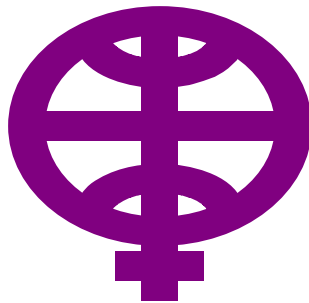


**Report on the Baseline Assessment of
PNPM Facilitators and PNPM Women Business
Groups (SPPs)-Capacity Building Needs**

**Presented to:
International Labour Organization (ILO)**



**From:
Association for Women in Small Business Assistance
(ASPPUK)**



EXECUTIVE SUMMARY

The SMEs (micro, small, and medium enterprises) plays strategic role in our national economy. Based on the BPS (National Statistic Agency)'s data in 2005, the SMES contribution reached the level 54,22% of Indonesian GDP (Gross Domestic Product) absorbing 77,68 millions workforce or approximately 99,77% from the total national workforce or majority of Indonesian. These 44,69 millions SMEs units counted as 99,99% of the national business units. In the subsequent year, the BPS noted that 46% of the small-micro enterprise actors were women. It confirmed by the Minister of Women Empowerment who estimated about 60% of the micro enterprises (including the home industries) were managed by women and their family.

Considering women's strategic role in small-micro business and their potential to poverty eradication efforts, the Indonesian government since 1998 through its Kecamatan Development Program (currently known as PNPM Mandiri Perdesaan program) integrated the women groups empowerment as part of Indonesia poverty eradication programs.

The ILO (International Labor Organization) as a technical UN Agency concerned on the employment issues and poverty eradication in Indonesia, intend to lend its technical expertise in the areas of entrepreneurship development to PNPM program. The ILO with support from CIDA provided capacity building to the PNPM facilitators and their women groups beneficiaries in the area of entrepreneurship development with business development training as a mean.

During the implementation, the ILO perceived the important to have a review/assessment on the needs of women groups – as a part of the targeted community. This review is not limited to only serve inputs for further development strategies for the women business groups but also aims to:

- a. Assess and provide profile of the women entrepreneur in “saving-lending group” (SPP) based on their business skills and understanding of gender equality, challenges, threats as well as their needs related to business development.
- b. To assess and provide profile of PNPM facilitators related to their understanding of gender equality, concept and awareness and the micro business development as well as participatory training which will provide a basis to define their future needs.

The assessment covered five districts/regencies of NAD province, namely: Banda Aceh, Aceh Besar, Pidie, Aceh Tengah and Bener Meriah. We used sampling system with the grouping system according to areas covering 120 SPP women members and 15 PNPM facilitators. The sampling determined by the following criteria:

2. Their accessibility to obtain large, medium and small loan.
3. Type of group activity comprising of saving-lending and mixed activities.
4. Their position in a group, whether as a member or executive board.

5. Regional distribution and proportionate number of all respondents.
6. Their loan re-payment level.

By the combination of three methods (quantitative and qualitative interview and focused group discussion), the assessment revealed the following findings:

- 1) Earnings of SPP women members - It is largely varied from the lowest of Rp 50.000,- to the highest of Rp 7,6 millions per month. However the average is at Rp 500.000,- per month.
- 2) Education level – varied from never been to school to high school level. The majority is high school level.
- 3) The types of business. - Mostly are engaged in trading, farming (incl. livestock and fishery), home industries (for example: bags, tailors, sewing etc.), and services (such as tailor, retailer, and vegetables seller and middle women).

4) At present, the PNPM program mostly focused on capital financing for the rural women group who already and/or plan to start a business however it had not yet driven them toward the profitable business development. Due to this condition, most of their business can be considered not economically feasible as they are not profit oriented yet considering the following indicators: (1) unvaried products and improper packaging technique; (2) Most of them have not yet any business plan as a consequences of solely following the trends of others; (3) Low capabilities to obtain financial support other than PNPM program. The PNPM though has already disseminated abundant resources but still cannot cope with the needs as can be seen of long queue list of revolving loan to SPP members. It is worsened due to their lack of access to the information of the available funding, complicated banking procedures, high interest rate, and collateral requirement; and (4) Limited marketing skill – their product still bounded only to local markets with traditional promotion techniques.

5) Facilitators' capacities. The above "lack condition" is partly compensated with facilitators' good accounting skill. At least, group's administration management was well managed. Most facilitators have experiences in community empowerment for about more than 5 years. Most of them holds bachelor degree in accounting or economics. However the nature of PNPM program requires these facilitators as not only responsible as a "security" to its revolving loan but also facilitate the women groups on how to best use them for business development. The finding also noted PNPM facilitators hardly were given a group business development training while one of their main tasks is to facilitate the use of SPP loan to these women groups. This lead to low creativity and innovative thinking of the facilitators in guiding the women groups to develop their products, market linkage, as well as exploration to alternate capital funding. So far, the "GET AHEAD"

training is the only development training which equip the facilitators with knowledge of business development and gender equality.

6) Women relation with other parties. - In reality, the women relation in rural areas is still under the patriarchy structure. Business managed by women was comprehend as part time job to their husband's job. This condition strongly connected with the idea that Marriage Law (UU Perkawinan) in Indonesia positioned the man as a family head. It brings implications to most of the families that decision making in businesses and workload assignment holds by the husband although the wives own the businesses. The women's burden is doubled with the domestic work which still perceived as their domain of responsibilities nevertheless their shared to family income is higher than the men. It was unsurprisingly if they put family approval as well as husband's role as a main hurdles in business development, in addition to the lack of technical skill and business management.

7) The capacity of PNPM facilitators to understand gender inequality in business. - They gathered a short of differences in defining the understanding of gender in equality in the business. Although 4 facilitators (2 men & 2 women) out of 15 interviewed facilitators shown good understanding in gender perspective, however they could not expressing of business women in their own terms. Formally, only 2 facilitators been attended specific gender awareness training. However, most of them could describe gender problems that experienced by women in daily life. Nevertheless they differentiated between women problems in business with gender relation. In particular when the gender perspective was put into to see gender problems in business development technically, then those analyses were unseen. Considering this condition, between the gender relation faced by the SPP members and lack of facilitators' understanding bring challenges to see the changes in a responsive gender business development and women development without concrete steps.

According to the aforementioned findings, there were two important recommendations needed to be done:

1) ***The need to develop production technical skill supported with business management training.***

- **product skills development** put as top priority. They perceived their lack of skill hampered them to develop business as they don't have skill required to produce such demanded products. Their traditional production knowledge, - gathered from their parents or self learning esp. in food production and sewing; - can only produce uncompetitive products.
- In terms of business management, it was identified that:

- o **Money management and bookkeeping** are the main areas need to be improved especially in defining their costing and pricing and segregating between the business and family money.
- o **Marketing skill training** is required to improved their skills to expand the business. So far, they only perceived surrounding villages as the market while opportunities are also available outside the borders. Moreover, for women, marketing problems were not merely because of the business aspect, but it was related with the access limitations toward information, time availability, and regional approach.
- o **Business Planning Training** - including costing and pricing for their products/services, business feasibility, stocktaking, marketing plan and finance. These were important because almost all of the women had not yet owned a written business plan as a guide in business management. Also in business feasibility study had not correctly done. Generally in calculating the business feasibility, they calculated and marked the business is good as well as there was money turnover to buy their family daily needs and re-stocking. They have not yet calculated the profit.

While for the facilitator, even though the PNPM program had encouraged the improvement of family income through micro business development however these facilitators had never been obtained trainings on business development. Although they mastered accounting and finance already as these related with the program's focus to facilitate the funding for micro business for rural women but if we looked closely the micro business women faced more complex problems in addition to capital problem such as management, production skills and marketing as well as gender challenges. Thus, the financing approach only would not be enough. Thus, improvement in business development knowledge, such as business management, marketing and networking to other financial resources were absolutely needed for the facilitators. They need to be more exposed to linking the program to other vocational skill training providers.

The capacity building method could be done in several methods, such as **periodical discussion, workshop, apprentice with the women in SPP group, and also business development training.**

2) ***The need to conduct gender awareness related to role of women in daily life, both for the SPP women groups and PNPM facilitators.***

- Gender Awareness - It is considered as important related to women position in their businesses, either managed with other family members or by themselves. For the

women themselves, they still perceived that their important role in business is only to help the husband coping with family's daily needs. The attitude to positioned themselves in second layer especially in income contribution to the family indicate the rooted patriarchal culture in the society. It implies on the decision making process, while the women are as doers, the husband holds the information flow and ultimate decision. The survey found a quiet different condition for the windows and those run the business which perceived as women-specific skill such as making snacks, catering, milling spices, and sewing. They hold the decision making and little intervention made by the men of the family who mostly functioned as helpers.

Even though sometimes they felt tired in running micro businesses and still treated as second layer, however the SPP members confirmed feel happier since they run the businesses as it is an alternate to fulfill the family economic need. With the business, they are more self-supported enabling them buying their own needs without asking the husband for money or his approval. Besides, according to them with these business also bring positive impact such as their husband more in love with them because much of their household needs were achieved, free to help relatives, appreciated by neighbors because of not being a burden, proud to show that their have their own income and better self-confidence.

For the PNPM facilitators, in terms of gender awareness, in addition to the GET AHEAD training, there are a need to conduct **a specific training and discussion of gender awareness**. As found during the interviews, neither training nor discussion about this specific topics never been done even internally or as in-house training. As a result each of them hold different views which impacted the way they facilitated the women groups. On the other side, all facilitator are really cooperative if such discussion is possible. They eager to be capacitated to improved their understanding on this issue as well as exercising a gender analysis. It is an alternative approach to nurture their sensitivity to see the gender challenges in the business. Another approach can be done through training followed by a field practicum with the SPP groups and finished with a self-reflection. This can be done as some facilitators in fact already have done a gender analysis in the program, they can mentioned a key word such as "access", "control", "task division", "participation". However they never been gone through any gender analysis training. The only gender-related training that they have been obtained is GET AHEAD.

Various approaches for the capacity building within the PNPM facilitators can be done through periodical focused discussion, workshop, short term internship with successful SPP women groups from out of Aceh, as well as providing further business development training.

Within the SPP group level, the need to improve their gender awareness can be explored through a hands-on training, providing updated information including on case study of household problems and solutions, segregating duties, and decision making process. Alternatively, it can be

done through a group discussion together with men and women in the villages so that both could share their awareness as well as concerns. Assuming that level of facilitators been improved, they can also provide a coach or facilitate focused group discussion to specific group and/or communities.

Chapter I Introduction

I. Background

Small, medium and micro enterprises (UMKM/SMEs) have a strategic role in supporting the national economy. BPS data in 2005 shown that SMEs performance in the recent years was improved significantly, shared 54,22% of the national PDB. The figure built from 44,69 millions of SMEs or 99,99% of the national enterprise unit. They absorbed about 77,68 millions worker or 99,77% of the national workforce. Small and micro enterprise sector were sectors that applied by most of Indonesian, therefore these sectors also known as “people’s economy”.

Micro enterprises were believed mostly run by women, especially in service and food processing. BPS noted for year 2006 about 46% of the overall small and micro enterprise owner were women.¹ As further confirmed by *Dedi Haryadi* from Akatiga that micro and small enterprises were become a primary choice for majority of the people, especially women, to enable them fulfilling economic needs. The National Minister for Women Empowerment of Indonesia in Women Empowerment Workshop in Micro Enterprise and Finance in Central BKKBN, estimated about more than 60% micro enterprises (including home industries) were managed by women and their family.²

Beyond the strategic role of the SMEs and women as mentioned before, there were complex problems, which were as following:

1. Difficulties in managing the enterprise, as they bear their workload and domestic responsibilities during crisis.
2. Difficulties in gaining information due to limited access and mobility.
3. Difficulties in accessing formal credit mechanism due to rules and procedures that were complicating.
4. The Power in technology acquisition in small-micro enterprise owned by women was lower than men.
5. Were targeted by taxations, as they were assumed as weaker.
6. Organizing awareness and chance for women were smaller than enterprise owned by men.
7. Lack of capabilities in searching of raw materials from an alternative source that required more mobility (*Akatiga, 2000*).

Considering the small-micro enterprise strategic role, the National Government through the National Program on Community Empowerment (PNPM), integrated women groups into their

¹ Haryadi Dedy, and friends, *Step development of a small enterprises: its dynamic and potential growth*, (Bandung: Akatiga, 1998), page. 25.

² Speech of Women Empowerment Ministry of Indonesia at “*Workshop of women empowerment in small business and micro credit*”, 1 -3 February, 2005.

poverty alleviation program which has run since 1998. Despite its strategic role, it is expected that through a participative development process, critical awareness and gender responsive community self-help of the poor and women could be developed thus they were not an object anymore but as a subject for poverty reduction program. The PNPM program involved community throughout the process, from planning, execution, supervising up to evaluating the program.

In the framework of ILO collaboration with PNPM Program supported by CIDA (the Canadian International Development Agency) to enhance the capacity of PNPM personnel to conduct a gender responsive micro-enterprises development program to the rural women group beneficiaries. It is expected through this work could generate a self-employment which in return impoverish the poverty.

Within this scope, the ILO perceived an important of having a baseline assessment to further dig on the need of these rural women groups as well as the PNPM facilitators. The activity was covering 5 districts of NAD province. In addition to its objective to provide major inputs for a proper intervention on capacity building program for the beneficiaries in a participative ways, it also aims to bring the assessment's process as indeed a part of capacity building itself. That PNPM will learn how such exercise will directly benefit the program, not exclusively to these 5 districts but to others as well.

II. a. Assessment Objectives

The objectives of this assessment are:

- a. To recognize and provide information of the SPP women group members by considering their business skills and gender equality awareness; challenges as well as their needs in order to develop their businesses in the future.
- b. To recognize and provide information of the PNPM personnel, ranging from the field facilitators and supporting local community components (UPKs - Village Management Unit consisted of local people and the PLs - Local Facilitators) to the government staff of the BPM (the Community Empowerment Bodies) in terms of their understanding on gender equality value, micro enterprise concept and development and participatory training as a basis to define their future training needs.

