

# **VILLAGE ENTERPRISE**

# **(MENTORING GUIDE)**

COMPILED IN JANUARY 2022

5 BSG COACHING SESSIONS, 4 BG TAILOR SUPPORT SESSIONS AND 4 PHONE NURGE SESSIONS AND ONE HOUSEHOLD LEVEL COACHING

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# THE STRUCTURE AND HOW TO USE THE GUIDE

The coaching is split into 14 sessions

* Five (5) coaching sessions will be delivered in person at BSG level by the Field Associate.
* One (1) Household-level coaching delivered by the Field Associate.
* Four (4) tailored support coaching sessions delivered at the business group level by the Business Mentor.
* Four (4) phone nudges will be delivered to the business group by the Business Mentor.



ALL MENTORING SESSIONS MUST BE PLANNED AND SCHEDULED

WITH THE GROUPS AND DATES AND TIME COMMUNICATED

All coaching sessions are built around three key behaviors which have been seen to empower our business owners to thrive, set goals and use stoplight tools. The three key behaviors are;

* A group of three are working together to run the business with the support of their families.
* Business owners are maximizing business profit and productivity.
* Business owners keep accurate records of cash-in, cash-out, assets, debts, and debtors.

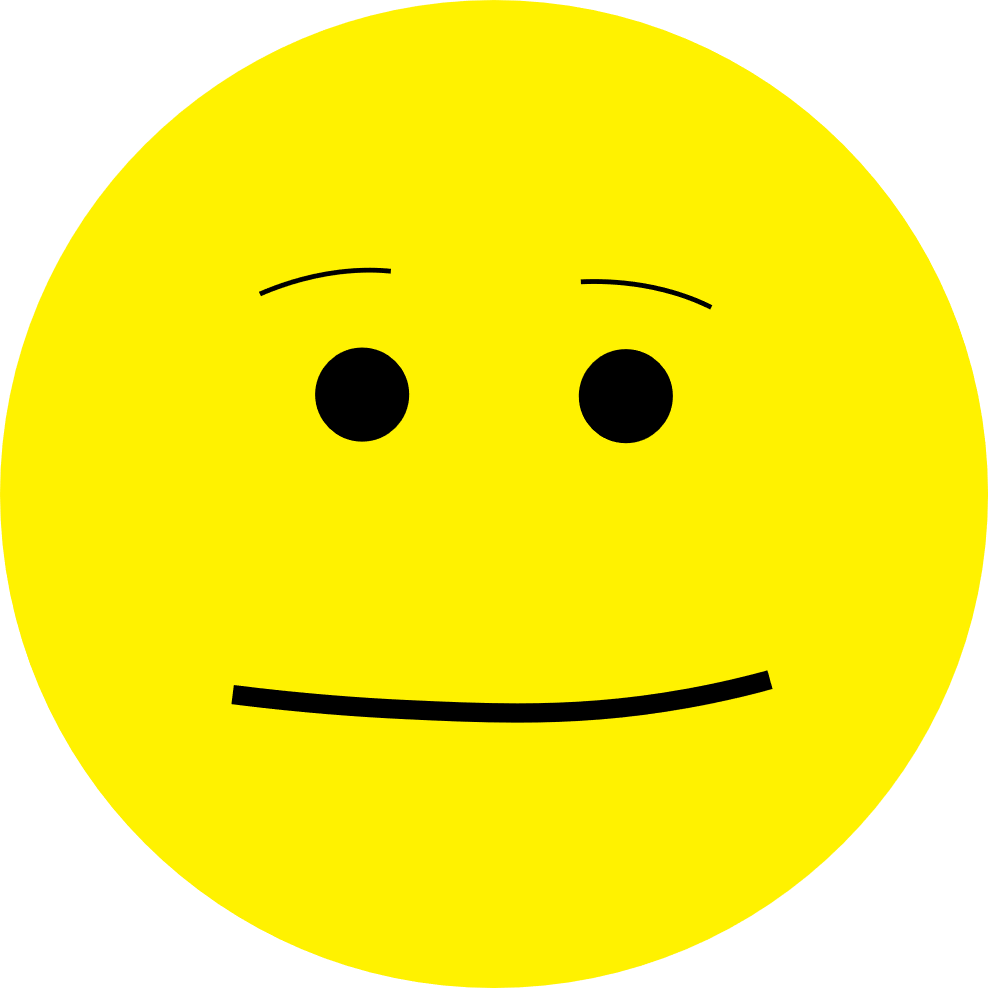
# COACHING EXPECTATIONS

For those conducting the coaching (FAs and BMs) we expect to;

