



► ILO Brief

March 2023

A Qualitative Assessment of Local Economic Development Training in Four Villages in North Minahasa Regency, North Sulawesi, Indonesia

► 1. Introduction



Foto: Training for Beneficiaries on Start your Green Business in Marinsow Village

This report presents the results of a socio-economic qualitative assessment of Local Economic Development (LED) training undertaken by villagers from Budo, Marinsow, Pulisan, and Tiwoho, of North Minahasa Regency, North Sulawesi as part of the Skills for Prosperity programme September 2020 – December 2022. The programme worked with people from these villages by providing skills training and ongoing support to develop sustainable tourism microbusinesses. The training and mode of delivery was designed to

accommodate and encourage female participation, but did not exclude men.

Research into understanding the impacts of the LED training involved collaboration between Universitas Klabat (UNKLAB), who were involved in delivering the skills modules, and University of Gloucestershire (UOG) a UK higher education partner in Skills for Prosperity who aided UNKLAB in completing the research.

The report has been commissioned by the International Labour Organization (ILO) on behalf of Skills for Prosperity and has been framed to explore the programme's efficacy, to identify how beneficiaries of the training may advance their business opportunities once ILO support finishes, and to provide insights for others who might wish to deliver similar local economic skills development courses.

The aims of the report are to:

1. Monitor and evaluate the impact of the LED training programme
2. Gather evidence to identify and support future initiatives and ambitions for the participating villages and the wider region of North Minahasa, North Sulawesi.

► 2. Skills for Prosperity in Indonesia

The ILO under the Skills for Prosperity programme, funded by the United Kingdom government, aims to contribute to Indonesia's skills development policies and systems and enhance employability and future-readiness particularly for young women and those from disadvantaged groups (but not excluding men) aspiring to pursue and advance careers in the maritime economy. It complements the wider Government of Indonesia's maritime and coastal development strategy articulated in the policies of the Blue Economy¹ document.

The Skills for Prosperity training programme in North Sulawesi incorporates two components:

1. working with higher education institutions in quality enhancement, academic capacity building and curriculum development
2. direct LED through informal skills-based training in four coastal villages across North Minahasa Regency

The key aim of the LED training in North Minahasa is to improve equity of access for vulnerable groups in coastal areas to education and training. This LED programme

addresses United Nations Sustainable Development Goals: # 1 No Poverty; # 4 Quality Education; # 5 Gender Equality; # 8 Decent Work and Economic Development; # 10 Reduce Inequality; and # 17 Partnerships for the Goals.



Foto: Training for Beneficiaries on BUMDes in Budo Village

► 3. Training partners and village participation

Villages across North Minahasa were invited to participate in a LED training needs assessment which was conducted by INDECON and INCREASE. This baseline exercise particularly sought to identify interest and commitment in tourism development from village officials and also highlighted existing relationships with higher education institutions. Thirteen villages participated and, from these, four were identified by the ILO team as having tourism development potential: Budo, Marinsow, Pulisan, and Tiwoho.

The ILO training programme was developed and delivered collaboratively with multiple partners across higher education, industry and local NGOs (see Table 1). Trainers were selected from across these partner institutions and the ILO, along with INCREASE and INDECON, ran 'training the trainers' workshops. From these 128 skilled workshop trainers (47% women and 53% men) graduated and were then allocated to deliver the ILO's skills based LED training in the participating villages.

¹ BAPPENAS and OECD, 2021. Blue Economy - Development Framework for Indonesia's Economic Transformation. Available: https://perpustakaan.bappenas.go.id/e-library/file_upload/koleksi/dokumenbappenas/file/Blue%20Economy%20Development%20Framework%20for%20Indonesias%20Economic%20Transformation.pdf

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► Table 1. LED training partners

Collaborating partner	Role
Politeknik Negeri Manado	Provision of trainers and delivery of training
Universitas Klabat	Provision of trainers and delivery of training
University of Gloucestershire	Workshop contributor: Tour package
INCREASE (Inclusive Creative Social Enterprise)	Execution of training needs assessment, delivery of training of trainers and supervision of trainers in the delivery of modules
INDECON (Indonesia Ecotourism Network)	Execution of training needs assessment, delivery of training of trainers and supervision of trainers in the delivery of modules
ASITA (Association of Indonesia Tours and Travel Agencies)	Workshop contributor: Tour package
ASTINDO (Indonesian Travel Agents Association)	Workshop contributor: Tour package
Wale Gonofu (artisan craft manufacturer)	Workshop contributor: Product development
Klabat Kraft	Workshop contributor: Product development
Grand Luley Hotel	Host for workshop training: Homestay
Peninsula Hotel	Host for workshop training: Homestay

