



International
Labour
Organization



Pacific Business Awareness TRAINERS' GUIDE

Generate Your Business Idea



PACIFIC BUSINESS AWARENESS

TRAINERS' GUIDE

Generate Your Business Idea

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FOREWORD

All across the world, enterprises are a major source of employment and growth. Both in developing and developed countries, businesses play a key role in creating decent and productive work and in fostering economic and social empowerment for women and men.

However, setting up profitable and solid small enterprises is a challenge. With a significant number of small businesses failing within the first year of activities, a good degree of business knowledge will increase entrepreneurs' chances of succeeding and set up a business that will last.

The Start and Improve Your Business (SIYB) is a long-standing training programme of the International Labour Organisation (ILO) that aims to create more and better employment in developing economies by providing business training to individuals so they can start a business or improve an existing one.

SIYB is designed with the specific purpose of being simple and easy to use by people who have not had prior exposure to business training. The underlying principle is that the process of setting up a sustainable business can be broken down into basic steps. The SIYB comprehensive system of training packages and support materials are aimed at guiding small entrepreneurs through those steps.

The SIYB methodology has been used by institutions and trainers in more than 80 countries over two decades. Along the way, its contents have been modified and adapted to fit the needs and characteristics of several geographic contexts.

In the Pacific, SIYB materials are adapted to the context of small island countries in the Pacific as a result of a series of SIYB trainings conducted in Kiribati, Papua New Guinea, Samoa, Solomon Islands and Vanuatu from April to June 2009, as part of the certification process for local SIYB trainers. This material adaptation is undertaken and funded by the ILO Youth Employment Programme entitled RAS/06/53/NET: Education, Employability and Decent Work for Youth in Pacific Island Countries. SIYB can contribute to enterprise development and spur employment creation, being one of the priority areas of Decent Work Country Programmes (DWCP) of Pacific island countries.

As a result of the material adaptation, a set of SIYB manuals, including this manual has been produced to meet the needs of micro and small entrepreneurs, including young women and men, in the Pacific region. It is in many respects, new and unique compared to other SIYB adaptations.

First of all, the set of manuals comprises and trainees' and trainers' book only. The former is focused on practical activities exclusively, while the latter is a collection of guided electronic and manual presentations, aimed at providing trainers with pragmatic support.

Second, the trainers' manual contains five different versions or presentations. This is the result of having the manual tested in five countries around the Pacific (namely Kiribati, Papua New Guinea, Samoa, Solomon Islands and Vanuatu). Each version is tailored to the characteristics of a country, complete with images and pictures from the particular context.

Third, the manuals are highly adaptable and allow trainers to easily adapt the training contents to other Pacific contexts, using a provided set of basic software and guidelines for the preparation of a simple case study. Trainers will therefore be able to work out their own case studies and exercises, make them fully relevant to their specific country and adjust them over time according to changes in the local environment.

We hope this manual, along with other SIYB Pacific adapted manuals, will serve as a useful tool to facilitate the conduct of more and better SIYB training in the Pacific and benefit more young entrepreneurs while contributing to the promotion of entrepreneurship and employment creation in Pacific Island Countries.



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INTRODUCTION

The **Business Awareness Trainer's Guide** has been developed by the International Labor Office (ILO) to supplement the Start Your Business (SYB) program in Pacific Island Countries. The program is designed to enable people, including young men and women, to draw up a simple business plan for an enterprise they wish to start. However, in order to produce a business plan people need to have a clear idea of the business they propose to start. Together with a **Business Awareness Workbook**, this Trainer's Guide is used by ILO-certified SYB Trainers in conducting a two-day **Training of Entrepreneurs (ToE)**.

The training enables potential **micro and small entrepreneurs to generate and analyze business ideas and select the best one**. The next step is to develop a simple business plan which they can learn through training on **Business Planning**, also known as **Start Your Business (SYB) Training**.

This guide is accompanied by a PowerPoint presentation in **electronic** or **printed** form. The presentation is contained in an attached CD. The printed form consists of the PowerPoint slides color-printed on **tarpaulin** sheets measuring approximately 2.5 feet (h) x 3.0 feet (w) each. The guide gives suggested **explanations and activities** that the trainer may use for each slide. An electronic file of the "Personal Assessment Form" to be used at the start of the training is also included in the CD.

PREPARATIONS

Review the section of the “SIYB Trainer’s/Facilitator’s Guide” on the detailed steps you need to take in preparing to conduct a training on **Business Awareness** (also known as **Generate Your Business Idea, GYBI**). Make sure the participants meet the **minimum criteria** to qualify for the training.

The **minimum criteria** is that participants should be able to **read and write**, and have numeracy skills to **make basic calculations** that are required in business.

In addition, below are **administrative tasks** you need to do **before** and **during** the actual training:

1. Confirm all co-trainers’ and participants’ attendance.
2. Finalize and print the detailed program
3. Ensure that all supplies, materials, equipment (especially printing and photocopying), and venue are available and confirmed
4. Confirm timely catering for all days
5. Confirm transport (if needed) for the visit to the local business area.
6. Print out and have participants sign registration forms
7. Obtain contact details and print out a directory of participants
8. Obtain the proper signatures and print out the correct names on certificates for all the participants.
9. Obtain and keep control of all cash to be disbursed during the training (e.g., paying for training facilities, if any).

