Management
How to handle business challenges	Record keeping
How to strengthen their businesses	Marketing and customer care
To know how one can diversify their business	Introduction to Kenyan Currency
Credit management – fear being if you refuse to give credit you will be cursed.	Business Failure and Successes
	General overview of entrepreneurship

**Nachukui, Narengewoi, Kataboi, Lomekwi**

<b>Training areas of interest</b>	<b>Training emphasis</b>
To learn more about barter trade	Entrepreneurship skills
To learn how to expand/diversify their businesses	Business Resources and utilization
How to spend/manage profit	Costing and Pricing for small businesses
How to strengthen businesses	Credit Management
Learn more about business skills	Record keeping
Sources of capital	Marketing and customer care
How to cope with Business Challenges	Introduction to Kenyan Currency
To share experiences and learn from one another	Business Failure and Successes

## **Kaeris, Mlimatatu, Kanukurdio**

<b>Training areas of interest</b>	<b>Training emphasis</b>
To know more about business How to strengthen their businesses	Entrepreneurship skills
How to run/operate effective business	Business Resources and utilization
Business skills	Costing and Pricing for small businesses
Risk Management	Business growth strategies
Share business experiences from their different areas	Record keeping
Sources of capital	Marketing and customer care
	Introduction to Kenyan Currency
	Business Failure and Successes.

### **4.0 Training proceedings report**

There were various topics that were covered during the training. Below is a consolidated narration on the proceedings of the training by topic.

#### **4.1 General Overview of entrepreneurship**

##### **Objective**

The participants were given a short introductory overview on entrepreneurship. They understood an entrepreneur as a person who starts a commercial enterprise / business which has a relatively high financial risk. This topic was meant to enable the participants to understand that operating a business was not as easy as working for cash. Working for cash has direct reward with little or no measure of accuracy or sacrifice of personal comfort. Business requires personal effort. In other words, the aim of this topic was to enable participants understand essential/basic skills that a business person should have to enable him succeed in their business. Also this was aimed at helping them meet one of their expectations which were all hinged on learning the basic business management skills.

##### **Methodology**

- a) Short Lecture
- b) Group discussion and reporting

In some sessions, the participants were divided into groups. These formed the working syndicates for effective discussions. A random grouping method was used to ensure even mixing of participants from different trading centers. Efforts were made to ensure that each group had a literate person.

In other sessions, there was a brainstorming where participants shared various skills that they felt they had when they started the business or those that they had built over the period they had been running their businesses. Different skills shared were discussed with the facilitator encouraging participants to share their own personal experiences where a skill has enabled them succeed.

## **Task**

The participants were requested to evaluate themselves and come up with reasons as to why they think they were entrepreneurs. The reasons were presented by the team leader of each group to the entire class and in the case of brainstorming, individual participants shared their experiences. On the basis of the presentations, the class generated and agreed attributes and skills necessary to be a good entrepreneur and additional factors that can make an entrepreneur succeed.

## **Participants Performance / output**

The syndicates come up with the characteristics / reasons they shared as entrepreneurs. We divided the characteristics/ reasons into 3 main areas.

### **a) Personal factors**

#### **i) Personal ability**

- Willingness to work hard.
- Ability to set goals and pursue them persistently
- Innovativeness, creativity and optimism
- Self motivation and determination to succeed

#### **ii) Business skills**

- Ability to identify what the customers want
- Ability to manage risks

#### **iii) Interest / Hobbies**

- People engaged in the business they enjoy doing

#### **iv) Family support**

- The family is a source of support especially with the women. When business is low, the husband look for other sources of financial supplement

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### **b) Resources factors**

- Availability of financial resources from CFW or other sources
- Use of family labor
- No expensive machinery or equipments required for their kind of business
- Raw material like, skins and beads are available.

### **c) Environmental factors**

- One is able to locate their business at strategic places
- No harassment from the local government machinery
- Market availability
- Cultural acceptance of entrepreneurship as a way of life.

The above factors were agreed to be the main reasons that have enabled growth of entrepreneurship spirit among the participants.

## **Recommendations**

A training impact assessment on the participants would be ideal after 3 months to survey on their concept internalization and application.

## **Action plan**

The participants were to assess themselves and discuss their entrepreneurship skills with the field monitor in their next meeting.

## 4.2 Identifying Different Business Opportunities

### Objective

This topic was to enable the participant to appreciate the kind of business they were operating as well as understand other different business opportunities available to them. It was to serve as a business eye opener. It's worthy noting that most participants in attendance dealt with consumer products, which they purchase in bulk and sell in small measure and weights. Though some in the centers near and along Lake Turkana, had engaged in fish and fish products marketing, their mode of operation was inconsistent. This was due to poor local fish market and inadequate capital to transport fish to Nairobi or Kisumu, where demand for Lake Turkana fish is very high. A good number of them had also tried livestock marketing.