► 4. Beneficiary and village engagement

Between September 2020 and December 2022 the ILO worked with beneficiaries from Budo, Marinsow, Pulisan and Tiwoho, providing skills training and ongoing support to develop sustainable tourism microbusinesses. LED training was designed to meet the needs and increase skills and capacity within village communities. There were potentially six skills modules, each delivered as series of workshops, that villagers could attend:

- Financial education
- Start Up Your Green Business
- Homestay
- Product development
- BUMDes
- Tour package



Foto: Training for Beneficiaries on Financial education in Pulisan Village

Each skills module was delivered on location to village specific cohorts and involved up to 5 trainers in its delivery over a period of 3-5 days. Beneficiaries could attend one or more modules depending on their availability. There was an ILO requirement that successful completion of each training module required attendance for each day of the training and of all workshops within the module.

Attendances at module workshops ranged from 12 to 48 people. In total 102 days of skills training were delivered to 451 beneficiaries across the four villages (see Table 2). There was a 97 percent success/completion rate of those who had attended from day one although certificates of completion were not awarded as part of the process.

77% of beneficiaries completing the modules were women and 23% were men. Over 95% of beneficiaries indicated they were satisfied/highly satisfied with the experience on completion of the training.

Having completed training modules, beneficiaries received additional mentoring to enable them to activate their learning gain. Sixty days of additional Post Training Support sessions were delivered across the four villages in a 12 month structured programme of touchpoints and interventions. This included industry-based follow-on activities and additional support to help incubate and troubleshoot sustainable tourism business development.

► **Table 2. Training workshops and number of beneficiaries per village.**

Participating villages	Village 1 Pulisan	Village 2 Marinsow	Village 3 Budo	Village 4 Tiwoho	Total beneficiaries per module
Training topic # Participants					
Financial education (5 days)	20	20	12	16	68
Start Up Your Green Business (5 days)	20	21	19	20	80
Homestay (4 days)	20	18	13	14	65
Product development (4 days)	20	20	41	48	129
BUMDes (5 days)	20	19	14	16	69
Tour package (3 days)	20	20	-	-	40
					451
Number of women beneficiaries	93	92	73	91	349

► 5. Training modules

Training delivery followed a participatory adult learning approach and beneficiaries participated in group discussions, shared their experiences, and explored learning together through role play and case studies. For each module Day One involved completing administration and registration and ice-breaker activities were used to set the module's agenda and to enable trainer(s) to generate a rapport with the participants. Each day was broken down into morning and afternoon workshops lasting three hours each. The morning session included a tea break whilst the day was broken by lunch. Training methodology embraced an experiential approach utilising participative activities. Beneficiaries engaged in business games, workshop exercises and constructed learning tasks at individual and group levels. Each workshop concluded with the sharing of outputs and experiences to consolidate learning. For more detail on each module see Table 3.



Foto: Festival Management Workshop in Tiwoho Village

► Table 3. LED training module outlines

Training module	Module outline	Module content description
Financial education	Training designed to develop financial knowledge and management skills.	The workshops promote positive attitudes and thoughts toward earning, saving, budgeting, and borrowing. The materials primarily target women as it acts to promote women's economic decision-making capacity within the household or in their businesses.
Start Up Your Green Business	Training for potential entrepreneurs who have a feasible business idea for their own small enterprise.	The training guides beneficiaries to improve and boost their business performance. The interactive workshops cover areas such as how to develop a business plan, implement new ideas or improvements, marketing, stock control, and record keeping.
Homestay	Training to develop comprehensive homestay standards. (Only beneficiaries who currently run or have the ambition to develop a Homestay were able to participate in this module).	The training supports beneficiaries to create a quality visitor experience by highlighting their rural resources in a presentable, safe, and attractive manner. The training workshop focuses on delivering essential criteria such as host management, accommodation, activities, authenticity, safety, marketing and sustainability principles.