SUGGESTED PROGRAM

| | Day 1 | Day 2 |
|------|------------------------------------|--|
| 0800 | Registration | Feedback & Review |
| 0830 | Introductions & Expectations | Visit the Local Business Area |
| 0900 | Opening Ceremonies | |
| 1000 | Break | Break |
| 1030 | Are You Ready to Start a Business? | Presentations by Participants on their Visit to the Local Business area. |
| 1100 | | |
| 1200 | Lunch | Lunch |
| 1300 | What is a Business Idea? | Analyze your Business Ideas & Select the Best One for You |
| 1400 | Generating Business Ideas | |
| 1500 | Break | Break |
| 1530 | Generating Business Ideas (cont’d) | Which Business Idea is Best for You? |
| 1630 | Daily Feedback | Daily Feedback |

SUGGESTED EQUIPMENT AND SUPPLIES

1. LCD projector and laptop or white/blackboard
2. Printer (or access to one)
3. Whiteboard markers (black, blue, and red) or chalk
4. Notebooks
5. Pencils
6. Permanent markers (black, blue, and red),
7. Large paper or flip chart paper (at least 30 sheets)
8. A4 or letter size paper (1 ream)

DAY 1 TOPICS

Introductions and Expectations
Are You Ready To Start a Business?
What is a Business Idea?
How do You Look for Business Ideas?

SLIDE 1

IMPORTANT: DO NOT distribute the Business Awareness Workbooks yet. Give copies of the **Personal Assessment Exercise** in the last pages of this trainers' guide to the participants when you show Slide 5.

Generate Your Business Idea (GYBI)

BUSINESS AWARENESS
Day 1

SLIDE 2

Introductions & Expectations

Arrange the participants in a **U formation**. This will maximize communication between you and them, and among themselves. It also gives you room to move around and move closer to the majority, if not all, of the participants when needed.

Make them feel at home by **warmly welcoming and smiling** at them. You may slowly move around and towards them as you introduce yourself and your organization.

Ask the participants to introduce themselves and share their expectations. Each one should stand up, say his/her name and where he/she is from. They should also briefly relate their experience in business, if any. If they are too shy, use an ice-breaker or play a game that will help them feel more at ease.

Ask them for their expectations and **write these down** on a white/black board or large piece of paper. Cluster similar expectations together. If needed, ask for assistance from another trainer in writing. Use three columns: one each for their **expectations** from **themselves, their fellow participants, and the trainers/organizers** of the seminar.

After they finish, summarize their expectations and **CLARIFY** which expectations can be met by the Business Awareness Training, which ones can be met by some other training, e.g., Business Planning, and which ones cannot be met by this training. Thank them for their participation.

Don't forget to ask **co-trainers** and **training assistants** to introduce themselves, too!

Expectations

Please introduce yourself and say what you expect:

- From Yourself?
- From your Fellow Participants?
- From the Trainers/Seminar Organizers?

SLIDE 3

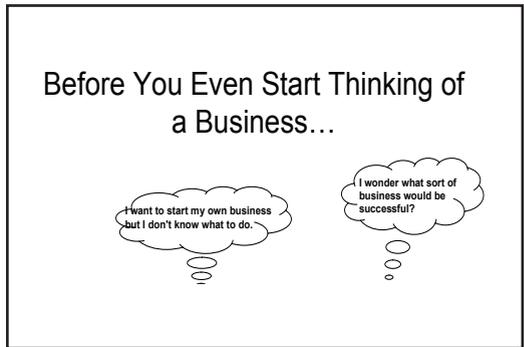
Explain to the participants that these are the main questions that **THEY** will answer themselves during the training.

Questions You Will Answer

| | |
|--|------------------------|
| •Are You Ready to Start a Business? •What is a "Business Idea"? •How do You Look for Business Ideas? | 1 st Day |
| •What are the Possible Businesses for You? •What Business is Best for you? | 2 nd Day |

SLIDE 4

Ask them what they should do even before they start thinking of getting into business. You may list down their answers on the board or just repeat loudly after they answer.

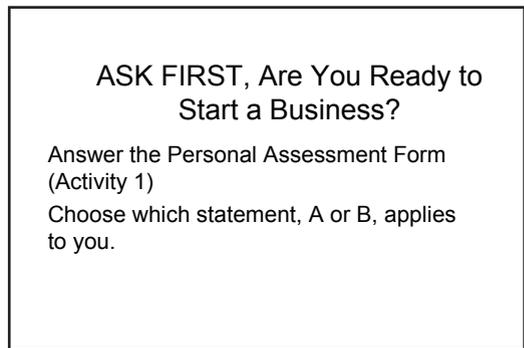


SLIDE 5

Are You Ready to Start a Business?

Distribute and explain how they will use the **Personal Assessment Exercise Form**. Emphasize that this is not a test or exam but something that will help them know themselves better.

Give them **30 minutes to 1 hour** to complete the worksheet. Walk around to see if they understood your instructions and if they understand the statements in the worksheet. Tell them to feel free to ask you for any clarification.



SLIDE 6

Start distributing the **Business Awareness Workbook** to those who have finished the Personal Assessment Exercise. Ask them to read the instructions and use the Scoring Guide on page 3. When the majority have finished the exercise you may flash this slide onto the screen. Explain how it is used.

Ask them to write down their scores per topic on the last page of the Personal Assessment Form.

