

MANAGING SMALL BUSINESS ASSOCIATIONS

Trainers' Manual

**ILO Small Enterprise Development Programme – SEED
March 2006**

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First published 2005

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*Managing Small Business Associations
Trainer's Manual*

Geneva, International Labour Office, 2006

ISBN 92-2-XXXXXX-X

ILO Cataloguing in Publication Data

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Designed by: Multimedia Design and Production Section, International Training Centre of the ILO, Turin, Italy
Printed in Italy by the ILO Turin Centre



TABLE OF CONTENTS

PREFACE	vii
ACKNOWLEDGEMENTS	viii
INTRODUCTION	1
ABOUT THE TRAINERS' MANUAL	3
1. The role of training	3
2. The Trainers' Manual	3
3. For whom is this Manual?	3
4. Finding your way through the Manual	4
4.1 Set up and content	4
4.2 Trainer Notes and Tools: how they look	5
PART I: DEVELOPING A TRAINING STRATEGY	7
Part I in brief	7
5. Steps in developing your training strategy	7
6. Training principles	10
7. Adaptation	10
8. Training of Trainers	12
9. Examples of training strategies	12
9.1 SBA training in Ghana	13
9.2 SBA training in Vietnam	15
Tool I.1 Checklist for analyzing SBA environment and needs	16
Tool I.2 Institutional and policy mapping	18
Tool I.3 SBA training assessment questionnaire	21
PART II: TRAINING GUIDELINES	25
Part II in brief	25
10. Preparation of the training course	25
10.1 Selection of participants	25
10.2 Matching training needs and modules	25
10.3 Identify resource persons	28

10.4	Pre-course and side events	28
10.5	Logistical arrangements	28
11.	Training tips	29
12.	Training session	30
13.	Evaluation	30
14.	Follow-up.....	30
Tool II.1	Example invitation letter	31
Tool II.2	Example participant nomination form – TOT	33
Tool II.3	Example participant nomination form – Training of SBA leaders	35
Tool II.4	Example SBA training programme	37
Tool II.5	Example agenda for a pre-course event.....	41
Tool II.6	Training evaluation form.....	42
PART III:	THE NATURE OF SBAs	45
Part III	in brief.....	46
Module 1	Introduction of programme and participants	46
Module 2	Mobilizing and starting an association	49
	Tool 2.1 Welfare or business?	51
Module 3	Developing SBAs	53
	Tool 3.1 SBA life cycle	55
	Tool 3.2 Historical timeline	57
	Tool 3.3 Understanding your target group.....	58
PART IV:	STRENGTHENING SBA MANAGEMENT	59
Part IV	in brief.....	59
Module 4	Encouraging member participation	60
	Tool 4.1 Facilitate women’s participation	63
Module 5	Leadership	65
	Tool 5.1 Leadership problems.....	68
Module 6	Communication	70
	Tool 6.1 Become an association member	73
Module 7	The association vision, mission and constitution	74

Tool 7.1	Suggested elements of an SBA constitution	76
Module 8	Responsibilities and tasks within the association	79
Tool 8.1	Revisit your job description	81
Tool 8.2	Draw the organizational chart of your association	84
Module 9	Strategic planning and outreach	85
Tool 9.1	SWOT analysis and action planning.....	87
Tool 9.2	Stakeholder analysis	90
Tool 9.3	Prepare a workplan for strategic planning	92
Module 10	Working with employers' and workers' organizations	94
Tool 10.1	Identify fields of cooperation with workers' and employers' organizations	97
Module 11	Sources of revenue	99
Tool 11.1	Reverse the cycle	102
Module 12	Mobilizing external funds	104
Tool 12.1	Cost-benefit analysis.....	106
Tool 12.2	Define your resource mobilization strategy	107
Tool 12.3	Outline project proposal	109
Module 13	Managing association finances	110
Tool 13.1	Improve your association's financial management	112
Tool 13.2	Example balance sheet	114
Tool 13.3	Example profit and loss statement.....	115
Tool 13.4	Example cash flow forecast.....	116
PART V: STRENGTHENING SBA SERVICE DELIVERY	119	
Part V in brief	119	
Module 14	Deciding on the SBA services	120
Tool 14.1	Accessibility of services	123
Tool 14.2	Quick analysis for service delivery	125
Tool 14.3	Format reference list.....	127

Module 15 Delivering financial services	129
Tool 15.1 Steps to launch a savings and credit scheme	132
Tool 15.2 Checklist for mapping the financial landscape	133
Module 16 Delivering business counselling services	135
Tool 16.1 Design a pamphlet for a business counselling unit	137
Module 17 Delivering training services	139
Tool 17.1 Identify resource persons	142
Tool 17.2 ILO entrepreneurship training programmes	143
Module 18 Delivering commercial services	145
Tool 18.1 Interests at stake in commercial services	148
Tool 18.2 Organize an exhibition	150
Module 19 Delivering advocacy services	152
Tool 19.1 Street vendors negotiate with local government	155
Tool 19.2 Design an advocacy campaign	157
Tool 19.3 Stages in the preparation of an advocacy campaign	160
Module 20 Delivering social support services	162
Tool 20.1 Identify and prepare social support services	165
Module 21 Delivering health support services	166
Tool 21.1 Steps in creating a micro-health insurance scheme	169



PREFACE

Collective action among small entrepreneurs is mounting around the world. Through associations they can leverage their influence on a more favourable policy and regulatory environment affecting their individual businesses. They can benefit from networking, collaboration and joint initiatives. Organization building empowers individual owners and workers in small enterprises and improves their opportunities for decent work.

Numerous Employers' organizations, Trade Unions, Cooperative Unions and Organizations of rural and indigenous communities, among others, are developing strategies for increased membership and better representation among people working in the informal economy and in small-scale enterprises. Development agencies and organizations, too, are increasingly recognizing voice, representation and collective initiatives as a key factor in effective support to poverty reduction and private sector development.

The work of the International Labour Office to strengthen voice and representation is anchored in Convention No. 87 on Freedom of Association and Protection of the Right to Organize, adopted by the ILO in 1948. It is a fundamental principle and included in the ILO Declaration on Fundamental Principles and Rights at Work of 1998. The principle of freedom of association entails the right of employers and workers to establish, without previous authorization, organizations of their own choosing for the defence of their occupational and industrial interests. It includes the right of these organizations to conduct their internal administration in full freedom.

A more effective role of member-based associations of small entrepreneurs is also one of the goals of SEEDs operational strategy. The capacity of these organizations as advocates and service facilitators for their members is generally weak. Rudimentary management structures, unstable membership, irregular incomes from dues and fees are common features among small business associations. For women business associations, these problems are often compounded by the additional constraints face in their working and business environment.

This Trainers' Manual is part of the ILO's efforts to strengthen a broad-based social dialogue that benefits all working people. The manual addresses the growing demand among member-based small business associations for capacity building to play a meaningful role in policy reform towards a more enabling business environment, to be included in policy implementation strategies and to improve access to business development services.

Meant for trainers, consultants and managers of support programmes promoting employers' organizations and business associations, this Guide helps ILO partner organizations in designing and delivering capacity building programmes to staff and members of small business associations. The training programme proposed in the manual aims at strengthening the representative role of associations, their overall management capacity and ability to offer and improve services to its members.

Martin Clemensson
Acting Director, Small Enterprise
Development Team (SEED)

ACKNOWLEDGEMENTS

The work on this manual spans over a large number of years and involves a sizeable group of persons. It is the fruit of a collective effort. The InFocus Programme Boosting Employment through Small Enterprise Development (IFP/SEED) incorporated earlier ILO work, started by Carlos Maldonado already in the early 1990ies, into its core strategy. The current manual is the result of numerous field applications of capacity building programmes for associations and subsequent exchanges with users and resource persons. With support from the ILO – The Netherlands Partnership Programme, SEED developed research and training methodologies for association building in Senegal, Ghana, Vietnam, Lao PDR and other countries. Through the Irish-funded WEDGE programme of SEED, training for women business associations was undertaken in Ethiopia, Tanzania and Zambia. The experience and lessons of these pilot activities have been incorporated in the current Trainers' Manual, enriched by the experience and methodologies from various other organizations. An accompanying Resource Guide is forth-coming, with case studies and good practices of small business association support.

The idea of a training guide was conceived by Kees van der Ree, IFP/SEED, who guided the development of the Manual and the country applications throughout the process. Based on a first comprehensive draft by Gerda Heyde, a training guide with tools and hand-outs was developed and field-tested by Tim Dyce. The final version was written by Carlien van Empel, who complemented the materials with a range of new modules and transformed the guide into a true manual. Based on their field experience and work on similar training programmes, Nelien Haspels and Linda Deelen, ILO Bangkok, provided very valuable comments at various stages in the process. The enthusiasm, commitment and inputs of all the people that supported the Manual are greatly acknowledged.

The publication of the Trainers' Manual has been made possible through contributions from the Integrated Employment Creation Knowledge Sharing project funded under the ILO – The Netherlands Partnership Programme.

In many countries the reduction in the number of formal jobs, and the threat of poverty, has forced people to start their own micro-businesses. Most of these businesses operate informally and are not eligible for the services available to formal enterprises, such as working premises, health benefits, market information, assistance packages and so on. An important way they can overcome this disadvantage is to come together and form a self-help organization.

There are also many small- to medium-sized enterprises that work hard to survive in an increasingly competitive market place, but lack time and finance to invest in researching new markets or products, or in sourcing reliable training for themselves or their staff. They too can form networks or associations to improve their situation through joint efforts.

Small Business Associations (SBAs) are voluntary member-based associations of small business people who cooperate to pursue common interests, such as accessing finance for their members or negotiating with governments to improve administrative procedures. In broad terms, their aim is the social and economic improvement of their members. SBAs include:

- organizations of micro-enterprises that have common purchasing and marketing activities or share the use of common equipment;
- organizations that have common economic activities: pre-cooperatives, cooperatives and community enterprises;
- organizations that defend and promote the interests of their members through lobbying and advocacy;
- organizations that provide shared social services such as health insurance and child-care facilities to their members.

Governments, workers' and employers' organizations, as well as development agencies are increasingly recognizing the value of helping SBAs to reach their maximum effectiveness. It is more cost effective and, therefore, more sustainable, to work with one representative association rather than with many individual businesses. In addition, SBAs help individual businesses learn from one another. And, by helping an SBA, resources are more likely to be shared, and shared more equally, among many businesses rather than benefiting just one or two of them.



ABOUT THE TRAINERS' MANUAL

1. THE ROLE OF TRAINING

This **Trainers' Manual** is a tool that can be used in capacity-building efforts by and for SBAs. Training is one way of building the capacities of SBAs' leaders and members. Other forms of capacity-building include technical assistance, infrastructure, equipment and financial services. National policies and the legal and regulatory framework also influence the capacity of SBAs in becoming dynamic players in the local economy. That is to say, training alone does not solve the problems business associations face. Synergies and links with other capacity-building initiatives need to be created in order to increase the impact of training.

2. THE TRAINERS' MANUAL

The Trainers' Manual is a hands-on tool for trainers of SBAs. It helps in the design of the training strategy and provides practical guidelines on conducting training courses. It includes 21 training **Modules** and from these trainers can pick and choose the ones corresponding best to the trainees' needs. The modular approach allows for flexibility in the contents and duration of the training. The modules tackle various issues that SBAs encounter during management and service delivery at different phases of their life cycle. **Hence, the modules do not address individual business problems, but are focused on collective needs, e.g. the needs of the association.** The intention of the training material is to assist facilitators and trainers in strengthening the management and service capacities of business association leaders and staff.

Throughout the Manual you'll find practical **Tools** to be used in the design of your training strategy, the preparation of the training sessions, as well as during the sessions. Examples of Tools are: a model for an invitation letter and group work exercises.

3. FOR WHOM IS THIS MANUAL?

The Trainers' Manual has been developed for trainers who are or will be working with organizations of small entrepreneurs. Staff of national training institutes, trainers working in employers' and workers' organizations as well as private trainers, NGOs and SBA leaders can use this Manual in their training activities.

The training enables association leaders and staff to make informed and strategic decisions that will strengthen the association and its members' businesses. The ultimate beneficiaries are, therefore, the members of SBAs and similar organizations of small entrepreneurs involved in retailing, processing, manufacturing, trading, etc. The Trainers' Manual can be adapted to tailor made training interventions, addressing the concerns of specific groups including street vendors, women entrepreneurs and agricultural workers.

4. FINDING YOUR WAY THROUGH THE MANUAL

4.1 Set up and content

The Manual comprises five Parts. **Part I** guides you in the design of a strategy that corresponds best to your specific SBA needs and environment. It assists you in defining the purpose of the training and in formulating the learning objectives of the target audience. It suggests ways for the adaptation of the training material and provides Tools for data collection and identification of partner organizations, based on experiences from other countries.

Part II helps you in preparing the actual training course. A variety of practical tips and tools are discussed, including selection of participants and evaluation of the training event.

Parts III, IV and V consist of the actual training Modules. For each Module there is a Trainer Note and corresponding Tools. The 21 Modules are grouped in thematic topics, each corresponding to one Part in the Manual. **Part III** discusses *The Nature of Small Business Associations*. It sets the stage for the remainder of the training. Participants will learn about association forming and how SBAs can respond to their business needs. **Part IV** on *Strengthening SBA Management*, contains the building blocks for effective and strategic SBA functioning, growth and outreach. **Part V** on *Strengthening SBA Service Delivery*, deals with the strategic questions involved in rendering services, and offers an informative overview of the most recurrent SBA services. The Modules are not in chronological order. They are stand-alone units enabling the trainer to compose the contents of each training event. Thus, you can use Module 19 before Module 15, and so on. Each Trainer Note presents one topic in a pedagogical way, thereby helping the trainer to conduct inter-active and participatory training sessions. References are made to appropriate Tools to be used in exercises or as hand-outs. One way of assessing the usefulness of the Module topics is the life-cycle approach. The matrix for matching training needs with modules (see Part II, Chapter 10.2) is helpful in this respect. In order to enhance the action-orientation of the course, specific Action Plan exercises are included. Carrying out several of these exercises will enable the participants to prepare concrete follow-up activities.

4.2 Trainer Notes and Tools: how they look



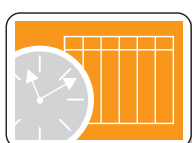
Trainer Note

The Trainer Note guides the trainer through each Module.



Learning objectives

Learning objectives are listed to help the trainer in focusing the content. They describe the understanding, skills or capacity the participants will have acquired at the end of the training session.



Session plan

A session plan is given to help the trainer organize the 90-minute session. The following table proposes a sequencing of activities and refers to further information in the Trainer Note and to relevant Tools:

Step	Time	Activity	Description
1.	20 minutes	Plenary discussion	Invite participants to share their experiences and views on the topic. See Questions for discussion .
2.	45 minutes	Exercise	Suggested exercises include role-play, group work or action-plan exercises. They can be found in the referred Tools . The Tools follow each Module.
3.	20 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Summarize the highlights of this session.



Questions for discussion

These are the questions the trainer can raise in the plenary session to promote active participation, discussion and assist the participants in relating the topic to their situation.



Key findings

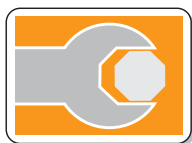
These are the main messages the participant would need to retain.



Frequently Asked Questions (FAQs)

These sample questions and answers will assist the trainer to anticipate questions from participants.

A short description of the tool and its purpose



The **Tools** are practical aids for the organizer and trainer. The Tools are helpful in the preparation, execution and follow-up to the training. Examples of Tools are: checklists for data collection on SBAs, participant nomination forms, group exercises and handouts.

At the end of each Tool you will find:



User tips, explaining how best to apply the Tool



Pointers to **Related topics and tools** in the Trainer Manual



PART I IN BRIEF

This training package offers a wide range of topics and ideas for SBA training. The key is to develop a training strategy that corresponds best to the specific SBA needs and environment of your situation. To undertake training activities you need a strategy. This means: forming a plan of how to get from where you are now to the training event. A thoughtful strategy will prevent pitfalls and increase the impact of the training activities. Therefore, it is important to take time to design the strategy. Part I of the trainers' manual guides you through the main strategic aspects of SBA training. By the end of Part I you will be able to formulate a responsive SBA training strategy that fits your particularities.

Chapter 5 provides a step-by-step checklist for the design of your training strategy. Adaptation to the local context and needs is the key element. **Chapter 6** explains the basic principles of the training material, e.g. the methodology. **Chapter 7** suggests in more detail how to go about the adaptation. In **Chapter 8** specific guidelines for training of SBA trainers are provided. The final **Chapter 9** contains SBA training strategy examples from two pilot countries, Ghana and Vietnam. These are useful case studies in terms of the adaptation process and the selection of partners in training delivery. In the Tools at the end of Part I you will find various aids for data collection on the SBA environment that can be used in developing your SBA strategy. It also includes an SBA training assessment questionnaire to help you in evaluating and revising the training strategy.

II

III

IV

V

5. STEPS IN DEVELOPING YOUR TRAINING STRATEGY

The design of the training strategy is crucial to achieve the desired impact. In fact, the strategy describes how to approach the different phases in preparing, conducting and evaluating the training. This process is often referred to as “the training cycle”. Reflection on the training strategy will inevitably lead to questions, such as:

- What is the purpose of the training? Which general problem is addressed? How does the training complement ongoing capacity building efforts?
- Who is the target audience? Are they trainers, SBA leaders and management, staff members or support agencies?
- What are their learning objectives?
- How will you tackle reaching those objectives? What training format do you propose?
- Who will you involve as resource persons, adaptors of training material, co-trainers or quality controllers?
- Is there a need to field-test your training strategy and programme?
- How will you evaluate the training application?
- How will you adjust your strategy and training contents?

The step-by-step approach, described below, is a guide to answering these questions.

Step 1 – Analyze the SBA environment and needs

What do you know about the SBAs in your country or locality? What reasons are there for SBA formation? What are the legal options and constraints to organization? Are associations free from interference by public authorities in their organization and functioning?¹ What functions do SBAs perform? What are their weaknesses and how can they be addressed? What are the typical obstacles faced by SBA members when doing business? Are members mostly men or women? Are their needs the same? Information on the organization of SBAs and the business climate will help you in defining the training purpose and, at a later stage, the learning objectives. This information is often obtained through a combination of desk and field research. In many cases you can rely on existing studies and documents. You might also need to carry out additional research. In any case, the research should have a simple set-up and be limited in time and scope. Needless to say, you are not looking for scientific evidence but you do want to know how training could contribute to strengthening SBA capacities. A checklist for analyzing the SBA environment and needs is provided in **Tool I.1**.

Step 2 – Position the SBA training

Training is one way of capacity building. Other forms of capacity building include technical assistance, infrastructure, equipment and financial services. National policies and the legal and regulatory framework also influence the capacity of SBAs to overcome obstacles and become dynamic, economic players. In other words, training alone will not solve all the challenges facing SBAs. Synergies and links with ongoing initiatives need to be created in order to increase the training impact. Therefore, it is necessary to know the overall capacity-building setting in which the SBA training will take place. A mapping of ongoing initiatives and key players will help to complete the picture. Sometimes, directories of support agencies are available. In many cases, however, you will need to update and complement such data. For this purpose a table for institutional and policy mapping is provided (see **Tool I.2**). The mapping gives you an overview of the supply side for support to SBAs.

Step 3 – Define the training purpose

The SBA analysis (carried out under step 1) together with the institutional mapping (step 2) enable you to formulate the training purpose. The training purpose describes, in general terms, the problem you want to address. It differs from the learning objectives of the target audience that are based on specific needs (see step 5). For example, the training purpose of a training of SBA trainers is: “to increase the number of qualified SBA trainers”. Subsequently, the learning objective could be: “by the end of the training, the participants will be able to facilitate a training course for SBA leaders” (more on learning objectives under step 6).

¹ For further information on the Freedom of Association and the Protection of the Right to Organize, see <http://www.ilo.org/public/english/standards/norm/whatare/fundam/foa.htm>

Step 4 – Determine the target audience for the training

The steps carried out so far have undoubtedly oriented the focus of the training event. Are you training trainers? And who are they: staff of support agencies, private consultants, local authorities or SBA managers? Will you reinforce the capacities of women SBAs in one locality? Or, are you targeting sector-based SBAs from different localities? Or, will you be training local branches of a SBA federation?

Step 5 – Carry out training needs assessment

In addition to the information gathered through the SBA analysis, a structured training needs assessment among representatives of your target audience will improve the focus of the training. This will help you to make the training as useful as possible for the participants. Depending on your target audience this can be done through consultations, focus group discussions or by using questionnaires.

Step 6 – Define learning objectives

Once you know the target audience, and its training needs, you can begin to define the learning objectives. They describe what the participants should be capable of at the end of the training, including new competencies and skills that can be applied.

Step 7 – Identify partners

Which institutions and organizations will need to be involved in the adaptation of the training material, training delivery, evaluation, quality control and eventually (co-) funding? The institutional mapping will help to identify training partners. The base line question that will guide your partner search is: “Whom do you need for what?”

The following considerations are helpful in selecting partners:

- **Specialized expertise.** A trainer cannot be an expert in all subjects. It is preferable to involve specialists who can make the training content more suitable to national standards, rules and regulations. You could also invite specialists to deliver a particular training session. For example, a lawyer could be invited to a session on the SBA constitution or an SBA leader could share experiences of setting up a mutual health scheme, etc. See also **Tool 17.1** – Identify resource persons.
- **Scaling up.** Which organizations have the capacity to use the training material in their ongoing training activities?
- **Funding.** Which organizations support private sector development and/or organization building? Would they be interested in (co-) financing the training event or its follow-up? National and international NGOs, governmental and donor agencies are the usual partners in SBA training events. Larger enterprises may also have an interest in sponsoring the event.
- **Political support.** It is useful to inform relevant ministries or local authorities on the training objectives and outcomes. They could, for instance, assist in the follow-up activities.

6. TRAINING PRINCIPLES

The training modules are based on five key principles that explain the training “philosophy” of this training package. A good understanding of training principles helps the trainer to apply them during training sessions.

1. **Multi-Purpose:** The package set up makes it adaptable for different training purposes. It can be used for training of trainers’ events (see **Chapter 8**) as well as for self-training purposes for SBA management and their members. This will depend on the training strategy.
2. **Modular:** Depending on the trainees’ profile and needs, the trainer will decide which Modules to use. Bear in mind that many associations tend to focus on service delivery first, rather than working on their foundations. Therefore, the Modules in Part IV *Strengthening association management* are baseline Modules that should, preferably, be part of any training session. The Modules on Services are optional Modules to be selected by the trainer in accordance with the training needs and interests of the SBAs.
3. **Participatory:** Adult learning is based on active exchanges between participants and trainer. The training contents need to be linked directly to the participants’ daily working and living environment. In general, theoretical presentations have limited effect. The key learning moments take place when the essential points emerging from groupwork and discussions are grasped and analyzed. A participatory approach requires the trainer to be culturally sensitive and creative. This manual provides guidelines, tools and examples to strengthen ownership and participation among trainees.
4. **Mainstreamed:** Cultural diversity and socio-cultural factors that influence training techniques are mainstreamed into this manual. You will find references to training experiences from various countries, their interpretation and cultural relevance is for you to decide. In addition, potential discriminating factors, such as inequality between women and men, ethnicity and stigmatized illness (e.g. HIV/AIDS), are mainstreamed throughout the training material and, depending on the cultural setting, need more or less emphasis.

7. ADAPTATION

Most likely, the training material will need to be adapted in terms of:

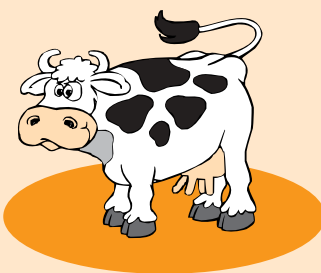
- The specific **SBA environment** in your country such as the policy setting, legal and regulatory framework, small business and cooperative development initiatives and nationwide opportunities and challenges facing SBAs. Examples of the latter include: the lack of quality and productive employment in the informal economy, corruption, HIV/AIDS and poverty.
- The **participants’ profile** that varies from event to event within your country. Issues to be kept in mind here are: the learning attitude, the level of education, sex, age (youth), economic sector, the maturity of SBAs and language.

One recommended way to adapt the Trainers' Manual is to set up a small, multi-disciplinary group (three to six persons) to review the training material and suggest changes. The revised material can then be tested in one or two pilot workshops where trainers and participants are asked to evaluate the training methods, contents and programme. The testing of the material should be clear to everyone and mentioned explicitly in the course objectives. Be selective in choosing the participants; do they represent your target audience? Participants' feedback can be obtained through group work, plenary discussions, filling out evaluation sheets or questionnaires, as well as through informal discussions. Resource persons are also required to reflect on training contents and the user-friendliness of the material. In case more than one validation workshop is organized, it is helpful to allow time in between them to evaluate the first event and apply changes to the next one. Once revisions have been identified, one or two group members can write the final version.

Based on your knowledge and the data collection carried out in preparation for the training strategy (see **Chapter 5**), you will be able to revise the training material. Suggestions for adaptation:

- Bring in national data and statistics but keep them relevant and “digestible”.
- Integrate references and key points from legislative texts or regulations such as the law on associations, the Labour Code and business registration.
- Make a directory of relevant institutions where SBAs can get additional information or technical assistance (consumer safety service, ministerial help desks, employers' associations, trade unions, chambers of commerce, private sector funds, etc.). Here again, **Tool I.2** on Institutional and policy mapping, will be of great help.
- Use the stories from participants in the focus group discussions as case studies explaining problems faced and solutions found.
- Use pictures, drawings and graphics in presentations and text.
- Collect audio-visual material from enterprises, ministries or support agencies and use them to generate a debate. For example: a radio advert from a bank on credit, a poster on HIV/AIDS or a video on mutual health schemes.
- Translate your handouts in the appropriate language, if required.
- Use local sayings and symbols to make your point.

Box 1: Example of using local sayings and symbols



Founding members of SBAs usually distinguish themselves from other members in accepting that they will only benefit from their association after investing in it. In Zambia, a local proverb illustrates this point: “You cannot milk the cow before you feed it.”

8. TRAINING OF TRAINERS

In situations where not many trainers are used to train SBAs, a Training of Trainers (ToT) would need to be part of the training strategy. This Manual is particularly suited to training experienced trainers and upgrading their knowledge on SBAs. It includes trainers' guidelines, tools, examples and tips with the aim of improving trainers' skills and getting the message across. The trainers do not necessarily have to be experts in SBAs. They can have various training backgrounds and include trainers of Community Based Organizations (CBOs), cooperative trainers, professional skills trainers, business consultants, etc. Generally, ToT is quite similar to training of SBA leaders and managers. Therefore, previous elements of this Part and training guidelines in Part II are applicable to both situations. However, the following points call for particular attention in designing a ToT strategy:

- Consider starting work with a **selected group of trainers** (sometimes called “master trainers”) who can test and adapt ToT training material before it will be used on a larger scale;
- (Master) trainers can be accredited. However, one should reflect on the added value of accreditation as it can become cumbersome in terms of organization. For example, the following questions will need to be addressed: Who accredits? How can quality be assessed? Will it affect the accessibility of ToTs, in other words: can people who are close to SBA management and members (women, people with little education) still become trainers?
- Select institutions or organizations that have **outreach capacities**, e.g. that can train their own trainers (who come from their staff, members or clients);
- Make sure that ToTs is also organized **locally** as local trainers have the advantage of knowing the language, the socio-economic context and cultural specificities of the area. Additionally, it is easier to organize follow-up activities when trainers are geographically close;
- Think about organizing **refresher courses**; it helps in keeping up the quality of training and provides trainers with the opportunity to address particular problems and to share experiences;
- **Select** ToT participants **carefully**. Trainers should be modelling good training practices so that participants can learn from them. Ensure that women are participating in ToTs.