Training module	Module outline	Module content description
Badan Usaha Milik Desa (BUMDes) is a type of village-owned company or enterprise. The broadly defined purpose of the BUMDes is to support innovation in village economic and social development	Training to promote income generation and local development, emphasising the role of skills and knowledge in creating new economic and employment opportunities for the local community. (Only beneficiaries who have a role in village management or the established BUMDes were able to participate in this module.)	The workshops are structured training tools, designed to empower local communities to gain employment, increase income and rebuild infrastructure affected by natural disasters. The training equips beneficiaries with additional skills needed to increase productivity, household income, and improve living conditions
Product development	Village-specific training to support product development.	The training enables beneficiaries to collaborate with various stakeholders such as handicraft producers and food and beverage producers. The training equips beneficiaries with skills to produce new tangible products.
Tour package	Village-specific training to support tourism product development. (This module was only delivered in Marinsow and Pulisan).	The training enables beneficiaries to develop their insight into the creation of tour packages including programming, costing and pricing. Connection with professional tour organisations will underpin workshops where beneficiaries will also consider target markets and simple marketing tools.

► 6. LED training qualitative assessment methodology

Funding allowed for up to 30 beneficiaries from each village to participate in the socio-economic impact research. Data were collected in January and February 2023, on location in beneficiary villages on four separate research days. The sample was self-selecting from those who qualified to be sampled, that is, those who completed the training, and were available to attend the research day. One hundred and nine beneficiaries participated in this assessment research of 86 percent of whom were women and 14 percent were men: Twenty-four participants came from Budo, 25 participants from Marinsow, 28 participants from Pulisan, and 32 participants from Tiwoho. This represents about one quarter of all beneficiaries who received the training (24 percent).



Foto: Collecting data for research interview

Each village research day involved two group interview stages - the first brought together all participants as a whole research cohort (25-30 participants), whilst the second divided the cohort into small group guided discussion sessions (3-9 participants) each exploring specific modules. Participants also completed an individual questionnaire, with support given as needed by the research team. In addition to this, a number of participants had their business growth stories recorded as a video testimony. This mixed data collection method

was adopted to gain a 'complete and complementary' picture of the impacts of the training while it also helps to develop deeper analysis.

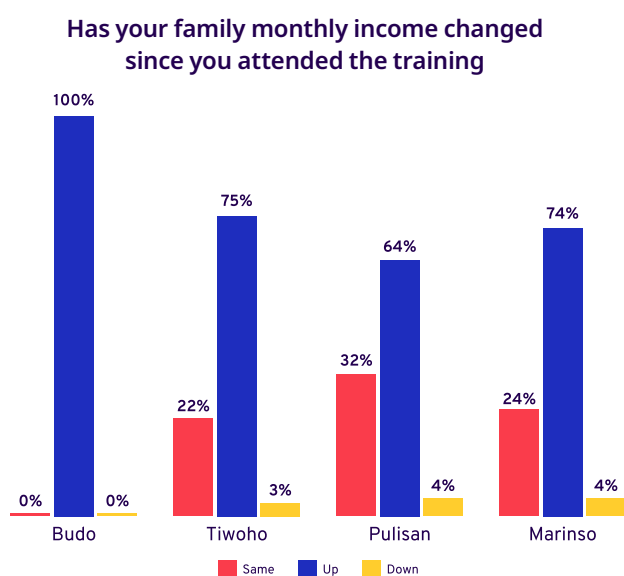
The credibility of the research was assured by following rigorous well documented social science protocols on data collection, interpretation and presentation. This also involved adhering to the ethical responsibilities of the researcher of 'doing no harm' and 'seeking informed consent'.

► 7. Quantitative impacts recorded by participants

The key insight provided from analysis of questionnaire data is that the material wellbeing of almost all participants has improved as a result of increased income due to starting a business or expanding an already existing business.

Figure 1 identifies that monthly family income has increased for a considerable majority (77%) of all participants, and, when added with those who identified 'no change in income' almost all participants were captured by these two positions (97%). There was some variation amongst villages with Budo's exceptional 100 percent positive change in family income explained by their longer standing engagement with skills development and entrepreneurial endeavour.

► **Figure 1. Change in income after the training events (n =109)**



The increase in income can be primarily attributed to a change in employment status (see Table 4). The vast majority of those who benefitted from this change in employment status were women. Other reasons that contributed to an increase in monthly family income included starting up a business and/or expanding or diversifying an existing business.