* Plan all the coaching sessions and communicate in time with the entrepreneurs
* Prepare all the materials/tools ahead of your sessions.
* Don’t be late, it’s better for you to wait for the groups than them waiting
* Read widely about specific businesses and topics so that one can respond to any technical question that may be asked.

For the entrepreneurs (Please communicate this expectation to the groups)

* You are encouraged to attend all 14 mentoring sessions (5 at the BSG, 4 at your Business group and 4 through the phone).
* Your Household members are encouraged to attend at least 4 of the BSG level coaching sessions and 1 HH level ( a must-attend for the HHs)
* You and the coach will decide on the time that works for your group, BSG and the HHs.
* Each group and HH is expected to have a record book that will be used for each coaching session
* Each group and HH will be expected to set goals, during and after each session and work towards achieving them.
* The spotlight tool will be used to determine progress on goals. We hope that every group gets as many greens as possible.
* Show the spotlight tool and explain that this will be used to check group performance.

After we set each goal, we will revisit the goal at each mentoring session and decide as a group whether we are ‘red’ ‘yellow’ or ‘green’ on achieving our goal.

**For example**: if we run an agriculture business and we want to ensure that we do regular weeding to ensure maximum yields, we might set a goal **to weed our entire garden before our next mentoring session**. At the next session check if:

* Weeded the entire garden: GREEN
* Weeded half of the garden: YELLOW
* Did not weed at all: RED

****

**** OUR TARGET IS TO GET AS MANY GREENS AS YOU CAN

# **SESSION ONE:** BSG COACHING (GROUP FORMATION AND FAMILY SUPPORT)

|  |  |
| --- | --- |
| Objective | Groups of three are working together to run the business with the support of their family members. |
| Session participants | 30 primary entrepreneurs and other HH members |
| When | After module 4 (Financial Progress 2) |
| Time | 60 minutes |
| Materials needed | Picture codes from group formation training, table and mentoring form ready in taro works. |
| Lead | Field Associates |

 START YOUR FORM IN TARO WORKS

FAMILY SUPPORT PICTURE CODES

* Begin by asking how many of the business owners and their family members attended the community interest meeting.
* Give a brief overview of the expectations VE has for HH members, use the family support game picture codes from Module 1 that you have carried with you to share the key points;
* Explain that today our focus will be on the behavior; a *Group of three are working together to run the business with the support of their families.*

GROUP ACTIVITY

PART ONE: IDENTIFY THE CHALLENGES AND POSSIBLE SOLUTIONS

* Have each group sit together with their HH members? Let them discuss challenges they may face 1) running a group business or 2) supporting their family member who is the business owner and the possible solutions for each of the problems shared. For example, a business owner might pick, use/ point a stone that represents the fact that that individual cannot read and write so they are concerned about how they will help keep records. Or a family member might pick / use/ pint to a stick that represents being worried about contributing to weekly savings. Have willing members share their challenges with the group.
* Next, have members select an item, maybe a leaf or a flower, that represents a solution or a strategy that they can use to support their business group or family member.
* For example, a husband might pick a flower that represents attending training for the wife if she is sick. A business owner might pick a leaf that represents offering their home as a location for the business to save on spending to hire land or a place to sell things from.
* Encourage HHs to go back home and go through the same excises with the rest of their family members. Let them discuss challenges affecting their ability to grow and progress as a family. For every challenge identified let them identify a solution and set goals that help them progress towards their dreams.
* Encourage every group to set goals that they are going to work towards.

PART TWO: SHARING LEARNING

* Have the groups share some of the challenges and the solutions that they have discussed in their groups.
* Encourage them to listen and learn from each other and use each other as a resource as they navigate challenges.