### Methodology

- a) Syndicates activities
- b) Facilitators summary

#### a) **Syndicate Activities**

- i) The participants were requested to describe their business
- ii) The participants were also requested to come up with other possible types businesses

### Participants Performance / Output

The participants described their business as the one involving buying and selling of consumables. A number in the centers along or near Lake Turkana, were in fish marketing. They understood it as the business operation at the base of the distribution channel. They are retailers. Those in fish business were either wholesalers or retailers. Some did livestock marketing business as a by the way.

In the Syndicates we evaluated the advantages of the various types of business identified above. The advantages were as follows:-

- These businesses are relatively profitable
- Most products have ready market
- Family members use the same products.
- Some products have standard pricing.

### Disadvantages

- ❖ Stiff competition
- ❖ Significant quantities of the products e.g. sugar is consumed in the family
- ❖ Inaccuracy in measuring and weighing.
- ❖ Standard pricing lead to low mark up
- ❖ Some products expire before they are sold
- ❖ Business requires heavy capital outlay
- ❖ A lot of money is lost in credit.

The participants were prompted to come up with other business opportunities. Two types of businesses were identified. These are:-

- a) Business of producing and selling.
- b) Service

#### a) **Business of producing and selling**

The participants identified the various businesses activities that can be conducted under this classification. These are:-

- Making fishing nets
- Making beads (ushanga)
- Making mats
- Belts
- Decorating leather bags

- Extracting neem and aloe vera products
- Bee keeping.
- Charcoal burning
- Bricks making

One of the main advantages in Turkana is that raw material for most of the above products is readily available in North East Turkana as natural material. For example animal skins are readily available to make leather products, mats and baskets are woven from rafts of a tree that grows wildly meaning they can be used without degrading environment.

The above nature of business was analyzed in terms of advantages and disadvantages.

### **Advantages**

- Requires little capital
- More profitable as prices are not fixed
- The business is very flexible – meaning that you can one engage in other businesses besides that and at the same time you do not have to operate from one particular point. Liz – I am not sure if that's what you also have in mind cause am thinking there is a lot in flexibility.
- All family members can earn from it
- Availability of raw material
- Requires very little stock control – In the sense that you are only dealing with one product.
- Local market is available
- Skills can be locally learned

### **Disadvantages**

- ❖ Lack of physical strength especially for women
- ❖ Lack of innovation

On agreement, the newly identified types of business were rated as more profitable than the commonly practiced retail business. In addition, these businesses could also engage the businessperson in full-time production activity and it can be blend with the retail business quite easily.

### **b) Service**

The participants identified business, which can be performed under this classification. These are

- Hair making
- Shoe repair
- Nail painting
- Tailoring
- Sufuria repair
- Bicycle repair
- Maize milling
- Knife sharpening

These types of business were also analyzed in terms of advantages and disadvantages

### **Advantages**

- Some business may require very little capital investment – for example hair making..
- The business is highly profitable.
- No fixed place for business required e.g. Hair making, Sufuria repair.
- Very limited competition.
- Ability to set a customer base.

### **Disadvantages/ limitations**

- ❖ Some businesses require specialized training which were lacking.
- ❖ Some businesses may require investment which is beyond the ability of average people to mobilize

The participants admitted that certain people who pass through their areas periodically carried out the service businesses.

### **Recommendations**

Vocational training programs would improve production and service businesses.

### **Action plan**

All participants were to engage in production or service business along their usual business. They were to make and sell at least one item in two months.

For example people living along the lake who can do fishing early in the morning and late in the evening and at the same time sharpen knives as a side business.

## **4.3 Business Diversification**

### **Objective**

The participants were intended to understand the need for distributing their business capital on a larger product range as some businesses had a few products. From the list of products merchandised, sugar, which is a common product with all traders, holds over 80% of the operating capitals. There is need to increase the number of products sold in order to tap the market fully.

### **Methodology**

- Simple and concise lecture
- Syndicates activities.

The participants were requested to list other products, which their customers use but are not in their stock.

In the syndicates, participants were also requested to calculate the total cost of sugar they sold. This includes the price of Sugar, Packing material and days required to dispose it.

### **Participants' performance / out puts.**

The participants come up with a list of other products, which they could also sell. These include:-

- Clothes
- School uniform.
- Sandals
- Juice
- Cigarettes
- Handkerchiefs
- Pencils
- Exercise books
- Rubbers
- Children wares
- Torch batteries

Many participants said that at times their customers ask for these products but they have not been active in responding to customer expressed demands.

### **Recommendations**

Some incentives should be offered to operators who stocked a wide range of products. A certificate of competence is ideal. This will help other's strive to work hard so that their efforts can be recognized by Oxfam and more support given to them.(just as a means of enticing them to work hard other than rely on Oxfam for all support)

## **Action Plan**

The participant reassesses their stock and come up with a list of more products in a week's time.

## **4.4 Business Growth Strategies**

### **Objective**

Through this topic, the participants were expected to assess various ways of making their business grow. It was noted that most business operators were revolving a certain amount of money, which reduced at every turn. This led to decline in business in terms of size and operating capital.