II. b. Expected Results

A bilingual report providing information of PNPM facilitators and SPP women groups' current condition and the needs for capacity building in the area of gender responsive micro-enterprises development program related to PNPM program in NAD (Nanggroe Aceh Darussalam) province.

III. Method of Assessment

III. a. Method and Forms of Assessment

The Assessment is considered as an applicative study done following scientific principles. The method and forms used were designed based on the objectives and characteristic of the assessment. According to what will be expected from this particular “Baseline Need Assessment” the following methods were being used.

III.a.1. Type and Source of Data

Data source is all materials that could provide information needed in assessment. A reliable data source is the people with authorities to and can answer the assessment questionnaire. The data collection method is a manner of collecting information needed in assessment. According to the objectives of this assessment, the consultant team determined the type of sources and the data collection method as follows:

1. Observation

The Observation was done to subjects, situations or events that relevant with the type of data needed. Observation plays important role in collecting data related with behavior and attitude of subjects that focused on social, culture and economic conditions. The team has observed both the SPP women members within their groups (during focused group discussion) and the PNPM facilitators during the interview sessions.

2. Structured Interview Using Quantitative Questionnaire

This activity was managed by the consultant team comprised of ASPPUK staff and 13 enumerators from the NAD fishery department that had followed the TNA (Training Need Assessment) which was conducted by the FAO (Food Agriculture Organization). Information collected by a structured interview to 60 SPP groups in 3 regencies; Aceh Besar, Pidie and Aceh Tengah regencies. Prior to the field interview, a half-day training in questionnaire filling procedures was managed for the enumerators.

The 60 respondents of SPP group members were determined based on the following criteria:

- 1) Women group that had an access toward a large, medium and small loan.
- 2) Type of Group activity that comprise of saving-lending and mixed activities.
- 3) Their position within the group, as a member or executive board.
- 4) Regional distribution and proportion of the overall respondents.
- 5) The loan re-payment level.

3. Focus Group Discussion (FGD)

FGD, as one of assessment method, aims to gather data qualitatively. It complements the quantitative method which has been done through questionnaire interview. The groups being invited in the FGD were followed the same criteria as above. The FGD was managed 3 times in Aceh Besar regency, 2 times in Aceh Tengah, and 1 time in Pidie. Each FGD involved 10 women from SPP groups and guided by a facilitator from the ASPPUK using the question guidance that had already prepared and also supported with the recording process.

4. In-Depth Interview

In-depth interview were conducted through a face-to-face dialogue to every informant. Interview was managed informally and not strictly structured. Flexibility needed to support the in-depth information collected. To help the data collection process and also to limit the questionnaire asked, there was a guideline of questionnaire which regard to the data type and data source. Time and place were determined considering the respondent condition and situation. During the interview, a two way communication always been maintained. The interview covered toward 15 villages PNPM program facilitators of 4 regencies (Aceh Besar, Pidie, Aceh Tengah and Bener Meriah) and 1 municipality (Banda Aceh).

III.a.2. Validity and Data Analysis Technique

To develop data validity, a triangulation and data codification were being used. Each similar data from the four data collection methods were collected and coded then proceed to triangulation for a finding analysis. So that this information collected from the four methods completed each other in arranging findings and report analysis.

Furthermore, the analysis of assessment data was conducted inductively using interactive analysis model. In this analysis model, interaction process between the four methods was conducted by: data reduction, data presentation, and conclusion and verification. All four of them were done simultaneously interacted with the collection data process and cyclically during the data collection, and even when the data collection had finished.

III.a.3. Sampling

As PNPM program is a nation-wide poverty eradication program, thus each single districts of NAD province maintains the program as well. Due to assessment objectives and limitation both in terms of duration of the work and regional wise, the assessment only comprised of three districts namely: Aceh Besar, Pidie and Aceh Tengah for the quantitative data collection

and FGD, whilst for the qualitative data collection covered 5 districts of : Banda Aceh, Aceh Besar, Pidie, Aceh Tengah, and Bener Meriah.

According to the above conditions, the assessment was conducted by sampling system with a purposive sampling method. In the purposive sampling, a clustering had been made where the populations were divided into several areas. Then clusters were picked as a sample, and sorted into several unit member of the cluster. To answer the data representation and assessment objectives, unit picked from the sample cluster (which was SPP group of PNPM program), were determined as following criteria:

- 1) Women group that had an access toward a large, medium and small loan.
- 2) Type of Group activity that comprise of saving-lending and mixed activities.
- 3) Their position within the group, as a member or executive board.
- 4) Regional distribution and proportion of the overall respondents.
- 5) The loan re-payment level.

Total respondent from the SPP groups were 120 women, 60 out of them were being a respondent for the quantitative interview, and the remaining involved in FGD. For the qualitative interview, the ASPPUK team collected information toward 15 of PNPM facilitators which were spread throughout 5 districts and 1 municipality.

III.a.4. Location and Time

Location

According to the sampling method and criteria developed, it was determined 3 districts for quantitative interview location and FGD.

A. Aceh Besar District, comprised of:

No	District	Village	Number of Respondent and Group Name
1	Darul Imarah	Ulee Leung	2 Women, Seroja
2.		Punie	2 Women, Mitra usaha
3		Lamblang Manyang	2 women, Ingin maju
4		Lamblang Manyang	2 Women, Wirid Yasin
5		Tingkeum	2 Women, Tingkeum
6		Lampeunerut UB	2 Women, al-yaqin
7	Kuta Malaka	Leupung Riwayat	2 Women, Leupung Riwayat
8		Reulung geulumpang	2 Women, Reulung geulumpang
9		Lam Ara Engking	2 Women, Makmu Beusare
10	Kuta Cot Glie	Lamtui	2 Women, Mandiri
11		Lam Aling	2 Women, Ingin Maju
12	Montasik	Mon Ara	2 Women, Mon Ara

13.		Lamme Garot	2 Women, Lamme Garot
14.		Weu Krueng	2 Women, Bina usaha
15.		Bueng Tujoh	2 Women, Teratai

FGD locations in Aceh Besar;

No	District	Village	Number of Respondent and Group Name
1.	Kuta Malaka	Reulung geulumpang	10 Women, Reulung geulumpang
2		Lam Ara Engking	10 Women, Makmu Beusare
3.	Kuta Cot Glie	Lam Aling	10 Women, Ingin Maju

B. Aceh Tengah District comprised of:

No	District	Villages	Number of Respondent and Group Name
1.	Pegasing	Pegasing	2 Women Ceding Ayu
2		Kayu Kul	2 Women Al Taqwa
3.	Linge	Gemboyah	2 Women Al-iman
4.		Kute Baru	2 Women, Kini Buke
5.	Bebesan	Bebesan	2 Women, bebesan
6		Bebesan	2 Women, bunga pekan
7	Celala		2 Women, Gelinggang
8			2 Women, ingin maju
9	Kuta Panang	Tampak Moge	2 Women, Lomojari
10		Lukup Sabun	2 Women, Kepiyes

FGD locations in Aceh Tengah;

No	District	Villages	Number of Respondent and Group Name
1.	Bebesan	Tansaril	10 Women, Katiara
2	Linge	Arul Item	10 Women, Khairunnas I, Babus Salam

C. Pidie District comprised of:

No	District	Villages	Number of Respondent and Group Name
1.	Mutiara Timur	Alu Adan	2 Women, Bina usaha
2	Mutiara	Sentosa	2 Women, Bina sejahtera
3.	Mutiara Timur	Meusjid Geumpeung	2 Women, Meusjid Geumpeung
4.	Geulumpang Tiga	Keutapang meusjid	2 Women, Udep merata 2

5.	Geulumpang Tiga	Kumbang Keupula	2 Women, Mawar
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FGD locations in Pidie;

<i>No</i>	<i>District</i>	<i>Villages</i>	<i>Number of Respondent and Group Name</i>
1.	Mutiara	Baru Nyaman	10 Women, Anggrek

D. 15 PNPM program facilitators in 4 districts and 1 municipality (Banda Aceh)

Time

The field assessment was conducted in 11 effective days. While for data checking, tabulation and analysis took of 1 month.

III.a.5. Activities

Team Preparation

In consultation with ILO and the PNPM NAD province management, the ASSPUK conducted the following:

- Team formation; ASPPUK as the lead in this assessment assigned 3 (three) core staffs who have capabilities and track record to assess and coordinate activities. While the ILO in coordination with FAO were responsible for the enumerator team, comprised of Fishery and Oceanic Department staffs that were a working partner of the FAO. Enumerators in field would work together and coordinate with the ASPPUK team.
- Team coordination; in this activity there was meeting between the ASPPUK, ILO and the villages self-help PNPM in Aceh, and also the Enumerators. In the meeting there were perceptions compromising about the duties that had to be done and role assigning. The meeting was managed in the PNPM office at 9 June 2008.
- Training for the enumerator team; in this activity there were discussions about the substance and procedures of questionnaire filling and also the arrangement of activity schedule. This activity was done in the PNPM office at 9 June 2008.

Assessment Instrument Discussion

In consultation with ILO and PNPM NAD province, the ASSPUK develop the following assessment tools:

- Questionnaire to collect quantitative data toward 60 women in saving-lending group (SPP),
- Questionnaire to qualitative data collection using the FGD method, toward 60 women that divided into 6 groups.

- A question guideline for in-depth interviews (qualitative data)

The Discussion took place twice and followed up through email and telephone. These activities were done during the period of May to June 2008.

Data Collection

The data collection process was conducted on time. The activities of “baseline needs assessment” in 3 districts were divided into 3 steps. First, the information of SPP members (the saving lending groups) was collected toward a structured questionnaire. Second, the FGD (Focus Group Discussion) took place. And the third, in-depth interviews conducted to PNPM facilitators.

III.a.6. Organization

Executors

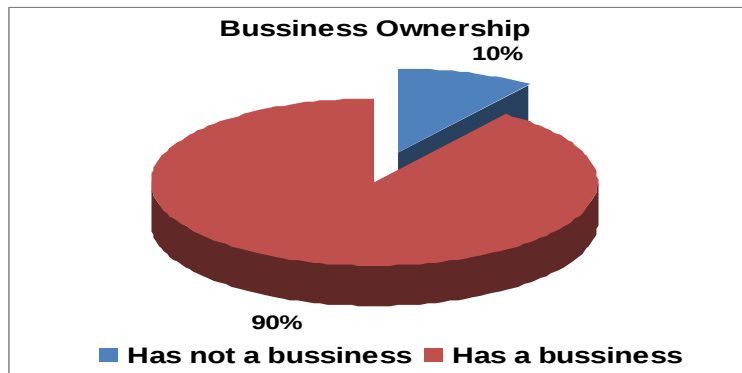
The Baseline Need Assessment of PNPM Program in NAD province were executed by the national secretary of ASPPUK (Association for Women in Small Business Assistance) which located in Jakarta. ASPPUK was a national network comprised of NGOs that distributed in 22 provinces in Indonesia. During the activity, the ASPPUK assigned 3 staffs with capacities and proven track records in field research/study, facilitation and organization of such activities.

During data collection, consultants were supported by 13 enumerators that comprised of Fishery and Oceanic Department staffs, which were 12 men and 1 woman. Enumerators were in-kind contribution from the ILO-FAO cooperation also with the Fishery and Oceanic Department of NAD province. All team member names were as enclosed.

Chapter II Data Findings

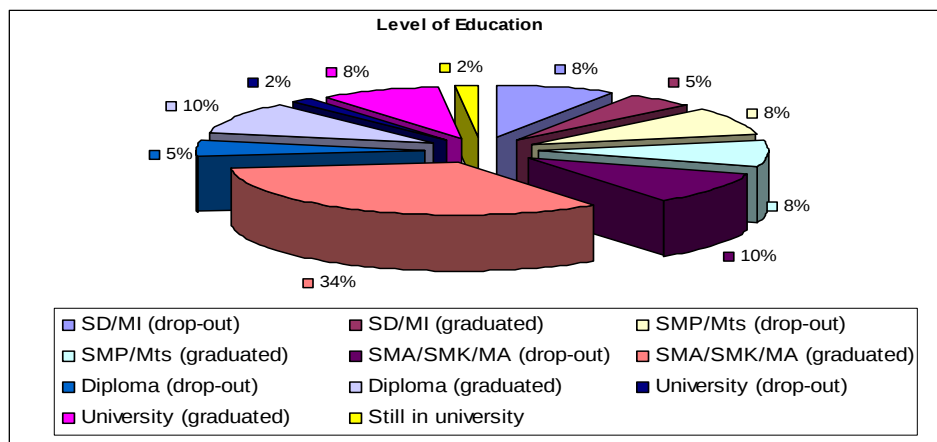
The Profiles of SPP Women members

The assessment covered respondents from wide array of aging, starting from 16 to 60 years old with marital status as of 83.33% are married, 10% are single and 6.67% are widow. The quantitative survey outlined that 90% of SPP respondents have a business already. Further it was also strengthened by information obtained from the women during FGD. The PNPM facilitators also mentioned that women member of SPP mostly had a business, no matter how micro it is.