PART THREE: DEFINING SUCCESS

* Ask Business Groups to discuss the following all together with their family members and be prepared to share:
  + Ask members to share what success would look like if the group could invest the whole grant and add their contribution rather than split it.
  + Ask the members to mention specific examples of what it might look like for a group of three to run the business together with the support of their families. What help or support do they need? (For example, what resources could each family contribute? Can someone help keep records?)
  + What is an example of a conflict that arose as a group of three? Can the families commit to encouraging the business owners to solve conflicts within the group fairly?
* Now ask household members to sit and discuss the following:
* Ask household members what they can do to start multiple income-generating activities?
* What skills do different family members have?
* What resources does the family have?
* Where could they get funds for starting a household level enterprise?

Key Message and Example

* Groups that truly run their business together, instead of splitting the grant, do better.
* Groups that have the support of their family, are more likely to get out of poverty.
* Households that have multiple Income generating activities generate more income and can save

Example

*Moses is part of a group that runs a retail shop as a business and the business makes 100,000KSh per quarter in net profits. Moses relies on the group business to run all the financial needs in his home since he does not have any other business on the side. At the end of the quarter, they decided to re-invest 70,000KSh and each took 10,000 for home use.*

*Jennifer is also part of a group that grows vegetables. They make 90,000KSh per harvest as a group. On the side, Jenifer and her family have other 2 businesses: they rare chicken, and this gives them 30,000KSh. The husband has a retail shop earning him 25,000KSh. At the end of the day, Jennifer and the husband make 55,000KSh additional income from their IGA plus the shared profit from their group business of 30,000Ksh*

GOAL SETTING

* Based on discussions that have happened, have groups and HHs set goals/targets for themselves. For example, a group can set a target;
  + A household member (children of school-going age) can help them write their records every day or twice a week depending on the nature of business.
  + A household member can commit to helping the group with a plot of land for their agricultural business.
  + A household member(Husband) may also commit to helping the wife to save
* HHs can go back home and set goals like;
  + Saving money to start a HH level business
  + Saving with a purpose to purchase an Assets or to start a business
  + Saving with a purpose for education
* Capture goals specific to each group and remember to share this with the BMS. Ask the BOs to write their goals into the business/ HH record book.
* Remind the groups and HHs of the spotlight tool. Ask them to work towards getting as many groups as possible.

CONCLUDE

* Tell them that you will be following up on their goals during the next mentoring session at the BSG. Go ahead and schedule the session.

# **SESSION TWO:** BSG COACHING (BUSINESS PROFITABILITY AND PRODUCTIVITY

|  |  |
| --- | --- |
| Objective | Groups of three are selecting profitable and sustainable businesses |
| Session participants | 30 primary entrepreneurs and other HH members |
| When | After module 6( Enterprise selection and before filling the SBs) |
| Time | 60 minutes |
| Materials needed | Offline cost-benefit analysis google sheet, flipcharts, and markers |
| Lead | Field Associates |

Make sure the groups of THREE are sited together

START YOUR FORM IN TARO WORKS

REVIEW GOALS

* Start by reviewing the goals that the groups set from the last session.
* Let a few groups share their goals and what they have been able to achieve.
* Let the group award themselves a green, yellow or red spotlight based on the performance on the goal.
* Encourage groups to make corrective to meet their set targets
* Explain that today our focus will be on the behavior; *Businesses are maximizing business profits and productivity.*

GROUP ACTIVITY

* Start by reminding them of the assignment you gave them to determine the three possible businesses that interest them during the enterprise selection training.
* Tell that today’s goal is to validate their work and select the most profitable and sustainable business of the three options that they have.
* *Note: If you are in a project promoting specific value chains, the 3 business ideas should be among the value chains being promoted, if you are in the core program, the 3 business ideas should be among the top three enterprises in your region. Finally, make sure the business ideas are environmentally friendly and not on the list of blacklist businesses by VE*.
* Tell them that BEST (Sustainable and profitable) business idea will then go into the SB application to Village Enterprise.

PART ONE: SPLITTING INTO GROUPS BASED ON BUSINESS INTEREST/ASPIRATIONS

* Ask the groups of three to move and sit into groups based on business aspirations 1) Those aspiring to start crop businesses) 2) Those aspiring to start retail businesses 3) Those aspiring to start skilled businesses and 4) Those aspiring to start service businesses.
* Explain to them that each business requires different skills sets and resources to successfully start it and make sure that it makes profits.