### **Methodology**

- Simple thought provoking lecture
- Syndicate activities

In their various groups, it was noted that some participants had done their business quite successfully. They shared testimonies on how they have managed this; the following ideas were floated as strategies for business growth.

- Rolling back part of the profit
- Dealing in products which have better profit margins
- Increasing product range
- Reducing credit trading especially in fish and livestock marketing
- Avoiding barter trade increases opportunities for business profitability
- Injecting more capital into the business
- Using the correct measure and scales

### **Participants Performance / outputs**

Each participant in the group outlined how they have either managed to hold on their business or at least make it grow.

There were some business that had dead stock in several bags of maize - stock which is holding a lot of capital. Those operating in fish had big stocks that have not sold out or in credit sales. With relief supply still in force, the maize stocks are hard to dispose. Business operators were advised not to barter trade on products they cannot be able to liquidate easily.

### **Recommendations**

Some participants who are willing to grow their business should be given more support. This can for example be done through the field monitors visiting various people doing businesses and observing and recording through use of matrixes. This would be a gradual process that would be done overtime maybe after every two or three months.

## **Action Plan**

The participants were to form business support groups once they go back to their centers.

## **4.5 Costing & Pricing Strategy**

### **Objectives**

The purpose of this topic was to enable the participants develop some costing and pricing skills. This was to equip the participants with the basic knowledge on the importance of costing and pricing and to make them understand that this is a major determinant factor on whether a business fails or succeeds.

At the end of this, the participants should be able to measure and weigh their products profitably.

It was noted that except in fish trade, large business operators determined costing and pricing in this area. The cost price for all products was set in each region. All small business operators

bought their merchandise at the same price and sold at the same price. It was noted that the sugar traded by the small business operators was moving faster than that of large business operators.

The principle reason for this is that the measure used by the small operator to determine a kilogram of sugar was much bigger than the standard one kilogram. Consequently no small-scale trader ever realized 50 packs of 1kg from a 50kg of sugar.

### **Methodology**

- Simple concise Lecture
- Demonstration
- Syndicate activities

Each participant was requested to avail the container they use for measuring sugar. A weighing scale was used to compare the relativity of the measure for ½ kg and 1 kg against a weighing scale.

### **Participant Performance / outputs**

To measure ½ kg and 1kg of sugar, all participants used similar measuring containers. For each group the persons who claimed to be very through in measuring either ½ kg or 1 kg were called upon to demonstrate their skills. We started by measuring ½ kg. The person was requested to scoop sugar the same way they measure for their customers. The sugar measured was put on a weighing scale. It weighed more. After balancing on the scale, the excess sugar was put in a different container. We repeated the measuring and balancing 10 times with the excess being added together in the separate containers. After the exercise, we weighed the excess sugar using a weighting scale. The excess was between 600-700 gms. In this inference measuring a 50kg bag using ½ kg containers lead to a loss of more than 5 kg of sugar, which translated to 600 shillings. A similar exercise on a 1 kg measure revealed that for every 10 kg measured 700-800 gms are lost. This results to a loss of approximately 2.5 kg, which is equivalence to 300 shillings. This discrepancy in measure and scale was cutting across other products like cereals.

Those in fish and animal market came up with the idea of pitching higher prices to allow some price negotiation zones/range.

Despite participants clearly seeing the huge loss they were undergoing, they still held that their customers would run away if they didn't use those containers. Although it was agreed that those dealing with sugar will re- examine the measuring containers and if possible cut them to the actual size of ½ kg and 1 kg respectively. Support in acquiring appropriate measuring devices.

### **Recommendations**

It was agreed that those dealing with sugar will re- examine the measuring containers and if possible cut them to the actual size of ½ kg and 1 kg respectively

### **Action Plan**

All products requiring measurement weighing should be packed and displayed ready for sale once the participants go to their outlets. Shop keepers should avoid weighing out products in view of customers.

## **4.6 Sources of Business financing**

### **Objective**

Participants were required to identify the sources of business financing sources available to them. They were requested to analyze their assets and identify those that can be used as collaterals or be disposed to finance profitable business undertaking.

### **Methodology**

- Simple lecture
- Individual case analysis

Each individual was requested to list their assets in terms of animals, machines & tools, money or animals owed by friends, unpaid labor fee, support expectation from their family members and relatives, and possible employment opportunities

Though most participants relied on Oxfam support, some have camels and goats. Others worked as laborers if and when opportunities arise. Others had children or relatives who were formally employed. Some engage in cross border trade. Most of them have few assets.

### **Participants' performance / Output**

The Participants were requested to evaluate other ways of business financing. They come up with suggestions like;-

- Seek for labor.
- Selling personal assets like bicycle.
- Borrowing from their relative.
- Selling of animals.
- Rolling back the profit.
- Forming traders cooperatives
- Seeking Oxfam financial support.