► **Table 4. Business and employment status of men and women**

	Women	Men	Total
Started own business	37	7	44
Expanded existing business	33	7	40
Became employed	5	1	6
Home maker	7	-	15
N/A	-	4	4

Table 4 identifies that, having completed the training, a very large majority of participants now run their own businesses (84 people/ 77%) or are employed (5%). Forty participants (36%) identified that they had expanded an existing business, and forty-four participants (40%) assert they have started a new business. Of these, 33 (82%) existing business owners were women, while 37 women (84%) had started a new business. Women appear as the absolute majority in terms of homemaking. This clearly shows the training

as being transformational for women, but we must acknowledge any bias as a result of the majority of module beneficiaries and also this study's participants being female.

The research identifies that there is a level of earnestness in terms of formalising and registering businesses. The lead for this seems to come from the BUMDes where three of the four BUMDes have now been legally registered. One third (33%) of businesses have a registered BIN. The majority of businesses therefore act in the informal economy either standing alone in terms of income generation for the family or/and supporting businesses that operate in the formal economy (eg selling vegetables to hotels and restaurants).

The research identifies a growth of confidence in engaging with formal financial institutions with almost one third (29%) of participants identifying that they have a bank account. However, the overall picture of financial access identifies that participant relationships with banks is heavily biased towards having access to credit although there is also some use of banks for saving or investment.

Most participants expressed interest in gaining additional complementary skills and knowledge to support their businesses and employability. Areas of interest highlighted directly link to LED module topics.

Notable skills development requests beyond the scope of training participants would have already been aware of included: training as a trainer, English language skills, how to make souvenirs, and health and safety training. A majority of participants wanted to know more about the tourism sector, how to enter the tourism market and how to secure employment in this sector. Additionally, most participants noted there was a need for start-up funding or capital investment to enable their businesses to grow.



Foto: After training support in Budo Village

► 8. Social and lifestyle impacts recorded by participants

The qualitative research identifies a range of broader transformational changes that participants spoke of, and these can be expressed as benefits that are felt at individual, business, and community levels (see Table 5): (Note - the categorisation is not mutually exclusive so some benefits for example ambition and financial management appear across personal and business levels).



Foto: Business matching among the beneficiaries and tourism actors in Manado

► **Table 5. Transformational impacts reported by participants**

Transformational impacts for individuals	
Confidence	Personal validation
Ambition	Entrepreneurship
Expanding horizons	Environmental awareness
Resilience	Personal financial management
Transformational impacts for business growth	
Network building	New market access
Strategic thinking	People skills
Financial management in business	Quality control
Transformational impacts that are community oriented	
Pride of place	Collaboration and sharing learning

Transformational impacts for individuals

The principal transformational change identified amongst participants was confidence; from this, all other benefits seemed to flow. Confidence was identified in many areas including: offering and seeking opinions, starting a new business, seeking out ways to save money, and willingness to try something different. Confidence also became self-fulfilling and was strengthened through interaction with others in the tourism sector at markets, meeting local and international tourists, and interacting with government officials. This participant captured much of what was noted by others in her story:

The games in the training help me not hesitate to be active and share my opinion, I was once shy to share my idea with others, but through this training, I feel like I can open up my ideas and ask for suggestions from others. Before the training, I used to just play games for leisure, but after this training, I start my own business which is selling "Sambal Roa".

Participants were ambitious for their businesses to grow and they recorded that they had setup additional retail

outlets, diversified into new products and services and sought out new geographical markets. This is indicative of an entrepreneurial mindset where some participants were able to realise the business opportunity that lies in the skills that they already had.

An entrepreneurial mindset also involves problem solving skills and this participant identified a problem and successfully solved it to such an extent that he was able to support additional employees:

Before I was thinking this business was a mess but after training I was able to manage my business in a proper way, I learn how to count all the costs, so I know the business's profit or loss, that helped me grow my business and now I hire more employees.

Some participants noted that they could now expand their own horizons, seeking other further formal and informal learning opportunities for themselves. This is borne out in the questionnaire results where all participants identified they were interested in gaining additional business knowledge and skills development. Participants were conscious of building their own capacity and enhancing their own 'human capital' wanting additional training in all areas of business operations for example financial planning, marketing, the use of social media, networking, specialist skills or simply getting better at what they already do. One participant noted:

I didn't [feel] much had changed after the product development training. However, the training made me want to learn more about how to create souvenir products that are acceptable in the marketplace.