9. EXAMPLES OF TRAINING STRATEGIES

This Chapter describes two different SBA training strategies supported by the ILO in Ghana and Vietnam.

These case studies are not blueprints, but meant as practical references against which to check your own strategy.

9.1 SBA training in Ghana

In Ghana, ILO supports SBAs within the framework of the Ghana Decent Work Pilot Programme (GDWPP).² SBAs are considered to be the best vehicle for reaching out to informal economy operators. The Programme supports SBAs in various ways including training in SBA management and services, socio-economic surveys and public-private dialogue. In addition, the Programme facilitates tailor made technical assistance to SBAs in economic sub-sectors with an important growth potential, such as palm oil processing, fishery, food processing, carving and textile and garment.

Table 1 provides an example overview of the activities undertaken for the adaptation and development of the SBA training strategy during a nine month-period.³

Table 1. Participatory adaptation of the SBA training material in Ghana

Timeline	Activity	Purpose	Partner
First half month 1	Analysis of SBA environment and training needs assessment of SBAs in each pilot district	<ul style="list-style-type: none"> Knowing the nature and structure of SBAs in the pilot districts Understanding difficulties faced by SBAs and their training needs 	Consultancy company
Month 2	Identify members of SBA training material drafting committee	Setting up a multi-disciplinary team	ILO
1 week in month 3	District awareness workshops on the role of SBAs in promoting micro-health insurance and business support services in the informal economy	<ul style="list-style-type: none"> Increasing awareness on the type of services SBAs can render Assessing interest of SBAs in training topics 	Consultancy company with resource persons
Month 3–month 5	Adaptation of ILO SBA training material to Ghanaian context by drafting committee (adaptation phase 1)	<ul style="list-style-type: none"> Reviewing the suitability of ILO material for Ghana Comparing it with existing training courses 	Trade Union, Employers' Association and NGO

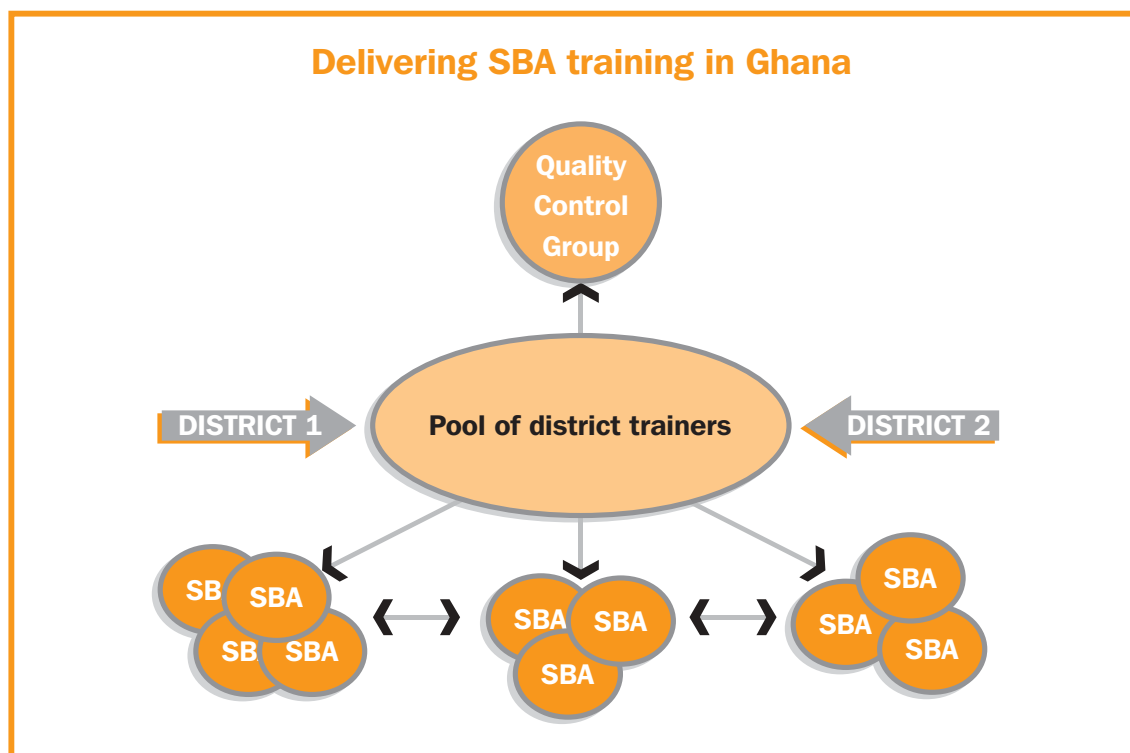
² For further information on the Ghana Decent Work Pilot Programme, see: www.ilo.org/public/english/bureau/dwpp

³ Due to project circumstances, this process took in reality 17 months.

Timeline	Activity	Purpose	Partner
Month 5	Validating meeting training material (adaptation phase 2)	Exposing the material to key players	Trade Union, Employers' Association, region and district representatives, training institute, consultancy company, BDS provider, and ILO
Month 6	Prepare 2 nd draft training material (adaptation phase 3)	Integrating recommendations of the validation meeting	Trade Union, Employers' Association and NGO
Month 7	Organize a 1 week pilot training of trainers in each district (adaptation phase 4)	Testing training material	Consultancy company together with Trade Union, Employers' Association, NGO, BDS providers
Month 8	Prepare final draft training material (adaptation phase 5)	Including lessons learnt from pilot training	Consultancy company, BDS provider
Month 9	Editing and Printing of Training material	Application and dissemination	Companies

Graphic 1 shows the institutional framework of the SBA training strategy in Ghana.

Graphic 1. Institutional framework SBA training in Ghana



It is still too early to fully assess the efficiency and impact of the Ghanaian training strategy. Early lessons indicate that:

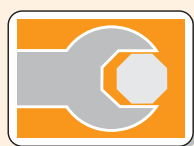
- Quality control requires regular feedback on the use of the training material. Therefore, the use should remain restricted to a limited group, e.g. in the case of Ghana, the Quality Control Group and the qualified district trainers. The device in using the SBA training material is to start small before scaling up;
- The potential for scaling up will increase when involving organizations with a clear mandate in working with informal economy operators and SBAs. A nation wide member-base, or decentralized presence, will also facilitate local delivery. For example, in Ghana the Trade Union federates 70 national workers' unions and a national BDS provider has field offices in each region. In other countries one could think of involving a cooperative APEX body or college, educational and vocational training institutions, Chambers of Commerce and Industry, etc.;
- Unless the training partners can integrate the SBA training in their ongoing, and financially secured capacity-building programme, resources would need to be identified.

9.2 SBA training in Vietnam

In Vietnam, the Chamber of Commerce and Industry has played a central role in adapting and applying ILO SBA training material. The adaptation was done on the basis of a needs assessment study, a ToT test workshop and several SBA pilot workshops. The adaptation process took about 9 months. After having trained 16 trainers, an intensive round of SBA training workshops followed in various parts of the country. They involved hundreds of association leaders and staff members. The lessons learned so far, indicate that:

- Regular updating of training material enables the inclusion of changes in the legal framework and more practical country examples;
- Training programmes should be tailor-made and flexible. Trainers should be able to customize the programme according to the differing needs of participants such as SBA leaders, SBA staff members, government officials, etc.;
- Trainers with little knowledge of associations were unable to convincingly deliver the contents of SBA training workshops. Preferably, trainers should be association staff or members in charge of human resource development. ToT refresher courses are needed to further strengthen trainers' capacities;
- Continued exchange of information and sharing of experiences helps participants to improve their associations when the workshop is over. Ways to facilitate this are the creation of "alumni clubs", mailing lists and websites. It is useful to involve resource persons in such initiatives.

TOOL I.1 CHECKLIST FOR ANALYZING THE SBA ENVIRONMENT AND NEEDS



Checklist that will help the organizer in preparing the training through data collection on the environment and needs of SBAs

Nº	Topic	Questions
1.	National framework	What are the legal and regulatory provisions for associations (how difficult or easy is it for small entrepreneurs to get organized)? Are SBAs recognized in development policies as mechanisms to increase: productivity, income, coverage of social protection, etc.? Are there support agencies working with SBAs?
2.	National trends	Is the number of SBAs increasing/decreasing? Why? Are SBAs affiliated to national umbrella associations? What is the organizational base of SBAs: sector/trade-based, sex-specific, community-based (location specific), or other? What does the average SBA look like?
3.	Origin and reasons for formation	Is the association driven by external incentives or is it an “internal” initiative? What is the motivation for formation (business, solidarity, social status, ...)?
4.	What are the key functions of SBAs?	Do associations focus on: advocacy, business development services, savings and loans, welfare and social support, standard setting/regulation of professional conduct?
5.	Sources of funding	What are the main sources of funding: membership fees, admission fees, special levies, sales income from commonly produced products, profit on sales of inputs to members, donor support?
6.	External relations	How is the association embedded in the institutional landscape? What are its relations with local government, other SBAs, service providers, support agencies, donors, ...?
7.	Internal strengths	How do SBAs consider their internal strengths (experience, member-base, solidarity, tradition, leadership, quality products, ...)?

Nº	Topic	Questions
8.	Internal weaknesses	How do SBAs perceive their internal weaknesses (financial situation, management capacity, ...)?
9.	Internal opportunities	How can the SBA build on existing potential (influential members, technical know-how, ...)?
10.	Internal threats	How can the SBA address internal threats (decline member-base, mistrust, ...)?
11.	External opportunities	What opportunities are there to be seized in the SBA environment (new regulations, new development initiatives and policies, umbrella associations, ...)?
12.	External threats	What are the external obstacles to the associations' viability (political environment, macro-economic trends, ...)?



User tips

Identify one or two areas where you will find a sufficient number of SBAs that are representative of your target audience. You can think of a rural versus an urban area; a local economy driven by one particular industry (tourism, wooden furniture) versus a more diversified economy, etc.

A quick way of getting information is by organizing focus group discussions. Another way is by organizing one-day SWOT analysis workshops with groups of SBAs to assess internal and external **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats in their management, service delivery and outreach. Eventually, this can be combined with desk review on national trends in association forming, organization of micro and small entrepreneurs, association networks or national federations, stories of successful SBAs, etc.

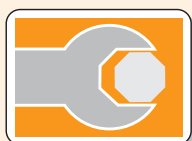
The analysis is a useful input for the adaptation of the training material (real life case studies) as well as for training needs assessment.



Related topics and tools

Tool 9.1 SWOT analysis and action planning.

TOOL I.2 INSTITUTIONAL AND POLICY MAPPING



Aid that will help the organizer to preparing the training through data collection on the institutional and policy environment in which SBAs operate

INSTITUTIONAL AND POLICY MAPPING⁴

N°	Description	Notes on gender dimension	Notes on which SBAs are most concerned
I. Institutional and political environment in which SBAs operate			
1	Poverty Reduction Strategy Paper		
2	SME policy		
3	Employment Policy		
4	Vocational Education and Training Policies		
5	Sector/industry development policies		
6	Regional/local development plans		
7	Urban planning		
8	Other		
II. Legal and Regulatory Framework for SBAs⁵			
9	SME laws		
10	Legislation for the creation, financing and administration of business associations		
11	Cooperative laws		
12	Rules and regulations for public-private partnerships		

⁴ Adapted from: Martin Gasser et al, *Local Economic Development in Post-crisis situations. Operational Guide* (ILO 2004), Section 3. <http://learning.itcilo.org/entdev/LED/pub/archivio/corsi.aspx?p=21&f=342>

⁵ The small business environment (legal and regulatory framework, accessibility of services, etc.) affects the situation of SBAs. For snap shots on business climates in more than 140 countries, see: <http://rru.worldbank.org/DoingBusiness/ExploreEconomies/>

Nº	Description	Notes on gender dimension	Notes on which SBAs are most concerned
13	Public procurement and tendering procedures		
14	Business registration		
15	Taxes		
16	Banking legislation and regulations for micro-finance institutions		
17	Health Insurance legislation		
18	Labour Law (apprenticeship, labour conditions, etc.)		
19	Provisions on small business representation in laws on social dialogue, local governance and decentralized planning		
20	Legislation on foreign direct investment		
21	Rules and regulations on street vending, market places, etc.		
22	Other...		
III. Ongoing and planned public and private development initiatives (of international, national, regional and local actors)			
23	Infrastructure development		
24	Technical assistance		
25	Credit		
26	Training		
27	Tools and Equipment		
28	Business services		
29	Initiatives related to key economic sectors or industries		
30	Other...		



User tips

In the information you gather, make sure that you capture the gender dimension. Are there initiatives that target women entrepreneurs associations in particular? Do rules and regulations affect women or men only associations, equally?

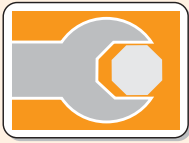
Try to assess whether certain support initiatives are especially relevant for starting SBAs, growing and flourishing SBAs, mature or declining associations. For example: which SBAs benefit most from existing sector-based support (tourism, garment, etc.)? And, which SBAs risk to be left out?



Related topics and tools

Tool 1.1 Checklist for analyzing the SBA environment and needs,
Tool 14.3 Format reference list.

TOOL I.3 SBA TRAINING ASSESSMENT QUESTIONNAIRE



Organizer aid for assessing the quality and effectiveness of training

The questions are organized into five sections, relating to five aspects of training delivery: 1) training context, 2) training strategy, 3) training content, 4) training principles and 5) training outcomes. The questionnaire is not exhaustive but intends to assist you in drafting your own checklist.

1. Training context

- Which institutions and support agencies are involved in SBA training and support programmes?
- How does the SBA training fit into national capacity building initiatives for SBAs?
- Which institutions or companies are directly involved in the SBA training application?
- What are their respective roles and functions?
- What is the delivery strategy?
 - Training of trainers? Direct training of SBAs? Self training? Peer assistance?
 - Are training events organized according to economic sectors and/or geographical locations?
- How is the use of the SBA training material coordinated? Or is it freely available on the “training market”?
- How is quality control operationalized? (monitoring and evaluation system)
- Could other support agencies be involved in SBA training and if so, what would be the added value of bringing them in?

2. Training strategy

- What is the training objective?
- What are the selection criteria for participants?
- Who participates (number of men, women, members, leaders, etc.)?
- Are efforts made to attract participants who usually have difficulty in accessing such events?
- How are training needs assessments carried out?
- How demand driven is the training?
- Are the groups homogeneous or heterogeneous in terms of training needs?
- What are the experiences in involving trainees who are not SBA executives or SBA members? (such as support agencies, local authorities, etc.)

- What are the selection criteria for trainers?
- Is the formation of a network of Trainers of Trainers part of the strategy?
- For which topics do trainers rely on resource persons/experts?
- Should other experts be brought in?
- Who finances the training?
- What follow-up activities are planned (assistance in implementation of the action plans? Self-training? Peer training? Exchange visits?)

3. Training content

- Are priorities of both women and men in SBAs addressed during the training?
- How do the trainers ensure that the participants' profiles match the training content? (levelling expectations, flexibility in adapting training programme, etc.)
- How practical is the training content? Can participants easily relate it to their work situation? Are case studies being used?
- To what extent does groupwork contribute to the learning process?
- How is the sequencing and logical flow of the training programme appreciated?

4. Training methodology

- To what extent is the training material adapted to the national and/or local context?
- To what extent are adult learning techniques applied?
- How is participation dealt with? (group dynamics, inter-action between facilitators and participants)
- How flexible is the training delivery in terms of adaptation to specific training needs?
- How responsive are trainers to participants' feedback?
- Is the training action-oriented (groupwork and Action Plan preparation)?

5. Training outcomes

- To what extent has the training objective been met?
- What did the trainers learn from the training experience?
- What topics did participants find most useful?
- Are the participants ready to train (self training, peer training, ToT, SBA training)?
- How many participants indicated that they would be able to apply their newly acquired knowledge and skills after the workshop?
- How do these participants intend to apply it?
- Were there unexpected outcomes (positive or negative)? How will these be addressed?



User tips

The questionnaire can be used by persons who are directly or indirectly involved in the SBA training activities, including:

- Training organizers/coordinators (training institutions, employers' and workers' organizations, project staff)
- SBA training facilitators (private, public or NGOs)
- External evaluators



Related topics and tools⁶

Tool II.6 Training Evaluation Form.

⁶ Various evaluation and impact assessment reports on training programmes for small entrepreneurs can be found at the ILO – Infocus Programme SEED website: <http://www.ilo.org/seed>
Especially the reports on the ILO Training Programme Start and Improve Your Business are relevant references for coordinators and evaluators of SBA training.

PART II IN BRIEF

In Part I, we saw how to design a training strategy. Now we know the purpose of the training, target audience, learning objectives, adaptation of training material and partner organizations to deliver it, we are ready to prepare the actual training course. Part II assists you in the organization of the training event. Based on worldwide experiences with SBAs, training, practical guidelines and tools are discussed. **Chapter 10** assists you in the preparation of the training course. Tips are provided in **Chapter 11** and **Chapter 12** on facilitating a course and organizing a training session. Evaluation of the event is discussed in **Chapter 13** and **Chapter 14** suggests ideas for follow-up to the training.

10. PREPARATION OF THE TRAINING COURSE

10.1 Selection of participants

Select participants carefully. Selection criteria should be in line with the training target audience and learning objectives. These are different for each training event. Considerations for establishing selection criteria are:

- Course impact will increase when participants have a mandate from their organization to apply their findings or carry out their Action Plan when they return to work. This is easier to achieve when more than one staff member from the same organization participates.
- Heterogeneous groups can bring about a diverse and rich exchange. However, it is also advantageous to bring together participants with **similar profiles**. For example, SBA members might be reluctant to share their views on business registration, taxes and compliance to rules and regulations, when there are representatives of local government present. And, women entrepreneurs are less likely to speak out when the majority of the group is men. The maturity of the SBA has also to be taken into account. Finally, disparities in levels of education and language skills will also affect the smooth running of training sessions.
- In composing the group of participants, efforts should be made to attract SBAs who do not normally have easy access to information. This is often the case where SBAs are working at the grass roots level or in remote areas. Consider **advertising the course** through a (local) radio station or use local service providers to inform their members and clients.

10.2 Matching training needs and modules

As the training material is modular, there is a lot of flexibility involved when proposing the course. It will be easier to define the programme when you know the participants' expectations and specific needs. Future participants could be asked to fill out a questionnaire beforehand (see **Tool II.1** Example invitation letter, **Tool II.2** Example participant nomination form – TOT and **Tool II.3** Example participant nomination form – training of SBA leaders). This information would help you to focus the programme and aid logistical arrangements.

The matrix below is designed to help match training needs with modules. It distinguishes diverse development stages in the organization's life cycle.⁷ Each stage requires different points of attention in terms of management and service delivery. **Embryonic associations** usually need basic SBA management skills. They often lack an overview of the range of services SBAs can deliver to members and benefit from awareness raising on service provision. An association in its **infancy phase** generally needs to strengthen its management skills and find out more about services. Often, the association benefits from an exposure to services ("awareness") they are not yet delivering. Good planning and administration are key in the **adolescence phase** of the SBA when many members join. The association often learns by doing. The training programme will depend very much on the difficulties and needs identified by the association. In the **prime of life**, the association is mainly interested in diversifying its services. **Mature associations** generally have strategic concerns in renewing activities, resources, partnerships and communication with the members, stakeholders and government. The association's life cycle is explained in more detail in **Tool 3.1** SBA life cycle.




Matrix 1. Matching training needs and modules

SBA Maturity Level		Embryonic	Infancy	Adolescence	Prime of life	Maturity
		Training Module				
N°1	Opening of the course	○	○	○	○	○
N°2	Mobilizing and starting SBAs	○	○			
N°3	The nature of SBAs	○	○	○	○	○
Strengthening SBA Management						
N°4	Managing the participation of members		○	○		○
N°5	Leadership		○	○		○
N°6	Communication		○	○	○	○
N°7	The association structure	○	○			
N°8	Sources of revenues and incomes		◊	○	○	○
N°9	Managing association finances	○	○	○		

⁷ Adapted from: La gestion des petites et moyennes organisations africaines. Manuel du formateur et du conseiller en gestion. Ed. Un collectif de formateurs africains sous la direction de gestion Norsud, no date.

SBA Maturity Level		SBA Maturity Level				
		Embryonic	Infancy	Adolescence	Prime of life	Maturity
Training Module						
N°10	Mobilizing funds		○	○	○	○
N°11	Working with Employers' and Workers' Organizations			○	○	○
N°12	Strategic planning and outreach			○	○	○
Strengthening SBA Service Delivery						
N°13	Deciding on the SBA services	○	○	○	○	○
N°14	Delivering financial services	◇	◇	▲	▲	▲
N°15	Delivering business counselling services	◇	◇	▲	▲	▲
N°16	Delivering training services	◇	◇	▲	▲	▲
N°17	Delivering commercial services	◇	◇	▲	▲	▲
N°18	Delivering advocacy services	◇	◇	▲	▲	○
N°19	Delivering health support services	◇	◇	▲	▲	▲
N°20	Delivering other social services	◇	◇	▲	▲	▲

Legend

-  = Key for instruction
-  = Awareness raising and sensitization
-  = Basis for further development (expansion or improvement)

It should be kept in mind that the matrix is an aid and, by no means, a rule. Each organization is unique and does not necessarily fit into one box or “life cycle phase”. See **Tool II.4** Example of SBA training programme.

PART II

- I
- II
- III
- IV
- V

10.3 Identify resource persons

A trainer cannot be an expert in every subject. It is useful to invite resource persons for a specific topic. For example, when participants express a particular interest in credit, invite a manager of a micro-credit scheme. Such real life experiences need not be success stories; sometimes more can be learned from problems. See **Tool 17.1** Identify resource persons.

10.4 Pre-course and side events

Organizing a social event the day before (or on the first day) of the workshop, has two objectives:

- 1) It provides an alternative way for those involved to get to know each other and helps establish trust for the group work and broader networking;
- 2) It aims to create a broader base for follow-up training, e.g. the implementation of the participants' Action Plans.

See **Tool II.5** Example agenda for a pre-course event. Alternatively, or additionally, a *side event* or “market place” where participants exhibit their products and services can be organized. It is a learning exercise in communication: participants will need to explain the objectives of their organization and promote their goods and services (see also the suggested session plan in **Module 3** and **Tool 18.2** Organize an exhibition). Participants will also learn from each other's service offers, production techniques, packaging, etc. When combined with a pre-course event, the market place will reach an even broader public.

10.5 Logistical arrangements

The time and place of the training programme should be compatible with the participants' professional and family responsibilities. This obviously applies more to small business owners than to staff of support agencies or persons employed by the SBA. Issues to take into account for logistical arrangements include the following.

Duration. It is difficult for small entrepreneurs, especially the self-employed one-person businesses, to be away from them for a consecutive period of time. In this case, consider spreading the training over a longer period with shorter sessions.

Location. Proximity to the place of training allows for more flexibility. On the other hand, concentration may be lost when participants are available to cope with daily demands from their work and family life. A training programme with staff of support agencies, is usually more effective away from their regular workplace thus allowing them to remain focused.

Special arrangements. It may also be necessary to arrange for transport, accommodation or translation facilities, to make the training accessible to all. For example, the deaf may need the presence of a sign language interpreter. SBAs should be encouraged to organize such arrangements for their participating members. Training organizers may also consider cost compensation, in case the expenses would prevent SBA members from participating. However, it should be kept in mind that training is a major way to invest in your business and association. Inevitably, this involves time, effort and costs on behalf of the participants.

Box 2: Main steps in preparing the training workshop

1. Define selection criteria participants (8 weeks before the training)
2. Send out invitation letters and/or advertise the course through (local) media and networks (8 weeks before the training)
3. Select group of participants (6 weeks before the training)
4. Inform participants and send out questionnaire for needs assessment (6 weeks before the training)
5. Establish final training programme: content, resource persons and logistics (4 weeks before the training)
6. Prepare the pre-course event possibly including a market place (2 weeks before the event)
7. Select and invite persons for the pre-course event (2 weeks before the event)
8. Pre-course event (1 day before training workshop)
9. Start training workshop

11. TRAINING TIPS

This Chapter contains training tips to help facilitate the course. Content related tips for each module will be dealt with in Part III, Part IV and Part V.

Time management and focus. Ask participants to write questions on a card that could not be raised or answered during the session. Attach them to a “hot issues” board. At the end of each day, decide whether you want to address them later in the programme or get back to participants individually.

Logistics. Practical arrangements such as cost reimbursement, etc. need to be dealt with efficiently. Build in additional time to clarify such issues. Appoint one of your co-trainers as “logistical adviser”. Participants can approach this person outside the training sessions if they need further help.

Openness. Leaders and members of the same association may be participating in the same training and, therefore, find it difficult to express themselves freely. In this case, it may be useful to separate members and leaders during the group work sessions. Another option is to help participants formulate their ideas on the basis of (fictive) case studies rather than on the basis of their own association.

Action Plans. The course is action-oriented. Participants have a mandate from their organizations to apply what they have learned for the benefit of their organization. Throughout the training, the participants will be requested to work on their Action Plan. For this purpose, specific Action Plan exercises are provided in Part IV and V.

12. TRAINING SESSION

The Manual is based on training sessions that take around 90 minutes. If you feel more time is needed to treat a subject, it is better to do so in two separate sessions. Sessions are based on experiential learning, meaning that “the experience” comes first. A standard session can be set up in the following way:

Opening	The trainer explains the objectives of the session (5 minutes)
Plenary discussion	The trainer introduces the subject and evokes participants’ interest, for example through a case story or raising some (provocative) questions (20 minutes)
Exercise	Plenary, groupwork or action plan exercise followed by a discussion on the outcomes (40 minutes)
Presentation	Further elaboration on the subject with, perhaps, a presentation from an expert or the showing of a video. (20 minutes)
Wrap-up	Summarize key points presented and discussed in this session (5 minutes)

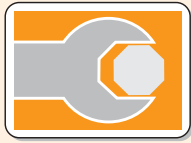
13. EVALUATION

Trainers need to know whether participants have achieved their aims. Each training event is also a learning experience for the trainers and will enable them to improve and adjust future training programme courses. Your own observations and informal discussions with co-trainers and participants are complemented with a more or less extensive evaluation. See Tool II.6 Training evaluation form.

14. FOLLOW-UP

The course will have equipped the participants with skills, information and tools to undertake follow-up action. It is the participants’ responsibility to apply what they have learned and initiate activities in this regard. However, they will require technical assistance to implement parts of their Action Plan. For this purpose, monitoring visits, by the trainer or experts, need to be included in the training programme. Such visits can take place after training or between training sessions. Other forms of follow-up activities are: exchange visits, e-mail lists or common websites.

TOOL II.1 EXAMPLE INVITATION LETTER



Organizer aid for targeting participants whose profile corresponds best to the target audience and learning objectives

PART

II

III

IV

V

Contact details "Addressee"

Contact details "Organizer"

Place, date

**SUBJECT: SUBSCRIPTION TO THE TRAINING COURSE:
"TITLE", PLACE AND DATES**

Dear Madam, Sir,

It is with great pleasure that *"the Organizer"* invites a representative of your Organization to register for the *"title"* training course. The training will be organized in cooperation with ... (*co-organizer and/or sponsor*).

The course objective is to ... (*strengthen the capacities of trainers/strengthen management skills of SBA leaders/build knowledge on providing financial services by SBAs, etc.*).

The course is meant for ... (*experienced trainers/leaders and staff of SBAs/staff of support agencies*). Please refer to the enclosed, preliminary programme.

To ensure the success of this training event, we will endeavour, as far as possible, to adapt the content to individual training needs and profiles. This requires a careful selection of participants. If your Organization would like to participate, please complete the voucher below and the participant's questionnaire attached. Please return both documents to us before ... (*date*). You will be informed of the outcome of your request by ... (*date*). If you have any further questions, please do not hesitate to contact *Mr./Mrs. ...*, at ... (*contact details*).