### **Recommendations**

There is need to analyze local sources of business financing This refers to sources that are available within the Community other than having an outsider in form of loan or otherwise financing. For example, selling some of your animals to invest in a business is a local resource. However, participants were encouraged to always analyze the pros and cons of this. In that, if you are selling to finance a business like fishing maybe to buy a boat then that could be viable however if its to open a grocery or a shop yet in the town they are five other shops then this is not a viable business worth selling your assets.

### **Action Plan**

The group was to form commercial units and engage in merry-go-round for business support once the go back to their respective centers.

This way they will be able to raise money locally within their respective centers as long as they honor the pledges. Some of the participants said they have tried that in their respective centres but the challenge has been that some of them do not pay the agreed amount.

## **4.7 Managing Business risks**

### **Objective**

This topic was intended to enable participants identify areas of business risk and come up with a strategy of overcoming/managing risks. Business risks were identified as activities, events or situations that threaten the existence, survival or growth of the business.

### **Methodology**

- Simple lecture
- Group activities

The participants were requested to outline activities, events or situations which were risky to their business operations. Various issues were identified as risky to business operation:-

- Fish and fish products decay
- Credit trade
- Attack by enemies
- Barter trade
- Dead stocks
- Competition
- Domestic cash loss

- Business cash diversion
- Over reliance on business proceeds
- Keeping animal matured animals for too long only to loose the animals in the drought.
- Drought

### **Participants Performance / Outputs**

The participants come up with strategies of managing business risks. These includes:-

- Buying fish that one is able to sell.
- Avoid overstocking of consumer products.
- Selling the animals immediately they mature.
- Restricting business to cash only
- Stocking products with reasonable demand
- Diversifying their business to avoid competition
- Keeping their business money in safe, secure areas
- Avoid using business money to settle personal bills and leisure

### **Recommendations**

Keen ground monitoring should be done to provide continuous advice on management of business risks.

### **Action Plan**

Businesses should recover all money owed within a month.

## **4.8 Keeping business Records**

### **Objective**

This topic was to intended to enable the participants appreciate the need for keeping business records

### **Methodology**

Group activity

The group members come up with a list of the business records relevant to their business. This includes

- Daily sales
- List of debtors
- List of creditors
- Stock control

### **Participants Performance / output**

The participant drew a spreadsheet for recording daily sales for one month. Tentative figures were used. They also drew a stock control sheet. Debtors and Creditors list were also formulated.

### **Recommendations**

Most participants need to be encouraged to attend adult literacy classes so as to enable them effectively keep business records.

### **Action Plan**

All business operators were to start keeping business records immediately after the training. These illiterate operators will request their relatives to assist them in keeping the records.

## **4.9 Marketing and Customer Care**

### **Objective**

Through this topic, the participants were intended to understand the importance of marketing their products and customer care. They learned that packaging, product story<sup>1</sup>, quality of the product, pricing, display and personal selling are effective vehicles for winning customers. Cleanliness of products and the seller is very important in business.

### **Methodology**

Group activities

Each group explained how they conduct marketing activities. There were role-plays in personal selling and product presentation skills. Effective products packing methods were also evaluated.

### **Participants Performance / Outputs**

In marketing, the participants managed to identify and present the selling points for their products in terms of quality, usability and level of need satisfaction.

Participants agreed to handle their products hygienically as part of customer care.

### **Recommendations**

Noting that marketing is a wide area, more training in livestock and fish marketing is needed for the few traders dealing in animals and fish sales.

### **Action Plan**

Participants were to device a product story for all their products when they go to their centers and apply it for purposes of marketing their products.

## **4.10 Business Resource and Utilization**

### **Objective**

The aim of this was to find out what the participants considered as business resources and how they utilized the various business resources they had and if they were aware that profit was a business resource and how they could utilize it effectively.

### **Methodology**

To introduce the topic about business resource and utilization, participants were given a simple exercise where by they were to travel to Lodwar and buy a 50kg sack of sugar. Participants were expected to factor what costs they would incur and profit expected after selling all the sugar. They carried out the exercise in two groups each comprising of 10 members.

The exercise was also used to introduce the costing and pricing concept.

### **Participants performance/outputs**

The two groups made a loss. The first group's expenses were far much above the total selling price while the second group did not incorporate transport and other expenses. Most of the participants did not seem keen on the fact that main concept in business is profit which doubles as a resources to boost your business. However some of the participants said they used their profit to add stock and one participant shared her case whereby she started by selling food stuff then used the profit to start a beads business and recently opened a butchery.

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<sup>1</sup> A product story is where you develop a description of a product in a way that you woo the client to buy. For example their baskets and mats are made from a trees that grow wildly and not from any synthetic materials and are likely to last long since this is a natural product. Also woven by people who have experience in this taught how to do since they were young so they are well made, firm and durable.

## **4.11 Credit Management**

### **Objective**

This session was to help participants understand the pros and cons of selling on credit and for them to learn how they can manage credit problems.