Scoring Guide:

| TOPIC | A | B |
|-------|---|---|-------|---|---|-------|---|---|-------|---|---|-------|---|---|
| 1 | 2 | 0 | 1 | 0 | 2 | 1 | 2 | 0 | 1 | 0 | 2 | 1 | 0 | 2 |
| 2 | 0 | 2 | 2 | 2 | 0 | 2 | 0 | 2 | 2 | 2 | 0 | 2 | 2 | 0 |
| 3 | 0 | 2 | 3 | 0 | 2 | 3 | 2 | 0 | 3 | 0 | 2 | 3 | 0 | 2 |
| 4 | 2 | 0 | 4 | 2 | 0 | 4 | 0 | 2 | 4 | 2 | 0 | 4 | 2 | 0 |
| 5 | 0 | 2 | 5 | 0 | 2 | 5 | 2 | 0 | 5 | 0 | 2 | 5 | 2 | 0 |

| TOPIC | A | B |
|-------|---|---|-------|---|---|-------|---|---|-------|---|---|-------|---|---|
| 1 | 2 | 0 | 1 | 2 | 0 | 1 | 0 | 2 | 1 | 0 | 2 | 1 | 0 | 2 |
| 2 | 0 | 2 | 2 | 0 | 2 | 2 | 2 | 0 | 2 | 2 | 0 | 2 | 2 | 0 |
| 3 | 2 | 0 | 3 | 0 | 2 | 3 | 2 | 0 | 3 | 0 | 2 | 3 | 0 | 2 |
| 4 | 0 | 2 | 4 | 2 | 0 | 4 | 2 | 0 | 4 | 2 | 0 | 4 | 0 | 2 |
| 5 | 2 | 0 | 5 | 0 | 2 | 5 | 2 | 0 | 5 | 2 | 0 | 5 | 2 | 0 |

SLIDE 7

One by one, show them the title of the 10 characteristics that correspond to each topic.

Read each topic aloud and ask them to raise their hands to see how many got 8 or higher, and 6 or lower.

If they get 8 or higher in a topic, it is a strength. If they get 6 or lower, it is a weakness.

Ask them to compute their Total Scores. If they get less than 70, they will need a lot of strengthening before they go into business. If they get above 70, they are ready to go into business while still strengthening their weak areas.

Your Score

| TOPICS/Personal Characteristics | Score |
|--|-------|
| 1. Motivation for Starting a business | |
| 2. Risk-taking abilities | |
| 3. Determination and ability to deal w/ crisis | |
| 4. Family support | |
| 5. Initiative | |
| 6. Ability to reconcile family, church, and business | |
| 7. Decision-making abilities | |
| 8. Ability to adapt to business needs | |
| 9. Commitment to business activities | |
| 10. Negotiation skills | |
| TOTAL SCORE | |

SLIDE 8

Watch out for participants with low scores and use encouraging words to boost their morale. Ask them to do **Activity no. 2**.

Emphasize that the most important characteristics are:

- **Determination and ability to deal with crisis**
- Many of the most successful businesspeople in the world did not succeed on their first try. Most of them made (big) mistakes and lost money. But they learned from these mistakes and moved on to better businesses.”
- **Risk-taking abilities** - Unlike in a job, they don't get a salary if the business doesn't make money.
- **Family support** - If their business fails, they have no one to turn to except their family.
- **Decision-making abilities** - In business, they are their own boss. No one else will make the decisions except themselves.
- **Ability to reconcile family, community, and business** - They and their family have to see the business' money as separate from their money. To earn enough money for the family, the business has to use its own money wisely. More advice on this issue will be given in the Business Planning training.

Your Strengths & Weaknesses

- Recognize your Strengths and Weaknesses.
- In which topics did you get 8 points or higher? These are your **Strengths**. Build on them.
- In which topics did you get 6 points or less? These are your **Weaknesses**. You should overcome them.
- Answer **Activity Sheet no. 2** (Strengthen Myself)

SLIDE 9

Show and discuss this slide. Ask them if they have other suggestions to strengthen themselves.

Some Suggestions

| TOPIC | SUGGESTION |
|----------------------------|--|
| Motivation | Increase your motivation by making a plan for the future. |
| Risk-taking | Practice discussing the advantages and disadvantages of any situation. Carefully study a problem and manage risks. |
| Determination | READ about successful business people and learn that your success depends mostly on your own efforts. Learn how to deal with crisis situations. Increase your commitment to work. Only hard work brings success. |
| Family | Talk to your family about difficulties of running your business and persuade them to support you. |
| Adapting to Business Needs | Be open to new ideas and other people's views. When things go wrong, analyze what happened and improve your ability to learn from mistakes. |

What else can you suggest?

SLIDE 10

Show this while they are doing **Activity no. 2**.

Strengthen Yourself

| Weaknesses | What I will do to Strengthen Myself |
|------------|-------------------------------------|
| | |
| | |
| | |
| | |
| | |

SLIDE 11

What is a Business Idea?

Before showing this slide, ask them if they have answered the first question: “Are you Ready to Start a Business?”

Now they should be ready for the second question: “What is a Business Idea?”

Explain that a Business Idea is not as simple as “Retail Store”. More detail is needed to define a business idea and some questions need to be answered.

For example, if they want to put up a store, what will be the main products in the store be. **Sometimes, a store**

gets 80% of its income from 20% of its products. Do they know which products will give them the biggest income?

Question 2: What is a Business Idea?

To DEFINE a Business Idea, you must be able to answer the ff:

- **WHAT** is the product/service? Are you good at making/selling that product/service?

SLIDE 12

Emphasize that they should **not** go into business if they **do not**

- know **who** their customers will be
- have enough customers who **will** buy from them.

Note that there are a number of specific sub-questions. If there are participants who are already in business, ask them if they know exactly how many customers they have and if they can answer the questions in the slide.

- **WHO** will buy your product/service? How many customers will you have? Where do they live? Can they afford to buy your product/service?



SLIDE 13

Use this slide to explain the 3rd main question that defines a Business Idea.

They will learn more about this in a later topic: Types of Businesses.

- **HOW** will you sell your product/ service? Retail or wholesale? Will you rent a place?

SLIDE 14

Use this slide to explain the **most important** questions that define their Business Idea. These last questions will challenge them to seriously think about how much they understand their business.

Ask those thinking of going into retail why they think customers will buy from them and not from others. The usual answer will be: “Because I will sell cheaper products”.

