SUCCESS STORY

Financial Skills
Help Shaping a Better Future

International Labour Organization

SUMBA TIMUR, INDONESIA (ILO News) – Afriani Ngana Tara Andung, a 36-year-old mother of two, now keeps a close eye on her family's finances. Using newly-learned bookkeeping techniques, she carefully records their different sources of income - seaweed farming, fishing and small business activities – and separates her business and household expenses.

Her diligence means her family is now saving 2 million Indonesian Rupiah (IDR) (USD152) per month.

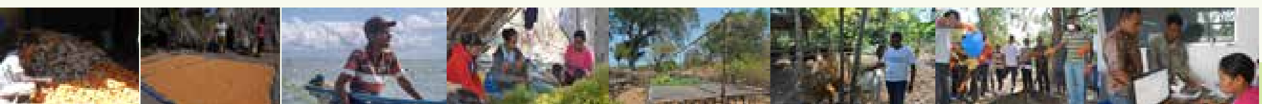
"This family bookkeeping has changed my life for a better, manageable life," she said "My husband and I never realize how much we earn every month and how much we spend. The money seems to come and go easily. For example, I have never realized that our family consume 90 kilos of rice per month".

Andung's new-found financial awareness came after she joined a skills training organized by the ILO (through a local partner), on Financial Education for Families, a part of the Decent Work for Food Security and Sustainable Rural Development Project organized in Nusa Tenggara Timur (NTT) province.

"This skills training programme equipped people who live in a food insecure area with basic entrepreneurial skills so that they can shift from a subsistence-based livelihood to more sustainable entrepreneurial activity," Yunirwan Gah, the ILO's Project Coordinator, explained.

The project, which is funded by the Luxembourg Agency for Development Cooperation and the ILO, focused on increasing labour productivity, enhancing employment opportunities and expanding entrepreneurial opportunities in key agro-food value chains, particularly maize, seaweed and livestock.

> ***What I learnt the most was that I was not aware of my own capacity and ability. The training has turned me into a better farmer, a better business woman and a better mother.***



Apriani and other seaweed farmers were given the skill to start family bookkeeping and develop short, medium and long term financial targets.

"I learnt so much about financial management during the training. As a group leader, I had to assist and support my group members completing the tasks as not all of them are able to read and write," she said.

Back home, she immediately applied her new knowledge and was amazed to find that the family was earning IDR5,800,000 (USD433) per month from seaweed farming and IDR 1,600,000 (USD 122) per month from selling ice. "We never realized that we earn that much," she said. "The training has really opened my eyes about the importance of financial management and bookkeeping."

Next she calculated her family's regular expenses, and as a result was able to set budgets for things like regular daily expenses, education and social commitments. "My family spends a total of IDR5,300,000 (USD405) per month. When carefully calculating my priorities and expenses, I have unnecessary expenses that I did not even realize before," she said.

Having sorted out her day-to-day financial situation, Andung next used her new skills to look longer term, developing a strategic approach to her financial flows. "Before my only concerns were the fluctuating market price, and I ignored the importance of managing money when the market price was good".

"I have a bank account now. I used to save but I stopped a few years ago as I always ran out of money. It is changed now. By simply recording your incomes and expenses, I can start saving now," she said.

"What I learnt the most was that I was not aware of my own capacity and ability. The training has turned me into a better farmer, a better business woman and a better mother".

Andung's training has also benefited other families in her community. She was appointed as a local facilitator to help her neighbours sharpen their domestic financial management, so they can also improve their businesses and ensure their incomes allow for food security, education, as well as cultural and social commitments.

"A well-managed income is very important for my community as we have customary obligations that we need to meet as part of East Sumbanese culture" she said.

Building on the success of the Financial Education for Families course the ILO has now introduced another training tool; Community-Based Enterprise Development (C-BED), a low cost, easy to implement training programme to help entrepreneurs and business owners plan and improve.

Once again, according to Yunirwan, community involvement is proving key to the success of the programme, and Andung is taking a lead. "We admire the spirit and commitment of Andung. She is committed to improve not only herself and her business but also others in her community. She has been actively facilitating the implementation of C-BED in her group and community," he said. ❖