Yours faithfully,

.....

Please return – before ... (*date*) – this voucher together with the nomination form to: the Organizer, Postal address, fax number

.....

I hereby confirm that Mrs./Mr. is interested in participating, for the full duration, in the training course "title" on behalf of (name of the participating organization) that will take place in (place), from(dd/mm) until (dd/mm) 200X.

Place, date,

Signature of Subscriber

Place, date,

Signature of Employer or Sponsor
(if appropriate)



User tips

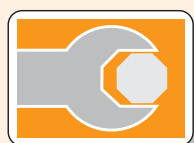
The invitation letter should be sent together with the draft agenda, nomination form, brochure on the sponsor or organizer, etc.



Related topics and tools

Part II – Chapter 10.1 Selection of participants, **Part II – Chapter 10.2** Matching training needs and modules, **Tool II.2** Example participant nomination form – ToT, **Tool II.3** Example participant nomination form – Training of SBA leaders.

TOOL II.2 EXAMPLE PARTICIPANT NOMINATION FORM – TOT



Organizer aid to obtain insight into the background, training needs and expectations of (potential) participants in a ToT

Course title:

The questionnaire will help to optimize the organization of the training. We will adapt, where possible, the contents, methodology and logistics to your specific needs, interests and language skills. There is a limited number of participants' places, therefore, you may not be included in the session on ...(date). In that case, we will inform you as soon as possible.

1. Name, address, phone and fax numbers, e-mail:
.....
.....
2. Sex: Male Female
3. Age: years
4. Name of your organization, company or project:.....
.....
5. Job title:
6. How much experience do you have as a trainer?
 Less than 1 year
 Between 1 to 5 years
 More than 5 years
7. How much experience do you have in working with Small Business Associations or other forms of member-based organizations (e.g. cooperatives)?
 Less than 1 year
 Between 1 to 5 years
 More than 5 years
8. How much experience do you have in enterprise development?
 Less than 1 year
 Between 1 to 5 years
 More than 5 years

9. What objectives do you have for this training programme?
-
-
-
-
10. Do you have suggestions how we can facilitate your participation in the training (e.g. working language, time schedule, facilities for disabled persons, accommodation, etc.)?
-
-
-
-
-
11. Any other comments?
-
-
-
-
-
-
-



User tips

The questionnaire is to be used before the training takes place. It can be sent together with the invitation letter.⁸

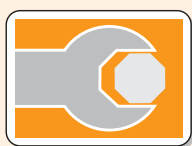


Related topics and tools

Part II – Chapter 10.1 Selection of participants, **Part II – Chapter 10.2** Matching training needs and modules, **Tool II.1** Example invitation letter, **Tool II.3** Example participant nomination form – Training of SBA leaders.

⁸ See Susanne Bauer, Gerry Finnegan, Nelien Haspels, *Get Ahead for Women in Enterprise Training Package and Resource Kit*, ILO, 2004 for examples of nomination forms for ToT and Training of Entrepreneurs (ToE), p.21-22.

TOOL II.3 EXAMPLE PARTICIPANT NOMINATION FORM – TRAINING OF SBA LEADERS



Trainer aid for selecting participants and defining the training programme

PART ▶

II

Course title:

The questionnaire helps to optimise the organization of the training. We will adapt, where possible, the contents, methodology and logistics to your specific needs, interests and language skills. There is a limited number of participants' places, therefore, you may not be included in the session on ...*(date)*. In that case, we will inform you as soon as possible.

1. Name, address, phone and fax numbers, e-mail:
.....
.....
2. Sex: Male Female
3. Age: years
4. Name of your association:
.....
5. What is your function in the SBA?
.....
6. Please indicate other relevant functions/management experience you have:
.....
.....
7. In which development phase is your SBA today:
 Start-up phase
 Intermediate phase
 Mature phase
8. What would you like to see changed in your association? Why?
.....
.....
.....

III

IV

V

9. What would you like to learn from this training? Please be specific (e.g. financial management, negotiating with local government, etc.)
.....
.....
.....
.....
10. How would your association benefit from your participation in this training?
.....
.....
.....
.....
11. Do you have suggestions how we can facilitate your participation in the training (e.g. working language, time schedule, facilities for disabled persons, accommodation, etc.)?
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12. Any other comments?
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User tips

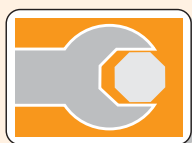
The questionnaire is to be used before the training takes place. It can be sent together with the invitation letter.



Related topics and tools:

Part II – Chapter 10.1 Selection of participants, **Part II – Chapter 10.2** Matching training needs and modules, **Tool II.1** Example invitation letter, **Tool II.2** Example nomination form ToT.

TOOL II.4 EXAMPLE SBA TRAINING PROGRAMME



Trainer aid for developing a training programme

Example 1 Training Women Entrepreneur Associations in Tanzania

Participants: Leaders and members of women entrepreneur associations, personnel in agencies that support them

Objective: To build effective women entrepreneur associations

Duration: Three days

TRAINING PROGRAMME WOMEN ENTREPRENEUR ASSOCIATIONS IN TANZANIA

TIME	SESSIONS	PERSONNEL
DAY ONE		
9.00	Welcome and Introductions	Local President, trainer-facilitators and participants
10.00	Individual expectations and contributions	Participants individually
10.30	Agreement on ground rules	Participants in large group but signing individually
10.45	Break	
11.15	Association's key concerns	Participants in small groups
11.30	Presentations	Small groups report to large group
13.00	Lunch break	
14.00	Feedback on presentations, questions, and presentation of training agenda	Lead facilitator
14.30	Topic One: Membership	Facilitator
15.45	Topic Two: Communication Skills	Facilitator
16.20	Evaluation sheets on the day	Participants individually
16.30	Group reflection on day	Participants in small groups without facilitators
17.00	Finish	

TIME	SESSIONS	PERSONNEL
DAY TWO		
9.00	Small groups report on previous day learning	Large group
9.30	Feedback on reports and on evaluations of previous day	Lead facilitator
9.30	Topic Three: Constitution	Facilitator
10.30	Break	
11.30	Topic Three: Constitution continued	Facilitator
13.00	Lunch break	
14.00	Topic Four: Mission Statement, Vision and Objectives	Participants in small groups
15.15	Break	
15.30	Topic Five: Advocacy and Lobbying	Facilitator
16.20	Evaluation sheets on the day	Participants individually
16.30	Group reflection on day	Participants in small groups without facilitators
17.00	Finish	
DAY THREE		
9.00	Small groups report on previous day learning	Large group
9.30	Feedback on reports and on evaluations of previous day	Lead facilitator
10.00	Action Plan	Participants in small groups with facilitators
11.30	Break	
11.30	Action Plan (continued)	Participants in small groups without facilitators
13.00	Lunch break	
14.00	Presentation of Plans	Large group
14.30	Feedback on Plans	Lead facilitator
15.15	Break	
15.30	Review of Plans	Participants in small groups

TIME	SESSIONS	PERSONNEL
16.00	Final presentations	Participants in large group
16.30	Closure	Large group
17.00	Finish	

PART ▶

Example 2 Pilot testing of SBA ToT in two districts in Ghana

Participants: Potential SBA trainers, SBAs and members of the District Assembly Sub-Committee on Productive and Gainful Employment.

- Objective:**
- To test the adapted training material and obtain inputs from participants;
 - To identify SBA trainers;
 - To raise awareness on SBA topics among district authorities and support organizations.

Duration: Five days

PILOT TESTING OF SBA TRAINING OF TRAINERS IN TWO DISTRICTS IN GHANA

TIME	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
8:30	Arrival and registration	Recap	Recap	Recap	Recap
9:00–10:30	Opening Introductory Session	Leadership	Networking	Business Counselling and Consultancy	Project Proposals Preparation
10:30-10:50	SNACK BREAK				
10:50-12:30	Association Building and Management	Communication	Lobbying and Advocacy	Training Services for SBAs	Exhibition and Trade Fairs
12:30-13:30	LUNCH BREAK				
13:30-14:45	Rights and Obligations	Negotiation and Bargaining	Financial Services for SBAs	Occupational Safety, Health and Environment	Gender Best Practices
14:45-15:30	Group Work	Group Work Prepare Exhibition	Standards and Regulatory Service	Health Support Services	Evaluation and Closing
15:30-16:00	Daily review (questionnaires)	Daily review (questionnaires)	Daily review (questionnaires)	Daily review (questionnaires)	
16:00-17:00	RESOURCE TEAM DISCUSSION				
18:00		Opening Exhibition			



User tips

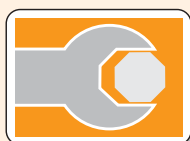
The examples can be used for inspiration. They are not models of how an SBA training programme should look. The challenge is to develop a training programme that suits the circumstances and corresponds best to the needs of SBAs.



Related topics and tools

Part II – Chapter 10.2 Matching training needs and modules.

TOOL II.5 EXAMPLE AGENDA FOR A PRE-COURSE EVENT



Trainer aid for identifying key speakers, setting the agenda and preparing the event⁹

16:30	<i>Registration</i> Participants receive a file with the initial course documentation
17:00	<i>Opening</i> <ul style="list-style-type: none">● Word of welcome from a well-known person in the receiving community (like the Mayor, business owner, cooperative leader, etc.)● Opening speech of the organizer(s) and/or sponsor(s), explaining the importance they attach to SBAs and the organization of the private (informal) sector.
17:30	<i>Introduction by trainer</i> The facilitator explains the course objectives. At this point, the trainer should emphasize that participants have a mandate from their respective organizations to carry out their Action Plans after the course.
17:45	<i>Course participants introduce themselves</i> Participants say who they are, which organization they represent and why, in one sentence, they want to participate.
18:15	<i>Drinks and snacks</i>
19:15	Could possibly be combined with a special event, such as a market place where participating organizations present their objectives, products and services.



User tips

The agenda of the pre-course event can be sent together with the invitation letter.

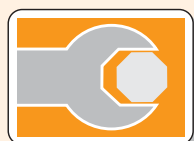


Related topics and tools

Part II – Chapter 10.4 Pre-course and side events. **Tool 18.2** Organize an exhibition

⁹ Adapted from: ILO Course Guide on Local Employment in the Informal Economy (2003).

TOOL II.6 TRAINING EVALUATION FORM







































Trainer aid for evaluating the training

Example Evaluation Form

Title training course:

Location and dates:

Please answer the following questions.¹⁰ Encircle the smiley that reflects your opinion:

1.	Before participating in this training, were you clear about its objectives, contents and methods (e.g. presentation, group work, discussion, side event, etc.)?	  
2.	To what extent were the training objectives met?	  
3.	Given the training objectives, how appropriate were the training contents?	  
4.	Given your level of prior training and knowledge, how appropriate were the training contents?	  
5.	Have the needs and priorities of both women and men been adequately addressed in the training contents?	  
6.	Were the teaching methods (e.g. presentation, group work, discussion, side event, etc.) generally appropriate?	  
7.	How would you judge the resource persons' overall contribution?	  
8.	Did the group of participants contribute to your learning?	  
9.	Were the materials (e.g. handouts, video, etc.) used during the activity appropriate?	  
10.	Would you say that the activity was well organized?	  
11.	How likely is it that you will apply some of what you have learned?	  
12.	How likely is it that your association/agency will benefit from your participation in the training?	  

¹⁰ Adapted from: Evaluation form of the Evaluation Unit of the International Training Centre of the International Labour Organization in Turin (Italy), <http://www.itcilo.org>

The following questions refer to **the follow-up** to the training. Please answer the questions in writing:

13. Which three training topics were most useful for you and your association? Why?

.....
.....
.....
.....

14. How will you go about implementing your Action Plan? Which steps will you need to undertake before implementation can begin?

.....
.....
.....
.....

15. What follow-up activities to this training would you suggest in order to strengthen your association further (e.g. monitoring visits, technical assistance, exchange visits, more training)? Why? Please be as specific as possible.

.....
.....
.....
.....



User tips

The form is an example that can be adapted to the specificities of the training event. It can be complemented with other forms of evaluation, such as group and informal discussions that take place during the training event.

The trainer can use the outcome for adjusting content, varying resource persons and improving logistics in future training courses. The evaluation also provides indications for follow-up needs to the training.



Related topics and tools

Part II – Chapter 13, Tool II.2 Example participant nomination form – ToT, **Tool II.3** Example participant nomination form – Training of SBA leaders.

▶ PART III The nature of SBAs

PART III IN BRIEF

The Modules and Tools in Part III can be used on the first day(s) of the training programme and set the stage for the days to follow. They will increase the participants' understanding of the nature and development stages of SBAs. In **Module 1** the participants will get to know the training programme and can relate their expectations and contributions to it. They will learn about the risks and advantages of group formation with a business purpose in **Module 2**. **Module 3** discusses the specificities and development of SBAs, based on the SBA life cycle.

I

II

PART ▶

III

IV

V

MODULE 1 INTRODUCTION OF PROGRAMME AND PARTICIPANTS



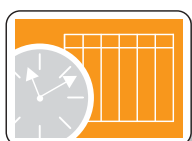
Trainer Note



Learning objectives

By the end of this Module, the participants will:

- be able to explain the objectives and set-up of the training
- understand what is expected from them



Session plan

Step	Time	Activity	Description
1.	30 minutes	Opening	<ul style="list-style-type: none"> ● Welcome the participants and resource persons. ● Explain the programme and its objectives. ● Stress the importance of active participation and mutual learning. ● Clarify logistics.
2.	10 minutes	Exercise 1	<p>Plenary exercise: Establish ground rules</p> <ul style="list-style-type: none"> ● Propose some rules (e.g. timeliness, respect for each other, listen when others speak). ● Ask the group to add do's and don'ts. ● Request two participants to list them on flipcharts and stick them on the wall for the duration of the course. ● Participants may even suggest penalties (such as a fine, dance or sing a song).
3.	30 minutes	Exercise 2	<p>Presentation – Interview</p> <ul style="list-style-type: none"> ● Ask participants to briefly interview the person sitting next to them: name, residence, children, business, experience, role in organization and ask their expectations of the course (allow 5 minutes for mutual interview). ● The “neighbours” then present each other to the group in plenary (give 1 minute per presentation). <p>Or</p> <p>Presentation – Explain your name</p> <ul style="list-style-type: none"> ● Invite participants to tell the story behind their first and/or family name. What does it mean, how did your parents choose your name, is it a burden or a gift?

Step	Time	Activity	Description
4.	15 minutes	Exercise 3	<p>Plenary exercise on Expectations and contributions</p> <ul style="list-style-type: none"> ● Ask participants to write on cards their expectations of, and contributions to, the course. See Questions for discussion. ● Ask them to stick the cards on the wall regrouping them under “expectations” and “contributions”. ● Acknowledge realistic expectations and relevant talents.
5.	5 minutes	Wrap-up	<ul style="list-style-type: none"> ● Conclude this session, using the key findings. ● Invite participants to share their talents and experience.

PART III



Questions for discussion

- Why did you wish to participate?
- What do you want to get out of the course?
- What do you bring to the course?
- What are you good at?



Key findings

Trainees participate on behalf of their organization: the course objective goes beyond individual capacity building with the aim that participants share their newly acquired skills and knowledge with their respective organizations, members and clients.

The Action Plan is what participants will take back to their organization.

The course focus is on collective needs, i.e. the needs of the association. Individual business problems will not be discussed (it is not a training for entrepreneurs).



FAQs

“I need money for my business, will the course help me to get a loan?”

No, the training cannot respond to your individual business needs. However, if this problem is common to the members of your organization, it may decide to do something about it. On day x, we will discuss the different options business associations have to render financial services (see **Module 15** Delivering financial services).

“I’m the secretary of a taxi drivers’ cooperative. How can I write the Action Plan without consulting the management board and our members?”

You are participating in this course on behalf of your cooperative. The management board/members expect to benefit from your participation. The Action Plan will help you to transmit your knowledge. It is not written in stone, but will help the cooperative to make strategic decisions and initiate new activities.

“As member of the district assembly, I need to be present at an important meeting that will take place during the course. Can I leave the course for one day and still get the certificate?”

In principle, trainees make themselves available for the full duration of the course. If, for a reason beyond your control, you will not be able to participate during one or more sessions, you will receive the corresponding course material in advance so that you can catch-up in your own time.

MODULE 2 MOBILIZING AND STARTING AN ASSOCIATION



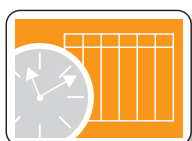
Trainer Note



Learning objectives

By the end of this Module, the participants will

- have an increased awareness of the risks and advantages of encouraging people to associate
- know how associations can be useful for their members¹¹



Session plan

Step	Time	Activity	Description
1.	30 minutes	Plenary discussion	Ask participants to talk about their networks and memberships. See Questions for discussion .
2.	40 minutes	Exercise	Plenary exercise: Welfare or business? See Tool 2.1 .
3.	15 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

Family, work, religion and leisure brings you in contact with many different people and organizations, such as neighbours, colleagues, a sports organization, church, or a welfare organization.

- To which networks do you belong?
- What do they give you?
- And what do you bring to them?
- Where do you go if you need help in your business?



Key findings

Many people help each other without being organized into a group or association. Usually, informal ways of mutual help, work very well. In some cases, unofficial forms of cooperation could benefit from a more professional form of organization. Often people are not aware of such benefits and setting up an association doesn't come to mind spontaneously. Mobilizing group formation can help in such cases.

¹¹ See also: Stirling Smith, *Let's organize! A SYNDICOOOP handbook for trade unions and cooperatives about organizing workers in the informal economy*, ILO, ICA, ICFTU, Geneva, March 2006

People cannot always rely on government money or support to achieve their aims. Often, they will seek assistance from like-minded persons and combine their strengths. This is also called “self-help”. Examples of self-help groups are firms, clubs, cooperatives and SBAs. Sometimes, SBAs are built upon such organizations. SBAs can strengthen existing forms of collective action provided that the right opportunities, entry points and trusted persons are found.

Sometimes associations are set up as a way to undertake action against unfavourable business regulations. Through the association, the members can voice their interests and influence the business environment at political level.

Associations are not started overnight. Therefore, it is advisable to build upon existing groups or organizations. SBAs can strengthen such forms of collective action provided that the right opportunities, entry points and trusted persons are found.

Motivation is the driving force in starting an association or self-help group. However, not all motivation is good. When initiators neglect members’ concerns and use the organization to achieve private ambitions, the organization runs the risk of becoming unrepresentative and, in the long run, such organizations are not sustainable.

Animators, who accompany the setting up of SBAs, should gain the trust of the future members. They need to be informed on legal, political and cultural opportunities and constraints in mobilizing people and setting up an SBA. For example, animators (and members) should know of legal instruments like the ILO Convention on Freedom of Association and Protection of the Right to Organize (N° 87) and frameworks for cooperative development such as the ILO Recommendation for the Promotion of Cooperatives (N° 193).¹²



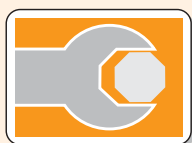
FAQs

I need financial assistance to pay expensive family medical bills. Can an SBA help me?

SBAs generally aim at making their members’ businesses more successful. Therefore, it can help in addressing obstacles that have a negative impact on business performance. Lack of credit, equipment and markets are examples of economic obstacles. In addition, members usually face social problems that can have serious consequences on the viability of their business. A high cost of health care is indeed a very common problem. Sometimes entrepreneurs may have to use their entire working capital or sell essential business assets (e.g. equipment and tools) to generate the money they need to meet the cost of health care. If many members are confronted with this problem, the association can investigate whether it would be possible to set up a micro-health insurance scheme or help members to access an existing one (see **Module 21** Delivering health support services). An SBA is not a charity organization that gives you money to pay your bills. Usually, entrepreneurs are motivated by business concerns to join an SBA.

¹² For further information on these International Labour Standards and Rights, see: <http://www.ilo.org/public/english/standards/norm/whatare/fundam/foa.htm> and <http://www.ilo.org/coop>

TOOL 2.1 WELFARE OR BUSINESS?



Plenary exercise to increase participants' understanding of types of SBA support

Instructions

1. Write on cards, two examples of support you would like to receive from an SBA. Stick the cards on the wall.
2. Discuss whether the participants' networks could provide this support or whether an SBA could best provide it.
3. Group the cards accordingly into a "welfare" and a "business" list.

Possible answers

Welfare	Business
Money for children's school uniforms	Credit
Someone to look after my children	Business contacts
Better housing conditions	More income
Security in my neighbourhood	Discounts on products and services I need for my business
Assistance to pay for my relative's marriage	Advocate members' interests
Safe drinking water	Training
Medical care/clinic in my neighbourhood	Medical insurance
Etc.	Etc.



User tips

Explain that many SBAs have economic and social goals. SBAs can render social support services to its members provided that the social need is shared by many members and impacts on their business performance. See **Module 20** Delivering social support services.

Explain that an SBA can help in increasing members' income and making the members' businesses more successful. More income will allow entrepreneurs to address needs that are mentioned under "welfare".

Clarify that the main purpose of an SBA is reflected in its vision and mission statements and laid down in its constitution.

Invite an experienced SBA member to talk about the benefits and obligations of his or her membership.



Related topics and tools

Module 3 Developing SBAs, **Module 7** The association vision, mission and constitution, **Module 20** Delivering social support services, **Tool 20.1** Identify and prepare social support services, **Module 21** Delivering health support services.

MODULE 3 DEVELOPING SBAs



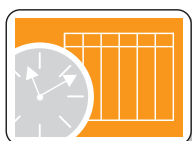
Trainer Note



Learning Objectives

By the end of this Module, participants will be able to:

- Explain the key goals of an SBA
- Analyze the membership base of the organization
- Identify various stages of the SBA life cycle



Session plan

Step	Time	Activity	Description
1.	15 minutes	Plenary discussion	Assist participants in assessing the goals and stage of development of their respective organizations. See Questions for discussion . In a TOT, ask participants to reflect on the profile of their future target groups.
2.	15 minutes	Presentation 1	Present the SBA life cycle. See Tool 3.1 .
3.	40 minutes	Exercise	Historical timeline. See Tool 3.2 . Or Understanding your target group (TOT). See Tool 3.3 .
4.	15 minutes	Presentation 2	Present the key findings of this session.
5.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- Why did you set up or join your organization?
- What are the advantages of being a member?
- What do members have in common?
- What are, if any, the differences?
- Is your association in its start-up phase or already very experienced?
- What has changed in your association over time?



Key findings

The motives for micro-entrepreneurs to organize themselves are various (e.g. to increase profitability, to defend rights and interests, to overcome social, economic barriers). Motives can be driven by external factors (donors, government) and/or internal strengths (strong leaders), and/or weaknesses (rent-seeking behaviour).

Associations vary in scale and membership base. They can be trade-specific (fish mongers, hair dressers, street vendors, ...) or sex-specific (women or men only). Some associations are limited to a geographical location; others are members of a national federation.

Associations go through different stages (life cycle) and differ in maturity. There are advantages and disadvantages at each of these stages. Training needs vary along the life cycle of the SBA.



FAQs

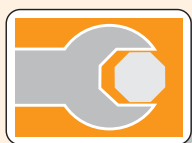
We founded our wood carvers' association only recently and want to become a strong organization that brings wealth to its members. How long does it take to become mature?

The SBA life cycle (**Tool 3.1**) shows the different stages through which associations pass to become mature. Like human beings, each organization is unique. One cannot predict how much time each association needs for each phase. Good governance, committed members and healthy businesses are the key to reaching maturity. But, not everything depends on the association; external factors also influence the growth path of the association (business climate, economic trends, political stability, etc.).

What is the difference between a cooperative and a business association?

Cooperatives are very similar to business associations, especially when it comes to shared service cooperatives. These assist their members in, for example, production, bulk purchasing and marketing. Like business associations, their members are businesses and can be active in any trade. Cooperatives differ from business associations in their legal status and can be set up by individuals who do not own a business. Through their cooperative membership they become co-owner of the commercial enterprise, e.g. the cooperative. You find cooperatives in all sorts of activities such as housing, health care, insurance, and credit and saving. For some business associations it can be attractive to set up a cooperative to make a specific service (child care, transport, credit) accessible to its members and others in the community.

TOOL 3.1 SBA LIFE CYCLE



Handout for participants,
resuming the presentation of this session

Life cycle of an organization¹³:

- Embryonic period
- Infancy
- Adolescence
- Prime of life
- Maturity
- Declining vitality leading to either closing down or renewal

In the **embryonic period** the Business Association is created. One, or several people, have the idea of forming an organization to deal with common problems. The founders are important in developing the commitment to form an Association. Work is voluntary and membership is still very limited.

During **infancy**, activities get off the ground. The Association becomes visible to the outside world. There is enthusiasm and commitment from members.

In its **adolescence**, the Association still lacks experience and probably makes mistakes. However, many members join at this stage. Good planning and administration are important.

By the time it is in the **prime of life**, the organization has gained sufficient experience. There is much goodwill from its members. It is capable of providing professional services and diversifying its activities. This is the most active and effective stage for an Association and its members.

When it reaches **maturity**, the association may want to strike alliances and expand its stakeholder base. This is when constructive partnerships can be established. On the other hand, some associations may lose their earlier enthusiasm, since there are fewer challenges. Although the association continues to provide services to its members, it may be more difficult to mobilise members' effort and commitment. **Decline** will either prompt a renewal process or will lead to closure through either:

- "Aristocracy", when existing leaders are too caught up with defending the status quo of their power base and fail to develop new activities or take risks; or
- "Bureaucracy", when rules and regulations become more important than members' interests. Nobody dares to take new initiatives. The organization brings fewer benefits to the members and funding and government support become more difficult. If the Association loses the benefits for its members, other organizations may emerge to take its place.
- "Procreation", or professional splitting of the association, can occur when new members create their own branches or when services become independent.

¹³ Source : « La gestion des petites et moyennes organisations africaines, Manuel du Formateur et du Conseiller en Gestion », Ed. Un collectif de formateurs africains sous la direction de Gestion Norsud, No date.



User tips

The life cycle approach is one of the pillars in the SBA training for both TOT and training of SBA leaders.¹⁴ Hand out this overview at the beginning of the training for easy reference.