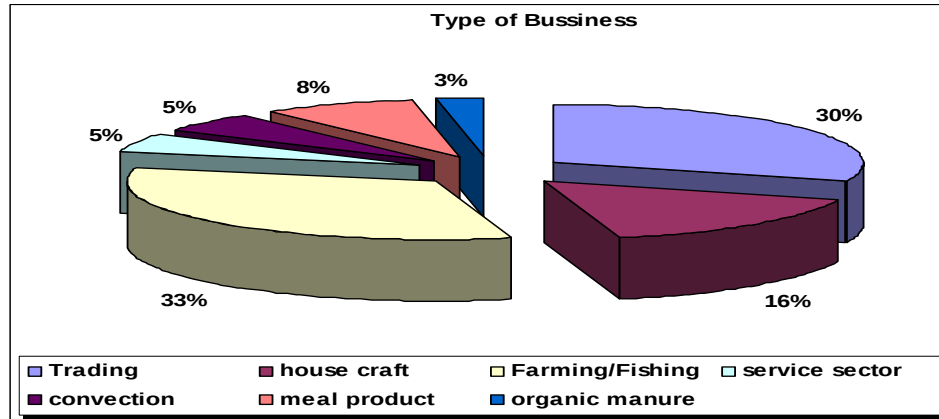


In terms of income, their monthly income varied from the lowest of Rp 50,000,- to the highest of Rp 7.6 millions. The average monthly income level is Rp 500,000 (10%). Next is at the level of Rp 200,000 (5%); and about 3.3% each at the level of Rp 200,000; Rp 1,000,000; and Rp 2,000,000 and 1.6% each at the level of Rp 100,000, Rp 2,500,000, Rp 7,000,000.

The education level of the respondents is 34% finished high school, 10% did not finish high school, 10% finished Diploma III, and 8% never finish elementary school. This background gave the literacy characteristics of the SPP groups as follows: 98.33% can read letters, and 93.33% can count numbers. Those capabilities showed while they were writing and counting the business profits during FGD.



The type of business run by these SPP members are mostly in trading sector (83%) followed by agriculture included livestock and fishery/aquaculture (36%); handicraft such as hemming, traditional bags making (16%) and 5% each at the convection sector and in service sector such as tailoring, selling vegetables, etc. In term of business aging, most of them are under 5 years old, 35% began business in 2005, 33% set up business in 2006, 13.33% started before 2005, and only 8.33% started business after 2006.



Type of SPP members' businesses

Agriculture/Husbandry/ Fishery

Rice-field farming is their major occupation, either working in their own field or someone's else. They classified it as their major job as the result used to fulfill the daily needs. Plantation farming only be found in Central Aceh (Takengon), such as coffee and vegetables (cabbage, onion and chillis). In addition to that, the women usually raise livestock such as cows, goats, chickens and ducks.

Trading

Widely varied from selling fruits, snacks (traditional snacks, crackers, sticky rice), kiosks, coffee shops, selling vouchers, and daily needs. They use different ways of selling, neither through open their own shops, nor jointly open with others and/or asking someone to take care it of as these women also have to carry domestic responsibilities.

Services

The type of services they are running is dress tailoring, hemming, rice milling.

Sewing

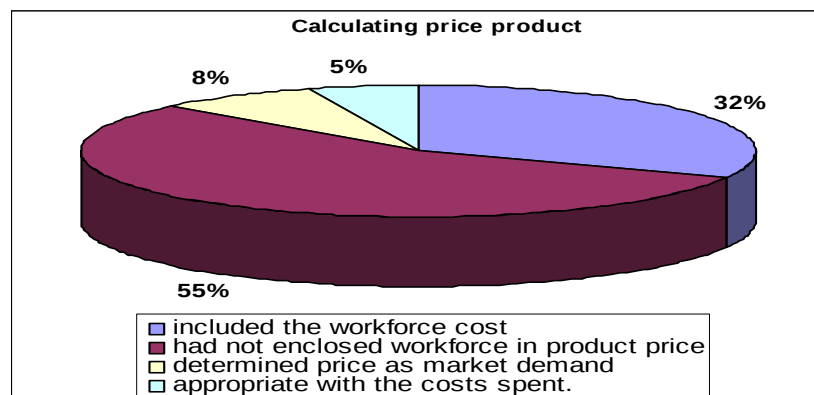
It is considered segregated as it become group works where they sew particular mass-production such as bags and/or traditional embroidery.

Since most of them already have business, it gave confidence to them to respond that 46% of them felt they had succeeded managing finance, 29.90% still only at the stage of spending money and 23.71% said they were able to manage family and business money.

The Business Condition of Respondents

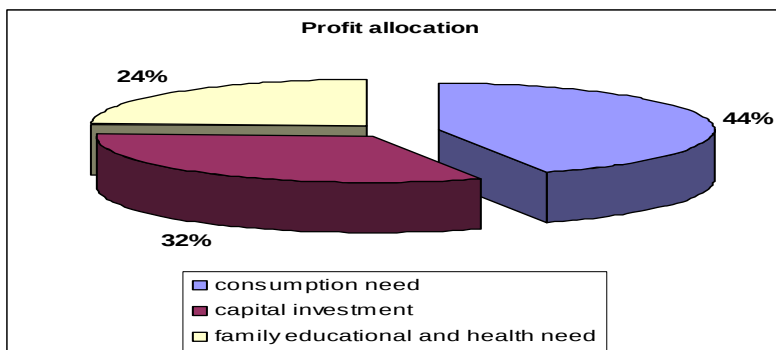
Based on the field assessment, it can be said that most of the SPP women's businesses are yet still not economically proper meaning that they are not profit oriented. It is in accordance with the following findings of some core business elements:

1. Type of product. In general, their product quality (*example*: bags, cakes, and other home industries) is still not good, out of date model and unattractive packaging (the most advance is on the stage of simple wrapping). Most of them never put concern nor attention on what the market need and demanded. They make product based on what skill they have or been possessed into which most of them are not coping with updated market demand.
2. Management. It can be said almost all of them did not write any business plan. They started business with a simple business calculation and often just following neighborhood trends on what type of business running. According to them, 44% think business plan is only required for big businesses; 50% already aware of the importance having business plan; while 3% thinks it is only for a particular type of business such as opening store. Moreover, many of them have not yet made a proper pricing towards their products. The ultimate cause is due to improper costing where most of them not yet include labor cost on their calculation. 87% of the women made pricing based on the production cost with margin. However 55% out of this number did not include labor cost on their production cost. The remaining of 8% made pricing based on market price and 5% already felt glad as long as it appropriate with costs spent.

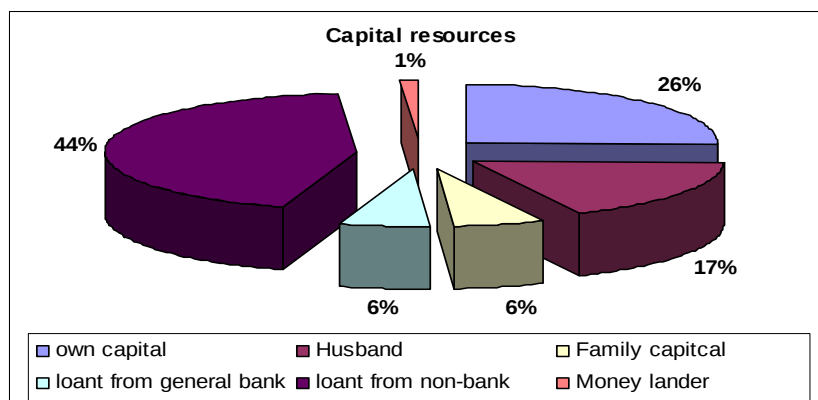


Further to above challenges, the women faced serious hurdle in segregating between the family and business's money. Although some already tried it but they think it is really hard to do so. The same goes with re-investing the business profit, as 44% spent the profit for

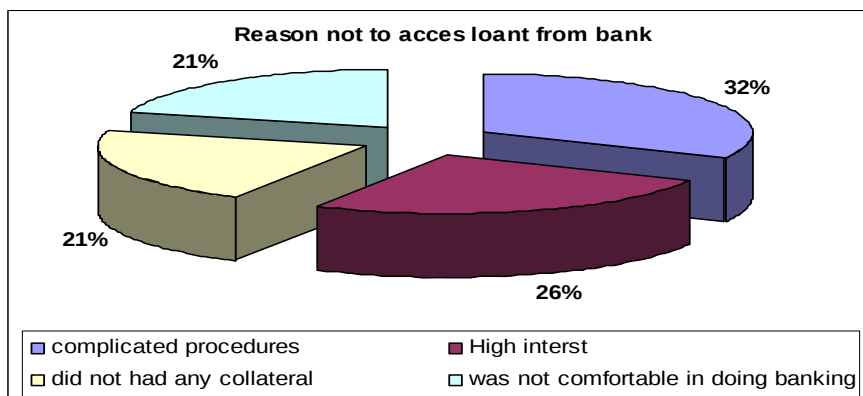
daily consumption need and 24 % used it for family education and health need. Only 32% invested the profit in capital.



3. Financing aspect. Most of the respondents faced capital limitation as they only able to finance for one round production cycle. Based on assessment, 44% obtained capital loan from non-bank institution (NGO beneficiaries, government programs, etc.), 26% from their own savings, and 17% from their husband and only 6% from commercial banks.



It was found that access to commercial bank loan is the lowest due to several reason such as 32% admitted complicated procedure hindered them to apply for bank loan; 26% think interest rate is too high; 21 % did not have collateral and the remaining 21% felt not comfortable doing the banking system as they never been exposed to.



4. Marketing. Almost all products were still locally marketed. Sometime even worst that the women still only wait for the customers, not been so pro active. They shared that they don't even have clear understanding of marketing plan and the importance of it.

Case Example:

Organic fertilizer production in Lam Aling village of Aceh Besar district,

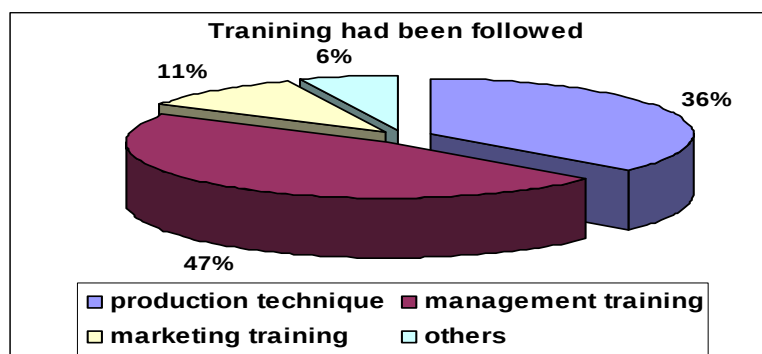
"Here we make organic fertilizer, we need buyers but why the organic fertilizer marketing is so difficult. There is fertilizer collector (middleman) in this village but if we sell to them the price is very low. The collector had exported abroad" (according to one of the participant in FGD Lam Aling" (FGD Lam Aling village: 13-June 2008)

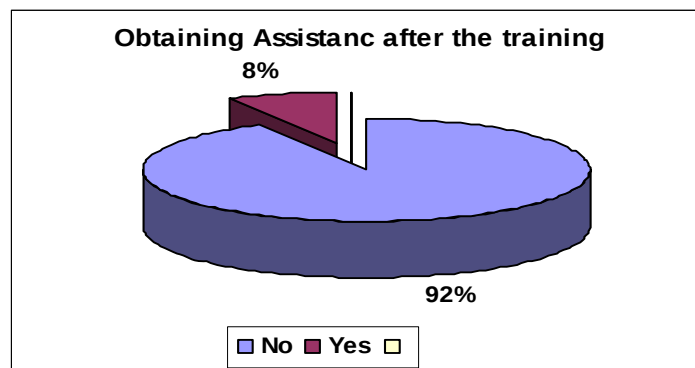
According to the women in SPP group they do not understand why the business cannot be developed. They blamed it because the marketing is not working. However after further discussion their continuity of fertilizer production is also bad meaning many interruption and sometime they produce sometime they do not and the quality is not bad either. It adds on with lack of promotion effort.

Considering the legal status of their business, 88.3% did not have any license, only 6.67% had their business license. While for the labor absorption level, only 33.33% out of 50% returned responses said they absorbed local labor. From the respondents that hired labor, 35% respondent did not issue any formal contract regarding the work while the rest is not responding to those enquiries.

The Respondents' Training Experiences

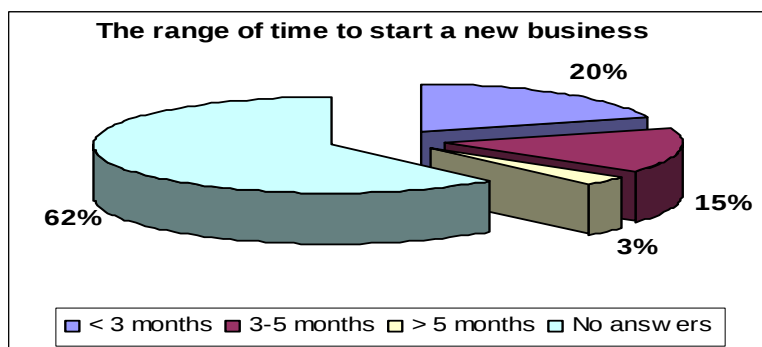
Most of the SPP group member has followed several trainings on business development. Among them, 47% attended business management training, 36% attended production skill training, and 11% on marketing training. Access to those trainings was obtained from the NGOs, government beneficiaries program and university graduates on their community development work (KKN / A must community development work prior to their graduation) Usually they also obtained a post-training support in terms of capital and tools however those chances were not directly and always available. About 32% said they never received any capital support after the training while 18% did. In terms of business tools support, only 8% obtained while 92 % did not.



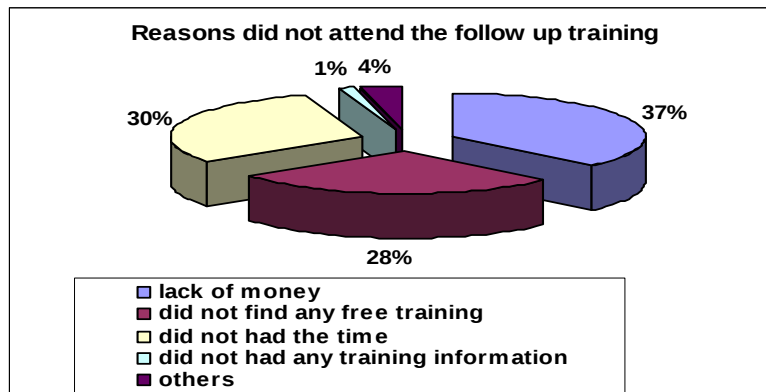


Usually those organizations urged the participants to start business after the trainings however it did not happen at once. In fact, most of them started the training not due to the encouragement nor facilities given by those organizations but rather because they have the needs to do so and already possessed the special production skills. Nevertheless few women admitted been inspired by the training or courses that they followed with their own initiative.