(In a rural setting, you need not use the following case. If you have a similar case that will apply to the rural setting,

use such case.) **If the training is in an urban setting,** tell them about the case of the “Convenience Store” - stores that stay open longer than most stores.

Ask how many have been to a convenience store. Ask them if goods are cheap in these stores. The answer is NO.

The lesson is that people buy from these stores to satisfy the **need for convenience** more than the need for a cheaper product or the basic needs of hunger, thirst, etc. The owners of convenience stores know this very well and sell only a few products that “demand” convenience like food and common household and personal items.

They also choose a very accessible location and operate longer hours than most stores. All these lead to high operating costs. To make a profit, they have to charge higher prices. Still people buy from them because they satisfy the need for convenience.

- **WHICH** need of the Customer will your product/service satisfy?
- **WHY** will they buy from you and not from someone else?



SLIDE 15

How do You Look for Business Ideas?

Emphasize that there are only 2 main sources of business ideas:

- You and
- The Market

You have your **abilities, skills, experience, interests, and hobbies**. Your **network** of contacts will be very helpful in business.

How do You Look for Business Ideas?

Where do Business Ideas Come From?

- From Yourself
 - Abilities/Skills
 - Experience
 - Interests/Hobbies

SLIDE 16

The **market**, on the other hand will give you ideas on **customers' needs and wants**. Your business should aim at satisfying these needs and wants.

Show **Activity Sheet no. 3** on the screen and ask them if they have any questions.

Where do Business Ideas Come From?

- From Consumers, the “Market”
 - Needs and Wants
 - Changes in products, technology, the environment, etc.
- Fill up **Activity Sheet no. 3** (Sources of Business Ideas)

SLIDE 17

Find out how many want to go into retail and why. Explain that too many of them getting into the same business may not be a good idea.

Also, this type of business does not allow them to put too high a mark-up on their products. Therefore, they may earn only a small profit.

Different Types of Businesses

- **Retail**
 - Retailers purchase ready-made goods from wholesalers or suppliers for resale at a profit. Ex. Fruit & Vegetables retail, Hardware stores, and school & office supplies stores

SLIDE 18

Find out how many want to go into wholesale and why. In wholesale, they can only put a small mark-up and they have to sell in large volumes to earn a good profit.

If they see many retailers, they can think of being a wholesaler and sell to them.

Different Types of Businesses

- **Wholesale**
 - Wholesalers buy large quantities of products which they break into small quantities and resell to retailers.

SLIDE 19

Find out how many want to go into this kind of business and why.

Explain that manufacturing/processing businesses usually make the highest profit because they can add a higher mark-up than simple buying and selling.

Different Types of Businesses

- **Manufacturing**
 - Manufacturers use raw materials, such as leather, wood, cloth or metal and make new products out of these materials. Ex. furniture-making, copra-making, dressmaking, making crafts, tools, and cooking food

SLIDE 20

Find out how many want to go into this kind of business and why.

Like manufacturing, these businesses can also earn higher than retail and wholesale.

Different Types of Businesses

- **Service**
 - Service providers are those who sell a particular service. Ex. transporters, Salons, banks, resorts, laundries, delivery companies, building contractors, repair, schools, cleaning services, plumbers, carpenters, and painters.

SLIDE 21

Find out how many want to go into this kind of business and why.

Those in this business are usually at the mercy of traders and buyers who have more information, capital, and access to the markets. People in these businesses should look for new, high value products, e.g., organic fruits and vegetables. They should also find ways to “add value” to their produce by processing or preserving them.

SLIDE 22

Find out how many want to go into this kind of business and why.

A restaurant is a challenging business because it is a combination of retail, manufacturing, and service. A simpler food business is catering.

SLIDE 23

Use this slide to instruct them on **Activity Sheet no. 4**. Ask some of them to share their answers.

SLIDE 24

Review the 2 questions answered so far:

- Are You Ready to Start a Business?
- What is a “Business Idea”?

This slide lists some answers to third question:

- How do you look for Business Ideas?

Different Types of Businesses

- **Agriculture, Forestry, Fishing**
 - Involves extracting raw materials by farming, logging, and harvesting of land and water resources.

Different Types of Businesses

- **Combination**
 - Example: A garage business can provide repair services but can also sell oil and some spare parts. It is a combination of service and retail.
 - There are also those who cook food and sell it retail, such as restaurants & bakeries.

Your Type of Business

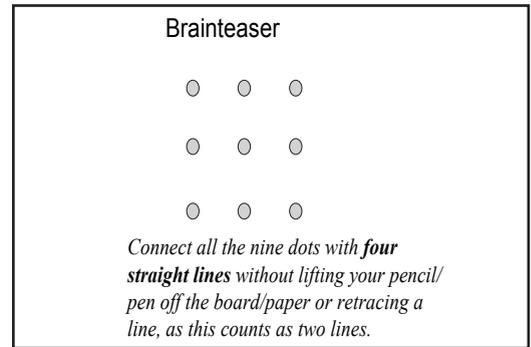
- Fill in **Activity Sheet no. 4** (Types of Businesses) to initially list what type of business you might be interested in. Think about the ff:
 - Do you think you would like to work with a lot of people or do you prefer to work on your own?
 - Are you good with your hands or do you prefer talking to people?
 - Are you an active outdoor person or are you happy working behind a desk?

How to Find Business Ideas

- Brainstorming
- Investigating Your Environment
- Using Experiences
- Visit to the Local Business Area
- Ideas List

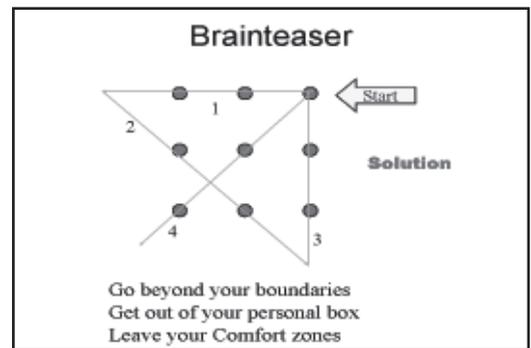
SLIDE 25

Find out if anyone knows the solution to this puzzle already. They need not participate. Ask them to do this on a piece of paper.