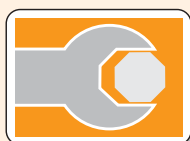


Related topics and tools

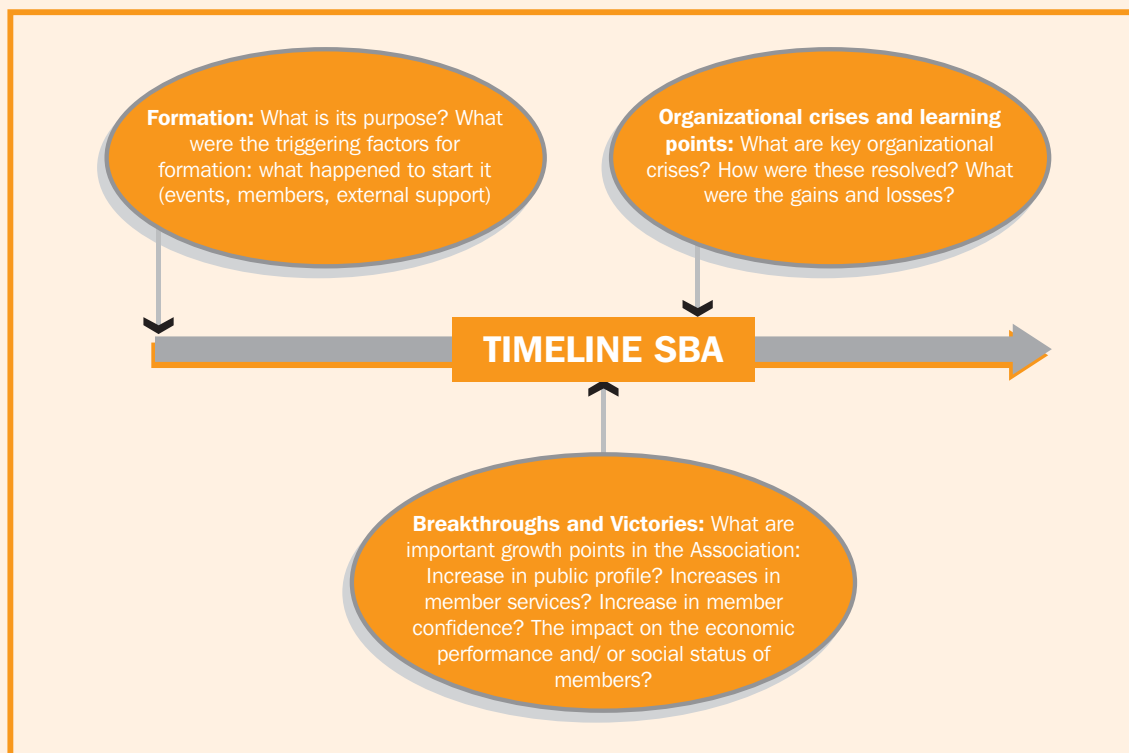
Part I – Chapter 5 Steps in developing your training strategy, **Tool I.1** Checklist for analyzing SBA environment and needs, **Part II – Chapter 10.2** Matching training needs and modules (including **Matrix 1** Matching training needs and modules), **Tool 3.2** Historical timeline, **Tool 3.3** Understanding your target group, **Tool 9.1** SWOT analysis and action planning.

¹⁴ For a TOT exercise on the life cycle of people and enterprises, see: Susanne Bauer, Gerry Finnegan, Nelien Haspels, *GET Ahead for Women in Enterprise Training package and Resource Kit*, ILO, 2004, p.49-65

TOOL 3.2 HISTORICAL TIMELINE



Group exercise to help participants assess the general evolution of their SBA



User tips

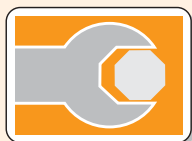
- Ask participants representing the same association to tell their history in a creative way.
- Display the stories on the wall
- Groups visit one another's story and talk about it
- Guiding questions for discussing the timelines are: Do they indicate positive or negative trends? What do we learn from them? What action is needed? Which training topics are of particular interest to participants? How realistic are their expectations?
- Participants can include the outcomes in their Action Plans.



Related topics and tools

Part I – Chapter 5 Steps in developing your training strategy, **Tool I.1** Checklist for analyzing SBA environment and needs, **Part II – Chapter 10.2** Matching training needs and modules (including **Matrix 1** Matching training needs and modules), **Tool 3.1** SBA life cycle, **Tool 3.3** Understanding your target group, **Tool 9.1** SWOT analysis and action planning.

TOOL 3.3 UNDERSTANDING YOUR TARGET GROUP



Group exercise for TOT that will help future SBA trainers to understand their target group better

Instructions for groupwork with future SBA trainers

On the basis of the life cycle approach (**Tool 3.1** SBA life cycle), discuss in small groups the following questions:

- Develop a profile of a fictive SBA in its maturity stage. Think of the composition of its member base (trade, sex, age, locality), its internal management, the range of services it provides, and the establishment of partnerships and alliances.
- Identify potential difficulties and opportunities the (fictive) SBA may face due to internal factors and its political, cultural and economic environment.
- The (fictive) SBA in your case story requests your assistance in revitalizing its activities. List the topics you would discuss in a three-day training programme and display on the wall. You can use the Modules that are provided in the present Trainers' Manual.
- Discuss your findings in the plenary session.



User tips

Provide **Tool 3.1** SBA life cycle, as a reference for the participants. Hand out a list of the Training Modules in this Manual.

Use the **Matrix 1** "Match training needs and modules" (see **Part II – Chapter 10.2** Matching training needs and modules) in the plenary session. Explain that it is an aid for composing training programmes. SBA profiles, training needs and circumstances justify adaptations and variations in the training programme.



Related topics and tools

Part I – Chapter 5 Steps in developing your training strategy, **Tool I.1** Checklist for analyzing SBA environment and needs, **Part II – Chapter 10.2** Matching training needs and modules (including **Matrix 1** Matching training needs and modules), **Tool 3.1** SBA life cycle, **Tool 3.2** Historical timeline, **Tool 9.1** SWOT analysis and action planning.

PART IV IN BRIEF

Part IV discusses various aspects of SBA management. **Module 4** looks at member participation and provides a practical exercise on promoting the involvement of women members. Leadership requirements and pitfalls are dealt with in **Module 5**. **Module 6** explains the importance of communication and presents communication means and skills to be used within the association as well as in external relations. **Modules 7 and 8** are closely linked. The association vision, mission and constitution are dealt with in **Module 7**. **Module 8** elaborates on this, emphasizing the roles and responsibilities of association leaders and staff.

Module 9 strengthens participants' strategic planning skills with the assistance of functional exercises to assess the development potential of the association, plan subsequent action and think of new forms of cooperation with stakeholders. **Module 10** builds on this, underlining the potential opportunities of linking up with workers' and employers' organizations.¹⁵

Financial resources and financial management are key elements for the development of the association. **Module 11** explains how associations can increase their revenues, for example, through membership dues and fees for services. **Module 12** assists participants in identifying ways to mobilize external funds. Practical examples of proper management of association finance are presented in **Module 13**.

Practical exercises and handouts can be found in the tools. Some of them are marked as "Action Plan exercises" and can become part of the participants' Action Plan for follow-up to the training.

¹⁵ Useful information on governance, strategy and revenue building in Employers' Organizations can be found in: ILO, The effective employers' organization. A series of "hands-on" guides to building and managing effective employers' organizations, ILO, Geneva, 2006.

MODULE 4 ENCOURAGING MEMBER PARTICIPATION



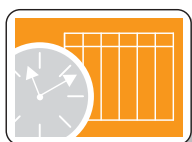
Trainer Note



Learning objectives

By the end of this Module, the participants will:

- be able to give examples of rights and obligations of members
- have a realistic understanding of what members can expect of the Association and how they can support it
- be able to provide examples of how leaders can facilitate members' participation



Session plan

Step	Time	Activity	Description
1.	30 minutes	Plenary discussion	Encourage participants to reflect on current association practice and new ways for reaching out to members. See Questions for discussion .
2.	40 minutes	Exercise	Groupwork: Facilitate women's participation. See Tool 4.1 .
3.	15 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- Who are the members of your organization?
- Can groups join?
- And if so, how are the membership dues calculated?
- What are the criteria for newcomers?
- Can staff of support agencies or government personnel become members (think of external versus internal support, and potential for conflict of interest)?
- What membership dues are/should be set?
- How are they collected?

- Do members get a receipt?
- A membership card?
- Should fees be waived for especially disadvantaged members?
- What is the policy on defaulting payments?
- What contributions are expected from members besides membership dues?



Key findings

A successful association assists its, previously unsuccessful, entrepreneurs to become successful in their business.

If the members' main motivation is to use the association as a means of access to handouts, the prospects of building a sustainable organization are slim.

The main purpose of a constitution is to make the association a legal entity with its own rights and obligations, serving its vision and mission. The constitution can be lengthy and detailed or short and straightforward.

Leaders are responsible for facilitating members' participation. Active commitment of the members is enhanced by leaders who listen to them, consult them and create opportunities for them to actively participate in association activities.

Leaders of business associations with male and female members may wish to develop different services and products depending on the needs of each group.

Rights and obligations of members are decided by the general assembly and should be written into the constitution.

The association should keep a register of members that records relevant information such as basic data on the enterprise, contact person(s), expectations of the association for the enterprise (interest representation, services), the date of membership, payment of membership dues (frequency, amount), etc.¹⁶



FAQs

How can my association become big and powerful?

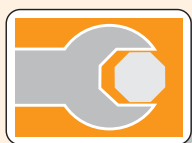
A successful association is well managed and provides services and goods that enable all members (and not just a small group) to improve their businesses and increase their well-being. Such an association is likely to attract new members and become part of a broader network or federation. In this way, it can increase its influence and become more "powerful".

¹⁶ See for more practical recommendations and tools on membership registration: Torsten Schumacher, Attracting new members/Membership administration. Practical recommendations and examples, ZDH/SEQUA, 1997.

Many members of my association cannot pay their dues. What should I do?

Readiness to pay membership dues, and to pay them on time, are indications of a member's commitment. You should find out why your members do not pay. Are there special circumstances (lost harvest, funeral) that account for members not paying? Are the membership dues too high? Are members well informed and were they consulted when the rate was fixed? What do members get for their money? Is it what they really want? Once you understand why members do not pay, you can propose changes in the association's membership dues policy (payment frequency, amount, waiver, discounts, penalties, etc.)

TOOL 4.1 FACILITATE WOMEN'S PARTICIPATION



Group exercise to identify ways to ensure a more equal participation of female members

Instructions for groupwork

1. Discuss the following questions in small groups:
 - Do women members have different needs to male members?
 - Are there many potential women members not being reached?
 - How can leaders facilitate women's participation in the organization?
2. Propose creative ways to ensure more equal and active participation of women members in the association. Write them on a flip chart and display it on the wall.
3. Visit one other group. Compare and discuss each other's proposals.

Possible answers

- Establish a women's committee to ensure that concerns of women members are on the association's agenda;
- Establish a quota for women's participation in management bodies and functions of the association;
- Facilitate discussions of a men's group on how they can adjust and respond to their changed roles in family and business (in terms of sharing of decision making and workload);
- If many (women) members are illiterate, the association should:
 - ensure more oral communication and less use of written materials in training programmes, etc.;
 - encourage literacy by running programmes at the association or by linking to government or NGO literacy programmes, especially if these can be run on the association premises;
- Organize association meetings at a time and place that take into account the family obligations of women and men;
- Organize special workshops on issues that are highlighted by women members, such as security of women street vendors, financial autonomy, ownership, etc.



User tips

Select a few original and relevant proposals from the groups and complement with the above-mentioned suggestions, if necessary. Emphasize that it is important to realise that both women and men have significant contributions to make and can bring different skills to the association.



Related topics and tools

Tool 5.1 Leadership problems, **Tool 6.1** Become an association member, **Module 8** Responsibilities and tasks within the association, **Tool 8.2** Draw the organization chart of your association, **Module 9** Strategic planning and outreach, **Module 11** Sources of revenue, **Tool 14.1** Accessibility of services.

MODULE 5 LEADERSHIP



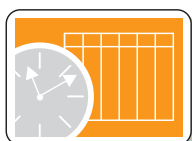
Trainer Note



Learning objectives

By the end of this Module, participants can:

- List characteristics of good leadership
- Define the role and tasks of SBA leaders
- Provide examples on how an association can improve its leadership



Session plan

Step	Time	Activity	Description
1.	20 minutes	Plenary discussion	Invite participants to express their views on “good” and “bad” leadership. See Questions for discussion .
2.	40 minutes	Exercise	Groupwork Leadership problems. See Tool 5.1 .
3.	25 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- Are leaders given enough support?
- If not, why not?
- Are leaders accountable to the members?
- How is this judged?
- What would you expect a good leader to do to ensure that the membership, the community and government leaders trust him?



Key findings

Good leadership is important for the success of an organization. A leader has different roles. The leader is responsible for the management of the organization (manager) and is the link between the organization and its political, social and legal environment (communicator and representative).

Leaders must make a clear distinction between their own business and the organization; they should not (ab)use the association for their own interest. Strong leaders prioritize collective interests, are honest and accountable for their actions.

Leaders must have a good knowledge of their members. They should understand the environment in which the members work and they must learn how to communicate with the people in authority in this environment.

They must also communicate well with their members, and encourage them to become leaders in their own right. They need to elicit good decisions from meetings and have the planning ability and time management skills to make sure decisions are implemented. They must be able to listen to members, to staff and others in the leadership team.

Leaders must avoid working in an over-hierarchical fashion. They need to delegate tasks to people, encourage new leaders to come forward and help build the network.

Leaders need to have a clear idea of their own job-description (their role, responsibilities and tasks). Leadership should not be concentrated in one person, such as the president. All committee members need to play their role. Leaders such as the secretary and treasurer should have the necessary training to do their jobs efficiently.

Even if leaders are very good, it is important to bring in new leaders. The same group of people should not be elected to the committee year after year. Potential leaders should be given opportunities for development.

Possible leadership problems that can arise include: conflict of interest, organization's dependency on a powerful leader, leaders who are influential but do not have sufficient leadership skills and a lack of female leaders in associations with a large membership of women.



FAQs

Our village chief would be offended if he was not asked to become the leader of your association. What could we do?

Traditional leaders are respected in the community and have commitment to its development. Despite these positive characteristics, they are not necessarily a good leader of a small business association. Very often, the association leader is chosen from among leaders of enterprises, retired civil servants or experienced specialists. Traditional chiefs can be asked to play an advisory, moral or ceremonial role in the case of a crisis or as part of major formal decision-making.

How can members control the leader?

Dynamic and honest leaders give members confidence in their association. They are accountable to the members through listening and communicating on progress, performance and difficulties. The wish of members “to control” the leader can be a sign of mistrust, internal power struggle or insufficient leadership competences. A healthy management can help in avoiding such problems. It requires that responsibilities be shared and the leadership potential of others encouraged. A business association should be able to count on a group of leaders who are assigned different responsibilities, based on complementary capabilities and interests. Also, management positions should become vacant and elections should be held regularly, as written in the Constitution.

I

II

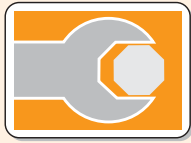
III

PART

IV

V

TOOL 5.1 LEADERSHIP PROBLEMS



Group exercise to help participants to identify leadership problems and find ways to address them on the basis of a case study

Groupwork instructions

Read the case study below and answer the following questions:

1. What are the problems facing the Association?
2. What are the possible consequences if the problems persist?
3. How would you address the problems whilst avoiding major conflicts?

Mr. John is chairperson, and founding member, of a flourishing association of small hotel and restaurant owners. Over the years, many women entrepreneurs, managing small bed and breakfast accommodations, have joined the association. Today, Mr. John is running for election to the national parliament. His aim is to promote the tourism industry when he is in office. As the association will benefit from his future position, he has requested members to support his campaign with financial donations and participate in election gatherings and meetings. Mr. John has less time for the association work and has requested his assistant hotel manager to take over some of his chairperson's tasks. A few women members are not very happy with the situation, but don't dare voice their concerns.

Possible answers

1. The association faces the following problems:
 - Conflict of interest and integrity on behalf of the chairperson;
 - Non respect of the association's constitution and democratic governance;
 - Lack of trust between members and management;
 - Women members' interests are not well represented;
 - Deficient communication within the association;
 - Etc.
2. The association risks to:
 - Loose its credibility as it will become associated with a political party, rather than with business interests;
 - Increase its management problems with an unrepresentative chairman;
 - Decrease its success as members may spend more time and resources on the political campaign rather than on their businesses and the association;
 - Loose its members and close down;
 - Etc.

3. Problems can be addressed as follows:

- Begin informal consultations among members to see whether concerns are shared and joint action can be undertaken;
- Organize a small representative group to discuss with the chairman and management staff;
- Convoke a special meeting of the general assembly and rely on other provisions in the SBA constitution to ensure democratic management;
- Involve an (external) mediator to facilitate the communication between the members and the chairman, if conflict seems inevitable;
- Increase women's participation in management functions;
- Etc.



User tips

Instead of each group reporting back in plenary, you can discuss the case study by asking groups to mention just one or two answers for each question.



Related topics and tools

Tool 4.1 Facilitate women's participation, **Module 8** Responsibilities and tasks within the association, **Tool 8.1** Revisit your job description.

MODULE 6 COMMUNICATION



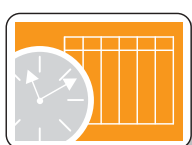
Trainer Note



Learning objectives

By the end of this Module, participants:

- Can explain why effective communication is the key for success of an SBA
- Understand the basic rules of internal and external ways of communication
- Know how to organize a meeting
- Have improved their negotiating skills



Session plan

Step	Time	Activity	Description
1.	20 minutes	Plenary discussion	Invite participants to share their associations' experiences with various communication means and skills. See Questions for discussion .
2.	50 minutes	Exercise	Role play: Become an association member. See Tool 6.1 . Or Groupwork: design a poster. Request participants to design a poster advertising their association. This exercise will assist them in identifying the most attractive aspects of their association and in finding a way to convey the message creatively. The posters can be displayed and eventually used in the side event.
3.	15 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.
5.	About 2 hours	Option: Side event	Participants organize an exhibition where they can promote their services and products. The event can be organized during an extended lunch break or at the end of the day. See Tool 18.2 Organize an exhibition



Questions for discussion

- What are your main means of communication: a newsletter, meetings, leaders visiting members?
- How effective is your present communication?
- What is lacking, what is good?
- Do you write and publish reports?
- How are the financial reports?
- What do you need to make communication more effective?
- How can you improve the accuracy, quality (and needed quantity) of information that members require from the association?
- What difficulties do you encounter in negotiations with commercial partners or government agencies?
- How could you address them?



Key findings

Communication is at least two-way: leaders to members, and members to leaders, but also members should seek the opportunity to communicate with each other.

Communication is internal and external within the association and between the association and key people, groups and agencies in the community.

Good communication relies heavily on timely, accurate and well-expressed information. The law on businesses and sometimes also SBAs may require some information: for example the balance sheet and profit and loss statement.

Communication can be verbal and non verbal. A logo or poster advertising the association can give an indication of what it stands for. Members' conduct also reveals that: are they enthusiastic or not?

Organizing a meeting is a very important skill. It needs preparation and thought.

Negotiating is a key communication skill. One needs to set goals, set fallback positions and work out a strategy.



FAQs

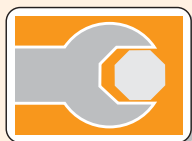
“A newsletter seems a good means of communication but won't it become too difficult to find relevant and recent information in the long run?”

You're right. Continuity and relevance are key in issuing a newsletter. Therefore, it is important to assess in advance the information needs and expectations of the members. On this basis you can decide whether a newsletter would respond to their demands. If the answer is yes, it will also help you in determining the frequency and type of information. The editorial group involves members with good writing skills, ideas, knowledge and contacts. The newsletter can contain information on economic changes impacting business activity, cash flows or employment, profiles on successful entrepreneurs, articles on legislative issues that directly affect members' enterprises and news about members, leaders or strategic partners.

“In my function as president of the women gari-processors association in a small, remote community, I experience the difficulty of obtaining attention and support from the local government in the provincial capital. We are not important to them. They only listen to powerful and wealthy businessmen who are living in town.”

It is true that besides negotiation skills, underlying power relations can determine the outcome of the negotiation. People with little education or money, or who come from another place or belong to another ethnic group than the people they meet, may have difficulties in overcoming their perceived sense of inequality. For similar reasons, women can have difficulties in negotiating with men. Organizing the meeting on neutral ground (not on the other party's premises) is a way to lessen unequal power relations that may undermine equal negotiating. Other strategies include: negotiating in a group rather than individually, allowing different members to present different aspects of the argument, and setting a date and time for the meeting that allows association members to participate.

TOOL 6.1 BECOME AN ASSOCIATION MEMBER



Role-play exercise to increase participants' insight into various aspects of communication

Instructions

Two volunteers will play:

- 1) the role of a leader of an association who has to convince a potential member of the advantages of joining.
- 2) the role of a non-member of the association who shows some scepticism and evokes reasons for not joining.

Other participants are observers. Some of them pay attention to the contents of the discussion; others observe the language that is used, the non-verbal communication (position of the players, hands, eye movements, etc.) and the attitude of the players. Which part of the message was best received by the other party and why?

Possible conclusion

Most people have not seen and heard the same thing because of their different background, capacity to listen, capacity to remember, etc. Some parts of the message were better received and understood because the language was clear, because the information corresponded to what the potential member wanted to know, because all their concerns had been taken into account by the leader who listened very carefully, etc.



User tips

Give the two volunteers 10 minutes to prepare their respective roles, perhaps assisted by one or two other participants. The role play will not take more than 15 minutes. Reserve 25 minutes for the discussion and conclusion of the role play.



Related topics and tools

Tool 4.1 Facilitate women's participation, **Module 19** Delivering advocacy services, **Tool 16.1** Design a pamphlet for a business counselling unit, **Tool 19.1** Street vendors negotiate with local government, **Tool 19.2** Design an advocacy campaign, **Tool 19.3** Stages in the preparation of an advocacy campaign.

MODULE 7 THE ASSOCIATION VISION, MISSION AND CONSTITUTION



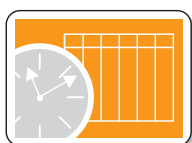
Trainer Note



Learning objectives

By the end of this Module, participants:

- Are able to (re)formulate the vision and mission statement of their association
- Are prepared to work on the constitution



Session plan

Step	Time	Activity	Description
1.	30 minutes	Plenary discussion	Encourage participants to think about the (possible) vision and mission statements of their association and its constitution. See Questions for discussion .
2.	40 minutes	Exercise	Ask participants of the same organization to revisit/formulate their vision and mission statement.
3.	15 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

Let's look at a few vision and mission statements from companies, foundations and associations around the world:

"The Coca-Cola Company exists to benefit and refresh everyone it touches."

"The Max Havelaar Foundation strives towards fair and just relations world-wide. Central to its policy is sustainable production, trade and consumption."

"The International Co-operative Alliance is an independent, non-governmental association which unites, represents and serves co-operatives worldwide."

- What do you like or dislike about them?
- What do they say about values and objectives?
- Are they meaningful, catchy, understandable, inspiring ...?
- How meaningful is your vision and mission statement?

- How well is the constitution known by members?
- When was it last reviewed?
- What improvements are needed?



Key findings

The association needs a vision and mission so that everyone can understand the core purpose of the association and what its members are working for. This needs to be written in simple language that communicates well, will motivate the members and gain credibility from outsiders.

The association needs a properly written constitution, which is understood by the members, and is seen to guarantee a fair and accountable system of decision-making and authority within the association (See **Tool 7.1** Suggested elements of an SBA constitution).

The constitution is drafted in accordance with the national law. Its specificities depend on the purpose of association (group enterprise, cooperative, interest representation, service provision, etc.).

The constitution will also lay down the requirements and benefits of membership. Very often the founding members (or association) call upon a lawyer to finalize (or revise) the constitution.

The constitution will need to be submitted as part of the registration process.



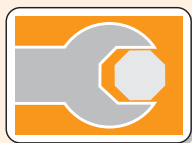
FAQs

“It seems very complicated, time consuming and costly to register an association officially. The informal credit and savings group I belong to, works fine. Why could an SBA not work like that?”

Deciding to register the association will indeed entail administrative costs, including time and, to some extent, additional taxes and fees. It may also involve dealing with bureaucracy, harassment, interference and even corruption. However, official registration brings many advantages, such as recognition by the government as discussion partner, the ability to take legal action if needed, the ability to open a bank account, the ability to carry out official transactions, and bid for tenders on behalf of the members, social status and community respect and it facilitates access to certain donor or government funding programmes.



TOOL 7.1 SUGGESTED ELEMENTS OF AN SBA CONSTITUTION¹⁷



Handout for participants to assist them in understanding, elaborating or revising their constitution

I Establishment & objectives

- Name of the association
- Place and date of establishment
- Physical address
- Postal address
- Type of business activity (or other basis for formation, such as location, sex, and/or age)
- Mission and core objectives

II Members and conditions of membership

- List of founding members
- Membership is open to
- The one time registration fee for each member is
- The (monthly, semi-annual or annual) membership dues are ...¹⁸
- Eventually one can include details on a gradual system of membership dues, e.g. membership dues for enterprises with less than 2 employees, for enterprises with 3-4 employees, for enterprises with 5-9 employees, for enterprises with 10-20 employees and for enterprises with more than 20 employees.
- Membership shall cease when:
 - A member submits a formal resignation and the latter is accepted by majority vote of the general assembly;
 - A member fails to attend three consecutive sessions of the general assembly without good reason;
 - Proven and documented actions contrary to the spirit of the constitution and rules are found and expulsion is approved by two thirds majority of the general assembly.
- New members may be admitted by majority vote of the general assembly acting upon a proposal from the executive committee.

¹⁷ Adapted from: Bruno Catenacci, *Local Economic Development Agencies*, Rome, 2001, p.88-91. See also: Susanne Bauer, Gery Finnegan, Nelien Haspels: *GET Ahead for women in enterprise training package and resource kit*, ILO, 2004, p. 309-310

¹⁸ Membership dues should be dynamic and normally be increased every year in order to prevent devaluation of income due to inflation. This part of the constitution should therefore be regularly updated.

III Organisation

- The association governing bodies are the general assembly of members, the executive committee, the audit committee and, eventually (depending the size of the association), the general management.
- The general assembly of members is the supreme body of the business association and adopts its rules and regulations. It meets at least once a year to:
 - Examine the activities and finances of the previous year;
 - Evaluate the current strategy of the association and decide on the future strategy;
 - Decide on how to allocate the organization's resources and benefits;
 - Approve the work plan and budget for the period ahead;
 - Decide on the appointment of the main staff;
 - Elect the members of the executive and audit committee.
- The executive committee is in charge of the management of the business association:
 - It meets regularly;
 - It is responsible for the efficient management of activities (but can delegate responsibilities to the general management);
 - It usually comprises a president or chairperson, a vice chairperson, a treasurer, a secretary and other members;
 - It has the power to decide and set up/disband specialist components of the association, for example by establishing committees or taskforces;
 - The chairperson of the executive committee represents the business association between meetings and chairs the executive committee. S/he is the association's legal representative and, as such, shall sign acts and resolutions, contract obligations with third parties and have powers of co-signature on the association's bank account.
- The audit committee (or internal auditors or trustees):
 - Is elected by the general assembly;
 - Supervises the functioning of the business association to ensure that the executive committee runs the association in accordance with the decisions of the general assembly;
 - Is required to verify that a financial audit is carried out every year, either by them or by a professional accountant.
- The general management (optional, depending on the size and development stage of the association):
 - Consists of the general manager and other association staff members;
 - The general manager shall be responsible for putting the directives of the executive board into practice.

IV Association specific provisions

- For group enterprises one can include provisions on share capital: surplus, equipment and liability.

V Dissolution

- The grounds for dissolving the association shall be those provided for by the laws in force.
- In the event of dissolution, the chairperson of the executive committee shall urgently call a special session of the general assembly to appoint the liquidator.

VI Disputes

- The competent court for any dispute that cannot be settled in the general assembly shall be the court of(jurisdiction).



User tips

This handout can be provided for presentation on the key findings. It can also be used as background material for exercises in Module 8 Responsibilities and tasks within the organization.



Related topics and tools

Module 8 Responsibilities and tasks within the association, **Tool 8.1** Revisit your job description, **Tool 8.2** Draw the organizational chart of your association, **Module 11** Sources of revenue, **Tool 11.1** Reverse the cycle.

MODULE 8 RESPONSIBILITIES AND TASKS WITHIN THE ASSOCIATION



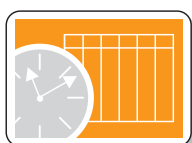
Trainer Note



Learning objectives

By the end of this Module, participants:

- Have a better insight into the internal management of their association
- Can explain the roles and responsibilities of the different governing bodies of the association
- Can list the key functions of a president, a secretary and a treasurer



Session plan

Step	Time	Activity	Description
1.	30 minutes	Plenary discussion	Raise participants' awareness on the internal management structure and responsibilities of key posts in the association. See Questions for discussion .
2.	40 minutes	Exercise	Groupwork: Revisit your job description. See Tool 8.1 . Or Groupwork: Draw the organizational chart of your association. See Tool 8.2 .
3.	15 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- Why do members need to know about the internal management of their association?
- Who approves the workplan and budget of the association?
- Who decides on the composition of the executive committee?
- Who signs contracts with third parties on behalf of the association?
- What are the main tasks of a president, a secretary, a treasurer?
- What skills are needed to perform these tasks?