Participants identified that the ILO training acted as a form of personal validation where entrepreneurial ideas were given credence and personal capability was externally supported by the trainers and others throughout the village. Some noted that their business ideas were supported by their spouse and other family members. In addition to this, the training and participation in business made them feel more dynamic and happier. One participant noted:

The training helped me think about business, and what could I do to increase my family income. I told my husband to open a boat rental business and my husband supported that idea and we are running that business right now. My family has become more supportive.

Increased environmental awareness was mentioned by one participant as an outcome of the training, and this included a broader understanding the place of the village in its coastal environment and its dependence upon the capricious benevolence of nature. Other participants argued they were seeking ways of managing and reducing waste or using resources more efficiently in their business:

Coconut production and processing creates a lot of waste of the coconut shell, but this is what I need to make my souvenirs. I have now hooked up with a coconut producer and he gives me the discarded shells. There is almost the whole coconut being used, and we are both happy with this situation.

The skills, confidence, change in mindset, social growth and material changes equipped beneficiaries to become more resilient and active in responding to adversity and planning out their future.

Transformational impacts for business growth

It is evident that the participants are applying their new found skills and knowledge in their businesses by thinking critically and strategically about how they go about their business operations, seeking new contacts, markets or opportunities for investment and what they need to achieve business growth. One participant noted the significance of networking in this regard:

I help my husband in product promotion, I met other people outside Pulisan village, I also met government officials who help me join the marketplace event, and I bring the product to other exhibitions too.

Strategic thinking involves a time horizon and planning steps for business development and growth. This is evident through many of the comments made by the participants for example saving for tools, seeking out learning opportunities, or looking for ways of expanding and/or diversifying their business. One participant recorded how they had already grown their business through seeking out new markets and how this strategic process would continue over time:

At first, I sell fishes by the road, I learned from the training how to reach the market, I then peddle it, going house to house, now I can afford to have motorcycle so I can reach my customer even far away from my place. I hope that in the future I can save some money and have a car to sell fish to more distant places.

Soft skills are an integral part of successful business management. Good soft skills reflect a confidence in interacting with people whether they are family members who work within their business, employees, fellow villagers, or people from different walks of life or cultures. Soft skills impact greatly upon consumer 'satisfaction', a key point noted by this participant:

I learned how to handle homestay guests in a polite and friendly manner; the guests who stayed in my homestay said that they were satisfied with the stay in my homestay.

The need to develop and maintain a quality product or service was also recognised by participants as something required for market success. This was noted by this participant:

I learned that quality control is important for a product to reach the market.... I want to practice all of what I learn.

Transformational impacts that are community oriented

Participants noted that they identified how the training had positive impacts across the village or that they felt their confidence, knowledge and skills should be shared across the village or across the region.

Participants were proud both of their achievements and their village. It was natural that they wanted the village to benefit from the training, as noted by this participant:

For Budo I see changes in most of the homestay owner, they now learn to handle guests and market their homestay. Personal Impact: now I am eager to develop Budo even though I was not originally born and raised in Budo.

This spilled into the desire for participants to ensure their skills and businesses benefited their village community for now and future generations, with one participant noting

Through the product development training I also have the confidence to share my skill with the children in my village.

Coupled with this, one participant noted a change in 'village mindset' towards considering tourism as a business opportunity:

I now can manage my family financing activities. I also see that ILO-training helped our community grow and open our mind for tourism.

This village mindset is consistent with a collaborative approach to business development and growth within each village. The questionnaire identified that a very large majority (90%) of participants shared their training with other villagers.

More obviously the success of the collaborative approach is most evident in Budo Village where the BUMDes has operated to get villagers involved in business development and their BUMDes Leader is openly advocating sharing knowledge and skills with the four villages of this LED study but also with other communities across North Minahasa:

We have built our success up over a number of years learning from others and learning of the value of the discipline of being transparent and accurate to the

last rupiah in our accounting as a BUMDes. This is part of our story along with the support from the ILO and HE partners. We would like to share our success with our other villages so that even a storm cannot stop you.