### **Methodology**

This was an open forum where participants shared their experiences since it was only 3 participants who said they had not sold their goods/services on credit. They were able to give different reasons as to why they sell on credit but the major reason was that it was cultural way and majority believed you can be cursed if you do not give.

### **Participant's performance/outputs**

At the end of this session participants were able to appreciate why it is important to avoid selling their goods on credit. Their own personal experiences were the main learning factor for them and they were able to share with one another. On how to deal with credit problems, the participants were able to give various ways and at the end they said they highly appreciated this topic since credit was the main enemy to their businesses.

### **Recommendations**

This is a cultural practice where you are supposed to share, therefore it's difficult for the Community not to lend others. Participants needed to be encouraged to put in place measures through which they can manage credit.

### **Action points**

Some participants said they would stop selling on credit while others said since it was un acceptable in their Community they would continue selling on credit but put in place measures of managing credit as discussed during the training. (Refer to manual)

## 4.12 Transaction in Kenya currency

### Objective

Participants were expected to understand the various denominations of the Kenyan currency. They were also to learn the features of Kenyan currency to enable them to differentiate between fake and genuine Kenyan currency.

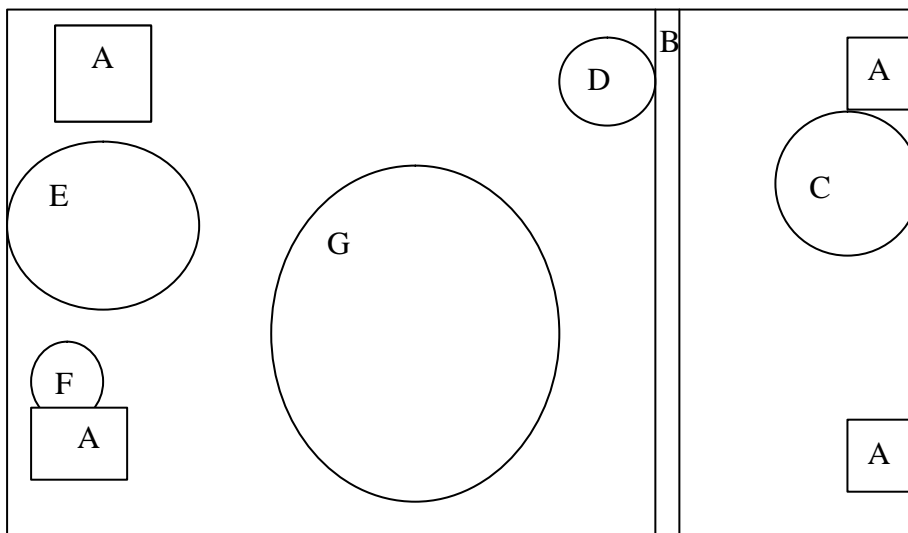
### Methodology

Group work

The participants were requested to identify the features of a Kenyan currency note

### Participants Performance / outputs

With the assistance of the trainer, they identified the physical features and security features of the Kenyan note as follows:-



### Key

A – Notes value (Denomination)

B – Silver strap threading in and out with currency value indicated in shiny appearance

C- Hidden notes value

D- Court of arm and value in words

E- Hidden lions head and note value

F – Part of elephant body

G – Rough area (Presidents Image)

It was noted that security features such as C, E, and G couldn't be faked. In case they transacted the notes at night; scratching section G (the president's image), which is a rough surface would differentiate a fake and genuine note.

### Recommendations

Those dealing with foreign currency should seek assistance of the local leaders in verifying the money.

### Action Plan

Business operators to verify all notes before giving products or change.

## **4.13 Business Failure and Success**

### **Objective**

To equip the participants with skills and knowledge on how they can safe guard their businesses against failure and also how one can tell when their businesses are failing.

### **Methodology**

This was a brainstorming session where participants discussed why businesses fail and how you can tell the direction you are headed to and also factors that contributed to failure and success. They also shared their own experiences where they have succeeded/failed.

### **Participants performance and output**

Participants were able to give factors that contribute to both aspects and were able to pick most factors from what they had learnt over the last two days.

### **Challenges**

The main challenge encountered was language barrier since majority (only 2 out of the 20 participants could understand Kiswahili and write) of the participants could only understand their local language and this made it very difficult in picking up all the points they raised through the translator.

### **Recommendations**

The participants would require other trainings to enhance their skills since this was the first training they were attending on Business Development skills. Oxfam should produce manuals and train ToTs who will hold trainings with the beneficiaries frequently and help address different gaps in different areas or centres. It was noted that the capacities and potential for growth differ from area to area. For example in Nachukui and the nearby centers around the lake there is lots of potential for business growth compared to other areas like Kaeris while an area like Lokitaung there is also lots of potential businesses that can be explored being a peri urban but the participants do not have potential to do so. They would require support and guidance in this.

## **5.0 Training Highlights and Conclusion**

Demonstration of how losses result from using inappropriate measuring devices was done during the training especially in Lowereng'ak, Kaikor and Kaaleng training events. It indicated that by improvising measuring devices, a business can loose between Ksh.600/= and Ksh.300/= for each 50Kg. bag of sugar! What was more surprising was the proprietors' reluctance to correct this for fear of losing customers.