Key findings

The association structure includes a general assembly of members, an executive committee, subcommittees, as necessary, and very probably an audit committee.

It is important that all members know the purpose and work of each of these parts of the organization.

Associations with a substantive membership base that have developed an important range of activities will need to professionalize their organization and management by hiring a general manager, administrative and technical staff members.

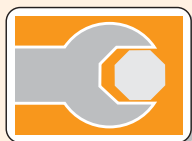


FAQs

“At what stage should an association employ professional staff?”

Each association is unique and there does not exist a one-size-fits-all answer to this question. Considerations that will need to be taken into account are: Where does the association stand on its growth path? Does it expect rapid expansion? Are the services rendered by the association time and labour intensive, or do they require specific expertise? How healthy is the financial situation: are resources sufficient and stable? One should also be aware that recruitment of staff is not the only solution. The association could also think of hiring short-term experts/consultants, outsourcing activities or creating a company or cooperative for a specific commercial undertaking. Associations that are affiliated to a national federation can often call upon services and support from their federation.

TOOL 8.1 REVISIT YOUR JOB DESCRIPTION



Group exercise to assist participants in creating job descriptions or checking the ones used in their association

Instructions

Revisit (or draft in the case of your association not yet having one) a job description (president, treasurer and secretary).

Suggested answers

Job title: President of the Association

Key objectives of the post

The association president promotes and safeguards the association's growth and interests. He/she ensures the daily management of the association.

Key functions

- Lead and represent the executive committee
- Call meetings and propose the agenda
- Preside over the executive committee and general assembly meetings
- Ensure member participation and transparent decision-making
- Build alliances and partnerships with external organizations
- Etc.

Tasks

This paragraph includes specific activities to be carried out during the next mandate. Depending on the Association, tasks could include: design and implementation of a strategy plan, mobilizing resources and funds, bringing ongoing association projects to a satisfactory conclusion (e.g. trade fair, credit programme), staff management, etc.

Reporting and communication

The president works under the supervision of the general assembly and in close collaboration with the members of the executive committee and members of special committees.

Required qualifications and skills

- In depth knowledge of the association and its members
- Good understanding of the political, social and legal environment in which the association operates
- Strategic planning skills
- Ability to react efficiently in emergencies
- Ability to mobilize and motivate people
- Strong communication skills
- Etc.

Profile

Given the association's strong regional connection, its predominantly female member base and equal merits of candidates, preferably, the post would be filled by a woman from the Region.

PART

IV

V

Job title: Secretary of the Association**Key objectives of the post**

The secretary of the association ensures that its secretarial and financial administration runs in an efficient and effective manner.

Key functions

- Responsible for secretarial and financial administration
- Taking minutes at all the meetings
- Responsible for keeping all correspondence
- Keeps all information and records safe
- Ensures that the group has all the required approvals, permits and documentation

Tasks

This paragraph includes specific activities to be carried out during the following 6-12 months. Depending on the needs of the association, tasks could include: the introduction of a computerized archive system, ensuring distribution of the newsletter, obtaining a construction permit, etc.

Reporting and communication

As a member of the executive commission, the secretary works under direct supervision of the president and in close cooperation with the members of the executive committee and members of special committees.

Required qualifications and skills

- Knowledge of the association and its members
- Experience in public or private administration matters
- Good writing and organizational skills
- Accuracy
- Reliability
- Etc.

Job title: Treasurer of the Association

Key objectives of the post

The Treasurer documents and safeguards the financial situation of the association and promotes its financial health.

Key functions

- Supervise the financial affairs of the association and keep all financial records
- Responsible for the safekeeping of all cash assets
- Administer bank accounts

Tasks

This paragraph includes specific activities to be carried out during the following 6-12 months. Depending on the association, tasks could include: contribute to the financial management of specific projects; contribute to the annual report of the association, etc.

Reporting and communication

As a member of the executive commission, the treasurer works under direct supervision of the president and in close cooperation with members of the executive committee and members of special committees.

Required qualifications and skills

- Knowledge of the association and its members
- Experience in public or private finance matters
- Accuracy
- Reliability
- Good reporting skills
- Etc.



User tips

In the plenary discussion, ask participants to check the outcome with common practice within their respective associations.

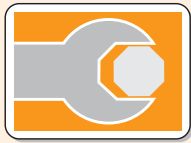
When there is not enough time for this exercise you can hand out the example job descriptions as reference material.



Related topics and tools

Module 5 Leadership, **Module 7** The association vision, mission and constitution, **Tool 7.1** Suggested elements of an SBA constitution, **Module 13** Managing association finances.

TOOL 8.2 DRAW THE ORGANIZATIONAL CHART OF YOUR ASSOCIATION

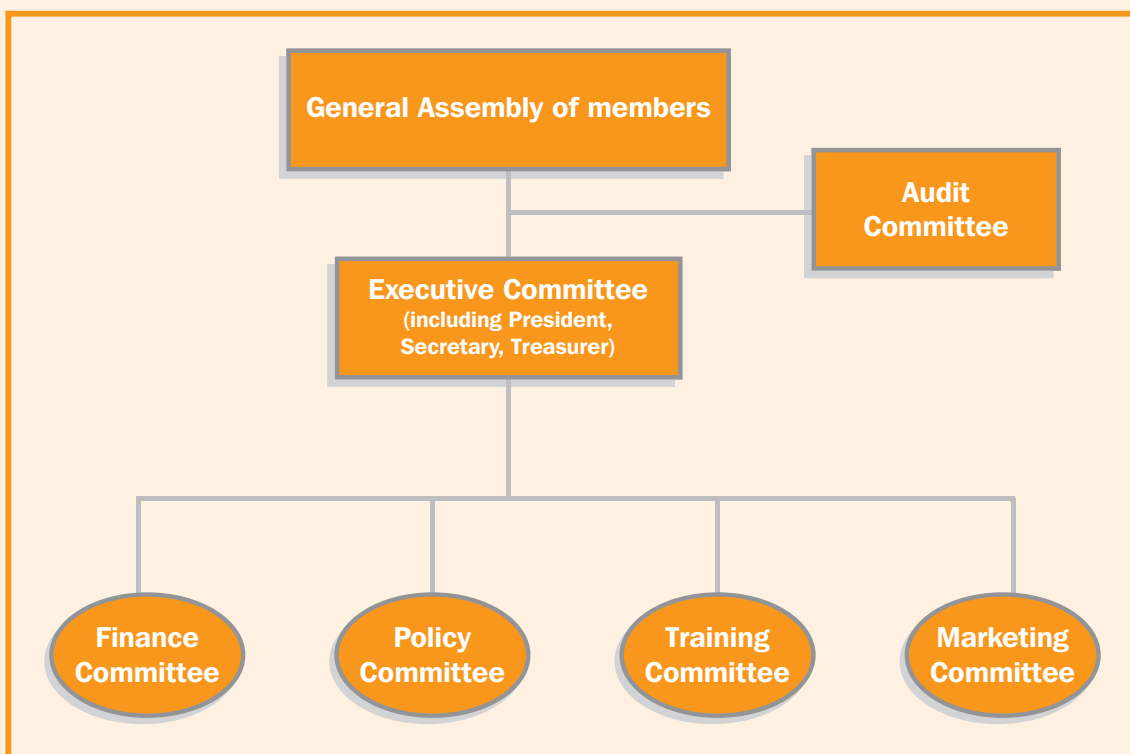


Groupwork to help participants understand better how the different bodies of the association relate to each other

Instructions

- Draw the organizational chart of your association.
- Display and compare it with the charts of other groups.

Possible answer



User tips

You can also distribute the chart to the working groups and ask them to adapt it according to the structure of their respective association.



Related topics and tools

Module 4 Encouraging member participation, **Tool 4.1** Facilitate women's participation, **Module 7** The association vision, mission and constitution, **Tool 7.1** Suggested elements of an SBA constitution.

MODULE 9 STRATEGIC PLANNING AND OUTREACH



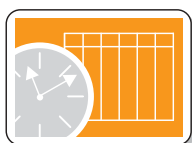
Trainer Note



Learning objectives

By the end of this Module, participants can:

- Assess the current state of their association
- Plan ahead strategically to strengthen the association



Session plan

Step	Time	Activity	Description
1.	20 minutes	Plenary discussion	Ask participants about the planning practices in their association and its relationship with stakeholders. See Questions for discussion .
2.	45 minutes	Exercise	Action Plan exercise: SWOT analysis and Action Planning. See Tool 9.1 . Or Groupwork: Stakeholder analysis. See Tool 9.2 . Or Action Plan exercise: Prepare a workplan for strategic planning. See Tool 9.3 .
3.	20 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- What are the planning priorities of your association right now?
- Have your members' needs changed?
- How do you find out about them?
- Should you recruit new members?
- Growth is not always easy; what challenges do you face when the association gets bigger?
- Who are your stakeholders?

- What is your relationship with municipal or national government, other business associations, enterprises, support agencies, micro-finance institutions, chambers of commerce, employers' federations, trade unions?
- Is their interest (or concern) in line with, or opposed to, the association's interests?
- How can the relationship with your stakeholders be improved, and for what purpose?



Key findings

Planning ahead to strengthen the association is vital. A SWOT (Strength Weaknesses Opportunities and Threats) analysis is a useful tool to assess the current and projected strength of the association.

Planning should include analyzing membership patterns: the need for new members, the new needs of existing members. Does the association reach both men and women? Does it address the needs of both men and women?

It should also include an analysis of major stakeholders, other players in the private sector, government agencies, trade unions, employers' federations, etc.

Ask the question: what could go wrong? And if it does, what is your plan B. What could be done now to improve the chances of it not going wrong?

Looking ahead to likely changes in the economic, social or political environment is important, so that the association is in a position to enable its members to survive or prosper from the changes.

For the more mature associations, it may be advantageous to consider forming a federation or network with other, similar, organizations.

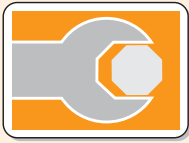


FAQs

“Our association suffers from a decline in active membership. How can we attract new committed members?”

Increasing the number of members is often a healthy strategy, especially for associations that need economies of scale, such as in joint purchase schemes. Expansion often involves changes in the management structure of the association (creating new committees covering additional neighbourhoods or economic sectors, expanding the executive committee), the nature of the association (bigger often means more anonymous) and social cohesion (conflicts of interest may arise between older and newer groups of members). So, besides looking out for new members, one could also try to reinforce present members' commitment. For example, introducing incentives for active participation, rewarding loyal members with discounts, or creating a logo that defines members and creates a feeling of belonging to the group, can ensure members' commitment to the association.

TOOL 9.1 SWOT ANALYSIS AND ACTION PLANNING



Group exercise to assist participants to assess the association's situation as a first step to developing a growth and outreach strategy

1. SWOT

- 1.1 What are your association's internal **strengths** and how can they be used to reinforce it? What assets do you have: human assets: i.e. skills, commitment, experience, networks, reputation; material assets: space, equipment, money?

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.....

- 1.2 What are your organization's internal **weaknesses**? What skills do you lack? Is the constitution deficient? Is communication lacking? Is the morale good or bad? Can leadership be improved? Are both female and male members actively participating in the association? Does the association attract enough young members?

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- 1.3 What are the external **threats** facing your organization? Are there powerful interests that do not want you to succeed? Is there community prejudice? Are there problems of distance between members, making communication difficult? Are members having (temporary) economic problems that hamper their support to the association?

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- 1.4 What external **opportunities** exist for your organization? Is there goodwill from government or NGOs that you can tap into? Is there economic potential for your members if they become better organized? Are there marketing opportunities or bulk buying opportunities if they organize themselves?

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PART

I

II

III

IV

V

2. ACTION

- 2.1 In the foreseeable future, what can be done to strengthen your organization? What goals are achievable with your present resources? What are the small, but achievable, “victories” that will gain the support of your members, or strengthen your position in the community and in the eyes of key agencies? If you do not know, how could you find out?
- 2.2 What are the most important things to do first? What next? Who will be responsible for each action? (In an attachment, set out a list of tasks and mark the person responsible.)

These issues we can tackle right away:

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.....

In six months from now, we will have:

.....
.....

In two years, we will have:

.....
.....

We will revise this plan every (one/two/three?) months

.....
.....

3. RISKS

It is important not to be taken by surprise when things go wrong; things take time, success is slow and people can let you down. It is good to be mentally prepared for these possibilities and, in some cases, take steps to prevent them. Forward thinking can prevent major disappointment and loss of morale for yourself and your team.

- 3.1 What could go wrong?

.....
.....
.....

- 3.2 What strategies are in place if they do go wrong?

.....
.....
.....



User tips

This exercise is useful for groups that consist of an important number of leaders and members coming from the same SBA.

You could decide to split the exercise into two or three parts and ask participants to work on it at different moments throughout the training.



Related topics and tools

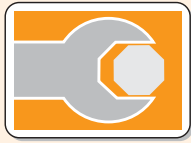
Module 3 developing SBAs, **Tool 3.1** SBA life cycle, **Tool 3.2** Historical time line, **Tool 9.2** Stakeholder analysis, **Tool 9.3** Prepare a workplan for strategic planning.



PART



TOOL 9.2 STAKEHOLDER ANALYSIS¹⁹



Group exercise enabling SBA leaders and members to identify key stakeholders before beginning a planning exercise or change process

Group work instructions

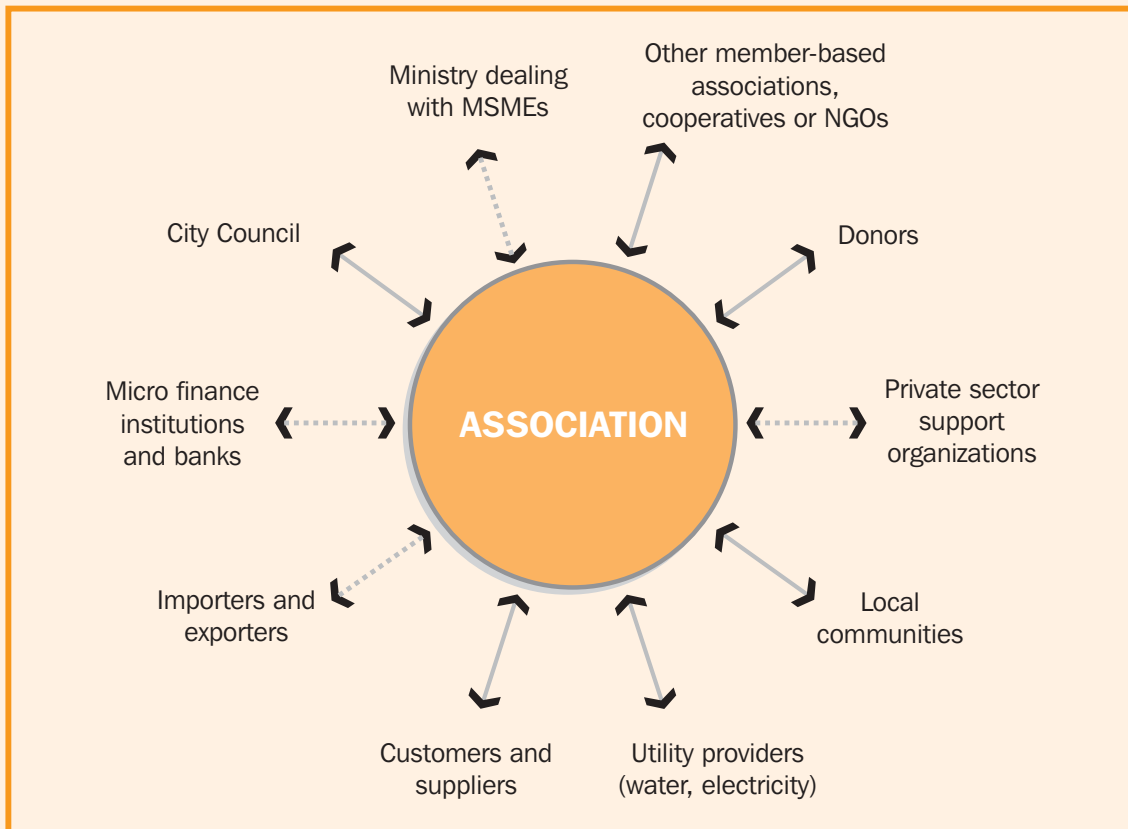
1. Identify all stakeholders. Be specific, note names of organizations and important people on separate cards. Think of:
 - Local and national government and administrative services (i.e. agencies dealing with regulations, taxes, procurement)
 - Traditional cultural authorities, religious and community leaders
 - Community organizations (include women's organizations)
 - Support organizations (i.e. SME agencies, chambers of commerce, banks, donors)
 - Peer organizations
 - Potential members of the association
 - Major service providers (e.g. water and electricity),
 - Commercial partners (suppliers, clients)
 - Workers' and employers' organizations
 - Vulnerable groups (the very poor, the disabled).
 - Staff and trainees, including apprentices
2. Identify their stake
 - Why would the stakeholders be interested in the development of the association?
 - What do they expect from the association?
 - What can they offer the association?
 - What could be their hidden interests or objectives?
 - How could they obstruct the growth of the association?
3. Map your stakeholder importance
 - Draw a circle in the middle of a flip chart
 - Attach the different groups of stakeholders (use your cards) around the circle.
 - Draw arrows linking the association to the stakeholders. The length of the arrows give an indication of how close or important the stakeholders are to the association.
 - Use arrows of a different colour to indicate relationships not yet existing, but you would like to develop.

¹⁹ Based on "Stakeholder Analysis", MDF training and consultancy, The Netherlands, p.1.

Possible answer

←—→ Plain arrows indicate existing relationships

←- - - - -→ Dotted arrows indicate intended (not yet existing) relationships



User tips

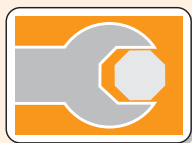
This exercise is particularly useful for the more mature associations concerned with their outreach strategy.



Related topics and tools

Tool 9.1 SWOT analysis and action planning, **Tool 9.3** Prepare a workplan for strategic planning, **Tool 10.1** Identify fields of cooperation with workers' and employers' organizations, **Tool 14.3** Format reference list, **Tool 18.1** Interests at stake in commercial services.

TOOL 9.3 PREPARE A WORKPLAN FOR STRATEGIC PLANNING



This action plan exercise will help participants to identify the various steps in strategic planning, estimate the workload, assign responsibilities and set a time line

Instructions

Imagine that your association will undertake a thorough strategic planning exercise.

- List the main steps envisaged
- For each step, define two or three activities to be carried out
- Determine who will be responsible for each of these activities. Name the person and clarify which body of the association (e.g. executive committee, a specific commission) should be involved
- Estimate the time needed for each step
- Set deadlines (e.g., step 1 should start on “date x” and end on “date y”)

It would be helpful to put all the information in one table.

Possible answer

Nº	Step	Activities	Responsibility	Duration	Date
1	Get organized	<ul style="list-style-type: none"> ● Note the main concerns of the association that must be taken into account in the planning ● Select a steering group and determine if outside help is needed ● Outline the planning process ● Obtain the commitment of members and leaders to proceed 	Ms. Aicha C. together with executive committee	2 weeks	1-15 April
2	SWOT Analysis	<ul style="list-style-type: none"> ● Pull together the necessary background information about the Association ● Review its past, present and future situation, including environment and stakeholders ● Identify key issues and choices 	Ms. Susan L. together with steering committee	...	...

Nº	Step	Activities	Responsibility	Duration	Date
3	Set directions	<ul style="list-style-type: none"> ● Develop a vision of the organization's future ● Determine how to move the organization towards this future ● Develop a first draft of the plan	...	...	...
4	Review and adopt the plan	<ul style="list-style-type: none"> ● Review and refine the plan ● Adopt the plan 	... General assembly of members	...	...
5	Implement the plan	<ul style="list-style-type: none"> ● Implement the plan ● Monitor the progress ● Make adjustments ● Periodically update the plan	...	...	...

PART

I

II

III

IV

V



User tips

This exercise is useful for groups that consist of an important number of leaders and members coming from the same SBA.



Related topics and tools

Module 8 Responsibilities and tasks within the association, **Tool 9.1** SWOT analysis and action planning, **Tool 9.2** Stakeholder analysis, **Tool 12.1** Cost-benefit analysis, **Tool 12.3** Outline project proposal.

MODULE 10 WORKING WITH EMPLOYERS' AND WORKERS' ORGANIZATIONS



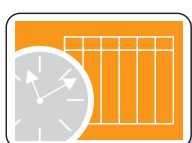
Trainer Note



Learning objectives

By the end of this module, participants will:

- Appreciate the importance of liaising with employers' and workers' organizations
- Be able to create and seize opportunities for cooperation with them



Session plan

Step	Time	Activity	Description
1.	30 minutes	Plenary discussion	Ask participants to share their ideas and experiences on cooperation with employers' and workers' organizations. See Questions for discussion .
2.	40 minutes	Exercise	Action Plan exercise: Identify fields of cooperation with employers' and/or workers' organizations. See Tool 10.1 .
3.	15 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- What do you know about the employers' and workers' organizations in your country?
- Does your association have regular contact with employers' and/or workers' organizations?
- Can you explain why?
- Which interests do an employers' organization represent?
- And which topics are brought forward by a workers' organization?
- Do they concern the members of your association?
- What are/would be mutual interests?
- What could be the potential fields of cooperation?



Key findings

Worldwide, trade unions and employers' organizations have broadened their focus of activity. As well as the protection of workers in formal sectors (public sector, industries) and defending the interests of large enterprises, they have developed more interventions for informal economy operators. This trend is often supported by government policies aimed at reducing poverty and promoting private sector development.²⁰

SBAs can benefit from establishing cooperation with employers' and workers' organizations in many ways. They are experienced in setting up and strengthening organizations as they often have an extended structure, with local and/or sectoral branches. Linking up with these branches can help you to improve the management of your association, in your efforts to lobby and to obtain technical advice.

Most of the time, employers' and workers' organizations are part of an established dialogue with the government (so called "social dialogue") on new laws and policy issues. Therefore, they can be good entry points for SBAs to have their concerns heard at the level of national government. Workers' and employers' organizations can also inform SBAs on new regulations and support for small enterprises.

Employers' organizations can provide services that are interesting for small businesses, like management training, certification, organization of trade fairs and seminars, marketing, facilitating business linkages and export.

In addition, trade unions can offer precious expertise to SBAs as they know about safety and health of workers. This is very important for SBA members, as healthy, happy workers generally work better. Some trade unions organize HIV/AIDS prevention campaigns or can advise on how to avoid accidents at the work place. They are also able to refer you to specific organizations providing assistance, for example, in areas such as hygiene and consumer safety, certification, combating child labour, etc.



FAQs

"I don't see why an association of business owners should seek cooperation with workers' organizations. Trade unions will make life more difficult for small entrepreneurs as we cannot comply with all sorts of workers' rights."

Self-employed and workers in the informal economy are indeed confronted with different problems from employees in larger businesses. Some trade unions have gained expertise in working with informal economy operators and know about their specific problems. They do not control whether businesses comply with regulations, but can help you to improve working conditions. Often, simple and non-costly measures can prevent work accidents or sickness. For example,

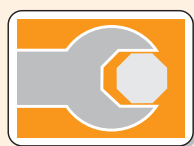
²⁰ See also: ILO, IOE, *Reaching out to SMEs. An electronic toolkit for employers' organizations*, Geneva, 2005, <http://learning.itcilo.org/sme/> and Stirling Smith, *Let's organize! A SYNDICOOP handbook for trade unions and cooperatives about organizing workers in the informal economy*, ILO, ICA, ICFTU, Geneva, March 2006

cleaning the workforce, using safety equipment (e.g. gloves, goggles, nose masks), light and ventilation (in some cases making a window will do!). Such measures do not only improve working conditions, but can also save money and increase productivity in the long run.

“The employers’ federation in my country represents only big businesses and is quite influential. Would they be interested in working with SBAs?”

You are right; the member bases of employers’ organizations and SBAs can be quite different, notably in the size and degree of formalization of the enterprise. However, this does not necessarily mean there is no mutual interest in working together. Large enterprises are usually very interested in small enterprises as suppliers. And vice versa, small enterprises can find new markets through large enterprises. Cooperation between an employers’ federation and an SBA can facilitate such business linkages. Employers’ federations usually aim at increasing their representation and speaking on behalf of a great number of entrepreneurs. Linking up with SBAs would be an interesting way of doing this.

TOOL 10.1 IDENTIFY FIELDS OF COOPERATION WITH WORKERS' AND EMPLOYERS' ORGANIZATIONS



Action Plan exercise to help participants to identifying possible ways of cooperation with trade unions and employers' organizations

Instructions

Group 1 – Answer the following questions:

1. Which trade unions do you know?
2. Do they belong to the same umbrella organization, federation or congress?
3. How could the trade union support your SBA?
4. What can you offer?
5. How can you approach them? (Who is your contact person? Or how can you find out? What will you propose?)

Group 2 – Answers the same questions for employers' organizations.

Suggested answers

For both workers' and employers' organizations, one can distinguish three main fields of cooperation: Lobby and advocacy, association building and technical services. Examples are:

Lobby & advocacy	Association building	Technical services
Setting the agenda	Legal status	Training
Skills improvement (e.g. dialogue, negotiation)	Membership acquisition	Certification
Access to interlocutors (national government, international federations and support agencies)	Financial management	Occupational Safety and Health
Joining large campaigns	Leadership	Business linkages, marketing, export, etc. (employers)
	Communication	Access to information and referral services
Etc.	Etc.	Etc.



User tips

Invite a representative from a trade union and/or employers' organization as resource person(s) for this session.



Related topics and tools

Module 9 Strategic planning and outreach, **Tool 9.2** Stakeholder analysis.

MODULE 11 SOURCES OF REVENUE



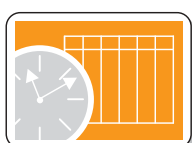
Trainer Note



Learning objectives

By the end of this Module, participants will:

- Have a better understanding of ways to generate and increase the association's income
- Acknowledge the importance of a continuously growing membership base for income generation through membership dues and fees for services



Session plan

Step	Time	Activity	Description
1.	15 minutes	Plenary discussion	Invite participants to share their association's experiences with internal funding. See Questions for discussion .
2.	40 minutes	Exercise	Groupwork: Reverse the cycle. See Tool 11.1 .
3.	30 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- Is your association financially strong enough?
- What sources of income has your association?
- Does your association earn more from dues or from services?
- Do members pay their dues regularly?
- What happens if membership dues are too low?
- Are members willing to pay for the services rendered?
- Can you explain their attitude?
- What other services could your association develop in order to increase its fee based income?



Key findings²¹

There are two basic internal sources of funding: 1) membership dues, and 2) fees for services rendered. The one-time registration fee also provides income but usually only covers the administration costs related to the registration and, therefore, cannot be used for other purposes, such as initially offering a service at below market price level in order to enter the market.

In the long run (about 10 years), associations should develop a funding structure based on 40% of income coming from membership dues and about 60% from fees for services rendered. However, in reality the funding structure often largely depends on donor assistance (see **Module 12** Mobilizing external funds).

Donor assistance will not continue indefinitely, so that in the medium and long term the importance of generating income through membership dues and fees will increase.

Key to increasing income through membership dues and fees is increasing the membership base. The higher income permits the development of more and better services, potentially attracting more members. Additionally, a greater number of members increases the representation of the association's interests. This augments the association's credibility in its lobby and advocacy activities (see **Module 19** Delivering advocacy services) and this success, in turn, is likely to attract new members.