As mentioned, after the training usually it was expected a new micro-business will be flourished but the case shows that only 13% who started business right after training. For the women, it takes about less than 3 months (20%), between 3-5 months (15%) and over 5 months (3%).



Of those started business after training, 32% said the business are still running up to now. Out of this 32%, it was found that only 12% obtained further or advance trainings while the rest did not. There are some reason why they did not continue to the advance trainings: did not have enough capital to continue with (37%), did not have enough spare time (30%) and 28% due to it is paid training (it is not free for them) while 1% did not have information of availability of these trainings.

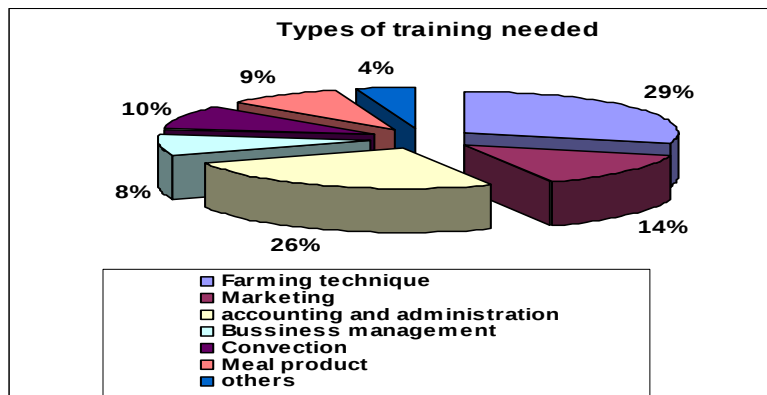


The types of advance training they attended are on: marketing, production technique and accounting. However only 17% attended a special skills training, the rest did not. The main reason why these women eager to be involved in the special skill training as they thought it will be a good investment for them when starting business. Despite of this reason we noted a practical reason where 47% agreed that transportation allowances is a good incentive for them to attend the training while 40% purely motivated for the chance to start business and 13% wants to improve their skills.

The Training Needs

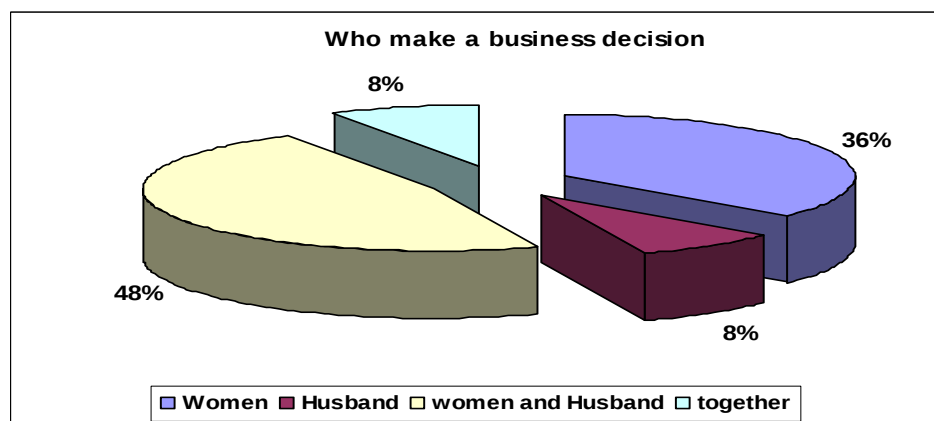
Looking at the SPP women members' business condition and training experiences, all of them expected further capacity buildings in their business development. They perceived improvement in business management skill benefited much better that capital investment. Based on data collected during the FGD, it was noted that the women identified needs for improvement on management, product development, marketing skill, bookkeeping as well as networking to further financing resources. As their business are still in micro scale, the support needed still in the stage of how to make all their products sold out. A woman said : "the priority is how to make all the snacks made in this day are sold out". This was added on others with the same concern, such as how to make a good embroidery design and sewing techniques that in accordance with customers' demand.

The information obtained during the FGD were in line with the quantitative data gathered from interviews with other women members. Most of them agreed that to improve their businesses they need trainings which directly related to their businesses, such as improvement on food processing techniques, etc. About 29% expected the training on agriculture technique, 26% wanted accounting and administration.

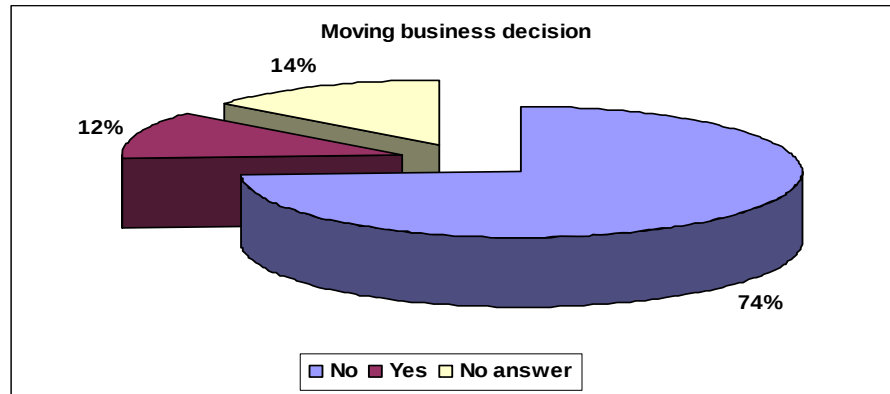


The Women Position and Role in Managing Business

In managing business, it can be shown that only 36% have a self- decision making autonomy in their own business, while about 48% puts decision making on their businesses always been made together with their husband. The rest not responded. About 8% said their husband did the decision and the rest made decision with jointly their own SPP groups.

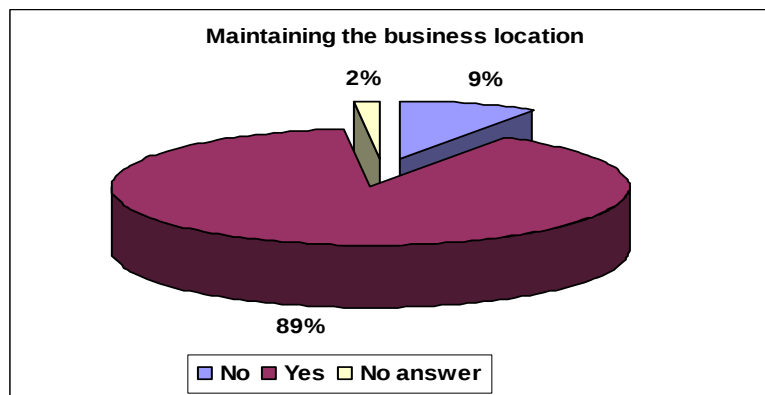


This business decision making included the decision on taking business loan or not. Of 71% of the respondents said that they are afraid of taking bank loan without their husbands' approval. Only 23.33% have confidence have own decision on making business loan. In term of location of business, 74% said were done jointly with their husband while 12% made decision by themselves. About 50% of the women did not have confidence to buy material for business by their own, only 38% did. When hiring labor, only 17% made their own decision to accept the labor or not while 71% can not decided it independently.

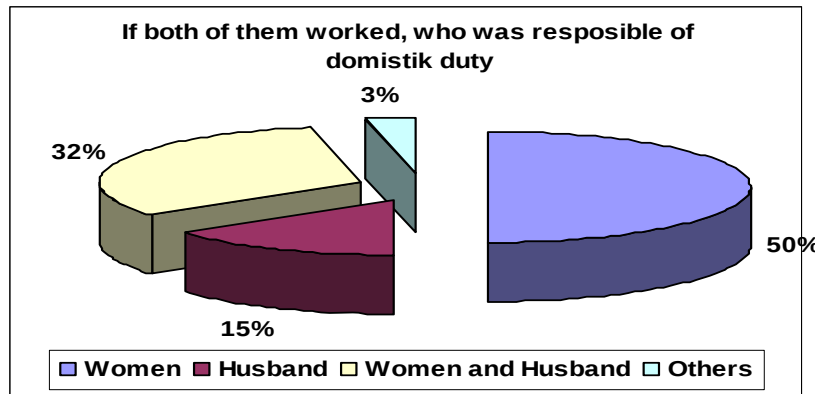


In terms of joining any business or social organization or association, of 41% decided by their own while 43% looking for their husband's approval. In looking for new customers, most of the respondent (58%) made it with their own initiative, while 35% did not dare to take decision without the husband's blessing.

A quiet different attitudes also applied in selling the products, 66% can made their own decision, only 34% reluctant to make it by their own. The more confidence attitude shown in maintaining relationship with their existing customers, doing the bookkeeping, pricing, business planning, product improvement and introduction of the new one, and maintaining the business location.

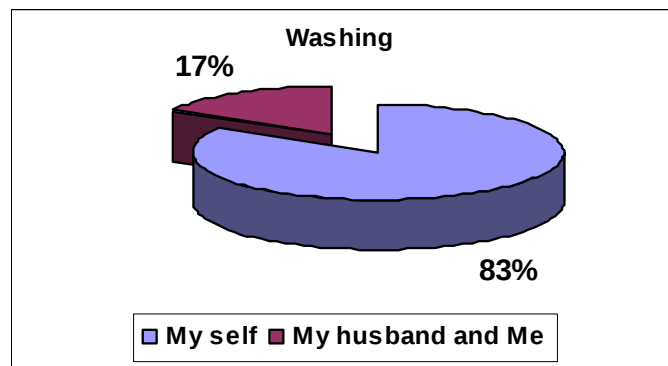


Almost all of the respondents said that in addition as business owner, they have responsibilities to the family. In domestic work job division, 50% admitted they shouldered household responsibilities although both the husband and wives are working. Only 32% said jointly done household works with their husband while 15% said most of their husband did it.

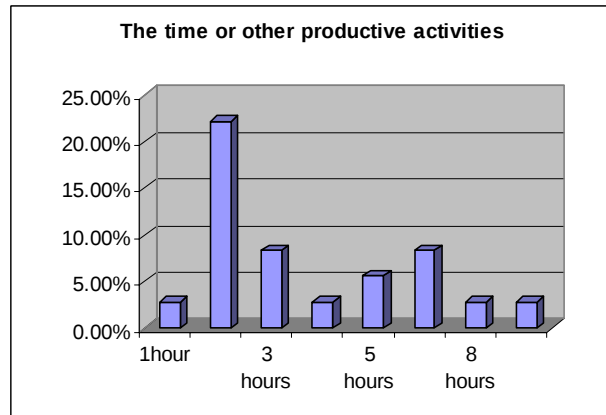
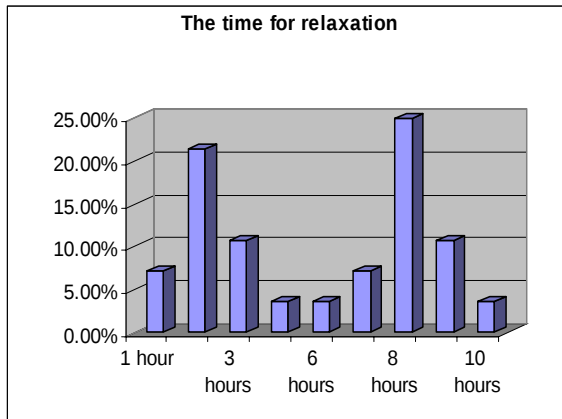


The type of domestic work that mostly done by the women are washing and cooking. Other than that usually done together with their spouses, 83% of the women usually did the washing by their own while 17% did it take turn with their husband. About 52% did the cooking while 33% took turn with their husbands in doing the cooking and 2% said their husbands do the cooking.

For children caring, 52% said both of them, husband and wife, did the work, 43% said only the women.

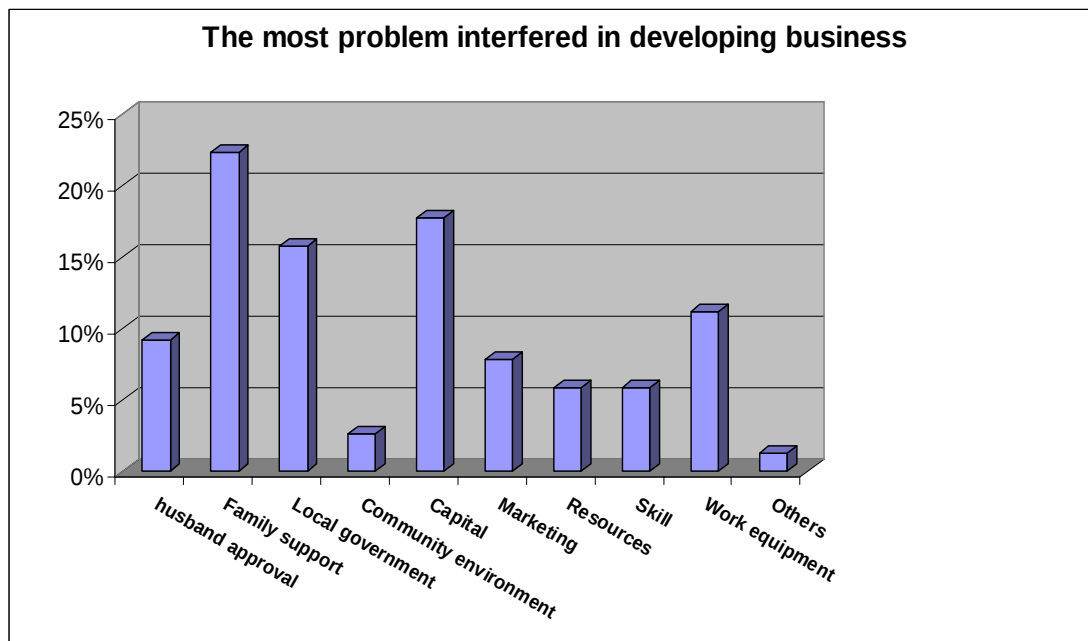


Within this work assignment, it can be shown that most of the women used their time in addition to their work in the business as follows: 22,22% used 2 hours/day to do other productive works; 18.75% used 2-3 hours /day did the domestic works; and 25% have rest time (included sleeping time) about 8 hours/day.