SLIDE 26

Show them this solution to the brainteaser. The main message is: “Open up Your Mind, Especially to New Business Ideas!” Don’t just be a COPYCAT.



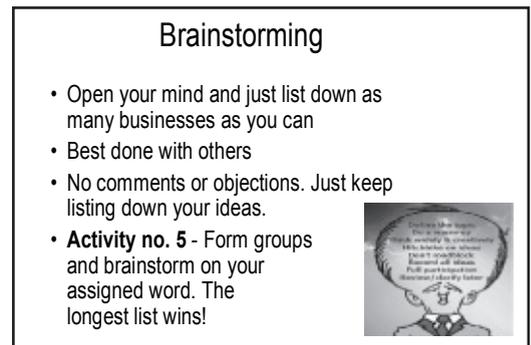
SLIDE 27

This slide introduces brainstorming and the instructions for the exercise. Divide them into groups and provide them with large paper and markers. Move around and make sure they follow the instructions on the slide. Encourage the silent ones to contribute to their list. Some words for brainstorming are listed below. Assign 1 word to 2 groups so that there can be some competition. Just whisper the assigned word to each group. This is to avoid complaints about words being easier to brainstorm on. Tell them to list as many products, services, and businesses they can think of that are related to their assigned word:

- Coconut
- Wood
- Fish
- Banana
- Other basic materials in your area for which they can generate many ideas for products and services.

Ask them to present their lists to the whole group. Make sure you count their products/services correctly. Point out repetitions, if any.

Give a **simple prize** to the group with the longest list.



SLIDE 28

Ask them the question on the slide and to share their answers with the whole group. Encourage discussion.

Investigating Your Environment

- Resources from Nature
 - What natural resources/products is your place famous for?
 - Ex. Beaches, fruits, coconuts, white sand, etc.

SLIDE 29

Ask them the question on the slide and to share their answers with the whole group. Encourage discussion.

Investigating Your Environment

- People's Skills & Abilities
 - What skills are your people famous for?
Ex. Artists, woodcarvers, carpenters, crafts, music, dance, etc.

SLIDE 30

Ask them the question on the slide and to share their answers with the whole group. Encourage discussion.

Investigating Your Environment

- Institutions and Industries
 - Are there schools, offices, hospitals, industries or government agencies in your area? What kind of businesses would serve their and their employees needs?
 - Ex. Food, cleaning, repair, supplies, maintenance, transport, delivery, etc.

SLIDE 31

Ask them to share their answers to the group. Encourage discussion

Many fruits and vegetables are usually imported. If they can grow and sell these, then they're in business.

Ask them what waste products can be recycled and if there are many of these in their locality.

Investigating Your Environment

- Import Substitution
 - What products are imported from abroad or from other towns?
Can you make them locally?
- Waste Products
 - Can you make a product/service out of waste materials?

SLIDE 32

Use examples that are available to your participants. The internet is another good source of ideas. Emphasize that they have to SEARCH for ideas. This includes reading and studying.

As a trainer, you should give examples of magazines, books, television/radio programs, libraries, etc. that they can read, watch, or visit to get ideas on business.

Ask them if they have suggestions.

Investigating Your Environment

- Publications
 - Where can you find reading materials that can give you business ideas?
 - Ex. Libraries, Chamber of Commerce, Bookstores, etc.

SLIDE 33

Ask them if they know about and if they go to local trade fairs and exhibits. These are very good sources of business ideas.

Show **Activity Sheet no. 6** in the Business Awareness Workbook.

Investigating Your Environment

- Publications
 - Where can you find reading materials that can give you business ideas?
 - Ex. Libraries, Chamber of Commerce, Bookstores, etc.

SLIDE 34

Ask them if they have had very positive and very negative experiences with certain products, services, or businesses. For example, were there products and services they wanted but couldn't find? Can they supply these themselves?

They should also listen carefully to what other people say about their experiences as customers. Listen to as many people as possible, from different places, men and women, of different ages, ethnic groups and social classes.

They can do this at home as an assignment.

Show **Activity Sheet no. 7**.

Using Experiences

- Ask Yourself about your own Experience
 - Were there things/services you wanted to buy but these were not locally available?
 - Were you unhappy with products/ services you bought? Do you think you can do better?
- Listen to other People's Experience
- Do Activity no. 7 (Using Experiences)

SLIDE 35

Explain that they will complete **Activity Sheet no. 8** when they visit the local business area at the end of Day 1 or first thing on Day 2 (depending on the available time). Divide them into groups of 4-5 members and assign them to different locations, if possible. However, the locations should not be far from your training site to minimize travel time.

Give them 1 hour (excluding travel time) to go around the local business area. If you have co-facilitators or training assistants, spread yourselves among the groups. When they come back from their visits, ask them to write and present the result on large papers. Encourage discussion and ask them for their analysis and conclusions on what they saw and listed down

SLIDE 36

Click the animation on this slide slowly and give them the chance to review what they learned.

SLIDE 37

Ask them if they have any questions. To get their feedback on the day's session, ask them to answer the following questions on a piece of paper and submit it to you. They need not write their names:

- What I Liked
- What I did not Like
- What I did not Understand
- My suggestions

Thank them for their cooperation.