Associations can develop fee-based services for their members (for special rates), for non-members (for much higher rates) and by taking up delegated government functions such as tax collection. Association services will be further discussed in **Part V** Strengthening SBA service delivery.



FAQs

“It appears that a growing membership is key to increasing income and improving services. But how can we reach new members with the little funds we have so far?”

It is true that with a growing number of members, the association funding augments through more membership dues and more fees for services rendered. With the extra income the range of services can be improved and expended. The challenge is to find ways to attract new members. Making use of your current membership base through a member-to-member system is a good start. Every member defines a price discount, which their business enterprise offers to any other member. Non-members are excluded from this discount. This presents non-members with a considerable incentive to become a member and benefit from the preferential status. Other strategies to attract new members are: offering reductions or services free to members for recruiting new members; the organization of open-house days, social events (e.g. business luncheon),

²¹ Source: Torsten Schumacher, *Attracting new members/membership administration. Practical Recommendations and examples*, ZDH/SEQUA, 2001.

cooperation with other organizations and the use of recruiting officers (provided that the benefits outweigh the costs).²²

“Since its creation, our association has had financial problems. How can we increase the association’s internal income?”

Besides the membership dues, income can be generated through regular or specific activities. For example, regular activities can include renting out machinery, levying commissions on commercial transactions (bulk purchase) or asking fees for services to members (members contribute to training costs, pay interest on loans, etc.). Special events can also generate income, for example the organization of a trade fair. Other associations increase their income from capital and assets of the organization such as rent from buildings, interest on savings, etc.

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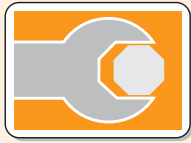
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PART IV

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²² Torsten Schumacher, *Attracting new members/membership administration. Practical recommendations and examples*, ZDH/SEQUA, 2001, p.1-4.

TOOL 11.1 REVERSE THE CYCLE

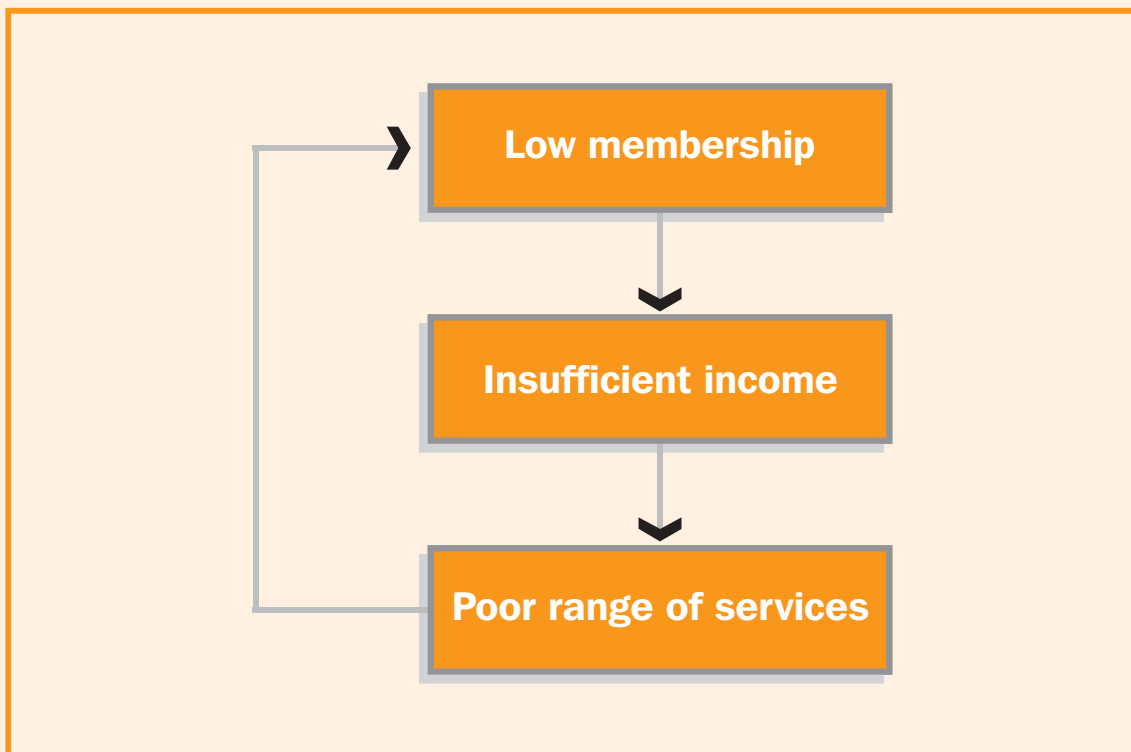


Group exercise to assist participants in developing strategic responses for poorly performing associations

Groupwork instructions

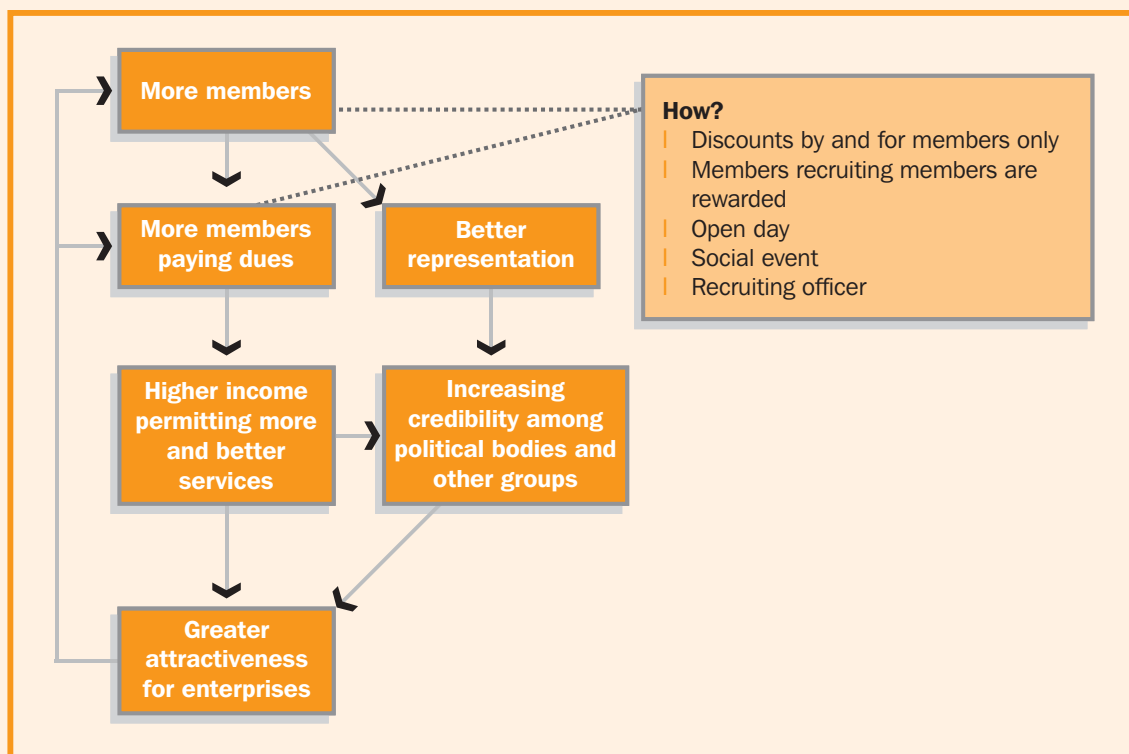
1. Have a look at the graphic below and explain its meaning.
2. Try to reverse the cycle positively:
 - What would be the positive effects of a greater number of members on the association's activities and funding?
 - How could you achieve that?
 - What actions would you need to undertake?
3. You can present your answers in a graphic.

The vicious cycle of poorly performing SBAs²³



²³ Torsten Schumacher, *Attracting new members/membership administration*, ZDH/SEQUA, 2001, p.1.

Possible answers²⁴



User tips

After the groups have presented their work, you can distribute the graphic on possible answers. If there is not much time, request participants to focus on the new (positive) cycle and less on the “how” question.



Related topics and tools

Tool 7.1 Suggested elements of an SBA constitution, **Module 12** Mobilizing external funds, **Tool 16.1** Design a pamphlet for a business counselling unit.

²⁴ Source: adapted from: Torsten Schumacher, *Attracting new members/membership administration*, ZDH/SEQUA, 2001, p. 2 and 4.

MODULE 12 MOBILIZING EXTERNAL FUNDS



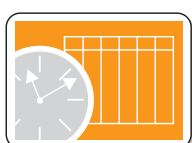
Trainer Note



Learning objectives

By the end of this Module, participants will:

- Appreciate the complementary value of external funds for the association's resources
- Have acquired the skills to prepare project proposals
- Be able to contribute to a cost-benefit analysis



Session plan

Step	Time	Activity	Description
1.	20 minutes	Plenary discussion	Encourage participants to reflect on the various aspects of raising and managing external resources. See Questions for discussion .
2.	45 minutes	Exercise	Groupwork: Cost-benefit analysis. See Tool 12.1 . Or Action Plan exercise: Define your resource mobilization strategy. See Tool 12.2 .
3.	20 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- What projects (e.g. new services, etc.) does your SBA wish to undertake?
- How do you go about fund raising?
- Do you need external funds?
- How can you raise funds yourself?
- Have you approached potential donors?
- What is their policy on funding associations?
- How ready are you to plan the project you need the funds for?
- How do you present this project?

- What is its justification?
- What results will the donor see for giving you the money?
- Who will benefit from your project?
- How can advantages be maximized for women members?
- Who will run the project?
- Do you have the management capacity?



Key findings

External funds are a useful addition to internal resources. Internal resources are very important for the long-term stability of the association. A solid policy of self-reliance for the core activities of the association is an important advantage for attracting external resources.

The external resource base should be as diversified as possible to prevent too much dependency on one particular donor.

Research is needed on different donors and their programmes and the requirements for proposals.

There is a logic to the requirements and forms that donors ask for. It pays to understand the logic and give honest answers and detailed information. (See **Tool 12.3** Outline project proposal)

It also pays to get to know the officers and consultants who work for the donor, even if you do not intend to submit a proposal immediately. In such contacts, it is useful to supply a leaflet or information sheet giving the basic data on your association.

The association might hire a consultant to do a cost-benefit analysis when you need to know more about the profitability of an economic activity. The consultant has to work closely with the association to discuss the different hypotheses and to build the study on all available knowledge within the association.

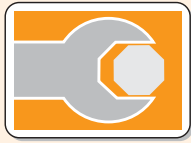


FAQs

“Our association has many difficulties in contacting donors in the capital. How could we best approach them?”

First of all you need to be prepared. Which organizations exist and what are their policies and programmes? A lot of information may be found from other business organizations, in the newspapers, on the Internet or through personal contacts at seminars and workshops. It is also important to give basic information on your association (contact person, address, mission, how many members, current activities, successes so far, etc.). You could, for example, invite representatives of donor organizations to visit the association and some of its members, or to participate in a special event such as a workshop, exhibition and trade fair, etc.

TOOL 12.1 COST-BENEFIT ANALYSIS



Group work exercise providing participants with the basic elements to be included in a cost-benefit analysis

Instructions

- Your association wishes to construct new working premises and needs to know more about the profitability of this undertaking.
- Prepare an outline for a cost-benefit analysis. What are the elements that should be included?

Suggested answers

The outline of a cost-benefit analysis includes the following elements:

- Description of the economic activity (e.g. construction of working premises)
- Initial investment: capital goods and working capital
- Projected incomes: quantity sold, per month, per year, at what price
- Projected operational expenses: salaries, rent, electricity, transport, etc.
- Projected profit and loss statement (See **Tool 13.3**)
- Cash flow forecast (See **Tool 13.4**)
- Own contribution to financing
- Proposed loan: amount and repayment period (including grace period)
- Collateral



User tips

This exercise is most relevant for participants who are already familiar with financial management. The exercise can also be done after having discussed Module 13 Managing association finances.

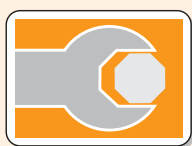
In the discussion on the outcome, it should be emphasized that a cost-benefit analysis is one of the elements that contribute to the feasibility of the undertaking. Another important issue is the management capacity of the association to implement the project.



Related topics and tools

Module 6 Communication, **Module 13** Managing association finances, **Tool 13.3** Example profit and loss statement, **Tool 13.4** Example cash flow forecast, **Tool 14.2** Quick analysis for service delivery.

TOOL 12.2 DEFINE YOUR RESOURCE MOBILIZATION STRATEGY



Action Plan exercise to help participants in identifying the various steps in resource mobilization

Instructions

1. Pick one project your association would like to undertake.
2. Map out potential funding sources (internal and external). Prioritize the three most important ones.
3. How will you approach these potential donors? Give three examples.

Possible answers

1. Project ideas can include:
 - Offer a new service to the members (credit, counselling, advocacy, etc.)
 - Attract new members
 - Construct new working premises
 - Purchase new equipment
2. Potential sources to finance the new project include:
 - Members paying fees (rent, interest, etc.)
 - Offering the service for a higher rate to non-members
 - Membership dues
 - Cost sharing with other business associations
 - Local government
 - National government
 - Companies
 - Foundations
 - Banks
 - International organizations (NGOs, development organizations, embassies, etc.)
 - Organizations abroad (e.g. chambers of commerce, business federations, companies)

3. Ways to approach and mobilize resources:

- Prepare a brochure on the association
- Disseminate information on the new service (flyer, radio, mailing)
- Invite potential clients and donors to a special event (open day, trade fair, business luncheon)
- Prepare a project document
- Visit potential clients, suppliers and donors



User tips

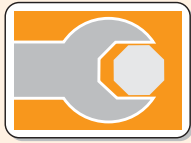
Participants can include the outcome in their action plan.



Related topics and tools

Module 6 Communication, **Module 9** Strategic planning and outreach, **Tool 9.2** Stakeholder analysis, **Module 11** Sources of revenue, **Tool 12.1** Cost-benefit analysis, **Tool 12.3** Outline project proposal, **Module 13** Managing association finances, **Tool 14.3** Format reference list.

TOOL 12.3 OUTLINE PROJECT PROPOSAL²⁵



Handout for participants providing the key elements of a project proposal

Project title:	Reflects the central idea of the project
Justification:	The main reason why the association wants to launch the project
Description of the association:	Its mission, membership, activities
The objectives of the project:	What is the problem the project should address? What is the opportunity that it wants to exploit? For example: increasing women's access to credit.
The target group:	The number of beneficiaries and their characteristics: sex, age, location, level of skill and income, etc.
Expected outputs:	What will be the effect of the project on the target population? For example: 20 women's groups have obtained loans.
Activities:	Description of the activities that will be organized under the project to achieve the outputs. For example: training the beneficiaries, creating a revolving fund, etc.
Indicators:	Indicators that can be checked for evaluating project performance. For example: the number and volume of loans, the repayment rate, etc.
Expected cost:	How much finance is needed? What will the organization contribute? Are there other sources?
Implementation arrangements:	Who will execute the project and how? Staff or volunteers – Describe their qualifications and experience.
Sustainability of the project:	How will the association continue its activities at the end of the project, with what resources? (Eventually do a cost-benefit analysis, see Tool 12.1)



User tips

Participants can use the tool as a checklist in the follow-up to the training. Be aware that this outline is an extensive one and often a shorter format would suffice. It is likely that donors will request a different format for a project document.



Related topics and tools

Module 6 Communication, **Module 13** Managing association finances, **Tool 12.1** Cost-benefit analysis, **Tool 12.2** Define your resource mobilization strategy.

²⁵ Based on "Programa de Capacitacion : Liderazgo Democrático y Gestión de Proyecto para Dirigentes de Organizaciones Microempresariales" , PROMICRO-ILO, Quito, Octubre 2000, Leccion 12

MODULE 13 MANAGING ASSOCIATION FINANCES



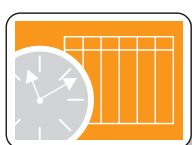
Trainer Note



Learning objectives

By the end of this Module, participants will:

- Understand the importance of a transparent financial system for SBAs
- Have the capacity to guide the establishment of a simple accounting and financial system
- Know how to make use of financial information for planning future activities



Session plan

Step	Time	Activity	Description
1.	20 minutes	Plenary discussion	Ask participants to share their knowledge and experience of financial management in their association. See Questions for discussion .
2.	45 minutes	Exercise	Action Plan exercise: Improve your association's financial management. See Tool 13.1 .
3.	20 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- What kind of financial records are kept at the moment and how well are they working?
- How well are they understood?
- Can you explain in simple terms the meaning of a budget, a balance sheet, a profit and loss statement, a cash flow forecast?



Key findings

Without a transparent, comprehensible and workable financial system, SBAs risk disagreement or distrust over financial matters, thus losing credibility. Reliable and clear financial data is the foundation for strategic decisions.

The two key financial reports which members and outsiders will look at to judge how healthy the organization is, are:

- The **budget**, a financial plan that shows the association's expected income and expenditures over a period of time (usually one year)
- The **balance sheet**, that shows the association's assets (money, equipment, etc.) and liabilities (money or services owed to other people). See **Tool 13.2**

Other important documents are:

- the **profit and loss statement** showing how much money the association is making or failed to make. See **Tool 13.3**
- the **cash flow forecast**, a document that monitors future incoming bills and ensures there will be sufficient funds to cover them. See **Tool 13.4**

Inspection of the accounts, or audit, indicates whether the accounts represent a true and fair view of the association's financial situation. It should reveal mistakes or fraud and can be carried out by the internal auditors or by a specialist company of external auditors. In both cases, the report is presented to the general assembly.

How to use a bookkeeping system and the various record books should be understood not just by the treasurer and relevant staff, but by all leaders and, in general terms, by the members.



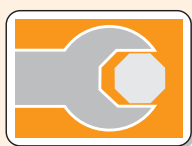
FAQs

“Do you need a bank account for proper financial management? I trust my association's treasurer better than bank people I don't know and whom you need to pay”.

A bank account is not always a prerequisite for sound financial management, but it presents many advantages and is indispensable for associations with an important number of financial transactions with members, enterprises, donors or the government. A bank account allows the association to pay its bills by cheque instead of using cash all the time. You can also receive income via bank deposits or bank cheques. The monthly bank account statements list all money paid into the account and all money withdrawn or paid as cheques. This statement will help you in checking your records or if the bank has made a mistake. The bank normally charges a fee for these services. Banks are subject to strict national laws and procedures. A trustworthy bank is usually registered at the level of the Central Bank. However, like any other enterprise, banks can face difficulties in rendering top quality services due to the macro-economic situation, liquidity problems, managerial mistakes, etc.



TOOL 13.1 IMPROVE YOUR ASSOCIATION'S FINANCIAL MANAGEMENT



Action plan exercise to help participants to identify activities to improve the financial management of their association

Discuss the following questions:

- What do you know about the financial situation of your association?
- What would you need to know about it? Why?
- Who does the financial management (treasurer, member, external accountant, ...)?
- Is the information easy accessible and shared with members?
- Do members understand financial information?
- What changes would you suggest to improve the financial management of your association?

Possible answers:

- Members need to know how healthy their association is, in financial terms, as the success of their own business may depend on it!
- Informed members can:
 - Participate more actively in the management of their association (e.g. general assembly, special committees, attracting members, resource mobilization);
 - Suggest changes and improvements;
 - Make strategic decisions on, for example, the continuity of their membership.
- Suggestions for the improvement of the financial management could include:
 - Organizing information sessions for members;
 - Training for those (staff) members in charge of the bookkeeping;
 - Rewarding volunteers who assist in the financial management of the association (e.g. through a discount on services, membership dues, etc.);
 - Hiring external expertise (e.g. accountant);
 - Changing plans and priorities to redress the situation;
 - Cooperating with other organizations.



User tips

Be aware of existing sensitiveness and potential tensions that may arise when those in charge of the financial management and those who are not, need to analyze the situation together. Mixing people from various associations may be a solution.



Related topics and tools

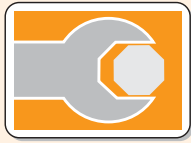
Module 5 Leadership, **Module 6** Communication, **Module 11** Sources of revenue, **Tool 13.2** Example balance sheet, **Tool 13.3** Example profit and loss statement, **Tool 13.4** Example cash flow forecast.



PART



TOOL 13.2 EXAMPLE BALANCE SHEET



Handout for participants in support of the discussion on SBA financial statements

The balance sheet covers all assets and liabilities. It is a picture of the financial situation of the SBA at any given time (usually at the end of the year's accounts).

The **net worth** of the association is calculated by adding up all that the association **owns** (the assets) and subtracting all the money it **owes** (the liabilities and other financial obligations). This provides a picture of the financial health situation of the organization.

December 31

ASSETS	LIABILITIES
Cash in hand	Creditors
Cash in bank	Loans
Debtors and advances paid	Reserves
Stocks of raw materials and goods	Equity capital
Fixed assets: land, buildings, furniture, machinery, equipment etc.	Retained earnings
Total xxxxx	Total xxxxx



User tips

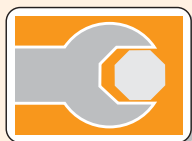
Invite an accountant as a resource person to guide the session on financial management.



Related topics and tools

Module 5 Leadership, **Module 6** Communication, **Module 11** Sources of revenue, **Tool 13.1** Improve your association's financial management, **Tool 13.3** Example profit and loss statement, **Tool 13.4** Example cash flow forecast.

TOOL 13.3 EXAMPLE PROFIT AND LOSS STATEMENT



Handout for participants in support of the discussion on SBA financial statements

This record shows whether your association is earning a profit or making a loss over a certain period. It indicates whether additional resources (equivalent of profits) are available for developing more activities.

January 1 – December 31

EXPENSES	INCOMES
Office supplies	Membership registration fees
Salaries	Membership dues
Office rent	Subsidies
Office maintenance	Incomes from other activities
Purchase of goods	Sales of goods
Annual depreciation	
Total A	Total B
Difference B minus A = profit (or loss)	



User tips

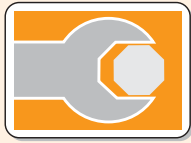
Invite an accountant as a resource person to guide the session on financial management.



Related topics and tools

Module 5 Leadership, **Module 6** Communication, **Module 11** Sources of revenue, **Tool 13.1** Improve your association's financial management, **Tool 13.2** Example balance sheet, **Tool 13.4** Example cash flow forecast.

TOOL 13.4 EXAMPLE CASH FLOW FORECAST



Handout for participants in support of the discussion on SBA financial statements

The association must always have enough cash available when its expenditures fall due. A forecast plan allows the association to see how much cash comes in and how much is spent each month. This allows it to anticipate cash shortages and take remedial measures, such as borrowing money or deferring payment of a bill. This ensures there is always more “cash in” than “cash out” and preserves the association’s creditworthiness.

Six monthly Cash Flow Plan

Items	January	February	March	April	May	June
Cash receipts						
Membership dues	3000	4000				
Incomes from sales	10000	8000				
Provision of services	40000	30000				
Total receipts	53000	42000				
Cash disbursements						
Salaries	25000	25000				
Rental	5000	5000				
Office supplies	3000	4000				
Equipment	8000	10000				
Total disbursements	41000	44000				
Balance	12000	-2000				
Add: beginning balance	-	+12000				
Ending balance	12000	10000				



User tips

Invite an accountant as a resource person to guide the session on financial management.



Related topics and tools

Module 5 Leadership, **Module 6** Communication, **Module 11** Sources of revenue, **Tool 13.1** Improve your association's financial management, **Tool 13.2** Example balance sheet, **Tool 13.3** Example profit and loss statement.

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II

III

PART

IV

V

PART V IN BRIEF

This part of the Trainers' Manual deals with the various types of services an association can offer its members, such as financial services, business development services, health support services, as well as other social support services. Throughout the modules, participants will learn of different ways of service delivery, ranging from direct provision of services to referring members to other service providers. The modules help participants to make strategic decisions on service delivery and provide guidance on how to prepare and implement the services.

Module 14 discusses the various questions to take into account when deciding on services. **Module 15** explains how to respond to members' need for credit. **Module 16** lays out what is involved in the provision of business counselling services. In **Module 17** key issues in delivering training services are discussed which are particularly relevant in a training of trainers setting. **Module 18** focuses on the interests at stake in delivering commercial services. In **Module 19** participants will learn about the purpose, necessary skills and planning of advocacy services. **Module 20** explains various social support services SBAs can deliver to improve their members' working conditions and business performance. Closely linked to this is **Module 21** in which one type of social service is dealt with in more detail. It discusses health support services in terms of prevention, education and micro health insurance schemes.

Practical exercises and handouts can be found in the tools. Some of them are marked as "Action Plan exercises" and can become part of the participants' Action Plan for follow-up to the training.

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II

III

IV

PART

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MODULE 14 DECIDING ON THE SBA SERVICES



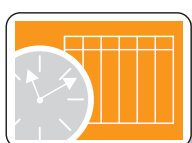
Trainer Note



Learning objectives

By the end of this Module, participants will:

- Have a greater understanding of the range of services SBAs can offer their members
- Know how to take well informed and strategic decisions in service delivery by or through the association



Session plan

Step	Time	Activity	Description
1.	20 minutes	Plenary discussion	Invite participants to share their experiences and views on service delivery. See Questions for discussion .
2.	50 minutes	Exercise	Groupwork on accessibility of services. See Tool 14.1 . Or Action Plan exercise on assessing the feasibility of a service. See Tool 14.2 . Or Groupwork: Identify SBA services (based on Tool 19.2) Design an advocacy campaign).
3.	15 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- What are your members' priorities?
- What do they need?
- What do they want?
- How do you know?
- Where do your members obtain such services today?
- Are they available from other providers?

- Is this equally true for the women and men among your members?
- What else do you need to know before a decision can be made about the provision of a service?
- How best do you deliver services to your members?
- Do it yourselves?
- What are your association's management, skills and funding strength to take on these services?
- How many services can your association take on board?
- Will you go into partnership with another service provider?
- Will you contract the service out?
- Or will you just refer members to other service providers?
- What are the economies of scale you need to run the service?
- How big does it have to be before it will be profitable?
- How many people will use it?
- What will it cost to provide it and how do you recoup the cost?
- What are the start-up costs?
- Will you have to sell it to non-members (if so, on what conditions, e.g. a higher price?) to break even?
- To make profit?



Key findings

Services cover a range of ways to help strengthen members' businesses. Some involve training, counselling and information, others involve building commercial links or providing financial services or access to them. There are also more political-type activities, such as lobbying government or influencing public opinion. And there are services that respond to members' social needs such as social insurance, child care, etc.

The association cannot hope to solve all the problems of all its members. Its management and financial capacity will always be limited. Therefore, it should take decisions on which activities to pursue.

It is important to manage each service carefully, which means assessing the demand for it, the cost of it, the income that it may generate or the means to pay for it.

The association itself can provide some services, others can be furnished through the association acting as a broker and negotiating a good deal with another provider.



FAQs

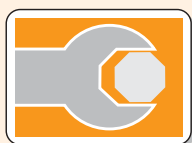
“I doubt whether my association has sufficient capacity to gather all the needed information before deciding to start an activity. And we do not have the money to pay for expensive consultants. What could we do?”

It is indeed not easy to start with data collection. One should know where to go and what to ask. Discussions with your members will indicate what services are going to help them. Assessing your association's capacity, and requirements of services in general, would be helped by the following steps (see **Tool 14.2**). Preparing a list of institutions and organizations where you can get information or assistance is also useful (see **Tool 14.3**). Information and assistance provided by public agencies is often available at low costs or even free. The knowledge that is already available among your members should also not be underestimated. Through their professional and social network (clients, family, women's groups, church) they have often heard of interesting services or service providers. Contracting an expert or consultant for a feasibility study is often inevitable. But with all the preparation already undertaken by you, their task will be more focused and less time consuming. Someone from your association should be intensively involved in the feasibility study. It is a learning exercise that will provide you with useful skills! The costs of the feasibility study should be seen as a valuable investment that can easily be recuperated by a commercially sustainable service.