The above data depicted some problems in relation with the SPP women members looking from business perspective and relation with other people, such as family members, communities and business society. They have not yet related the business problems with gender relation. They thought it is normal that each problem related to each other and so did their own impacts.

In general, when they were asked of what sort of problems faced by them in business development, about 22% said family's support is the hardest one, 18% noted the capital inadequacy, 16% think local government not supported their businesses and 11% blamed on the unavailability of production tools and (% said their husband is the problem, The following list is the problems jotted down by the women:



The PNPM Program Facilitator

A. The Current Condition and Training Experiences of the Facilitators

The need assessment for the PNPM facilitators was done to 15 (fifteen) person in 5 districts: Banda Aceh, Aceh Besar, Pidie, Aceh Tengah, and Bener Meriah, drawing the composition of: 6 men and 9 women. The respondent profiles were as follow: 14 married and 1 widower, 11 have bachelor degree and 4 have a Diploma III.

Most of them have been experienced in community empowerment works for 1 to 5 years, even some are more than 5 years. In general, they have been working with PNPM over 3 years. Most of the respondents are field facilitators, only 1 is a training specialist in PNPM NAD province. Most of them have passive English.

Moreover, they mastered simple accounting or bookkeeping which is the standard finance management for SPP groups. In addition to that most of them are economic graduates, already familiar with bookkeeping and business management. For those without economic background usually already been long time in community development and very much familiar with PNPM bookkeeping and accounting.

Even though most of them already have economic background and experienced in community development but they have never been specifically trained in the areas of business development which focused on women business development. 3 out of 15 respondents said have a short training on business development while others are benefited only from the GET Ahead training, even some facilitators attended it twice.

Related with their work responsibilities for business development, they noted several problems as follows:

1. Disturbed assistance, meaning that due to rotation of facilitators it disturb the continuity of assistance and visits to the groups. Also, the visits usually make every 2 months sometimes once a month. Each facilitator should assist and monitor many villages and groups.
2. Facilitator workload was too heavy. According to respondents, facilitator duties, besides of securing the financing program, they should also facilitate the SPP accounting and every problems happened within the groups and communities. The facilitator also managed other programs that were 'external' program of the PNPM such as programs from BRR funds, etc. They said due to the established and proven record of PNPM structure from national to village level, included almost 98% of the country, attracted many organizations to work together. This put more burdens on their side. Also, the facilitators faced unclear contract meaning they have a one year contract which will be extended upon satisfaction of their work. Due this insecurity, sometimes it interfere their duties in guiding the SPP groups.

3. The social conditions of SPP groups. As all of them in rural areas, during the harvest season the women are rarely attended the meeting as they are busy. Also the approval of their family or husband to be participated in the meeting sometime is still a problem.

The Facilitator's Understanding on Business Development

Most of the respondent define women in micro business similar to home industries, which done to help the family economy and was done for part time. The same limitation influenced them in defining the business development, following are facilitators' perspectives on business development. **First**, business planning is a step or effort to start a business and shall be done prior starting and already been good as long as there is a will. **Second**, the meaning of production management: is to : produce product based on market demand in accordance with available capital and has objective to sold them out. **Third**, finance management is about cash flow, separation between family and business money Finance management shall show finance condition supported by Balance statement and profit and loss as well as supported accounting. **Fourth**, was the marketing management is how the products can be marketed in order to profit and improve the business. Also extending the marketing outside their local region.

While the facilitator concept on business development is as follows: **First**, ideally the facilitators have capabilities and experiences in developing businesses and continuous motivation to do the assistance for communities. **Second**, he/she can build the business network good packaging knowledge, product differentiation as well as products which are demanded. **Third**, facilitators should be responsible to conduct such business development training like "GET AHEAD" to the group level (SPP). **Fourth**, they facilitate linkages for the groups to have internship in other more developed place and facilitate them to have a funding networks with other financial resources such banks or MFIs. **Fifth**, they need to facilitate the women to create a business association to help them in marketing and connect them to established one like the IWAPI

Experiences and Awareness about Gender Equivalence

Their understanding and experiences on gender equality promotion were still at basic level. Further interviews informed that 13 respondents never attended any gender awareness training, only 2 people have done so. According to them, most of specific gender awareness training are gained through "GET AHEAD" training.

As mentioned their understanding still at the basic level where they only can said that it is true gender problem experienced by the women, either in the family, community or business but not detailing the problems. According to them, here are some examples of the problems:

1. Women opinions were treated second layer after men. Often received interventions from their family (including their husband approval).

2. Women often did not gain access, control (or chances equally with men), labeled, lowered and also discriminated.
3. Unsupportive Culture. There is no work division between men and women, so that domestic responsibilities were still being a responsibility of women (therefore women were most likely be at home).
4. Women perceived that husband is the family backbone (while women only looking for additional income).
5. In village meetings, women most likely had not any role.
6. Women got a 'stigma' that they were weak in the community and labeled negative if they come home late.
7. Business trends in community still priority to men.
8. Women education should not very high.
9. KDRT (Domestic violence) and child (girls) violence were still happening.
10. Social understanding stated that women were meant at home.
11. Syariat Islam/Islam Law (in the punishment context) mostly harm the women.

Furthermore, all facilitators admitted that they never received any gender analysis training, they also did not understand while being asked about the gender analysis which generally used within the community program. Nevertheless, they mentioned several key words when doing a gender analysis such as work division, participation, access and control, patriarchy culture and benefits.

Training Need

According to the conditions and training experiences as well as their knowledge on business development, facilitators admitted that they need more capacity development. As according to them, they are responsible to assist the communities and SPP, either about the business or the gender problem. Training on business development and gender equality were perceived as top priority by the facilitators due to their lack of capabilities in this matter. In business development, facilitator expected improvement capacities in the area of business management training, marketing, and linkages to funding resources and production skill training providers. For the gender equality, they expected a hands-on gender awareness and gender analysis training which can be easily applied in the field.

Chapter III Data Analysis

1. The SPP Group Women

A. The Business Development Aspect Analysis

A.1. The Business Profiles

The businesses found in the assessment can be considered as income generating activities done by the women either by themselves or with their husband to foster the family earnings. It was noted from the FGD that according to the women, business means: **activities which generated additional income for the family and make them busy not just sit at home also could gained new skills and knowledge.**

As refer in the Chapter 2, their businesses prevail in the following sectors: trading (38.16%), agriculture (35%), home craft industries (15.79%), convection (5.26%), and services (5.26%).

Taking a closer look to these businesses, mainly it deals with trading on food and daily subsistence (the 9 daily subsistence such as rice, vegetables, sugar, etc) within the scope of neighborhood or locally. Their decision on type of business is strongly related with skill already on them, their possible mobility and how to position their business within the scope of domestic work, meaning that enabling them still take care of the family.

The second layer is in agriculture sectors which mostly managed by their family heritages from their parents. Considering the ownership structure and agriculture system used, it can be said that it still manages “traditionally” and not yet generated maximum production outputs. This is concluded from deeper analysis of the outputs they obtained from this sector. Their economic activities are considered as micro businesses with characteristics: limited capital, small or low earning, do not acquired labor as usually done by themselves and with the family members.

Their understanding of micro-businesses, even within limited scope not yet contradicted with BPS definition with classified them as home industries, which in average has 1 to 4 labor including the owner, product turnover about Rp 100 million annually and has the capital at the maximum of Rp 25 million excluded land and houses. Sectors included are agriculture (incl. plantation), handicraft, tailor, snack making, rental services and trader including small distributor can be in the market, house-to-house or food stall.

Micro businesses are believed as a major sector done by the women, especially for trading service, food processing and handcrafting.³ More particular in the term of micro business were productive business owned by the family or individual of Indonesian Citizen (WNI) having individual annual revenue up to the maximum of Rp 100,000,000.⁴

³ Mulyanto in Deny Mukhbar, *Women in small business empowerment*, Serial Research Report No.1 (Bandung: Akatiga, 2007, page. 8.

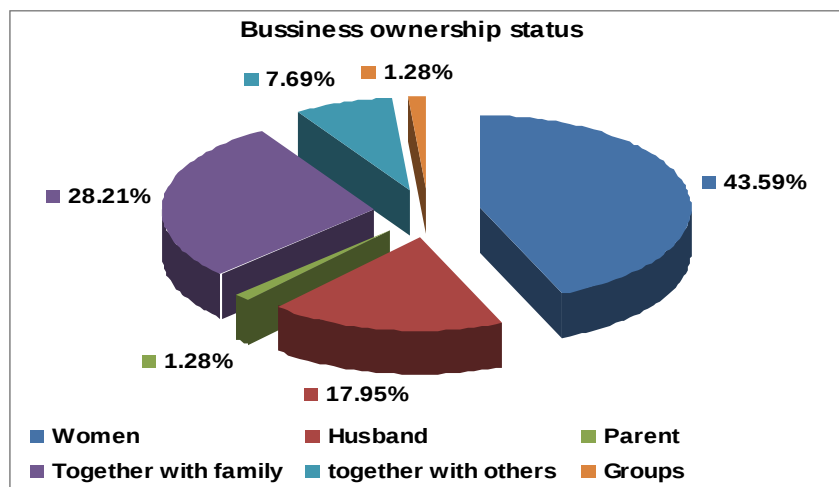
⁴ Policy of Coop and SME's Ministry RI, a bout practical order of coop, SME's and syariah model program, Juni 2006.

In general, the SPP women's understanding of businesses is comprehend with the above term. The most important message is to understand that business means activities that generate income, voluntarily done, involve risk calculation, segregated money management between business and family and the most of the profit re-invested into the business to be developed not expensed by the owner solely.⁵

Within this boundaries, those economic activities done by the women comply with the above terms can be concluded as business activity. In reality in the village, it adds on as income generating to fulfill the daily and basic needs. In fact their average monthly profit of Rp 500,000/month below is usually directly spent to fulfill family daily needs those none re-invested to develop the businesses.

A.2. The Business Ownership

Most of the businesses are directly owned by the women (43%), while 17% said it belongs to their husband, 28.21% is a family business and 7.69% jointly with other person and 1.28 jointly with parents. However, the women did not acknowledge themselves as main contributor to the family income and admitted that husband does (52.81%).

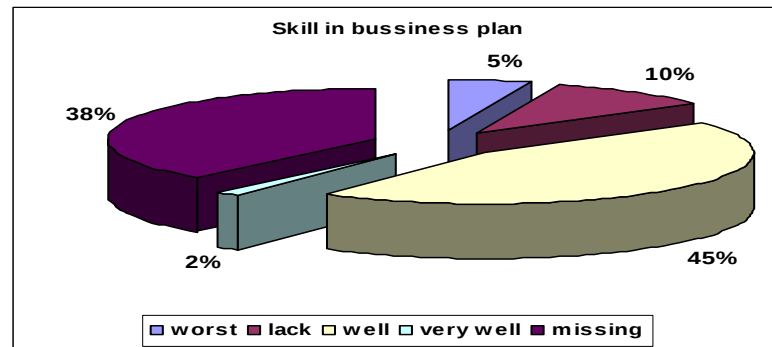


The thought is strongly correlated with view of men as breadwinner and women only the complementary. However if we gone through the type of works that men did for example in agriculture sectors, is not the significant one. Meaning the women do most of the part of works, starting from selecting the seed, nursery, cutting, soil preparation, cultivation or seeding, mowing, storing, maintaining, processing, or food processing even for marketing activities were done by women.

⁵ Thomas Dichter & Malcolm Harper, "What wrong with Microfinance", Amazon; 1978.

A.3. Knowledge about Business Plan

The women's understanding of the importance of business plan is good as 50% agreed it is very important, while the rest it is only needed for big business and particular business. In terms of skill in making business plan, they stated already been good (73%) and very good (3%) and the rest confirmed needs a lot of improvement.



However the above data is not in line with what has been extracted during the FGD where the women said they have business plan indeed but still in their mind not yet put it in written. They usually done their business based on this thought. It is also confirmed by the PNPM facilitators that the women business plan is inadequate, not serious yet, not focus, still following other's trend not based on what market demanded.

A.4. Business Development Ideas

In developing the business, the women still highlighted further capital injection as a priority (36.78%) as theirs only can afford for 1 round of production cycle while of 26.44% prioritized on needs for production skill improvement and 11.5% for market extension and the rest on various needs such as production tools, human resource skills improvement and administration skill. technique development (4.60%). As one woman said in FGD that: "the most important is capital, if there were capital then business could find its way".

Other important factors influenced their business are individual strong will and hardworking attitudes, availability of raw materials, transportation, availability of time to run business, support from husband and the family and availability of labor. Of these factors, support from husband is the major obstacle faced by the women. The women also suffered of multiple burden impacted to their degrading health condition, become weaker and susceptible of illness.

From their statement it can be seen that to them, business development is strongly affected by external factors thus they prefer to just focus on their production capacities. In fact, they should be more focus on how to overcome these external factors, such as marketing, how they could create their own market. If the business is promising then loan and other components will be actually followed, offered to them.