Visit Your Local Business Area

Activity 8

- Visit your local business area and make a list of business you see
- Count them and classify them into the different types of businesses

| Retailers | Wholesalers | Manufacturers | Agriculture, Forestry, Fishing | Services |
|--|---|---|----------------------------------|--|
| 15 restaurants 27 fruit and vegetable vendors 8 grocery stores 1 shoe shop 4 hardware and farm supply stores | 11 furniture and wood fringe makers 2 meat fabricators 1 sweater 3 mat and wall hanging makers 2 soft furnishings makers 2 cement block makers | 1 feed mill 1 plastic sheeting, ropes, and sacks | 1 Fish Pond 2 Vegetable farms | doctor's clinic 2 banks 6 auto repair 3 electrical farms, radio & TV repair shops 1 building and office cleaning service 2 security firms 1 equipment rental firm 8 money orders 3 bicycle repair services |

IMPORTANT: They should note which businesses are a **combination** of 2 or more types.

Review

- Questions we answered today:
 - Are You Ready to Start a Business?
 - What is a "Business Idea"?
 - What are the Possible Businesses you can get into?
- We learned how to generate business ideas by
 - Brainstorming
 - Investigating your Environment
 - Using Experiences
 - Visits to the Local Business Area

Assignment

- Generate your business ideas by using what you learned.
- Good Luck!

BUSINESS AWARENESS

DAY 2 TOPICS

Which Business Idea is Best for You?
SWOT Analysis
If You Are Still Undecided

SLIDE 1

If they were able to visit the local business area at the end of Day 1, start Day 2 by giving them markers and large papers to write down their findings (using the format from **Activity sheet no. 8**). Give them 20-30 minutes.

If they were not able to visit the local business area yet, start Day 2 with the visit. Divide them into groups of 4-5 members and assign them to different locations, if possible.

SLIDE 2

However, to minimize travel time the locations should not be far from your training site. Give them 1 hour (excluding travel time) to go around the local business area. If you have co-facilitators or training assistants, spread yourselves among the groups.

When they return from their visits, give them the time and materials, as above, to prepare their presentations.

Give each group a maximum of 20 minutes to present their findings. Draw out conclusions from them on what businesses they should or should not get into. Ask them if the visit and the worksheet were helpful and why.

SLIDE 3

After the participants' presentations on their visits to the local business area, you can review what they learned on the first day.

SLIDE 4

This is a detailed review of Day 1. Ask them to define each type of business.

Generate Your Business Idea (GYBI)

BUSINESS AWARENESS
Day 2

Visit Your Local Business Area

| Retailers | Wholesalers | Manufacturers | Agriculture, Forestry, Fishing | Services |
|--|--|---|----------------------------------|--|
| 15 restaurants 27 fruit and vegetable vendors 6 grocery stores 1 shoe shop 4 hardware and farm supply stores | 11 furniture and wood fittings makers 8 metal fabricators 4 tailors 1 weaver 3 mat and wall hanging makers 2 soft furnishings makers 2 cement block makers | 1 feed mill 3 plastic sheeting, ropes, and sacks | 1 Fish Pond 2 Vegetable farms | doctors' clinic 2 banks 8 vehicle repair 3 electrical items, radio & TV repair shops 1 building and office cleaning service 2 security firms 1 equipment rental firm 8 nursery schools 3 bicycle repair services |

Review of Day 1

- Questions we answered yesterday:
 - Are You Ready to Start a Business?
 - What is a "Business Idea"?
 - What are the Possible Businesses you can get into?
- We learned how to generate business ideas by
 - Brainstorming
 - Investigating your Environment
 - Using Experiences
 - Visits to the Local Business Area

Different Types of Businesses

- Retail
- Wholesale
- Manufacturing
- Service
- Agriculture, Forestry, Fishing
- Combination

SLIDE 5

Ask them to enumerate the questions that define a business idea.

Different Types of Businesses

- Retail
- Wholesale
- Manufacturing
- Service
- Agriculture, Forestry, Fishing
- Combination

SLIDE 6

Wrap up the review.
Emphasize the importance of the last question.
They may just assume that customers will buy from them. They can be wrong and by the time they realize this, they may have lost money already.

What is a Business Idea?

- WHICH need of the Customer will your product/service satisfy?
- WHY will they buy from you and not from someone/somewhere else?

SLIDE 7

This slide formally introduces Day 2 of the training.
Which Business Idea is Best for You?

Day 2

- Which Business Idea is Best for You?

SLIDE 8

Ask them to do **Activity no. 9**. Go around and make your own suggestions for business ideas based on what you saw and heard from their presentations.
Give them 10-20 minutes for this activity.

Ideas List

- Based on your activities so far, begin an ideas list for your own business. Review your Activity Sheets and select any ideas that might be suitable business ideas for you.
- Fill in Activity Sheet no. 9 (Ideas List).

SLIDE 9

Ask some participants (the best ones) to answer these questions. Give suggestions on how they will get the answer if they don't have the answer yet.

Tell them to look at their Ideas List and use these questions to help them shorten their Ideas List.

Leave this slide on the screen for 5-10 minutes and make sure they review their Ideas List.

Which Business is Best for You?

A business is suited to you if you have positive answers to the following:

- **Your Customers – Your "Market"**
 - Who are they? Will you have enough customers? How will you get the answer?
- **Product Knowledge and Information**
 - Can you easily make the product or deliver the service? How will you get the answer?
- **Money and Materials**
 - Where will you get the money, materials, supplies and equipment you need to start the business? How will you get the answer?
- **Management**
 - Can you manage the business? If you need help, who do you turn to? How will you get the answer?

SLIDE 10

Ask some participants to answer these questions.

Choose Your Top Three

- From your "Ideas List", choose the top 3 business ideas that you think you can be successful in.
- Why do you think you will be successful in these 3?
- What can make you fail in these 3?