“I don't think it is good for business associations to get involved in politics. Political activities will distract from the association's core business and authorities might not appreciate the interference of business people.”

Associations cannot (and should not want to) respond to all members' needs. But when your members face serious difficulties in running their businesses because the legal environment is not very favourable, it is often worthwhile to think of proper solutions. In some countries for example, the registration of the business is cumbersome, taxes are too high for small businesses, custom procedures cause delays in getting inputs, informal market stands are prohibited, or it is difficult for small businesses to comply with labour standards. Sometimes, authorities and government agencies are not aware of the particular difficulties faced by small businesses and they appreciate the information you provide. In other cases, your organization can link up with bigger business or employers' associations (federation) that have more experience in discussing with government authorities. Sometimes such federations can also assist you with guidelines to improve, for example, working conditions or productivity. Finally, one should not forget that productive, profitable and safe enterprises are benefiting employers, employees and the national economy alike! (See also **Module 9** on Strategic planning and outreach, **Module 10** on Working with employers' and workers' organizations and **Module 19** on Delivering advocacy services).

TOOL 14.1 ACCESSIBILITY OF SERVICES



Groupwork to raise participants' awareness on difficulties experienced by special groups of members in accessing services

Group work instructions

1. Discuss why a number of services are difficult to obtain for some of your (future) members (like women, migrants, young, poorly educated or physically disabled entrepreneurs)?
2. What could your association do to overcome these accessibility problems? Give practical examples.

Possible answers

1. Obstacles and prejudices these entrepreneurs can encounter in obtaining services (credit, training, counselling, etc.) may include:
 - Women businesses are too small/do not present enough growth potential to make the service worthwhile.
 - Women entrepreneurs spend loans on family expenses rather than on the business.
 - Migrants who are new to a community may lack a social network/solidarity mechanisms to obtain a loan or present a guarantor to the bank.
 - Migrants and other minorities (ethnic, religious) may also experience a hostile attitude because of their origin/language.
 - Young entrepreneurs may not be taken seriously by institutions and association members and may be obliged to establish their businesses first without assistance/services.
 - Poorly educated entrepreneurs may have difficulties in getting a loan (lack of numeric skills) or may encounter language problems.
 - Physically disabled entrepreneurs are often not considered as business partners/potential association members but as vulnerable persons who do not need business services, but social help.
 - Physically disabled entrepreneurs can encounter mobility problems (getting to the service provider) or communication problems (e.g. lack of sign language translation).
2. SBAs can undertake activities, such as:
 - Combating prejudices within and outside the association through awareness raising, meetings, enterprise visits.
 - When promoting your association/recruiting new members, make sure your campaign reaches women, young people, migrants and disabled entrepreneurs.

- Encouraging a representative association management that reflects your membership base.
- Linking more experienced members with young entrepreneurs through mentorship programmes.
- Organizing training in sign language for business trainers, consultants or association members.



User tips

Invite a representative of a federation or organization of disabled persons as a resource person.

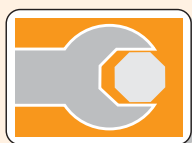
Identify a few good practices in increased accessibility of services and use them as case studies in this session.



Related topics and tools

Tool 4.1 Facilitate women's participation, **Module 20** Delivering social support services, **Tool 20.1** Identify and prepare social support services.

TOOL 14.2 QUICK ANALYSIS FOR SERVICE DELIVERY



Action Plan exercise to help participants to make strategic decisions on service delivery through their association

Group work instructions

1. Discuss the questions mentioned under step 1 “Assess members’ demands”.
2. Prioritize one service your association would like to provide.
3. For this service, answer the questions mentioned under step 2 “Assess the requirements for the service/association capacity” (If data are not available, you can make some assumptions and go to next question).
4. For this service, answer the questions under step 3 “Assess external service provision” (also here you can make some assumptions).
5. Conclude if and how your association would provide the service on the basis of the questions under step 4 “Decide: options in service delivery”.
6. Present your conclusions to the plenary (max. 5 minutes).

Step 1 Assess members’ demands

SBA services need to be accessible and relevant to (almost) all members (and eventually to clients from outside). Through discussions with members, the SBA management must answer questions such as:

- What do members consider to be the main obstacles in their businesses?
- What do members need to address these obstacles? Prioritize activities (for example access to loans might need to be proceeded or accompanied by business management training)
- Are members willing to tackle the need or problem confronting them?
- Which services are going to help a members’ business and also a members’ business capacity and confidence (empowerment)?
- Is there a difference in needs and obstacles between men and women among your members?

Step 2 Assess the requirements for the service/association’s capacity

- Does the activity fit into the overall vision of the association?
- Is the activity feasible from a technical point of view?
- What is its economic viability (revenues versus costs)? Is it viable at the level of the association and at the level of the member enterprises?
- Is there sufficient (active) support and genuine commitment within the association to make this activity successful?
- Is the activity in line with existing social values?

- Is it an activity that can be easily managed, taking into account the existing skill and experience of the leaders and staff and the level of involvement of the members?
- Is there no existing activity or service that can address the need?

Step 3 Assess external service provision

- What other organizations are providing these services?
- Are these other services available to the association's members?
- What is their quality? What is their cost?

Step 4 Decide: options in service delivery

On the basis of the answers to the above questions one might decide to:

- Proceed or abandon the project of delivering this service
- Re-examine the way the activities will be implemented
- Scale down the activity or, alternatively, increase its size (for example by providing the service to non-member clients)
- Collaborate with other business associations, other partners or the government to implement the activity
- Negotiate with other partners to allow association members to access their services and activities
- Influence other organizations to change their procedures or services to accommodate the needs of the association members



User tips

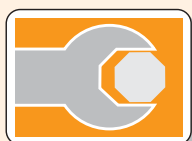
For more experienced participants, the trainer can distribute the questions at the end of the exercise to let the participants check whether they have taken into account all the elements in their analysis.



Related topics and tools

Tool 12.1 Cost-benefit analysis, **Tool 14.3** Format reference list

TOOL 14.3 FORMAT REFERENCE LIST



This handout – to be completed by the trainer – lists institutions and organizations where SBAs can find technical assistance and information that will help them in delivering services

SBA information need	Institution/Source	Address	Contact person
Registration	<ul style="list-style-type: none"> ● Chamber of Commerce ● Municipality ● SME Support Agency 		
Certification	<ul style="list-style-type: none"> ● SBA Federation ● Centre for Management and Productivity ● Training Institute 		
Food processing/hygiene	<ul style="list-style-type: none"> ● Customer Safety and Security Service ● Food and Drugs Board ● National Standard Board 		
Gender equality/Women entrepreneurs	<ul style="list-style-type: none"> ● Ministry for Women Affairs ● National Board of Women Entrepreneurs ● SME Support Agency 		
HIV/AIDS	<ul style="list-style-type: none"> ● Ministry of Health ● NGOs 		
International business contacts	<ul style="list-style-type: none"> ● International Chambers of Commerce ● Embassies ● Foreign Investment Agency 		
Labour conditions (labour law, child labour, minimum wage, ...)	<ul style="list-style-type: none"> ● Ministry of Labour/local labour officers ● Workers' organizations ● Employers' organizations ● NGOs 		
Skills training	<ul style="list-style-type: none"> ● Ministry of Labour ● Vocational Training Institute 		

PART

V

SBA information need	Institution/Source	Address	Contact person
Sponsors	<ul style="list-style-type: none"> ● Embassies ● International organizations ● Government agencies ● NGOs ● Enterprises 		
Tax and Customs	<ul style="list-style-type: none"> ● Municipality ● Tax office ● National import/export agency 		
Transfer of knowledge and techniques	<ul style="list-style-type: none"> ● Input supplier ● SBAs/SBA Federation ● Client sub-contracting the SBA 		
Use of primary resources, waste	<ul style="list-style-type: none"> ● Environmental Protection Agency ● Municipality 		



User tips

The trainer can invite a resource person from one of these institutions to present its expertise and services.



Related topics and tools

Tool 1.2 Institutional and policy mapping, **Module 9** Strategic planning and outreach, **Tool 9.2** Stakeholder analysis, **Tool 12.2** Define your resource mobilization strategy.

MODULE 15 DELIVERING FINANCIAL SERVICES



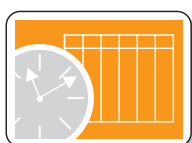
Trainer Note



Learning objectives

By the end of this Module, the participants can:

- Design an appropriate response to the demand for credit from members
- Analyze their members' demands
- Assess the savings capacity of their members
- Map the local financial market



Session plan

Step	Time	Activity	Description
1.	20 minutes	Plenary discussion	Stimulate discussion on participants' experiences with credit. See Questions for discussion .
2.	45 minutes	Exercise	Action Plan exercise on steps to launch a savings and credit scheme. See Tool 15.1 .
3.	20 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- What is the demand for credit amongst your members?
- What are the obstacles to obtaining it?
- Are these the same for women and men?
- What advantages are there for your members because they are women?
- How could they be maximized?
- Do the members understand borrowing requirements?
- What is their ability to make repayments on a regular basis?
- How many have shown that they can save?
- What do you already know about the financing institutions in your area?
- What more do you need to find out?

(See also **Tool 15.2** Checklist for mapping the financial landscape).



Key findings²⁶

Credit can help entrepreneurs to take advantage of business opportunities, invest in equipment, hire people, improve their workplace, etc. Access to credit is important for business success, but other things are sometimes needed first to enable people to use it effectively and pay it back on time.

Owners of small enterprises often find that they cannot get the capital they need. Banks prefer to deal with larger corporations because of lower transaction costs and perceived risks.

Credit, adapted to the demands of small businesses, can be provided by a variety of (micro-finance) organizations, such as rural banks, NGOs, cooperatives, credit unions²⁷ and SBAs. Running a full credit service is a complex business. It is also a real business and needs careful management on a commercial basis. Interest rates need to be around commercial rates. Operational costs must be kept to a minimum.

A credit service may need to be set up as a separate legal entity with its own executive committee.

Giving out loans is only one half of a savings and loans facility. Saving needs to be learned first. The association could start small with a savings club.

Your organization could act as an intermediary with an existing financing institution, helping members to apply to the institution for loans, or even setting up a guarantee fund to make it more attractive for the financing institution to lend money to members.



FAQs

“The members of our constructors’ association are interested in getting credit for the purchase of equipment. I do not know where the money could come from because the members’ savings do not cover the credit needs.”

Generally speaking, the funds for loans can come from inside the association, from members’ money deposited in saving accounts; or it can come from outside sources such as a loan from a bank or grant from a donor. The disadvantage of these last two options can be that members are less motivated to repay money belonging to an “impersonal” bank or wealthy donor. Eventually, your association could, partly, guarantee the loans provided by a bank using association capital or assets. The multiplier effect, meaning that the bank gives out more loans than the guarantee covers, will make the credit accessible to more members. Another option can be to negotiate a credit or leasing facility with the equipment supplier. Depending on the type of equipment and its expected use, you could also think of organizing the work differently. In this way

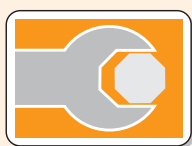
²⁶ For further information on saving and credit services, see: <http://www.ilo.org/social/finance>

²⁷ For information on cooperative savings and credit schemes, see:
ILO, Agricultural Cooperatives Trainer’s Manuals: Rural savings and credit schemes <http://www.ilo.org/coop>
ILO, Credit Unions Trainer’s Manual: Credit union organization and management <http://www.ilo.org/coop>

you could realize economies of scale by, for example, leasing or sharing work premises and equipment (see also **Module 18** Delivering commercial services). It is important to take your time to study the different options carefully. Do not hesitate to involve an external micro-finance expert.



TOOL 15.1 STEPS TO LAUNCH A SAVINGS AND CREDIT SCHEME



Action Plan exercise to provide participants with a global overview of the different steps needed to launch a savings and credit scheme

Instruction

Write down the steps to launch a savings and credit scheme.

Suggested answer

- Step 1** Check local laws and regulations that deal with savings and credit
- Step 2** Carry out research among members to analyse credit demand and the savings capacity of potential members
- Step 3** Do a feasibility study with best and worse case scenarios of credit demands and costs
- Step 4** Recruit personnel with experience in the management of credit schemes and/or provide specific training
- Step 5** Write a constitution, organize the first general assembly of members and elect the executive committee and internal auditors
- Step 6** Start official registration and set up procedures for recording savings, making loans and following up repayments
- Step 7** Promote the savings and credit scheme among members
- Step 8** Start savings activities
- Step 9** Start lending activities



User tips

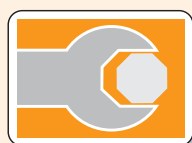
The checklist is especially useful for participants who are seriously interested in providing these services and want to have a clear picture of what is involved in terms of preparation.



Related topics and tools

Tool I.2 Institutional and policy mapping, **Tool 15.2** Checklist for mapping the financial landscape.

TOOL 15.2 CHECKLIST FOR MAPPING THE FINANCIAL LANDSCAPE²⁸



Handout to facilitate the collection of information needed to decide on the (in)direct provision of financial services

Demand Considerations	
Do members want financial services?	
What would suit members best in terms of: <ul style="list-style-type: none"> ● Loan size ● Term length ● Repayment frequency ● Other requirements 	
Additional info	
Market Considerations	
Can the scheme achieve sufficient economies of scale to cover its costs?	
Is there a demand for this service outside the association?	
Regarding repayment possibilities, is the target population a high risk group: <ul style="list-style-type: none"> ● What are their income and expenditure patterns (e.g., is there significant seasonality in their income and expenses)? ● Does the target group have a credit history? ● Do they already participate in collective saving and credit activities? 	
Additional info	

²⁸ Adapted from Judith van Doorn, Craig Churchill, Technical guidelines. Micro-finance against Child Labour, ILO, Geneva, 2004, p.9-13.

Supply Considerations

Are there existing formal/informal service providers?

Do existing service providers meet the potential demand?

Do existing service providers cover association members?

Do existing service providers have sufficient capacity?

Is there scope to establish linkages with existing providers?

Additional info

External Environment

Does the intervention take place in an inflationary environment?

Are there limits (ceiling) to the interest rates that can be charged?

Does the intervention take place in an environment with a corrupted credit culture?

Does the intervention take place in an environment with savings restrictions?

Additional info



User tips

The questions included in the checklist should be modified and complemented according to the local conditions.



Related topics and tools

Tool 15.1 Steps to launch a savings and credit scheme.

MODULE 16 DELIVERING BUSINESS COUNSELLING SERVICES



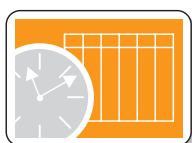
Trainer Note



Learning objectives

By the end of this Module, participants can:

- Provide examples of business counselling
- Assess if and how the association should do business counselling



Session plan

Step	Time	Activity	Description
1.	20 minutes	Plenary discussion	Ask participants about counselling needs and practices. See Questions for discussion .
2.	45 minutes	Exercise	Group work exercise: Design a pamphlet for a business-counselling unit. See Tool 16.1 .
3.	20 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- What do your members need: skills, know-how, tips on how-to-improve?
- What are existing sources of information on new products, business techniques and market access, available to your members and how good are they?
 - Do your members know how to access these sources?
 - What obstacles exist for your members because they are women or men?
 - How could these be overcome?
 - What advantages exist for your members because they are women or men?
 - How could they be maximized?
- Is there information that the association is particularly well suited to provide?



Key findings

Counselling is a practical advisory service giving tailored, usually one-on-one, assistance to members. It can be provided by other more experienced members, expert counsellors or mentors from other trade or business backgrounds. The association can be instrumental in linking members to counsellors.

Broader business advice is again tailored to the needs of members, and refers them to websites, or government information centres, or chambers of commerce, or other sources of information on new products, better suppliers, new markets, etc.

Information from private suppliers should be checked before passing on to members. Members need to feel that information and references from their association are accurate and ethical.

Such information can be gained through participation in trade affairs or meeting delegations from other business groups, regions or countries. An association can facilitate such contacts.

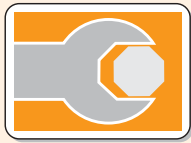


FAQs

“How can my association make business counselling financially sustainable? Our members cannot pay for each piece of advice.”

If members are not willing to pay for services, one should question whether the service is relevant and personalized enough. The advice should also be provided in a professional manner. Organizing group activities is more cost-effective than individual counselling. Linking up with other organizations that provide similar services is another way to achieve economies of scale. You can also consider providing similar services to non-members for higher fees. Building capacity of your members to help each other can also lessen costs. Generally speaking services, such as accounting and legal advice, technology access or marketing, have the potential to be completely cost recovering. For activities such as training, technical advice and information, the level of cost recovery is more difficult to achieve.

TOOL 16.1 DESIGN A PAMPHLET FOR A BUSINESS COUNSELLING UNIT



Group exercise to provide participants with further insight on types of counselling services and ways an SBA could provide them

Instructions

Imagine your association has just opened a business counselling unit. Now it is time to promote the unit among your members:

- Design a pamphlet advertising the unit's services, costs, opening hours, etc.
- Think of ways to attract members to this new service (e.g. promotional offers, slogans, etc)

Possible answers

The pamphlet needs to include:

- Information on affordable and special services for members :
 - “Know where to go: buy our Yellow Pages now”
 - “Puzzled with your book keeping? Call our accountant”
 - Directory of members
 - Tailor-made advice on marketing, technology and legal issues
 - Mentor club for young members
 - Etc.
- Upcoming events:
 - Open day
 - Business luncheon with special guest (company, support agency, another SBA. etc.)
 - Mentor meeting
 - Entrepreneur of the month contest
- Practical information
 - Name of the contact person(s), address, phone and fax numbers, website, e-mail opening hours, etc.
- Promotional offers, such as:
 - The ten first visitors receive a discount of 10% on their first consultation!
 - One Yellow Pages free on your subscription to the mentor club!
 - Come and see us and pick up your free copy of the members' directory!



User tips

Bring examples of similar pamphlets, brochures and flyers from peer organizations, support agencies, etc.



Related topics and tools

Module 6 Communication, **Module 11** Sources of revenue.

MODULE 17 DELIVERING TRAINING SERVICES



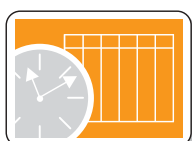
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Learning objectives

By the end of this Module, participants:

- Are able to find partners in training delivery
- Know how training programmes can be adapted to the needs and financial capacity of their members



Session plan

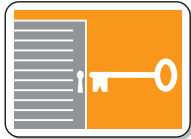
Step	Time	Activity	Description
1.	25 minutes	Plenary discussion	Ask participants on training programmes organized by their association. See Questions for discussion .
2.	40 minutes	Exercise	Groupwork: Identify resource persons. See Tool 17.1 .
3.	20 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- Do your members need training?
- In what skills?
- At what level?
- How do you know?
- Can the members pay for the training?
- How much?
- How much time do the members have available?
- Where is the best place for the training?
- Are there specific obstacles for your members because they are women, men, disabled or for other reasons?
- How could these be overcome?

- What are the characteristics you associate with effective training?
- What are the qualities of a good trainer?
- What are the qualities of a good learner?



Key findings

The successful provision of training rests on an accurate assessment of the learning needs of likely participants.

Experienced members, able to pass on their experience to others, could be trained as trainers.

The association could provide training directly. Or, it could negotiate with existing training providers on specialized courses tailored to members' needs. If many of your members need the training, you can negotiate a favourable rate.

Adults learn best by discussion and in learning-by-doing.

Training can also include such things as health education, vital to prevent accidents or disease that would affect the entrepreneur and their family.



FAQs

“I believe a business association focuses training activities on entrepreneurial skills and other business topics. The association should be careful in spending its scarce resources on training issues such as HIV/AIDS that are already provided by so many other organizations.”

It is certainly true that training carried out by business associations will primarily be on business topics (See **Tool 17.2** for examples on ILO entrepreneurship training programmes). However, there are a number of issues that have enormous impact on the viability of businesses. People are in business because they want income and to ensure a decent living for themselves and their families. Health is of primary importance for the businessperson, his or her employees and families. Medical costs can be a major headache for people in business. If you know of relevant health training programmes in your area, you can assess whether the training would fit your members' needs, taking into account that they may need more specialized and tailored treatment of topics, related to the workplace. For example: how to care for family members affected by HIV/AIDS so that their business can continue to operate; how to prevent and treat illness and accidents in the workplace; how to ensure hygiene in business operations (food shops, hairdressers and beauticians); or, how to adapt a workplace to allow people with disabilities to work productively there.

“I have experienced difficulties in getting enough members of my association to participate in our training activities. This has a negative impact on the cost effectiveness of our training services.”

There can be various reasons why not all members participate. Timing might be an issue: is the time of the day convenient for both men and women members? Location can be another one. Is it convenient for all? Communication is also important. Are all members well informed about the training programme? Is the duration of the learning day and course adapted to your members? And last, but not least: the training needs among your members might differ. You may very well design a training activity for only one group of members. Newcomers, experienced entrepreneurs, women may, however, have different training needs. If the group becomes rather small, you could involve non-members (at a higher rate) to make the course more cost effective.

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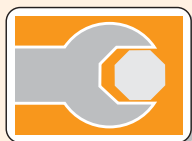
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PART

V

TOOL 17.1 IDENTIFY RESOURCE PERSONS



Group Exercise (ToT) to assist participants to find ways of bringing in specific expertise in training programmes

Instructions

Members of your association request training in, for example, marketing. You acknowledge their marketing problems and decide to organize the training. Your association has the capacity to carry out the training, although you would need to bring in some specific marketing expertise.

Discuss how you can bring in this expertise at a reasonable cost. List at least 4 possibilities. Be specific.

Possible answers

Ways to bring in expertise:

- Ask an experienced member to talk about his/her marketing strategy
- Send a member to a marketing course to become, thereafter, your main training resource person
- Invite a representative from a peer association to talk about his/her successful marketing practice
- Invite a (potential) client of your members' products to explain his/her requirements in terms of product quality, quantity, packaging, price, reliability, etc.
- Invite an expert from an export promotion agency, chamber of commerce or employers' federation to help your members explore new markets
- Invite a person who can talk about new developments in the production technology your members (want to) use.
- Invite an expert from the hygiene and consumer safety institute to explain production, packaging and sales requirements (relevant for food)
- Invite a marketing specialist (e.g. from an SME support agency, chamber of commerce, training institute, development organization)



User tips

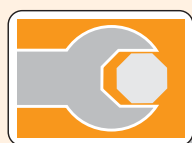
This exercise is particularly relevant in a training of trainers (TOT) workshop. It can be done for training in any other topic like financial services (**Module 15**) or health insurance services (**Module 21**).



Related topics and tools

Tool 1.2 Institutional and policy mapping, **Tool 14.3** Format reference list.

TOOL 17.2 ILO ENTREPRENEURSHIP TRAINING PROGRAMMES



Handout for participants to introduce them to key ILO entrepreneurship training programmes and materials

Name	Target groups	Description	More info
GET Ahead for women in enterprise	Trainers from ILO partner organizations Women entrepreneurs (in individual, family or group businesses)	Developing women's confidence, creating a business mind, managing people and risks, and grasping opportunities in the business environment.	http://www.ilo.org/public/english/region/asro/bangkok/library/pub4.htm
Start & Improve Your Business (SIYB)	Trainers from ILO partner organizations Potential and existing micro and small-scale entrepreneurs	Strengthen local business development service (BDS) providers to deliver <i>business management training</i> that will make it possible for micro and small-scale entrepreneurs to start and improve their businesses thereby creating sustainable jobs for themselves and others.	http://www.ilo.org/dyn/empent/empent.portal?p_docid=SIYBHEAD&p_prog=S&p_subprog=BD
Know About Business (KAB)	Teachers and instructors in vocational and technical training institutions Youth	Create awareness of enterprises and self-employment as a career option for young people in secondary and vocational education.	http://www.ilo.org/dyn/empent/empent.portal?p_docid=OBJECTIVES&p_prog=S&p_subprog=YE
Cooperative management training (MATCOM)	Trainers, cooperative colleges Managers of cooperative enterprises	Strengthen management capacities in various types of cooperatives (e.g. agricultural, consumer, workers' and handicraft cooperatives) through the promotion of practical skills like marketing, accounting, retailing, staff management, etc.	http://www.ilo.org/dyn/empent/empent.portal?p_docid=TRAINING&p_prog=C&p_subprog=HN www.coopnetupdate.org
SYNDICOOP	Trade union and cooperative trainers Informal economy workers	Move informal economy workers towards formalizing their economic activities and improving their working and living conditions, e.g. through increased access to social protection. Provide trainers with practical tools and methods on how informal economy workers can get organized in self-help groups and cooperatives through joint trade union-cooperative action.	http://www.ilo.org/dyn/empent/empent.portal?p_docid=SYNDICOOP&p_prog=C&p_subprog=MS

PART

V

Name	Target groups	Description	More info
FIT	Trainers/BDS providers Small businesses	Stimulating innovative Business Development Services for Small Enterprises. Examples of training topics include: facilitating enterprise visits, MSE shows, and rapid market appraisal.	http://www.ilo.org/dyn/empent/empent.portal?p_docid=FITABOUT&p_prog=S&p_subprog=BD



User tips

This handout is relevant in training of trainers workshops, especially for experienced small business trainers who want to assist SBAs in setting up entrepreneurship training activities.



Related topics and tools

Part I – Chapter 5 Steps in developing your training strategy.

MODULE 18 DELIVERING COMMERCIAL SERVICES



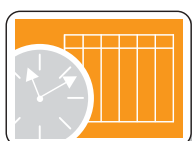
Trainer Note



Learning objectives

By the end of this Module, participants:

- Can list a number of commercial services
- Are aware of the interests at stake and other key issues in delivering them
- Are able to prepare a commercial service



Session plan

Step	Time	Activity	Description
1.	25 minutes	Plenary discussion	Encourage participants to share their views and experiences with commercial services. See Questions for discussion .
2.	40 minutes	Exercise	Groupwork: "Interests at stake in commercial services". See Tool 18.1 . Or Action Plan exercise: organize an exhibition. See Tool 18.2 .
3.	20 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- In what ways could members' existing supply or marketing problems be solved through some kind of cooperative venture: cooperative buying or cooperative selling?
- In what ways would the business of major suppliers to your members (or of major customers for your members' products) be enhanced if you were to negotiate with them on the basis of bulk sales (or bulk purchases)?
- Could your members work together sufficiently to meet the requirements of such an arrangement?
- Would they be able to buy enough products or produce enough products?
- Of the required quality?

- Would they deliver them (buy them) at the right time?
- What obstacles to benefiting from commercial transactions are there for your members?
- How could these be overcome?
- Are there impediments to your members' competitiveness that the association could remove?
- By organizing a publicity event? (See **Tool 18.2** Organize an exhibition)
- By providing more efficient, cheaper or accessible transport?
- By leasing machinery that everyone could use?
- By leasing factory premises?
- Or storage premises?
- How could this be managed?
- How would the vehicle, machinery or premises be maintained?
- What fees would be charged?



Key findings

The association can create economies of scale through assembling members' demands for supplies and services or assembling members' production capacity. With that increased strength, it is possible for the association to act as a broker, or go-between, and negotiate more favourable terms for business arrangements than can be made by individual small entrepreneurs acting alone. Providing such practical services to members will be a great asset to the association.

The association must undertake this brokering role only if it can do so in a business-like fashion. It should be able to charge a fee for this work.