A.5. Product Costing and Pricing Knowledge

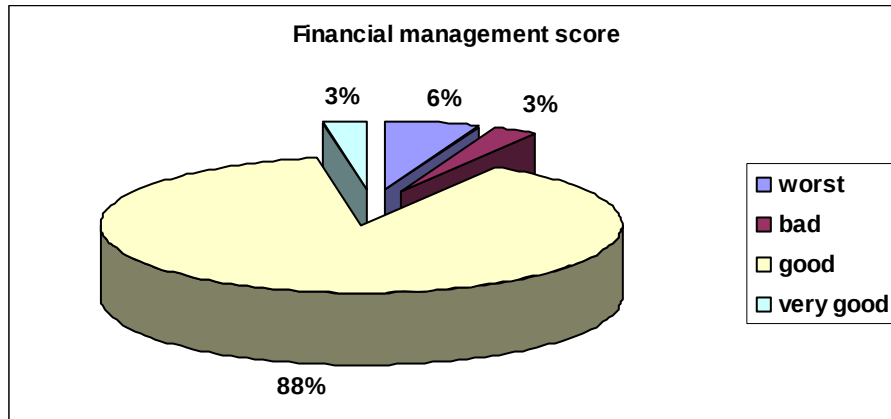
It can be said that the women knowledge in product costing need to be improved in terms of inclusion of labor cost even them as the labor. The practice is this cost mostly excluded by them in production cost calculation (55%). One of the reason why they did not put it in the calculation due to the work is actually already their job and the benefit is also enjoyed by the family so it is embedded as their responsibilities. Product price calculation is critical factor when starting business because from this point it can be seen whether it will be profitable or not. The pricing can be done in several ways. The women usually made it based on production cost then only few based on market price. Due to inaccurate product costing made their profit is actually a gross one, often they are loss due to exclusion of labor cost in the calculation. Following is the example of their production calculation during the FGD in Group Khairunnas I and II group of Arul Item, Linge district, Aceh Tengah.

Business type	Business profit calculation	Rp
Farming (Rice)	Rent 1 scale of rice field	1,500,000
	Fertilizer @ 60 thousand	60,000
	Employees @ 60 thousand	60,000
	Seed	20,000
	Cultivation 1 day @ 30.000 x 5 persons	150,000
	Cutting grasses	??*
	Harvest cost 200 thousand (not yet counted)	??*
	Own labor	??*
	Total estimated profit Rp 1,300,000/6 months = 210,000	210,000
(Coffee)	1 ha planted by 1000 coffee trees	
	1 seed bar 2.000 x 1.000 = 2,000,000	2,000,000
	Chemical fertilizer 2,000,000 (3-6 months)	2,000,000
	Hole digging 2,400 @ Rp 1,500	36,000,000
	Harvesting:	
	If the conditions were good generate 3 kg (average of 12 ounce) total is 1,5 kwt (6 months),	4,000,000
	total selling value 6,000,000 remains Rp 400,000	
	Note:	
	Own labor	??*
	3 stages of coffee milling cost were not calculated yet	??*
<i>Note : * Never been counted</i>		

A.6. Understanding on Financial Management⁶

⁶ Business finance management is a method, a manner in arranging every aspect of financial activity, that objected to create positive financial position, so that it will give profit for everyone (businessman and related parties). While the objectives of financial management are to manage the expenses to fulfill or to cover every business operational costs, instead of gaining profit, also for the business continuity (source: ASPPUK module).

Their understanding that money should be segregated between family and business is already good (35%). While about 22% mixed it up. In the areas of business skills, 88% classified themselves as already good in managing finance,



This quantitative information contradicted with further analysis since even though they think they were good enough and know already it should be separated but in reality almost of them mixed up between business and family money. It happened since they fear if it strictly separated then the family needs cannot be fulfilled. The fear is quite strong since the business turnover is also family source of income. Further if they see that the money is not enough then their spirit is dropped. Again, it strengthen the fact that they have not yet run the business as business but only economic activities.

A.7. Perception on Marketing

Marketing is a holistic system related with the objectives to plan and determine price up to promotion and goods distribution to satisfy the buyers (WY. Stanton). In this term product marketing were seen as holistic marketing processes includes planning, business skill, pricing, knowing local potential, and existing market potential. Marketing were not merely seen from how they could sell a product, but also how to maintain the continuity of their business.

With the above understanding, it can be said that their marketing understanding were not yet feasible. It is still conservative, correlated marketing as only selling, waiting for customer instead of creative, even product orientation only based on their possessed skill not the market demand. As mentioned by a respondent that was selling fried tofu. According to her the demand is high but she cannot cope with it since she can only go to the market to buy tofu once a week so that if her tofu stock is finished she just simply closed the shops until she go to market again. Slightly the different case in comprehended the marketing seen in the next example:

Case Study;

In the Arul Item village, Linge subdistrict, there were coffee plantations. Several respondent had a coffee plantation soil of 1 ha. The 1 ha soil could be planted as much as 1000 Gayo (brand of the beans). The coffee product marketing had many difficulties as a result of lack of promotion, and the numerous coffee mass buyers. (FGD notes in Arul Item village, Linge; 16-6-2007).

The scheme from coffee production to the marketing as follows:

1 ha land planted by 1,000 coffee trees, 1 seed at 2,000 x 1,000 = 2,000,000, chemical fertilizer was at Rp 2,000,000 (3-6 months), hole digging as much as 2,400 with cost at Rp 1,500/hole. In the hole digging usually women hired persons if they cannot do it by themselves. Sometimes digging process took more than 1 year.

In good condition, every 3 kg of coffee resulted 12 ounce of ready to sell coffee. Usually per 1 ha resulted 1,500 kg sellable coffee with the price of Rp 40,000,-/kg. The total selling amount was Rp 6,000,000,-. Remaining of the revenue minus costs mentioned above was Rp 400,000.

In the market, farmers sold coffees to the mass buyer (toke) which positioned as middlemen individually (not in a group) in their village. From here, the mass buyer brings the coffee to the Takegon to a "coffee beans milling" businessman. Next, the businessman sells the coffee to buyers from Medan. After the coffee bought packed nicely by these Medan businessman, it is marketed back to retailers and market in Takegon

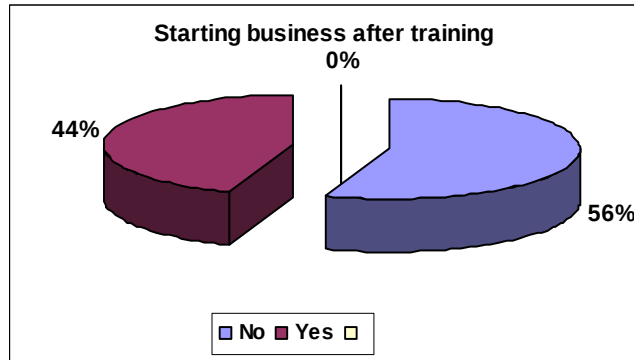
The above case showed that added value is on packaging. We see the market chain, that coffee which was originally come from the areas after nice packaging outside then marketed back to the original areas by different person. This condition has not been realized by the farmers due to so many reasons, such as they wanted to sell fast, got revenue easily without so many hard works.

The same happen to market actors, from trader to middlemen or "Toke", until the retailer of ready to serve product, all of them were not people from the original coffee producer villages. The community limited themselves as raw coffee producer. Their marketing understanding and skill is so limited that they much rely to the middlemen. This is in line with the District facilitator who pointed out that their marketing map is so small, locally concentrated: *"in the marketing context, generally the women in business had not yet connected with the outside region, weak promotion, not market demanded products, and lack in packaging"*.

However in terms of maintaining customers' relations, the women perceived themselves as already good (43.33%), however their indicators of being good is by having willingness to give loan, especially for the neighborhood customers. This attitudes draw from the unpleasant feeling to refuse, and in the end for non-performing loan they also unpleasant in asking them to repay it.

A.8. Business Training

Within the training context, the data showed about 20 people had already attended business training, and another 40 people never received any. If we relate their motivation to decide starting businesses, the fact is it does not correlate with the training obtained, Meaning business training is not a significant driver for them on starting business.



This was relevant with their view on business concept, that their driver to start business is because a will to increase family income. Further looking at their type of business chosen it strongly correlated with women traditional skills in the domestic domain and inherited from the family.

Nevertheless there were also types of business that needed skills and special trainings such as tailoring and embroidery. These skills obtained through special courses and from university graduates during their community works. Extracted from the FGD, the women feel the important of business training when they faced challenges while running their businesses, As mentioned in previous chapter, their chosen were on average at the following subjects: accounting/administration (25.66%), agriculture technique 29.20%, marketing 14.16%, sewing/tailoring 9.73%, food processing 8.85%, business management 7.96%, and other training 4.42%.

B. Analysis of Gender Equality Aspect

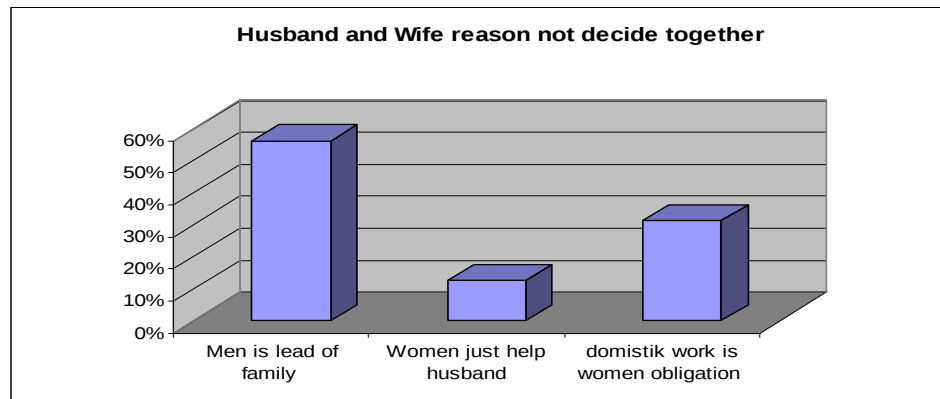
B.1. Perception on Business Position

Considering manner of management, opinion and attitude of the women toward business, it can be said that women were not fully applied their economic activity as a profit oriented business. For them, their businesses are only to add family income, made them have activities not just sitting at home and get add needs, not sitting at home, could increase the economic revenue, increasing activities, improving knowledge and skill. Nevertheless, they admitted that their business were very meaningful for them, because they could have their own money, helped their husband, improving their experiences and self supported, which could buy their own needs without asking their husbands.

Those attitudes and views of women toward the business reflected the strong patriarchy social structure, where business done by women comprehended as a side job from their main responsibilities as a housewife. This was in accordance with women position in Marriage Law that

placed men as a family head, and the concept of “mothering system” that applied by the country in viewing the position of women in Indonesia.⁷

The above situation affect women's attitude to subordinated themselves as seen on the respondents' opinion that husbands and wives were not obliged to make business decisions together, of 56% respondents replied because men were head of the family, and 31% respondents replied that women were obliged to do domestic works.



B.2. Decision Making

The gender bias also affected women's attitude towards important business decision making. Observing the areas of : financial decision making, management and usage, about 46.39% respondents played role as “managing” only. While respondents that did not replied as a decision maker were only 23.71% and the usage as much as 29.90%.

The word “managing” in business finance mean that women has power as business owner in the financial management toward the family even husband. But in reality, this word “managing” limited to women position as a cashier managing family cash flow, while major strategic decisions still hold by men.

The same picture seen in the area of business management information were important decision such as principal role hold by men. For example when women have to find additional capital financing, they response that about 71% respondents did not dare to take loan without their husband agreement, thus they did not dare to take decision to move business as well as recruiting people. Of 50% did not dare to buy business materials.

However, for the minor role in business, women have balanced role with their husbands. As reflected in their decision to actively involved in business groups or associations. About 41%

⁷ Mothering system was a “motherism” system, where the country through their apparatus adopted the motherhood system. In this term, because women as mother, then their position were secondary and responsible to children education, etc., and this was adopted by a country in treating their citizens (especially women). The existence of PKK, the women pentameters dharma concept, wife organizations of women dharma, Women Role Affair Minister (MENPERTA), which usually held by women, were examples of this system, where roles that loaded to women were a private responsibilities, or motherhood responsibilities.

of them took important decision in their involvement in an association or group, while 43% did not dare to do so.

Several technical points were in the domain of women such as “selling product” (63.33%), maintaining relation with the customers (75%), noted the business financial and pricing (61.67%), maintaining work environment (86.67%) done by themselves. The other activities such as creating the business plan, product quality improvement, introducing new products to the customers, were another part of women daily activities.

B.3. Work Assignment

The subordinate position of women vividly seen in their task division with their husbands in reproductive, productive and community management role.⁸ Even though women as wives owned and managed business, but their positions as women were still percept by the society and most of the Aceh family as wives that placed in domestic area. That picture was seen when they worked together with their husbands. In fact, 50% business women replied that they still responsible for domestic works, compared to 15% that shared it with their husbands, and 32% replied that it was responsibilities of both wives and husbands.

The women are still burdened with domestic works on top of their business responsibilities. Such as washing clothes, cooking food for the family are still done by them..⁹ The position of women as mentioned above had made the work assignment (one of the gender problem) not clear between the domestic responsibilities and business activity, which was being the source of dispute between them and their husbands. In Aceh, the dispute were mostly about time allocation between the wives’ business management and domestic responsibilities (reproductive) which counted as 52% compared to their business problems (only 20%).