Other participants echoed this sentiment and sought to argue that the unity of purpose provided by the ILO and higher education partners needed to be replicated once the LED programme closed:

Once the ILO leaves, what will happen to us as we are like a child without a mother? But the future is laid before us through this model where housewives and women can easily understand how to start businesses and listening to stories and learning from trainers and practitioners, we can all move forward.

► 9. Challenges identified by participants

Participants also recorded challenges and barriers that limited their ability to put training into practice. The nature of these challenges and how they might be addressed varies and they can be seen to be grouped into four themes (see Table 6):

1. Lack of business capital and funding
2. A need for additional targeted training
3. Lack of specialised business growth support
4. Ability to respond to unforeseen external events

Some of these challenges can be addressed by directly training participants in skills and knowledge. Others might better be addressed by engaging with external agencies and/or experts, sometimes as coaches, on behalf of a business or community collective as such external agencies have resources or highly specialised knowledge that individual businesses would not be expected to have. Other issues will require direct political intervention to support the microbusiness environment in which the participants typically operate.

► **Table 6. Challenges affecting participant ability to maximise the training opportunity**

Lack of business capital and funding	
Lack of equipment and tools	Lack of start-up capital
A need for additional targeted training	
English language expertise	Lack of start-up capital
Lack of specialised business growth support	
Homestay marketing	Market access support
Business network development	Regulatory and legal support
Ability to respond to unforeseen external events	
Village organisational management and change	
Wider market and economics factors	
Lack of joined up policies across agencies	
Weather, environmental and health disruptions	

Lack of business capital and funding

Lack of capital to start-up businesses or funding to buy equipment was identified earlier as a key reason why one in four participants were unable to realise the potential of the training. Funding was needed to start up a business, to be able to purchase baking equipment, or diving apparatus, or to be able to buy tools with which to make souvenirs, or to inject funds to help grow the business or pay for extra training.

A need for additional targeted training

Additional targeted training was also detailed by participants as a reason why their business aspirations had not been met. English language skills and specialist training in financial management, souvenir making, marketing and the use of social media was identified as a training that was needed.

Lack of specialised business growth support

Marketing and market access are an on-going business concern. LED training to date has only included social media skills for business marketing. Research data indicates that 81% of existing business owners now use social media to support their own business growth.

However, businesses really benefit in marketing terms from working collectively, particularly in tourism where a central organisation might act to promote them on a regional basis as a 'destination', acting to show the destination off in best light. Marketing organisations also have access to market information and can help businesses identify market trends, potential markets and offer strategies for new market access and penetration. Marketing organisations have resources beyond those of individual businesses, and in such instances individual business should work together to engage the use of such marketing organisations. Regional and/or national governments also typically have such marketing resources and roles.

Participants were aware of the need to conform to regulatory and/or legal requirements and argued the need for specialist support in such areas registering businesses, or gaining certification to meet health and safety requirements in guiding or culinary and restaurant operations.

In addition, participants noted they were being excluded from financial and other business support at the first hurdle because they could not produce a strategic business plan to support their application.



Foto: Dissemination of good practices on LED intervention to local and National Stakeholders

Government administrators and banks were asking for such documents, and it is reasonable to suggest other investors might too if they are to invest in a local business. This can be remedied by including strategic business planning and writing as an LED module and to provide such support for existing businesses.

Addressing the challenges outlined so far really concerns itself with knowing where to find answers to such impediments to business growth or a need for additional training. Networking provides one obvious solution to how businesses and communities can help themselves, especially in sharing knowledge and skills, support 'partners' with market intelligence, skills and knowledge training, funding and investment opportunities. This was clearly stated by participants within the group interviews as something that they needed and wanted to develop.

Ability to respond to unforeseen external events

The final set of challenges require a political solution in terms of establishing more effective ways for village administration, and government organisations and ministries to interact with local businesses and clearer channels for communicating information and sharing knowledge.

Political ambiguity

Participants noted the uncertainty associated with village administration meant they were not able to implement their training. The changing membership of the BUMDes and lack of clear understanding of what the BUMDes

role was in village economic development, hindered investment because of 'uncertainty'. Certainty needs to be provided for community members to commit to invest in time, training and finances to start a business. This requires strategic planning and the formalisation of a strategic plan developed by the BUMDes. The village of Budo provides an excellent illustrative example of how legalising aspects of BUMDes operation acts to hold the BUMDes to account, by demanding transparency, and also by providing some certainty to enable businesses to understand what and when to invest.