Proprietors were able to easily identify entrepreneurial characteristics and recognized themselves as a cut above the rest for having made a bold move to go into business.

It emerged that knowledge of Kenyan currency was not an area of difficulty to the business operators in NE Turkana but the real challenge was in attaining sufficient numeracy skills for purposes of administering correct change and general cash transactions. However, this is not on a serious scale.

Illiteracy emerged to be of significant effect on the ability of the participants to run their businesses effectively. This seriously hampered record keeping and important aspects of business such as product pricing, business projections etc.

For the second training we would recommend detailed refresher training on the same topics. In reference to the training manual, some issues within the topics were left out due to time limit and also capacity of the trainees since they did not have any foundation training. Training can specifically be focused on businesses showing good chances of survival. This might mean one on one interviews and understanding how they are performing and what gaps they have and try to address the gaps directly.

There is a lot of potential on the community and majority of the people trained. With more training that would build their capacities their business skills would improve greatly.

Monitoring, If they are able to:

Sustain their businesses without CFW?

If they are diversifying on their businesses or they are selling similar items as they used to when they started?

Is the stock level increasing meaning business growth?

It was observed that the participants started their business with little ideas of what business is all about. Through their were economic reasons for starting business, like economic empowerment, strategic survival, fear of means of livelihood once Oxfam withdraw from the area and availability of business start-up money which was a residue of cash for work funds, their were social aspect behind the business start up. Some participants were tired of pastoral life. They wanted to try a different lifestyle. They found livestock keeping quit unpredictable and very insecure. There was need to settle down at some point and bring up children through the formal education system.

It was noted that the Turkana culture is also changing drastically and two socio-economic systems are rapidly emerging. These Socio-economic systems are i) pastoral and ii) urban system. The business operators considered themselves to be in the urban socio-economic system (town people). They trust themselves as being more modern civilized, visionary, focused and fashionable than their counterparts who migrate with animals in search for grazing areas and water

The urban people are keen to engage in commercial enterprises. Due to frequent drought and cattle raids, livestock keeping don't seem to be a wise path to follow. So even with CFW, they did not wish to restock their herd. It should be noted that despite the humble condition of the various commercial centers, to most of the participants, they are urban centers and herald modernization. Live in these commercial centers call for adaptation of certain social, cultural, moral and ethical values and practice distinctive form the traditional pastoral lifestyles. Any program of making the urban dwellers better herdsmen may be an effort in the wrong direction. In the urban set up, there is another social strata. This includes the educated and the non-educated. Though this stratification does not hold great economic ramification, it may in future develop to a strong socio-economic group of elites and business operators. The educated group has already started distinguishing it self from the non-educated group through their dressing style. They prefer putting on clothes and wear very few ornaments. If these emerging groups are well studied and their socio-economic characteristics analyzed, they constitute strong agents of change.