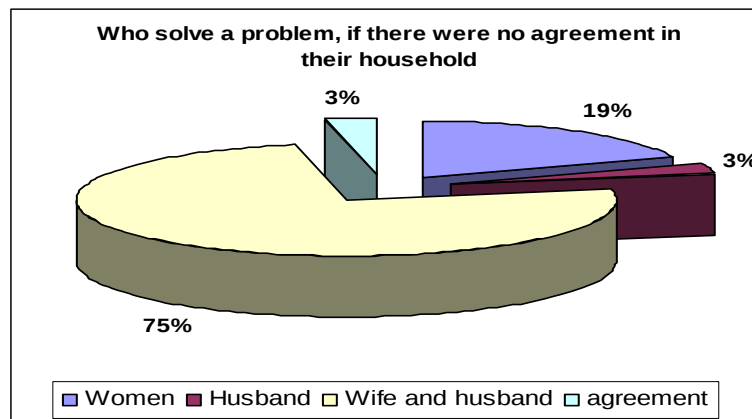
This condition put the gender problems are bigger than the business technical problem, as financing, marketing, production management, raw materials access, etc.. The respondents put family approval (including husbands) as main problem, instead of the business technical problem (see data findings in Chapter II). As often happened in patriarchy social structure. More than that, the Islamic norms were still comprehended – either by the government or the

⁸ Reproductive, productive, and community management concept, generally known as gender role identification framework (Triple Roles) in Caroline Moser analysis. Those frameworks involving the mapping of gender work assigning. And in most of the low income society, women had three times gender roles (triple roles), which women did reproductive, productive, and community management activities. Reproductive activity: activities that involved the maintenance and care of their household and its member etc.. Productive work: activities that involving the goods and services production to be consumed in trade, etc.. Community work usually involving selective organization from the social activities and services. Furthermore see, **Caroline O. N. Moser**, “Gender Planning and Development (Theory, Practice & Training)”, London: Routledge, 11 New Fetter Lane, EC4P4EF, 1993

⁹ This information was in accordance with the study findings of ASPPUK together with the Akatiga Bandung about women as coconut sugar entrepreneur in Banyumas and Genting of Klaten Central Java in 2003, where even if wives had the same working time with their husbands, but they were still loaded with the domestic responsibilities. See in **M. Firdaus and Ratih Dewayanti**, “Situations Without Struggle (women conditions trace in Micro Business in Central Java)”, an article in Women Journal, no. 35, 2004.

community – “conservatively”, The religion norms was still textual-formality (which regarded to what was written in text, not regarded to the teaching substances).

However, from these assessment, it was noted there were potentials of women role in business to do transformations into an equal gender position. From the information collected, both from the FGD and qualitative interviews depicted that in several situations wives and husbands share the same role. Those were seen while they were asked, should them and their husband made decisions together, as much as 43% of the respondent replied “yes”, while 15.38% replied “no”.



Even though these information need further exploration, however there was correlation with their response on problem solving on family dispute that 75% respondents replied that wives and husbands should solve it together. This was supported with the response from 92% respondents out of 24 women which admitted that husbands were always permit the wives to attend the training outside their homes. In term of looking for income earnings, most of them replied that it was their duties together (even though the husbands were still assumed as the family back bone). While for children caring about 52% of them told it is both responsibilities together with their husbands.

C. Need Analysis of Business Development and Gender Equality

As depicted in the analysis that the gender relation position experienced by the SPP group member women was not yet equal. The view and their attitude were still bias and subordinate. Even most of them admitted that men positions were 2 levels beyond them, nevertheless in several things they mentioned the level were quite equal. This gender relation position would give impact for women in managing their economic activities.

In the business aspect, there should be a clear definition of business, if it was meant as an activity that generates income, calculated risks, business finance separately out of family finance and most of the investment were put back in the business, then for the development of

this type of definition, the women in SPP group needed several knowledge and skills. More than that if the business were being an effort of creating the gender equality and leveling in the village PNPM program, then the needs were not merely at the business technical aspects, but also had to be followed by the women empowerment efforts step by step.

The needs were such as: comprehension about business meaning to women, business planning, marketing, technical skills (according to business type they did) instead of capital addition. While for the gender leveling and equivalence, it would need gender awareness training, culture changing and gender problems analysis skills also the practice communication skills assertively. To be clearly described, here were the explanations.

C.1. The Need of Business Development

C.1.a. Technical Skills Need

Most of them (55%) started their business before received training from the PNPM program. This could be comprehended because the types of business that women did were mostly did not required special skills. Besides the business types were chosen because it was related with their daily activities (activities that were in close relation with the women gender role). Their business experiences and skills were obtained while they were still living with their parents or while helping their parents while doing the similar business (for example the farming and plantation business). Besides of learning from their parents, they possessed the skill autodidact such as snack/cake making and food processing or trades. Some of them were lucky enough to get the training from course organized by the PKK (Government program) and college students doing community works. A few did it by their own initiatives, mostly take tailor/sewing skill.

Instead of capital that they put as priority, the needs on training were placed as very important for the women to improve their business knowledge and skills (13%). More specific the expectations to obtain those skills were encouraged by the expectations of starting a new business (40%). Some (about 475) have other practical motivation to attend the training such as looking for incentives (transport cost).

If we put in order based on their statement, most of their business development training needs were still concentrated in technical need, which was in the improvement for effective production capacity (farming 29%, food 8.85%, and clothes 9.7%). Next is accounting administration skill (25.66%), marketing (14%) and business management (7.96%). Those needs were realistic, because most of them owned farming businesses, either rice field or plantation. The production result is stable if not decreased due to increase production costs.

C.1.b. Accounting Skills

The need of accounting and administration training is closely relevant with daily problem faced by the women in SPP group due to mixed of family and business finance. Even though they

admitted that had done separation, but data from further interviews and FGD noted in reality was hardly kept separated. Thus, a further training on family and business finance is needed to comprehend on the importance of finance management and orderly business administration.

C.1.c. Marketing

Improvement of marketing knowledge and skills were being the need that respondent stated. This regarded to the respondent product reach was very local, still at the scope of Village/Sub-district. They also faced the problem of middlemen which hampered them to market the product by themselves and inadequate knowledge of market situation outside their villages. For the women, marketing problem were not merely because of business aspect, but still related with the access limitations to information, time availability, territorial border, and also the low encourage to enter the public room.

C.1.d. Business Management

Business management according to the respondents was the lowest importance need in business development. The women did not detailed what is business management term for them. However from our trace it was found that business planning including the business feasibility calculation, production arrangement, and marketing plan or in the finance term is comprehend as business management by these women. Through deeper discussion the need for business management are underline due to their need to be able develop a written business plan. The calculation about business feasibility has never been done and treated as guidelines. Generally to calculate business feasibility, they just make sure there will be money left each day to buy stocks and fulfill family daily needs. For livestock breeder and farmer, the profit calculate as differences between cost of sale to cost of capital, however they did not calculated the harvest periode of 4-6 months.

The Informans has never put salary for themselves in production cost. Their characters to put themselves as subject and their family. The reason to not calculated their salary, because outcome of business were used for themselves and the family. They also never been calculated risk since they are not aware of and didnt know how to do it.

C.2. Needs of The Gender awareness

C.2.a. Business Position of Women

The business run by the SPP members were perceived as important to the family, either as individual or family business (68%). All respondents declared it was considered as important as it help husbands to supplement their household needs. Eventhough it is important but they perceived themselves and their contribution were lower than their husbands since patriarkhi

culture is strong enough. They see nature character of husband as the true finder of basic necessities of family life.

This attitude influenced them when managing business, either individual or family business, such as in farming sector. In fact, the women who done most farming works however the access to information and decision making were still handled by the men, Women's position is only as doer, commanded by the husband, as the case in coffee business in Central Aceh. The case in noodle waroeng / shops or food street business, usually the men managed it and the wives responsible to buy materials and cleaned up the stall.

The difference situation take place for widow or specific businesses where required traditional women skill such as cookies making, spices ingredients making, sewing and waroeng or small restaurants. The widow and women in these businesses have more authority and independency in running their businesses. The strategic business management and decision were taken by themselves. Often, their husband or brothers are only as co-workers.

In extensive discussion with the respondents, they claimed that all women in aceh especially those under the PNPM working areas are positioned two layers below the men. However they think it is already fair enough since both men and women are working together. This statement is totally confronted with the fact in the field since when women made this gender analysis they did not put working schedule by gender, time duration, and its impact, where at the end it shows the women suffered for multiple burden than the men.

C.2.b. Business Impact for the Women

Even though they felt very tired, became darker and sweating, the SPP members still preferred to have businesses since it will be an alternative way to fulfill family needs such as daily meals, school needs for children and health needs. Through having own business enable them to be independent, can buy their own needs without asking permission to their husband. Moreover, as they claimed since they have own business, the husband cares more since they can help overcome household needs, have freedom to donate to relatives needed, gain respect from neighbors and retired from having debt to the neighbors. Above all they felt so happy having own business and gained more self-confidence both to the family and neighbors. This information were noted from women when they analyze what the business mean to them. However it still not be analyzed from the gender equality point of view.

It was also noted the SPP members still faced gender problem on stereotyping of women that they are weak, indecisive, their opinion not respected, is second class in the public areas and experiencing discrimination to access education and public acknowledgment. These facts also reconfirmed by most PNPM facilitators.

Some of them, especially those reside in Baru Nyaman Sub-district stated that gender relation especially in work division is really hard to be changed. This attitude becoming accepted

widely in Aceh society including SPP members due to their understanding domestic works is responsibilities of women, However, for other SPP women member in different district felt that this situation need to be changed to give a fair treatment to them (women).

Those stated that this situation need to be changed emphasized the needs for “training & discussion” meaning that they could gain new & updated information related to gender issues in household, work division, decision making and how to better accelerate or harmonize the attitude of husband and wife in a family. They prefer to discuss it within group both involving men and women, so enable and educate men to absorb the information as well.

They also suggest if facilitators could provide a “consultation” or facilitating group discussion to help them overcoming any family dispute related to gender issues. While in Baru Nyaman sub-district, the women said family problems which give impact to business can be discussed with others including facilitators but not the work division within the family. The role of facilitators is to give understanding to the husband and be conducted inside the house of the respected family and separately discuss with the wife.

2. The PNPM Program Facilitators

A.1. Comprehension to Micro-Business Women Entrepreneurs

As noted in the Chapter 2 on facilitators’ situation, that most of them (90%) have long working experiences in community development between 1 to 5 years and 2 facilitators are over 5 years. Looking on their ages and education background, all facilitators respondents have fulfill the criteria to be facilitators and mentors in community empowerment. Based on their confession, they experienced more than 3 years in facilitating the communities and mostly worked at the field level (only one respondents works in the provincial PNPM secretariat).

However, although they experienced community empowerment quite in long period, their knowledge on gender issues and micro-business women entrepreneurs not yet comprehensive. In general, they pictured “micro business women” as: “women who works or try to run business in micro scale such as home industries, with the purpose to help overcoming family needs, and do it as side job, not their main jobs”. This definition is still general, and give assumption that SPP women members did not face any problems including on gender inequality issues.

In summary, these facilitators have not yet use gender equality perspective when discussing women as micro-business entrepreneurs. As explained in previous chapter (on problem analysis of SPP respondents on gender equality values), the SPP women members have gender problems more or less same as other women lives in patriarchal society. The facilitators’ response on gender problems to SPP member only be stated when consultants dig deeper questions of gender relation on their beneficiaries.

Within this understanding, even though some respondents have responded and tried to detail explained on gender problems of micro-business women, however it is still standard answers. The consultants thinks it is as a result of GET AHEAD training as their response is generally same. That they stated the major problem is permission to do business from the husband. Which is true, however they could not further noted on other gender problems in business such as in marketing, finding business materials, recruiting labor, work division, salary differences between men and women in production stage, etc. As actually been stated by the SPP women members during assessment. Whereas, as strengthen in some studies, the women in micro-business susceptible to the gender problem in all of production stage.¹⁰

A.2. The Ability to Grow Business

In term of business development, in general the facilitators have capabilities in saving-lending accounting as done by women in SPP groups. This is due to extensive training that been given to facilitators to ensure that SPP groups implemented appropriate saving and lending accounting and having well organized group management, PNPM program is highlighted this matter to help them minimalizing the possibilities of corruption. Moreover, the facilitators have good field experiences of 1 to 5 years even more than 5 years. Most of them are economic graduates.

However, the challenges in the field turned PNPM facilitators not only as “night watch” of those capital being disseminated by PNPM but also responsible in turning it into a developed and successful micro business. Thus it will jeopardize the program if they do not have the capacities how to manage business capital to develop the business. They need to be trained and closely coached the SPP members. It will minimize possibilities of non-performed loans. From the assessment it can be concluded that in average they have not yet been trained specifically in the areas of business development. A few are lucky enough to have knowledge based on their working experiences prior of their involvement in PNPM. It impact on the low creativity and innovation of facilitators in assisting the SPP members in developing their products, expanding market network, product planning, and exploration of alternative funding capital. This worsened by their responsibilities to assist many SPP groups in a large areas to be covered with. According to them, the “GET AHEAD” training is the only business development training that they got which also helping them understand and focus on business development and gender equality.

¹⁰ Cited some studies; Ratih, et.all., “Marginalisation and Eksploitation of Women in Small Business at Village area of Java”, Bandung: Akatiga and ASPPUK, May 2004, Adriani Sumampau Sumantri, et.all, “Cutting of the tradition Traps”, Jakarta: Swisscontact & LIMPAD, and Titik Hartini, “Marginalisation and Un-balanced Relation of Women in Micro Business and The Effort in Empowerment (Case Study of Women in Micro Business at Klaten, Central Java)” Jakarta: Women Study Program, Post-Degree Indonesia University, Depok, 2004 (unpublished).

B. The Experience on Gender Issue

The comprehension of facilitators on gender equality can be described as the following. Out of 15 respondents, 2 (two) men facilitators were competent enough to discuss gender issues and role of women, while 2 (two) women facilitators were experienced in assisting women (they work as humanitarian worker in a Human Right organization for victims of gender violence). Although in specific these 2 men facilitators did not have the same experiences as other 2 women above, but their own experiences depicted that each program actually has its own gender perspectives. It can be seen on their views of gender problems faced by the women during their works before and after working with PNPM.

So far, most of PNPM facilitators have not yet specifically trained in gender awareness before went to the field. Only two respondents (all are happened to be women) who had received it through their involvement in human right organization. A few of them gained their gender awareness understanding through field experiences such as in their involvement with SPP group through its setting up stage to provide them with lending and saving loan which classified as affirmative action for the women. Deeper understanding was obtained through "GET AHEAD" training.

As a result, their understanding of gender issues are still on normative terms as the same level of newcomer in the NGO gender-activist. For example, they can stated some gender inequality issues faced by women in the household and communities and a few in business (even not detail), According to these facilitators, gender inequality is understood in the following context: that women's opinion still subordinated and even not acknowledged, still need permission from husband, got a lot of intervention from the families, stereotyping, low access and control and discriminated. In addition to that is the unsupportive patriarchal culture who unfairly divided workload between men and women and caused women have multiple burden.