It may also help members by organizing commercial premises, machinery or transportation that can be used by everyone. This type of commercial service also needs to be properly managed and should only be undertaken if it pays for itself.



FAQs

“My association has set up a well-equipped, wooden furniture workshop where members jointly prepare big orders for a company abroad. This client is not happy with the varying quality from one order to another and is considering stopping our cooperation. What could we do?”

This problem is common to many other associations that manage shared premises and broker between clients and their members. Your association has done a great job: it brought in a big client and organized an equipped workplace for the members. However, there are some problems to resolve. This demonstrates the complexity of going into business on behalf of your members. What you could do is to invite your client to come and visit the workshop. Together you could set quality standards and assess whether these can be reached with the existing working methods, equipment and timing of the orders. Eventually, your client could bring you into contact with other sub-contractors for an exchange of experience, knowledge and technology transfer.

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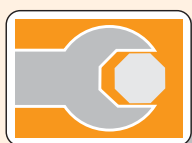
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PART

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TOOL 18.1 INTERESTS AT STAKE IN COMMERCIAL SERVICES



This case study enables participants to analyze the various interests at stake in setting up commercial services

Instructions

Read the case study below and answer the following questions:

1. What are the interests of the supplier? How does the supplier achieve them?
2. What are the interests of the association? In what way do they or don't they differ from the supplier's interests? Would all members benefit equally from this contract?
3. Could additional terms be included in the contract to make the deal more attractive for the Association?

The National Beauticians and Hairdressers' Association is about to conclude a contract with a major supplier of salon products and chemicals. The association has 20 local branches throughout the country and is growing rapidly. The supplier's distribution network is present in the five biggest cities in the country, where about half of the association members are located. The supplier offers the following conditions provided the association buys products for a minimum amount of US\$2,000 per year:

- Finance of five training workshops (one in each city) per year where association members can learn about the use of new salon products, chemicals, or up-to-date treatments and techniques;
- Free samples of products twice a year for distribution to the association's members;
- Free brand support material (blouses, display material and posters)

Possible answers

1.

Suppliers interests	Suppliers' strategy
Increased sales	The association offers an important network of professionals. The supplier negotiates with one interlocutor (the association management) and gains access to a growing number of beauticians/hairdressers and their clients throughout the country.
Satisfied clients/proper use of the product	Training is a promotional and learning event
A well known brand	Providing publicity materials

2. The association wants:

- Members' businesses to be successful
- A profitable arrangement
- Reduced costs through bulk buying
- Up-to-date techniques and products
- Some extras (samples, clothes, saloon decoration) for their members

Half of the association's members will be unable to benefit from the arrangement as they do not live in the supplier's distribution area.

3. Additional terms:

- Include in the arrangement members living outside the distribution area
- The association members receive a commission for products sold in their shops
- The arrangement should be renegotiated each year
- The association should receive a commission for bringing in clients
- The association can put its logo or slogan on publicity materials



User tips

This exercise can also be adapted to a "real life" example, perhaps one provided by a participant.

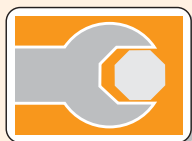
The trainer can invite a representative of a commercially successful association to share their experiences with the participants.



Related topics and tools

Module 9 Strategic planning and outreach, **Tool 9.2** Stakeholder analysis.

TOOL 18.2 ORGANIZE AN EXHIBITION



Action Plan exercise to assist participants to identify the various steps in the organization of an exhibition

Instructions

Your association wants to organize an exhibition. Develop a step-by-step action plan for its preparation.

Suggested answers²⁹

Step 1 Define the objectives of the event

- Fairs and exhibitions enable MSEs to meet their customers and receive direct feedback on the quality, packaging and prices of their products and services.
- Fairs and exhibitions can lead to improved customer relationship.
- They provide participants with networking opportunities.
- The shows help to address inadequate access to markets

Step 2 Set up the Planning Committee

The members of the committee include:

- Representatives of the SBA (host)
- Representative from key stakeholders such as NGOs and MSEs, support agencies, district assemblies
- Major sponsors of the show

For a bigger event, sub-groups may also be put in place to tackle specific activities to implement the show.

Tasks to be carried out by the planning committee:

Step 3 Select venue and site of the exhibition

Step 4 Decide on the programme and duration of the event

This depends on the objective, the number of exhibitions and the budget. For a side event during the training, a few hours should be sufficient. Side activities like competitions, raffles, seminars, special promotions, dancing competition etc. may also be organised to attract exhibitors and, more importantly, visitors to the fair.

²⁹ Adapted from SBA training material of the Ghana Employers Association.
See also: ILO (2000), Facilitating MSE Shows: The FIT manual.
http://www.ilo.org/dyn/empent/empent.portal?p_docid=FITPUBL&p_prog=S&p_subprog=BD

Step 5 Prepare the budget

Ensure that costs remain within the budget's guidelines.

Step 6 Raise funds and account for them

Potential sponsors are: large businesses, local government, NGOs, support agencies. Additional resources can come from exhibition fees, entry fees, rent & commission for catering companies and other services.

Step 7 Advertise the exhibition

Step 8 Prepare the venue and logistics

Step 9 Liaise with relevant local authorities, exhibitors and sponsors.

Invite press, local leaders and spectators.

Step 10 Follow up after the event to assess benefits and make recommendations for the future



User tips

You can use the step-by-step guidelines in a simplified form for the organization of a side event during the training. When combined with a pre-course event, the market place will reach a broader public.



Related topics and tools

Part II – Chapter 10.4 Pre-course and side events, **Tool II.5** Example agenda for a pre-course event, **Module 6** Communication.

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PART

V

MODULE 19 DELIVERING ADVOCACY SERVICES



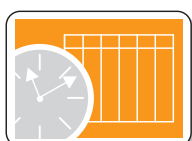
Trainer Note



Learning objectives

By the end of this Module, participants:

- Are aware of the purpose of advocacy services
- Know what skills are required as well as the pitfalls to avoid
- Are able to plan and implement an advocacy campaign



Session plan

Step	Time	Activity	Description
1.	20 minutes	Plenary discussion	Motivate participants to reflect on the “what” and “how” of advocacy. See Questions for discussion .
2.	50 minutes	Exercise	Role play: Street vendors negotiate with local government. See Tool 19.1 . Or Groupwork: Design an advocacy campaign. See Tool 19.2 .
3.	15 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- What are the existing obstacles to members, based on poorly written regulations or onerous requirements?
- How could things be improved?
- Who would you talk to?
- What information would you need to make a good case?
- What arguments might they put up against you?
- What are your answers to those arguments?
- Who else could you enlist on your side?
- How do you get to talk to them?

- Why would they support you?
- Why might they decline to support you?
- What information do you need?
- Who are the right leaders and members to plan the strategy and implement it?



Key findings

Lobbying and advocacy are important to defend or promote members' interests, particularly in relation to government regulations and policy. Small enterprises, and those run by women in particular, rarely have their needs considered when decision makers write regulations, set tax scales, or set out registration procedures. The association may be able to simplify some of these complications and lighten some of the burdens.³⁰

The goal is also to win sufficient credibility whereby the association is consulted as a matter of course when new policies or regulations are being prepared. The association may then be invited to be a member of a committee, or attend a regular forum, because it is recognized as the voice or representative of (women) entrepreneurs in the community, district or nation.

Advocacy is a skilled task and requires the development of careful strategies: collecting information, preparing representatives to present a good case, understanding who to talk to, identifying "champions" and enlisting their support, as well as being able to stand up to possible opponents.

Advocacy means being able to talk to the media. However, remember that you need a good story that supports your cause. Keep in mind that journalists want a story, even a bad (sensational) story about your cause or your association, is just as useful to a newspaper. Check that your story reflects well on your association.



FAQs

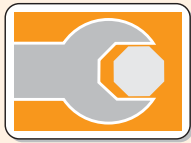
"Our association has been asked to take part in a local development forum where local government, private sector representatives and NGOs discuss developmental issues for our region. So far, I do not see any direct benefit for my association and I wonder whether it is worthwhile to participate?"

The fact that your association has been asked to participate demonstrates your association's credibility in the eyes of other development actors in your region. They believe that your association represents the voice of small entrepreneurs and that you can contribute to the regional development. This looks like a great opportunity to apply your advocacy skills and strategy! However, it seems that your expectations from participation in the forum are not very high. There are several reasons for this. Does the agenda reflect the concerns of your members,

³⁰ See also: Guide 3 on advocacy in: ILO, *The effective employers' organization. A series of "hands-on" guides to building and managing effective employers' organizations*, ILO, Geneva, 2006.

for example, access to clean water, electricity, road, markets, training and communication facilities? Do your members know about the forum? What outcomes do they expect? Are these realistic? How can you influence the agenda? Can you build alliances with other forum participants? Does your representative have the right skills and motivation? Discussing these questions with your staff and key members will help to assess how best your association can benefit from participation in the forum.

TOOL 19.1 STREET VENDORS NEGOTIATE WITH LOCAL GOVERNMENT



Role play enabling participants to consider a business problem from different angles, and practice their negotiation skills

Instructions

- Read the case below.
- Six participants are organized in two groups. One group represents the Women Street Vendors' Association (leader and two members). The others represent the local authorities (mayor, urban planning and economy officers). The other participants are observers.
- Prepare the meeting (20 minutes). Both groups reflect on the following questions:
 - What are your needs and objectives? What do you know about the other side and what they want out of the negotiation?
 - Set down in concrete and measurable terms what you want to achieve and your underlying interests in both the short and long term. Then prioritize them. (For example: WSVVA aims at: obtaining licenses, identity cards and a seat in the urban planning forum. The municipality wants: WSVVA members to limit the vendor sites to the official market place, to pay local taxes and to respect hygienic measures.)
 - What is your bargaining range: i.e. the starting point, the target point (where you would like to settle) and your “walk away” point (when you break off the negotiations). What alternatives do you have if the negotiations look like failing? What is your “best alternative to a negotiated agreement” or “fall-back” position?
 - Define who will say what at the meeting.
 - Participants present their arguments and start negotiating (give them 15 minutes).
- Observers will pay attention to:
 - The goals: are they clear?
 - Do both parties listen to each other?
 - How would you qualify the negotiators? Are they convincing, persistent, trustworthy, ...?
 - Is the bargaining competitive or cooperative? What will the likely consequences be for the future relationship between the association and the municipality?
 - How is the negotiation closed? Are the outcomes clear to everyone? Will it be written down? Who will look after implementation?

Case

Every day, members of the Women Street Vendors' Association (WSVA) are harassed by local authorities and evicted from their vending sites. They are said to be a nuisance, a traffic obstruction and, sometimes, even perceived as "criminals".

Security is high on the mayor's agenda. He wants the streets to be clean and organized. Moreover, the consumer service has recently pointed out the lack of hygiene and consumer security in snack bars along the road.

The WSVA has obtained an appointment with the mayor to discuss the situation, two weeks hence.



User tips

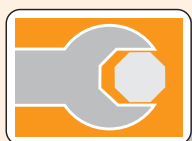
This exercise can also be used in the training of participants' communication skills (**Module 6**). In that case, the observers will not only be asked to pay attention to the contents of the discussion but also to: the language that is used, the non-verbal communication and the attitude of the players. Which part of the message was best received and why?



Related topics and tools

Module 6 Communication, **Tool 6.1** Become an association member, **Tool 19.2** Design an advocacy campaign, **Tool 19.3** Stages in the preparation of an advocacy campaign.

TOOL 19.2 DESIGN AN ADVOCACY CAMPAIGN



Group exercise to help participants understand the variety of problems that can be addressed by an advocacy campaign and the need for a consensus-based message

Groupwork instructions

1. Read the case study below.
2. Appoint a discussion leader, a note taker (flip chart) and a reporter.
3. Imagine that you are leader of the Handicraft and Carpenter Association.
4. Answer the following questions:
 - Which business obstacles can be addressed through an advocacy campaign?
 - Prioritize the identified problems and select one.
 - To whom do you need to talk?
 - Who else would benefit from solving the problem? How can they support your advocacy campaign?
 - What is your association's message?
 - How will your association convey the message?

Case study

The municipality of Borogo is situated near to large forests on the busy road to the upper north. It is about a four hour drive from the capital and one hour drive from the national border. The municipality has, for decades, suffered from a lack of public investment in infrastructure and public services. Roads, water supply systems and communication infrastructure are in bad shape. Borogo is known for its wooden arts and crafts. Most carpenters work and sell their products from their workshops along the main road. More than half of them are members of the Handicraft and Carpenter Association (HCA). In the same area, there are many other small businesses, such as transport companies, snack bars and street vendors selling refreshments and other items to travellers.

Particular obstacles experienced by the members of the HCA are: high transport costs to bring the raw material to their workshops; dirt and waste along the road caused by their workshops, the snack bars and travellers; lack of information on new markets and trends; difficulties to obtain the right transport papers for the export of their products to neighbouring countries; increasing local taxes and the lack of safety along the road (regularly traffic accidents happen). Another major problem is the absence of a bank, or any other financial institution. Loans are therefore very difficult to obtain, and financial transactions difficult to organize.

The municipality plans to build a small industrial site with modern facilities on the other side of town where traffic is less dense and dangerous. Carpenters are expected to move their workshops to this new area. They will need to pay for rent, electricity, water supply and waste collection.

Possible answers

Business obstacles that can be addressed through an advocacy campaign include:

- Lack of basic infrastructure and services (electricity, solid waste collection, etc.)
- Complex export regulations
- Local tax policy
- Lack of safety on the road
- Lack of financial services

Interlocutors are for example:

- Provincial and municipal authorities (officers in charge of urban planning, economy, roads and traffic, infrastructure and basic services, tourism, taxes, etc.)
- National export promotion agency
- Water supply/solid waste collection company
- Bank, micro-finance institution in neighbouring town

Others who could be mobilized to support your campaign, include:

- Other carpenters. They can become members of HCA.
- Other small business owners. They can join HCA in the campaign (for example by signing a petition, writing a letter, participating in media events and meetings with interlocutors)
- Residents of the area (same as above)

Examples of advocacy messages are:

- Our worksite is located at a strategic crossroad. We need infrastructure/services/safety on our current worksite
- We would like to move to a better site but want to be consulted on its location, facilities, arrangements, etc.
- We need simplified export procedures to expand our businesses
- Part of the tax revenues should be reinvested in small businesses and tourism in Borogo
- The large number of small businesses in our area represents an interesting market for the water/waste collection company

Ways to convey the message include:

- Invite interlocutors to the worksite
- Convoke a meeting
- Organize a petition
- Organize coverage in the media (radio, newspapers, TV)



User tips

After the exercise, you can provide participants with Tool 19.3 (Stages in the design of an advocacy campaign)

Through small adjustments, the case study can also be used in a group exercise to identify services (commercial, training, financial, ...) that can be taken up by an SBA.



Related topics and tools

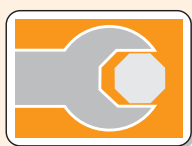
Module 6 Communication, **Module 14** Deciding on the SBA services, **Tool 19.1** Street vendors negotiate with local government, **Tool 19.3** Stages in the preparation of an advocacy campaign.



PART



TOOL 19.3 STAGES IN THE PREPARATION OF AN ADVOCACY CAMPAIGN



Handout for participants who are interested in organizing an advocacy campaign

Stage 1 Identify issues

Before starting any lobbying activities, the business association should have a clear view of the problems and opportunities for its members. The nature of the awareness/changes/reforms being sought varies with each situation. The association should research, and clearly define, the objectives of the advocacy activity, for example:

- Simplification of registration procedures for small enterprises
- Reduction of direct taxes on the use of the market place
- Better protection for the working premises of micro and small enterprises
- Specific measures to enable market women to carry out their business

Stage 2 Identify the major stakeholders

The association needs to research which organizations or government bodies influence decision-making, and must find out:

- The objectives and policies of these organizations, and if there are any hidden agendas
- The people with the most influence in this field (for example, the head of the concerned government department, the director of a company, the president of an association, the members of parliament, etc.)
- The other forces that can exert contradictory influence; to whom do your competitors talk?

Stage 3 Develop a lobby strategy

- What is the message and information that the association has to convey to convince others? How does it collect the information it needs?
- What are the strengths of the association: number of members, their economic impact, its capacity to influence the wider population or the targeted organizations, the capacities of its leaders? This will determine how easily the association will be accepted as a “player” with regard to the proposed issue.
- Which other organizations, with similar interests, could be involved in this lobbying? Finding common ground with others to form a coalition could be important.
- How to develop direct contacts with some of the decision-makers, on an informal basis, as well as on a formal basis?

- How best to put pressure on the decision-makers? Through publicity campaigns and rallies, through articles in local newspapers, through negotiations, or through a combination of different means? The way to put pressure will depend on the issue: an issue of general interest will need to arouse public support (e.g. using the media, distributing banners or posters); a very technical issue will require sound technical research and arguments.
- Design a clear plan of action, indicating the different steps, the resources needed to develop the proposed activities, and the responsibilities of the different people.

Stage 4 Study the subject

- Study in depth the various standpoints and elements of the discussion.
- Collect information on similar situations and regulations in other countries and the impact that these have had on micro-enterprises and their associations.
- Work with researchers and university students to analyse the problem and the solution.
- Write a “position paper” that sums up all the available information and arguments to convince the concerned body to take decisions in favour of the SBA.

Stage 5 Implement the lobby strategy

- Develop a strategic plan: Who will do what, when, and with what resources?
- During implementation new information or new ideas on how to tackle the issue may arise.
- Evaluate the effectiveness of the different activities and be prepared to rethink and adapt the initial lobbying strategy accordingly.



User tips

The handout can be useful in discussing groupwork outcomes of exercise Design an advocacy campaign (see Tool 19.2).



Related topics and tools

Module 6 Communication, **Tool 19.1** Street vendors negotiate with local government, **Tool 19.2** Design an advocacy campaign.



MODULE 20 DELIVERING SOCIAL SUPPORT SERVICES



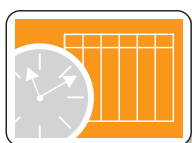
Trainer Note



Learning objectives

By the end of this Module, participants:

- Can assess which social needs can be addressed by an SBA
- Can provide examples of social support services associations can deliver



Session plan

Step	Time	Activity	Description
1.	25 minutes	Plenary discussion	Ask participants to share their experiences with social bottlenecks in business and ways to address them. See Questions for discussion .
2.	40 minutes	Exercise	Action Plan exercise: Identify and prepare social support services. See Tool 20.1 .
3.	20 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- What are the social problems (e.g. family problems, lack of education, ill health, insecure business environment, workplace accidents) confronting your members?
- How do they impact on their businesses?
- Where do members go for help?
- Can the association help members with any social problem?
- Why not?
- Which social issues can the association address?
- How?



Key findings

There are many social factors that impact on businesses. For example, family matters, health, education, conflict, security and safety at the workplace influence business performance. All entrepreneurs are exposed to such social issues.

Family matters may distract the small business owner (or employee) from the work as he or she will need to take care of a child or sick relative, travel to a funeral or wedding, etc. The entrepreneur may find a solution (replacement, bringing the child to work, call upon relatives, friends or colleagues for help) or may need to temporarily close the business. Such situations often result in missed business opportunities and income losses.

Other social problems that can affect businesses badly are: crime (many small entrepreneurs do not have enough reserves to repair or replace damaged/stolen assets); street security (street vendors especially risk accidents) and poor education (entrepreneurs may be unable to access services requiring reading and/or calculation skills (e.g. credit) or they miss out on business opportunities). Public perceptions or prejudices can also harm members' businesses. For instance, disabled, young or women entrepreneurs, may not be taken seriously by suppliers, clients or colleagues.

In many cases the entrepreneur will address social problems through their network, e.g. relatives, friends, religious organizations, welfare organizations, etc. Some business obstacles brought about by social problems can be taken up by the SBA and transformed into a new social support service. Examples of social support services are: SBA refers members to basic education programmes; SBA sets up a child care cooperative; initiates a guard/protection service, or raises awareness on street insecurity through advocacy, etc.

For a social support service to be effective, a few conditions need to be met. The problem needs to be common to many members, the service should be focused on improving business conditions and success. As for any other service, the association should consider outsourcing, cooperation with other organizations, as well as possibilities for cost recovery and profit making. Remember, the SBA is not a charity organization!



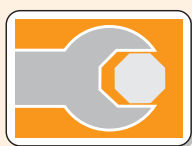
FAQs

The members of our fishmongers' association bring their babies to work. The children's health is threatened as they are on their mothers' backs during the smoking of the fish. What could we do?

It seems that there are several social issues at stake here. First of all, there is a health concern: both mothers and babies are exposed to the dangers of smoke inhalation. Secondly, there are safety risks. The presence of children may increase the occurrence of accidents. Thirdly, it appears the women are obliged to bring their babies to work as they cannot rely on childcare support. These three issues together do not only affect health and safety at the workplace, but also impact on productivity. It is likely that your members will work better and

increase productivity when they (and their babies!) are healthy and do not need to take care of the children during work hours. Therefore, it is normal your association would like to do something about it. For example, you can investigate the possibility of rerouting the smoke through a (different) chimney and securing the fireplace. Additionally, members can formulate prevention and safety measures and rules, to be respected by all. The association could also consider setting up a childcare service. For example, members could organize themselves by providing help on a rotation basis. Or, the association could analyze whether a crèche would be a feasible option, for example, through setting up a childcare cooperative with other parents in the neighbourhood.

TOOL 20.1 IDENTIFY AND PREPARE SOCIAL SUPPORT SERVICES



Action Plan exercise to increase participants' insight into how their association can address members' social needs

Group work instructions

1. Which social obstacles do your members face in their business?
2. Select one obstacle and identify which social support service the association could provide
3. How will you go about the implementation of the service? Be specific.



User tips

While discussing the outcome of the group work, take into account the following:

- Do the examples of social obstacles have an impact on the business?
- Can participants explain how it impacts on the businesses?
- Is it an individual or temporary problem or does it concern a majority of association members systematically?
- Are the suggested services focused on alleviating business problems?
- Can participants explain how the service will positively impact on business performance?
- Do participants consider key questions to raise when deciding on any other type of service, such as:
 - Direct provision and association capacity to take the service on board
 - Need to bring in external expertise (where to get it)
 - Outsourcing, referral, cooperation
 - Cost recovery, economies of scale, (e.g. selling to non-members), profitability
 - Mobilizing internal funds or external resources (how, where?)



Related topics and tools

Module 2 Mobilizing and starting an association, **Tool 2.1** Welfare or business?, **Module 14** Deciding on the SBA services, **Tool 14.1** Accessibility of services.

MODULE 21 DELIVERING HEALTH SUPPORT SERVICES



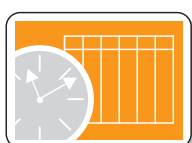
Trainer Note



Learning objectives

By the end of this Module, participants:

- Can explain how health expenses impact businesses
- Can list various SBA responses to health problems of members
- Have a better understanding of what is involved in preparing a micro health insurance scheme.



Session plan

Step	Time	Activity	Description
1.	25 minutes	Plenary discussion	Encourage participants to reflect on the potential need for health related services. See Questions for discussion .
2.	40 minutes	Exercise	Action Plan exercise: Steps in creating a micro-health insurance scheme. See Tool 21.1 .
3.	20 minutes	Presentation	Elaborate on the key findings , referring to the experiences provided by the participants.
4.	5 minutes	Wrap-up	Resume the highlights of this session.



Questions for discussion

- What health related costs (e.g. illness, accidents), do your members face?
- How does this impact on their business?
- Are your members insured for such costs today?
- How?
- Is there a need for the association to support its members through health support services?
- Which services could the association provide?
- Do your members need access to better education for health and safety in their work?
- What information do you have on the extent of the risk to your members, their clients and families?

- Are the risks the same for women and men among your members?
- How could you address these risks?
- Do your members need better access to public health education programmes?
- How can these be provided?
- What information do you have on what is available?



Key findings

In many countries the absence of an appropriate social protection mechanism to cushion owners and operators/employees of micro and small enterprises and their dependants against the high cost of health care, puts them in a precarious situation. Illness or serious accidents involving the business owner, a close relative, or key employee could have serious consequences on the viability of the business. The entrepreneur may have to use his entire working capital or sell essential business assets (e.g. equipment and tools) to generate the money they need to meet the cost of health care. This could mean the closure of the business.

The association can help members to protect themselves against high medical expenditures through various kinds of social insurance or mutual help. The association could set up its own health insurance scheme. However, an insurance scheme is like a finance scheme: it is complex and requires to be run as a business. Setting up a scheme is usually a slow process.³¹

The association can also help in prevention of illness or accidents. For example, it can assist members in improving their own, their workers' (and their customers') health and safety in the workplace, through education.

The association can participate in public health education campaigns such as those relating to HIV/AIDS. Women should know fully how to protect themselves and be able to advise their families on how to protect themselves against HIV/AIDS.

³¹ For further information on micro-insurance schemes see:
 "Mutual health organizations and micro-entrepreneurs' associations". Available in English, French, and Spanish at: <http://www.ilo.org/step>
 "Micro Insurers: Inventory of Micro Insurance Schemes in Bangladesh": <http://www.ilo.org/step>
 "An Inventory of Micro-Insurance Schemes in Nepal": <http://www.ilo.org/step>
 "Health micro-insurance schemes: feasibility study guide" (Vol. 1 Procedure, Vol.2 Tools), ILO, Geneva, 2005.

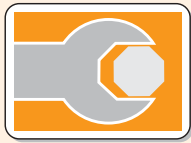


FAQs

“There are so many institutions, insurance companies and NGOs working on health issues, I don’t think a business association should go into the health business. What could be its contribution compared to specialized organizations?”

“You’re right in saying that there are many actors in the health sector. However, the question is, are services accessible and appropriate to your members’ needs? They may need financial support in meeting health expenses, advice on occupational safety and health in their businesses, information on diseases such as HIV/AIDS and malaria. A business association can respond to these specific needs in various ways. For example, by requesting a health NGO to organize an awareness-raising meeting for your members; or by joining a lobby for access to clean drinking water; or by involving a safety at work expert (e.g. from a labour union or from the government); or by providing financial, personnel or office and meeting space to particular insurance initiatives of your members. In other words, it is not always necessary to go into the “health business” by creating your association’s own micro health insurance scheme.”

TOOL 21.1 STEPS IN CREATING A MICRO-HEALTH INSURANCE SCHEME



Action Plan exercise to increase participants' understanding of key issues to take into account when setting up a micro-health insurance scheme

Instructions

Your members recognize that their health problems and needs are also business problems. They decide that the solution is a mutual health scheme. You have been asked to prepare the scheme. The preparation requires 4 steps:

1. Preparing the potential members of the scheme
2. Collecting the necessary information about the kind of mutual health system that is needed
3. Deciding on the most appropriate structure
4. Setting up the mutual health organization and start activities

List for each step two or three activities that need to be done. Be specific.

Suggested answers

Activities under step 1

- Raise awareness on benefits and obligations of a mutual health scheme
- Identify potential members of the scheme (within and eventually outside the association)

Activities under step 2

- Take stock of members' existing expenditure on health, their perception of existing service providers and their willingness to make regular payments to a health insurance scheme.
- Identify the locations where members will need access to health care

Activities under step 3

- Choose which risks to cover and which services to provide
- Choose the health care provider or providers to work with
- Negotiate the financial terms

Activities under step 4

- Organize the constituent general assembly and the executive committee
- Clarify ongoing advice or training the committee will need and how it will be provided (e.g. hiring consultants, taking training courses)

- Draw up the business plan and establish what fees are to be paid and what initial benefits will be available
- Finalize the contract or contracts with the health care provider(s)
- Begin promoting the scheme and registering members



User tips

Invite a representative from a mutual health scheme as a resource person for this session.



Related topics and tools

Module 15 Delivering financial services, **Module 20** Delivering social support services.