**Annex 1: Training Participants list**

<p><b>Nikonomet</b></p> <ol style="list-style-type: none"> <li>1. Akuwani Erus Atong</li> <li>2. Palal Ngaukoni</li> <li>3. Kevina Akiwam Edapal</li> <li>4. Akini Lowoi</li> <li>5. Lorot Mio</li> <li>6. Amerikok Ekai</li> </ol>	<p><b>Kaaleng</b></p> <ol style="list-style-type: none"> <li>1. Mbenyo Egiron</li> <li>2. Amurie Lomoe</li> <li>3. Apua Trio</li> <li>4. Atabo Abuka</li> <li>5. Esibitar Ewoi</li> <li>6. Esther Eregae</li> <li>7. Helen Lomala</li> <li>8. Ileny Nalimo</li> <li>9. Kabongin Losike</li> <li>10. Kionga Lonyala</li> <li>11. Lilian Atabo</li> <li>12. Liwan Lomanat</li> <li>13. Losamuke Adir</li> <li>14. Ngachomo Endi</li> </ol>
<p><b>Kaikor</b></p> <ol style="list-style-type: none"> <li>1. Akure Miyan</li> <li>2. Apeta Nakoloyoi Lokulo</li> <li>3. Aregae Munyeri</li> <li>4. Asinyen Samal E. Kitela</li> <li>5. Ekuniot Lomarile Nawoi</li> <li>6. Esilan Amedo</li> <li>7. Eyapan Angor</li> <li>8. Illikwel Abuka Lo koler</li> <li>9. Loviomton A tade Ekaden</li> <li>10. Lojore Ewosio Nadima</li> <li>11. Lokerio Ekadeli Achale</li> <li>12. Lydia Lethio Ebelukwa</li> <li>13. Nalemy Eweton Kigingoo</li> <li>14. Eyanae Lokwaar</li> <li>15. Amuria Anton</li> <li>17. Lokolio Nachomi Lokwom</li> </ol>	<p><b>Nachukui</b></p> <ol style="list-style-type: none"> <li>1. Aregae Rebbecca</li> <li>2. Ekiru Erot</li> <li>3. Korich Marok</li> <li>4. Mary Ikai</li> <li>5. Alice Akaale</li> <li>6. Akai Lokaal</li> <li>7. Atiir Esinyen</li> <li>8. Akidor Esinyen</li> <li>9. Ikai Lomilio</li> <li>10. Rebbecca Kinei</li> <li>11. Mary Naron</li> <li>12. Asimit Ejore</li> <li>13. Ingolan Esekoo</li> <li>14. Inok Ekar</li> <li>15. Kwalang Hussein</li> <li>16. Leah Erika</li> <li>17. Ngikasukou Thomas</li> <li>18. Ragistar Eroti</li> <li>19. Rebecca Ekope</li> <li>20. Christine Kuya</li> <li>21. Abulor Erogo</li> <li>22. Ayande Ekai</li> <li>23. Margaret Letepe</li> <li>24. Selina Asinyen</li> <li>25. Margaret Nangole</li> <li>26. Rebecca Akiru</li> <li>27. Kaituko Ekal</li> <li>28. Mary Lotukoi</li> <li>29. Angolan Ekalale</li> <li>30. Simon Ekuwom</li> </ol>
<p><b>Karubangorok</b></p> <ol style="list-style-type: none"> <li>2. Achukul Ekeroo</li> <li>3. Nakali Lomon</li> <li>4. Loloom Ebinyo</li> <li>5. Manukai Lo Pianuna</li> <li>6. Kuya Nalila</li> </ol>	<p><b>Kaeris:</b></p> <ol style="list-style-type: none"> <li>1. Ajem Emuria</li> <li>2. Alice Atabo</li> <li>3. Asinyen Nalingakwa</li> <li>4. Aweet Edung</li> <li>5. Emuron Longor</li> <li>6. Engomo Lochoo</li> <li>7. Ewoi Emuria</li> <li>8. Lotangor Kaaleng</li> <li>9. Mark Abwel</li> </ol>

	<ul style="list-style-type: none"> <li>10. Nanyapid Lotomon</li> <li>11. Naro Lusodo</li> <li>12. Pato Ebur</li> <li>13. Sabina Itako</li> <li>14. Amoni Nakure</li> <li>15. Ikeny Esinyen</li> <li>16. Lobolia Esekon</li> <li>17. Lotaka Logiel</li> <li>18. Moses Lokaale</li> <li>19. Echukwel Lokwanamor</li> <li>20. Logiel Erukon</li> <li>21. Mary Akuwom</li> </ul>
<b>Kokuro</b> <ul style="list-style-type: none"> <li>1. Florence Awoi</li> <li>2. Elbac Ewoi</li> <li>3. Longori Emuroni</li> <li>4. Ayelel Meyani</li> </ul>	<b>Lokitaung</b> <ul style="list-style-type: none"> <li>1. Apas Emathe</li> <li>2. Aweet Kalowas</li> <li>3. Florence Topuye</li> <li>4. Achuka Ekitela</li> <li>5. Akai Tede</li> <li>6. Akal Ekoromwae</li> <li>7. Alfred Ekiru</li> <li>8. Amuria Komol</li> <li>9. Ewoton Losapiriet</li> <li>10. Lokwawi Kaleng</li> <li>11. Lomilio Napak</li> <li>12. Mary Echoto</li> <li>13. Paulina Nachomino</li> <li>14. Salome Ekitela</li> <li>15. Akuwom Lokipor</li> <li>16. Ikong Lokorwo</li> <li>17. Lochara Ewosit</li> <li>18. Nakunia Lopinet</li> </ul>
<b>Meyan</b> <ul style="list-style-type: none"> <li>1. Akurudi Lourien</li> <li>2. Ann Ekai</li> <li>3. Nakuli Eregeo</li> </ul>	<b>KACHODA</b> <ul style="list-style-type: none"> <li>1. David Epuyo</li> <li>2. Lokulan Ebei</li> <li>3. Moru Evest</li> <li>4. Selina Kaalang</li> </ul>
<b>Kakelae</b> <ul style="list-style-type: none"> <li>1. Longorikif Muya</li> </ul>	<b>Loruth</b> <ul style="list-style-type: none"> <li>1. Abongoh Kalowas</li> <li>2. Akalale Lokadongoi</li> <li>3. Angolol Lochor</li> <li>4. Apidign Ngasike</li> <li>5. Ngisuru Eselon</li> </ul>

## Annex 2: Summarized information on training

Training Center	Participants origin	Total No. of participants	Date of training	Cross-cutting training areas	Unique training areas
Lowereng'ak	Lowereng'ak	29	Jan. 26-28, 2007	Costing and pricing	General overview of entrepreneurship
	Todonyang			Marketing and customer care	Identifying business opportunities
				Keeping business records	Business diversification
Kaikor	Kaikor	30	Jan. 23-25, 2007	Transaction in Kenyan currency	Business growth strategies
	Loruth			Entrepreneurship skills	Costing and pricing
	Nakinoment				Sources of business financing
					Managing business risk
Kaaleng	Kaaleng	23	Jan. 20-22, 2007		Keeping business records
	Kachoda				Marketing and customer care
	Loruth				Transaction in Kenyan currency
Lokitaung	Kokiselei	20	Jan. 23-24, 2007		Entrepreneurship skills
	Lokitaung				Business Resources and utilization
	Natoo				Costing and Pricing for small businesses
					Credit Management
					Record keeping
					Marketing and customer care
					Introduction to Kenyan Currency
					Business Failure and Successes.