SLIDE 11

SWOT Analysis

Use the Business Awareness Workbook to help you explain the importance of SWOT Analysis. Give examples from your experience. Find out if they understand by asking them to give examples themselves. Help them understand what is internal to the business and what is external.

They have more control over internal strengths and weaknesses. They should build on their strengths and seriously address weaknesses.

External opportunities and threats are less controllable. They should always look for opportunities and have ready strategies to avoid or minimize threats.

The instructions in **Activity no. 10** will guide them.

SWOT

Internal to You and the Business

- Strengths
- Weaknesses
- Give examples

External to You and the Business

- Opportunities
- Threats
- Give examples

SLIDE 12

This slide gives a familiar example, the **Second-Hand Clothes Shop**. It can help them understand and appreciate SWOT Analysis. The items listed refer to someone who wants to go into the business. Ask them to explain why the items are strengths, weaknesses, opportunities, and threats. Make sure you yourself know the explanation.

SWOT Analysis for a 2nd Hand Clothes Shop

| | GOOD | BAD |
|---------------------------------|---|---|
| I N S I D E | Strengths <ol style="list-style-type: none">1. Good marketing skills2. Once worked for a clothing shop3. Have an eye for quality fashion4. The site is close to suppliers and customers | Weaknesses <ol style="list-style-type: none">1. Monthly rent for the shop is high |
| | Opportunities <ol style="list-style-type: none">1. Prices of new clothes is unaffordable to potential customers2. Prices of clothes go up all the time so people will look for low-price clothes | Threats <ol style="list-style-type: none">1. Others are selling 2nd hand clothes in a new market. |
| O U T S I D E | | |

SLIDE 13

Ask the questions on the slide.

SWOT Analysis of the 2nd Hand Clothes Shop

- Are there more strengths than weaknesses?
- Are there more opportunities than threats?
- How can you overcome the weaknesses?
 - Look for a less expensive place that is still in a good location
- How will you deal with threats?
 - Rent a stall in the new market to sell clothes and to promote your shop

SLIDE 14

Allocate/assign 30-45 minutes for this exercise. Go around to see if they are filling out the worksheet correctly.

If there are good examples you can get from them, share these with the rest of the participants.

Do Your Own SWOT

- Do a SWOT Analysis for your Top 3 Business Ideas.
- Do Activity no. 10 (SWOT Analysis)

SLIDE 15

Go around to see if they are able to fill up **Activity Sheet no. 10**. Make sure they have used their SWOT Analysis in selecting the most suitable business idea. Some may have just gone through the motions of SWOT Analysis and simply stuck to their favorite idea.

Ask how many have **changed** their idea from the one they originally had when they started the training.

Some may still not be sure about what business is suitable to them. Show the next slides for suggestions on how to proceed.

Select the Most Suitable Business Idea

- Based on the SWOT Analysis, select the best business for you
- Fill up Activity Sheet no. 11 (My Business Idea)

SLIDE 16

If you are still undecided...

If you are still undecided

What makes you unsure?

- You may need to talk to some "key informants" or experts in those business areas and get more advice and information before making your choice.

Do you feel you are not yet ready to start a business?

- If this is making you worry go back to the Personal Assessment Form
- Think about the statements and your answers again. Perhaps you are more suited to be employed than to run your own business. Many successful and satisfied people are employed. Choose what is better for you.

SLIDE 17

Are you just not happy with the three business ideas selected?

- Take a break and then, in a week or more, start looking for other business ideas by going back to your worksheets.
- It often takes some more time, more work and more information before you find the most suitable business idea.
- As you work towards this goal you will be increasing knowledge, experience and skills. All of this will increase your ability to become a successful entrepreneur.

SLIDE 18

Ask if them to answer all these questions.

To get their feedback on the day's session, ask them to answer the following questions on a piece of paper and submit it to you. They need not write their names:

- What I Liked
- What I did not Like
- What I did not Understand
- My suggestions

Thank them for their participation and for helping their fellow participants.

In Summary

You answered the following questions:

- Are You Ready to Start a Business?
- What is a "Business Idea"?
- What are the Possible Businesses you can get into?
- What Business is suitable for you?

SLIDE 19

All the Best!

ARE YOU READY TO START A BUSINESS?

Before you begin thinking up business ideas you need to find out if you are ready to run a business of your own. On the following pages is an exercise for you to do. It will help you understand the qualities of a successful entrepreneur and enable you to assess your ability and your potential to run your own business.

PERSONAL ASSESSMENT EXERCISE

Each topic contains 5 pairs of statements. Encircle only one letter (A or B) corresponding to the statement from each pair that applies to you. Be honest in your assessment. These exercises are for your benefit and will help you find out if you have the skills, experience, and personal characteristics to successfully run your own business.

TOPIC 1

1. **A.** I enjoy my present job.
B. I do not enjoy my job.
2. **A.** I did not have a good job before I decided to start a business.
B. I had a good job before I decided to start my business.
3. **A.** I only work to earn money. I don't find work enjoyable or interesting.
B. I learn something from every job that I have. I find work interesting.
4. **A.** I want to own a business so that I can provide a better lifestyle for my family.
B. I want to be in business because I want to be successful. Rich people own businesses.
5. **A.** A person needs lots of favours from others to succeed in whatever they do.
B. I am convinced that my success or failure depends mostly on my own efforts.

TOPIC 2

1. **A.** I do not like taking risks, even when there is a chance of big rewards.
B. I am convinced that to advance further in life, I must take risks.
2. **A.** I think there are opportunities in taking risks.
B. If I have a choice, I prefer to do things the safest way.
3. **A.** If I like an idea, I take risks without thinking of the advantages and disadvantages.
B. I take risks only after evaluating the advantages and disadvantages.
4. **A.** I am willing to accept that I may lose the money I invest in my business.
B. I find it difficult to accept that I may lose the money I invest in my business.
5. **A.** I like to be in total control of whatever I do.
B. In doing anything, I do not always look for complete control over a situation as long as I have enough control over it.