Meanwhile for the other 4 respondents who had prior experienced in dealing with gender issues, they could deeper analyze gender problems faced by women, such as : internally, women still treated their husband as family breadwinner although they have better contibution in generating family income, they still think their business is only side income to the family, experienced domestic violences, not only to them but also to their daughters. External, the village meeting didnt give opportunities for women to speak out, stigma or stereotyping that they are weak, local culture perceptioned that some areas are men areas. The communities still perceived women access to education should not be higher than men which influenced women's involvement rate in school. When the women work until late, the communities put a negative label image on them but not to the men. Even some understanding on Islam related to syariah law developed in NAD (especially when applying fine to women and consenting) are worsened the women position.

In gender analysis context, refer to the what the gender analysis in the gender inequality context, specifically, the respondents did not know what is gender analysis tools. However the substance of this gender analysis and its tools have been mentioned unrealized by them such as access, control, who benefited and not, participation, unequal opportunities between men and women and patriarchal culture.

They felt with their current understanding as mentioned above made them difficult to integrate business problem faced by women in micro-business. Thus in the context of business and gender inequality, the respondents cannot comprehend it holistically nor explained it in detail. In reality, ability to identify business and gender inequality problems simultaneously takes time and lots of experiences as well as continuous capacity building. If this cannot be proceed will give negative impact to the women micro-entrepreneurs, that we actually “marginalize” them instead of “empowering” them.

C. Need Analysis on Business Development and Gender Equality

The PNPM facilitators were professionally recruited and having 1 to 5 years community development working experiences, both in the field and directly interaction with local communities. In specific, facilitators understand PNPM's objectives to improve local communities' welfare through micro-business development and provision of saving and lending loan to women and in general enhance women participation rate in public territories as well as their involvement in local communities planning.

Although in specific the PNPM program encouraged family income through micro-business development, but in general their facilitators have not yet obtained specific training on such issues. Out of the samples taken, only 3 facilitators obtained training on develop the communities' economy and have working experiences from previous employers, but still not yet been trained specifically on business development. Only currently, since last year they got business development and gender training through “GET AHEAD”.

Most of them are experts in bookkeeping and accounting. It can be understood since the PNPM focused on providing finance assistance. However, if we took closer look on the problems faced by women micro entrepreneurs, that instead of financing problems, they also have obstacles on production skill, business management and marketing as well as unrealized daily life gender problems which actually hampered their ability to develop business.

One of PNPM's objectives is to strengthen women ability in economic areas as well as increase their participation rate in public events, including local planning. However in the implementation and management level, attention o achieve the gender equality objective not yet gained any balance portion. This lack of attention can be seen on the low capacities of their facilitators to do appropriate assistance to micro-business women, Looking from gender aspects,

most of them again have not yet provided with specific skills nor training on gender. They mostly rely on their previous working experiences or autodidact learn from the field. Only 2 of them obtained specific gender training from their previous employer not through PNPM.

It was found, even internal discussion on gender equality as targeted by the program has not yet been conducted thus making their understanding on the issues is on various level. In general, their understanding is on how to push women access in the program and their participation in public venue. However, this lack of capabilities can be compensated with their strong motivation and cooperation to assist the local women to overcome “gender issues”.

The same happened to their understanding on gender analysis, which most of them actually did it in their daily life unrealized. They could mentioned key word such as access, control, benefit, work division, and participation. However they did not know these were related to gender analysis as they never gone through any training on it. The only training specifically help them understood the issue is “GET AHEAD” training.

Based on this reality, most of them felt a need to be trained in gender awareness and how to conduct gender analysis enhancing their sensitivity in looking gender problems in business of SPP groups. They mentioned one of effective way is through training and field practice in the SPP group then follow up with a self-reflection to see the lesson-learnt.

Chapter IV Recommendations

According to the findings in the assessment and its analysis (Chapter II and III) the following are some recommendations for the future capacity building for both parties, the SPP group members and the PNPM personnel.

A. The Need of Capacity Building for the Women in SPP Group:

Understanding “Business” in the Program

According to the business profile of the women in SPP Groups that have been depicted, it is important to agree on the understanding of what so called “business” in order to have clarity to measure the business development. In addition to that, by having clear definition enables the program to have clear attitude on monitoring and evaluation measurement against business development. The “business” need to have the following characteristics: be done towards a purpose or an objective thus entrepreneurs need to have it started because they have their own willingness and objectives not because forced to do it. The business should generate income, calculate the risk and segregation between the business and family money and most of profits should be re-invested in the business.

Through this limitation on “business” term ease the women to clearly positioned their business to a concrete working term. It affects their behavior towards the business. In addition, for the PNPM program there is a need to map a business database by its types and scales. This is important to determine the program objectives and treatment in business development. For those women who are classified in business category can receive supports with focus on business development while those who are not classified in this category still can be supported through activities to increase family income.

1. Entrepreneurship Training. This training is important for all the SPP women members yet not positioned and managed their economic activities with profit orientation. Their Attitude toward business is still strongly affected by perception and stereotype of women within the family thus made motivation and objectives in businesses still gender bias. It will be benefited to equip them with entrepreneurship trainings which not merely about business but also could build the character and perspective of these women in identifying both their challenges and opportunities as women entrepreneurs. It perceives that a kind of training module like GET Ahead which gather business with gender will benefited them as according to those been received GET Ahead training. A 3 or 4-days training of entrepreneurs is more suitable for these women, it is also been better if involved the local successful business women as resource person or role model.

2. Production Skills Development

Based on current situation the utmost challenge faced by these women is how to acquire updated techniques to improve their production quality, either it will be in snack/cracker making, hemming, sewing or etc. It is important to get their awareness that product need to be created nor developed based on market demand and needs where a prior simple market survey will be an asset. The market need itself can be translated as trend of emerging needs or newly created market opportunity. Based on this fact, the participants of the training shall be those who already engaged in businesses or already have concrete plan to start business. Do not invited those who only have motivation to improve knowledge as a hobby or spending time.

The training should involve experts in the respective areas with a hands-on training experiences. The women need applicable production skill training. Other approach is by grouping those having similar production type such as “dodol” or crackers making and send them to visit a successful entrepreneurs for the similar product, either in the same location or outside. The PNPM needs to facilitate these approaches if the program wants to see the better impacts for these women. The facilitators could positioned themselves as facilitators to networking with such training providers or successful entrepreneurs. ILO could support the program through its linkages.

3. Bookkeeping, Accounting and Financial Management

The area need to be addressed by this training is managing both family and business money. As found during the assessment the hardest challenges faced by the women is how to differentiate the money for business and family, often they do not have clear understanding why they should be separated. The training will also discuss the importance of having daily and appropriate bookkeeping, even a simple one to enable them tracking on their business and family expenditures. Thus bring better administration in their business. A simple media or guideline need to be created for them in money management so that they could practice on daily basis.

To ensure the effectiveness, post training support is needed in term of close assistance on applying this bookkeeping and money management in their daily life as well as periodic monitoring visit. Actually, the PNPM facilitators already done so, however due to the vastness of the areas it is hard to conduct such personal intensive assistance. Thus, it is advisable facilitators set up a smaller group meeting and peer coaching among those been successful. The ILO can facilitate the training activity through its network with both government and/or private training providers as well as facilitate PNPM developing such applicable tools such as the above guideline.

4. Marketing Development

After we assessed the respondents understanding and attitude toward the marketing, they do not yet have a clear marketing orientation, meaning that how the entrepreneurs should be able to fulfill the needs of costumers and making them a loyal customers so that the business could be profitable in long term. It is need to improve their marketing skill to cope with this challenge.

There are 2 recommended strategies:

1) Equip them with training on applicable marketing involving the sound practitioners. In this training, participants must create a marketing plan for each line of products. They will gather back to conduct evaluation on the implementation of their marketing plan, for example within 3 months after the 1st training. Within these 3 months period, facilitators have to assist and monitoring the women activities. At the end, PNPM can facilitate the reflection of this training both for the women and the facilitators.

2) "Marketing Assistance". With this approach, facilitators invites external resource person such as consultants to provide "coaching" in product analysis, further suggestions for marketing improvement to micro-entrepreneurs women within certain periods such as in 1 week or so. The consultant will help opening the market access (looking for buyers) that is ready to pool the products of the SPP group member. Within this strategy, focus on SPP women with marketable products to be developed. Through this training, PNPM can facilitate the promotion and market development of the potential product to participate in exhibitions at the district or provincial level by taking advantage of certain events and programs managed by the government. The role that could be played by the ILO is facilitating the marketing training and "coaching" strategy, and documented the learning process as a model for learning in marketing strategy.

5. Business Management Training

This training aims to improve knowledge and basic skills to manage business. Including the business planning, business feasibility study, production arrangement (product variations and packaging), marketing plan and finance. It is advisable to conduct it not in a long period but rather in a series of 3-4 days.

Training can be done as in-house training involving those who already have business or plan so. It is important they will be provided with continuous post-training support through supervision and monitoring. This activity should better be conducted by the PNPM in the district level. The ILO can provide support in the form of studying materials and networks to the resource person.

6. Gender Awareness Training

This training is important to be done in every level. Either in the community level, executors or within the PNPM program management. For the gender awareness in the level of SPP group, activity could be done through the group assistance or special training on this subject.

If in-house training is chosen, it is advisable to involve equally between the men and women participants. Even better, in the group discussion, invite both husband and wife. But this decision has to be considered carefully, especially to maintain that the women and men ready to have a fair and open discussion.

In addition to the training, a periodic discussion on gender issues within the SPP group need to be organized. They can share each other and those who have been trained in the above gender training can be a resource person to share with other members, facilitated by PNPM who have attended so. In the discussion, a particular topic can be chosen for example a hot issue in the media so it will be an actual and interesting discussion for the participants beside could also improve their awareness of what has happened in their surrounding.

Those activities in the group level shall better be done by the PNPM. The ILO can give support in materials or effective learning media for the participants.

B. The Need of PNPM Facilitator for Capacity Building

Facilitators are PNPM front liners and its core elements. They are the ones having direct contact with communities. Therefore, regarding to the recommendations mentioned before, especially in term of coherent in business concept, then it is important to have facilitators who can be specialized in business development. These facilitators will be responsible to continuously assist the development of the SPP group businesses. Below are some applicable recommendations to improve facilitators' capacities:

a) Business Development

1. Workshop and Business Development Training

This activity is important, considering the understanding, perspective and skills of the facilitators in the business perspective are still lacking. Even the PNPM never organized the particular events. Workshop is oriented to build understanding and perspective of the participant in understanding and positioning the small-micro enterprise in national economic development as a strategy to poverty eradication. Workshop has to invite resource person who can give enlighten, an applicable micro and macro economic analysis, as well as encourage the urgency for rural economic development.

2. Business Development Training

This training aims to provide orientation for the facilitators as a business assistant to the women groups. Therefore, it is needed to equip them with business technique aspect, including the business management, finance and marketing.

Substantially the training will not be much differ from the subjects in SPP group training. However it will emphasize on the enrichment of case study and proper solution. Methodologically, it is suggested this training not only equip facilitators' knowledge, but also equip them with a methodology in providing assistance to women micro-entrepreneurs. It can be as TOT as they will be expected to handed this knowledge to the women and further facilitate their business activities. Executor of this activity is on the responsibility of PNPM management as it relates with its staff development. The ILO could support in sharing the related materials and experiences in other countries or programs.

b) Gender Equality Awareness

Considering gender awareness and its implementation can not be separated from the women empowerment program even in the business context, then it is recommended that gender awareness not merely a knowledge in program context, but be mainstreamed within the PNPM program. Therefore it is recommended the need of these activities:

1. **Workshop about gender mainstreaming for PNPM program.** Through this activity, various level in PNPM could obtain the same understanding on gender perspective and equality that will be achieved by this program. Further, it builds commitment from institution to apply gender equality. The workshop ideally involved various level of PNPM personnel from the top management in national level to the district level.
2. **Gender awareness.** This activity can be done through a workshop or a periodic discussion or special training with targeted participants are facilitators and management staff. It can also be inserted as a part of agenda in the district coordination meeting.
3. **Training for the facilitator.** This is for improving the understanding and skills of facilitator in providing gender awareness to the group and communities.
4. **Improvement on gender analysis.** It can be a followed up of the awareness training or be done simultaneously right after the awareness training. The subjects will be not only introducing analysis model and tools but also as a process to sharpen their sensitivity in doing the gender analysis within the scope of individual, family, community or program.

In the management level, this training is really important to provide better perspective and technical guidance to define the gender analysis tools in program. For the executors

including the facilitators, it will prepare them sharpening the skills in facilitating analysis or their sensitivity to do a gender analysis. This skill can be obtained through a training. It is advisable to do a TOT for the facilitators complement with periodic discussion either in the management or executors level in national, province and district. Be more specific, it will much help the program to initiate a “gender watch” team in the provincial level. The team is responsible not only monitor but also assist the implementation of gender mainstreaming in the PNPM so that can smoothly working well in each level and on every activities.

It is recommended that PNPM will take the role to conduct the aforementioned activities. PNPM could initiate collaboration with other party such as ILO to do it in higher level such as at provincial or national level.

The ILO could take the role to facilitate establishment of the coach team in the province and district level, as well as encourage and facilitate the PNPM management to establish “gender watch” team. It assists the continuity of initial investment made by the joint collaboration of ILO and PNPM be effective.

Recommendation notes:

1. Considering various needs identified and recommended trainings, it is strongly suggested that ILO and PNPM make a priority in responding to the development needs in the future, either for the women in SPP group or PNPM facilitator.
2. It is better if there will be a facilitator responsible for monitoring the gender-perspectives and business development in each district. It can be in the form of a “**task force**” either in the facilitator level (primarily) or in the SPP group. It is expected that the establishment of the task force business performance and gender perspective can be maintained.