Kaeris	Kaeris	21	Jan. 20-21, 2007		Entrepreneurship skills
	Mlimatatu				Business Resources and utilization
	Kanukurdio				Costing and Pricing for small businesses
					Business growth strategies
					Record keeping
					Marketing and customer care
					Introduction to Kenyan Currency
					Business Failure and Successes.
Nachukui	Nachukui	30	Jan. 26-27, 2007		Entrepreneurship skills
	Narengewoi	153			Business Resources and utilization
	Kataboi				Costing and Pricing for small businesses
	Lomekwi				Credit Management
					Record keeping
					Marketing and customer care
					Introduction to Kenyan Currency
					Business Failure and Successes.

### Annex 3: Exercises

The exercises introduced the relevant topics.

#### Exercise I – Costing and Pricing

1. Exercise: Buy a 50kg sack of sugar in Lodwar? What costs will you incur and profit expected after?

Participants were divided into three groups of 7.

##### Group 1

Bag of sugar Ksh; 4400

Transport 200

Own transport 400

Lunch 150

5400sell 1kg @ 120 X 49 5880 profit = 580

##### Group 2

Bag of sugar 4700

Transport sugar and person 450

Lunch;300

Price per kg 120X 48 =5760

Profit:310

##### Group 3.

Bag of sugar Ksh; 4500

Transport 200

Own transport 400

Lunch 300

5400sell 1kg @ 120 X 48 5760 profit = 300

Observations:

Each group was able to make some profit.

#### Exercise II: Keeping simple cash records

Sabina was given CFW on 1<sup>st</sup> Feb 2007 by Oxfam 20,000

She spent the money as follows:

Date	Details	Amount
2/02/07	sugar	4,000
2/02/07	Salt	200
2/02/07	Unga	1,000
2/02/07	Cooking Oil	1,500
3/02/07	Transport	500
3/02/07	Lunch	300
4/02/07	Sales	400
5/02/07	Sales	300
7/02/07	sales	700
8/02/07	Jane paid her a debt	800

Participants were divided in three 3 groups each comprising of 7 members and were asked to come up with a simple record showing money in and out.

Group 1 :

They were able to differentiate between money in and out only missed out one item – lesson is if you loose some of your receipts your records will show deficit

Group 2: Good record – however they referred to the sales as profit

Group 3: The group members were not able to separate expenses and the money in.

It was however clear that half the participants were in a position to keep simple cash in/out records.

Date	Details	Money in	Money out	Balance
1/02/07	Capital	20,000		20,000
2/02/07	sugar		4,000	16,000
2/02/07	Salt		200	15,800
2/02/07	Unga		1,000	14,800
2/02/07	Cooking Oil		1,500	13,300
3/02/07	Transport		500	12,800
3/02/07	Lunch		300	12,500
4/02/07	Sales	400		12,900
5/02/07	Sales	300		13,200
7/02/07	Sales	700		13,900
8/02/07	Debt Paid	800		14,700
	Total sales	2,200		
		22,200	7,500	14,700

### Exercise III: Concept of customer care

To introduce the concept of customer care 4 participants were picked to take part in two different role plays.

Role play

1. In this first role play, when the customer walked into the shop, he found the shopkeeper busy sweeping her shop. When the customer asked the shopkeeper to attend to him, the shopkeeper was rude and said she was busy and he should wait until she is done with her work. She also complained that he had come to the shop too early when she was just opening the shop.

2. In the second role play, the shopkeeper was welcoming, started by greeting the customer, said thank you and wished him well as he left. Though she was busy cleaning since it was early in the morning she stopped to attend to the customer.

After watching the role plays participants were asked to give their comments/observations from the two role plays:

1<sup>st</sup> Role Play:

Observations:

- The shopkeeper did not listen to his customer
- Rude
- He did not give her attention.
- Although the customer had money and was willing to buy the commodity, she did not because the shopkeeper was not welcoming and was busy cleaning her shop.
- The shopkeeper would loose customers – through word of mouth that this particular customer would spread to other customers and would be customers.

2<sup>nd</sup> Role play

- Good communicator – started by greeting the customer.
- Understanding – based on the fact that though the customer had come early when the shop was opening.
- Her sales would be high thus increase her stock.
- Because of her good PR the business would sell its self and attract more customers.