Becoming a resilient business but being aware of opportunities

Wider market fluctuations in terms of legal and regulatory requirements, funding opportunities, access to markets, access to and cost of raw materials and tourist flow is a concern for most businesses. The disruption caused by Covid19 illustrated this unambiguously. It is important that the microbusinesses can be adaptable and flexible in how they operate, and also in terms of the skills and knowledge the business owners and employees have. Businesses need to become resilient so they can respond quickly to change. This skills programme has identified that the human capital developed by beneficiaries goes a long way to developing this resiliency. Although this will not always provide a financial buffer, if there is a market down-turn or extreme event that limits business operation or forces businesses to close, it does mean that when the market situation once again turns favourable that businesses are able to respond positively and quickly in such situations.

Participants identified they had no awareness of wider local or regional economic and social development strategies, nor did they have any awareness of potential funding pots or how to access them. Coupled with this, some participants noted that their village economic and growth strategy was in conflict between government administering bodies: they were caught between areas of jurisdiction with no obvious solution or champion to take up their cause. The Blue Economy agenda reaches out to remote villages and seeks to enhance economic prospects and social benefits: government departments need to communicate their roles, support for growth, and funding opportunities to village level and where tensions exist between agencies and their policies make an effort to resolve such anomalies.

Responding to extreme natural and social events

The economic opportunities of coastal and marine communities is there by virtue of their location. This environment also makes such communities vulnerable to global health problems that impact upon the flow of raw materials or travel of people, or extreme weather events, and any disruption to accessibility because such locations are often remote or serviced by tenuous logistical routes. Participants expressed concern that their community economy was potentially vulnerable and identified that they needed to make themselves resilient and able to adapt or respond quickly to change and adversity. Under the Blue Economy framework, government departments have a significant role to play in this, as does the private sector and the higher education sector in terms of sharing knowledge and skills to develop the capacity of the village workforce.

Shortly after completing LED training an extreme weather event had a significant negative impact on one of the participating villages, Tiwoho. Above and beyond decimating village infrastructure, such as water and access routes, this extreme event also destroyed Tiwoho's key tourist attraction, a mangrove boardwalk, and businesses reliant on tourism had to close. Tiwoho's complex geopolitical location underpins the village's vulnerability: the devastating impact of this disaster neatly illustrates the need for villages to develop a strategic tourism business management plan and for government stakeholders to collaborate to ensure alignment of policies and practices.



Foto: planting mangrove as part of tourist attraction in Budo Village

► 10. Reflections on the training

The sources of positive change in participant economic and lifestyle can be directly attributed to the skills training, for example hard skills that can be applied in a business context such as budgeting or the use of social media; and soft skills such as those associated with being a welcoming host and being hospitable or being able to think strategically. Other changes reflected a shift in personal attitude such as increased confidence or becoming ambitious. Still other obvious benefits reflected a positive material change in lifestyle such as being able to save money to send children to school or purchase tools or to be able to release capital at a later date in order to advance opportunities for business growth.

Changes were also brought about by the trust between beneficiaries and those with whom they interacted: The relationships that developed between the beneficiaries

and the trainers, the interactions amongst beneficiaries from other villages and their interactions with those outside the training programme. The neutrality and good will of the ILO and higher education institutions, as trusted external parties, also gave the beneficiaries confidence to become involved and express themselves.

The trainers themselves were the key resource in facilitating change with their ability to be flexible and innovative in the delivery of training materials and communicating and connecting with the beneficiaries.

The research demonstrably shows that, given the opportunity, villagers will clearly seize and make good on any skills training for material and lifestyle changes for their family and village community.

► 11. Recommendations informed by stakeholder, beneficiary and partners dissemination event

The impact assessment research findings were presented to stakeholders at a dissemination workshop hosted by the ILO in Manado on 23 of February 2023. Stakeholders, including beneficiaries, trainers, LED training partners and the research team as well as representatives from participating villages, national, provincial and district government, industry, tourism businesses, NGOs and higher education explored next steps in terms of responding to the documented impacts of the training. This resulted in the following 11 recommendations to take the training and its development forward, including spreading its benefits across the North Minahasa Regency:

1. Acknowledge successful completion of module training with a certificate

Rewarding beneficiaries with a certificate of attainment is a simple means of recognising achievement. More importantly however, it is a strategic tool that records the competency of its holder, and this can be used externally

to support the beneficiary in any funding application to financiers or other agencies who act to support business and community economic and social development.