TOPIC 3

- A.** I do not give up easily even if I am faced with terrible difficulties.
B. If there are many difficulties, it is not really worth fighting for something.
- A.** Setbacks and failures affect me badly.
B. Setbacks and failures do not discourage me for long.
- A.** I believe in my ability to turn the tide of events.
B. There is only so much a person can do himself or herself. Fate and luck play a big part.
- A.** If people say no to me, I usually feel bad and drop the issue.
B. If people say no to me, I take it lightly. I try my best to change their minds.
- A.** I keep calm in a crisis situation and work out the best response.
B. I get confused and nervous when a crisis situation develops.

TOPIC 4

- A.** I will not involve my family in business decisions which will affect them.
B. I will involve my family in business decisions which will affect them.
- A.** My family will understand that I am not able to spend so much time with them because of my business commitments.
B. My family will be upset if I am not able to spend so much time with them because of my business commitments.
- A.** If my business is not very successful, my family will be very angry about the hardships it may cause them.
B. If my business is not very successful, my family will be willing to put up with the financial hardships it may cause them.
- A.** My family will be willing to help in my business difficulties.
B. My family will probably not be willing or able to help in my business difficulties.
- A.** My family is worried about me starting a business.
B. My family thinks it is a good idea for me to start a business.

TOPIC 5

- A.** I find it difficult to deal with problems. I worry about them or I avoid thinking of them.
B. I am not afraid of problems. I accept problems as a part of life. I try to find a solution for every problem.
- A.** When I have difficulties I tackle them with all my energy. Difficulties are challenges to me and I almost enjoy them.
B. If I have difficulties, I try to forget about them or wait until they go away.

3. **A.** I like to go with the flow and wait for good things to happen.
B. I do not wait for things to happen. I try to make them happen.
4. **A.** I always try to find something different to do.
B. I like to do only the things which I know I am good at.
5. **A.** I think all ideas can be helpful. I pursue as many ideas as I can to see if they will work.
B. People get many ideas but you can't do everything. I prefer to stick to the ideas I have.

TOPIC 6

1. **A.** I will take from my business only as much money as my business can afford to pay me and my family.
B. I will take from my business whatever money my family needs.
2. **A.** If my friend or family is in financial difficulty, I will help them even though it may hurt my business.
B. If my friend or family is in financial difficulty, I will help only to the amount I have set aside for my personal expenses. I cannot take money away from the business.
3. **A.** I cannot neglect my business by using a lot of business time for family and social obligations.
B. My family and social obligations have a high priority – they have to come before the business.
4. **A.** My family and friends will get special benefits and services from my business.
B. My family and friends will have to pay for my products, services, or use of my business assets, just like any customer.
5. **A.** I will not give people credit just because they are my friends or family members.
B. I will usually give credit to my friends or family members.

TOPIC 7

1. **A.** I can make decisions easily. I enjoy making decisions.
B. I find it hard to make decisions.
2. **A.** I can make difficult decisions on my own.
B. I get advice from many other people before I make difficult decisions.
3. **A.** I put off making decisions for as long as I can.
B. I usually decide what to do as soon as a decision is needed.
4. **A.** I think carefully before making a decision and consider all the options.
B. My decisions are based on my feelings and intuition. I just know what to do immediately.
5. **A.** I often worry about making mistakes.
B. I am not afraid of making mistakes because I can learn from them.

TOPIC 8

- A.** I will produce only those goods and services which I enjoy producing.
B. I will produce only those goods and services which customers want.
- A.** If customers want cheaper products or services, I will examine how I can meet their requirements.
B. If customers want cheaper products or services, they will have to go to another business.
- A.** If my customers want credit, I must examine the ways to provide them with credit at minimum risk to the business.
B. I will not sell my products or services on credit to anybody.
- A.** If by relocating my business elsewhere I can get more business, I am prepared to do it.
B. I am not prepared to relocate my business. Customers and suppliers must come to me wherever I am.
- A.** By studying trends in the market, I will try to change my attitudes and ways of working to keep up with the times.
B. It is best to work the way I already know. It is difficult to keep up with how the world changes.

TOPIC 9

- A.** I like to keep calm and easy. I do not work well under pressure.
B. I work well under pressure. I enjoy challenges.
- A.** I like to put in many hours of work each day and don't mind using spare time to work.
B. I think it is important to have time away from work. One should not have to work too much.
- A.** I am not willing to spend less time with my family and friends because of my business.
B. I am willing to spend less time with my family and friends because of my business.
- A.** I can put off my social commitments, leisure, and hobbies if necessary.
B. I think it is important to have lots of time for socializing and hobbies, and plenty of time to relax.
- A.** I am willing to work very hard.
B. I am willing to work and do what is necessary.

TOPIC 10

- A.** I do not like to negotiate. It is easier to do what other people suggest.
B. I enjoy negotiating and often get my way without offending anyone.
- A.** I communicate well with others.
B. I have difficulty in communicating with others.

- 3. **A.** I am generally not very interested in other people's views and opinions.
B. I like to listen to other people's views and opinions.
- 4. **A.** If I negotiate, I prefer to play it by ear and see what happens.
B. If I negotiate, I think about what is in my favor and what is in the other person's favor.
- 5. **A.** I believe the best way to get what I want in a negotiation is to try to find a way for both parties to get what they want.
B. It will be my business so my opinion is the most important. Someone always loses out.

| Topic No. | Score | |
|--------------|-------|--|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |
| 8 | | |
| 9 | | |
| 10 | | |
| Total | | |



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