2. Include a training module exploring writing a strategic business plan

Participants noted they needed to present a business strategic planning document when applying for funding from financiers including government administrators and banks. Such a training module should be added to any future LED training.

3. Expand training to include the wider coastal and hinterland communities of North Minahasa

There was belief that other villages and their communities across North Minahasa should benefit from skills training because of the material and welfare

benefits. This should include coastal communities and also those in the Regency's hinterland.

4. Engage a wide group of stakeholders in an ongoing commitment to training and coaching support

All collaborators in this programme (and potentially others who have yet to come forward or be identified) have a role to play in ensuring there is an ongoing commitment to training and coaching support for the participating villages and other villages and communities beyond the initial training period. This group of stakeholders includes local government, government ministries, the tourism office, higher education institutions, business owners and operators, and village beneficiaries.

5. Work more closely with influential individuals and businesses to support the programme and emerging businesses

Important local dignitaries and influencers have a significant role to play in promoting the local region. More effort must be made to recruit their endorsement and use their names and status to benefit local village economies through championing village life, the region's natural and cultural history, economic opportunity and support tourism.

6. Collaborate more closely with government at all levels to maximise economic and social growth

Government at all levels is resourced to support the economic growth, and social and environmental welfare of its communities. Their strategic overview gives access across government policy and administration and their ability to help create business and civic networks means that beneficiaries need to find a way of more effectively engaging with government in order to take advantage of any economic and social development opportunities if and when they arise.

7. Develop and consolidate the legitimacy and strategic planning role of the BUMDes

The BUMDes as an agency for change is a powerful village asset and its strategic role must be formalised through its community generated 'strategic plan'. The

BUMDes must ensure this occurs at a village level and also a microbusiness level to illustrate a pathway for financiers to invest in their village and its community. It will also enable business owners to demonstrate to other socio-economic development agencies how their business plans fit into a wider village growth strategy and add weighting to any application for support.

8. Identifying and mapping natural and socio-cultural resources to support strategic tourism growth

Tourism growth can only be founded on natural and socio-cultural resources. The natural environment of sea, coral and mangroves is well established but the socio-cultural aspects, stories and folklore of North Minahasa and its distinctive villages remains under-developed. Such distinctiveness needs to be identified to act as unique selling points, promoting difference and unity across the Regency.

9. Take advantage of local higher education resources to support training and facilitate business growth and networking opportunities

Local higher education institutions must play a continuing role in the development and growth of the local economy and the wellbeing of its communities. They are obvious partners for enabling community growth and they can be a natural hub – a sociopolitical space for facilitating, enabling, and fashioning collaboration and networking activities and groups; helping to identify, develop and deliver training needs; and providing business operations, financial planning, strategic planning, human resource training, training in being a sustainable business and community, and marketing support and advice to locate further support if needed.

10. Establish a collaborative network model for village businesses to maximise potential

Community collaboration and networking (social capital) is considered to be vital in going forward. A unified group with a 'singular voice' gives coherency as a recognisable business community to support and champion shared needs and individual business and village causes. It would also act as a platform for sharing

knowledge of markets, skills and material resources in order to support and promote each other enabling businesses and communities to grow together. This should happen formally through a business group network and less formally through social media channels sharing what others across the group are doing, and promoting each other's enterprise.

11. Identify potential and ongoing funding to ensure a sustainable model of local economic development

These recommendations will require ongoing and sustainable resourcing in terms of financial support, human capital, and strategic planning. Various resourcing models exist: publicly (government) funded support; private sector funding; or a blend of public-private partnership funding. Most community projects

begin with a pump-prime public sector grant and then evolve into a sustainable model of either private sector funding or public-private partnerships. The collaborative partners (stakeholders) need to identify how they can resource their partnership in the short and long-term to ensure its sustainability.



Give a man a fish and you feed him for a day;

teach a man to fish and you feed him for a lifetime.”

► Maimonides

► Acknowledgements

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Foto: Budo village was nominated as top-50 village tourism award 2022 by the Ministry of Tourism and Creative Economy and the winner of digital creative category 2022