PART TWO: EXPLAINING THE MEANING OF PROFIT

* Ask a volunteer to share what they understand by profit?
* Add to their explanation by saying that Profit is a financial term used to mean the money we are left with after taking away all the expenditures (Cash-in - cash-out). Remind them that every business must make profits for it to be a business.

*For example, Mary started her produce business with capital (Cash-out) of 10,000 KSH. She used 1000Ksh to transport, feed, and pay for tax in the market. After selling her produce she got 13,000KSH (Cash-in). That means her profit is 2,000KSh (13,000-10,000+1000 =2,000KSh).*

* Explain that like Mary once we get our seed capital and start our businesses, we need to make decisions that will ensure that our businesses are profitable and productive.
* Explain that we will need to make sure that we are using best practices to ensure increased business productivity.
* Pass a sheet with a summary of the minimum business expectations for each business category for them to keep in mind as you go through the math.

PART THREE: THE COST-BENEFIT ANALYSIS

* **E**xplaining that profit cannot be determined by merely looking or predictions. It must be calculated by doing a cost-benefit analysis. This is a tool where we analyze what we think we will spend/buy, then determine what we will come out and then see what balance we are left with. However, all these things/activities must be valued in monetary terms
* Explain that you will use retail as an example but let them be thinking of the things that will be needed for the different businesses.

***NOTE:*** *You can do a cost-benefit analysis on paper or use the google sheet template. However, to avoid long calculations, it is easier to use the ‘Cost-Benefit Analysis’ Google Sheet available in* [*Box*](https://villageenterprise.app.box.com/file/908277528236) *OR* [*Google sheets*](https://docs.google.com/spreadsheets/d/1WRm8OJ_Hi8rNr0uR40EIc2xapbiS5n4YYjxenE0970w/edit#gid=1322365845)

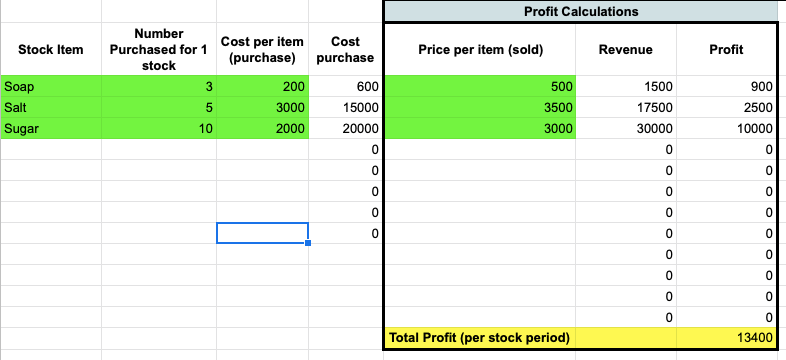
* Proceed to start the excises for our example business. This may differ from time to time. Make sure to use the relevant example. Details for other businesses are in the different tabs of the sheet.

RETAIL BUSINESS

Ask:

How often do you expect to purchase stock? *For example, will you be purchasing stock every day, every week, or every month? You will be calculating the profit per the period that they state. If they stock weekly, you’ll be calculating profit weekly. If they stock monthly, you’ll be calculating monthly profit.*

* + - 1. Name all of the items that you plan to buy and enter them in the stock Item column.
      2. Fill in the quantity and price of each item that they plan to stock. *For example, if they plan to buy 1 sack of silverfish to retail each month, enter 1 for the ‘Number Purchased for 1st month’ and the cost per sack in the ‘Cost per Item’ column.*
      3. Now you can see the total cost for the purchase of stock for each item in the 4th column.
      4. Calculate the profit that will be made for this business by entering the price that the business owners plan to sell each item for. For example, if they purchase 10 kilos of sugar at 2,000 each, how much will they resell each kilo? Enter these costs into the ‘Price per Item Sold- 5th column.
      5. Now we can automatically see the total profit per stock period coming up in column 6. Discuss with your business owners more about profit margins.



4

2

5

6

3

Once you have completed the group example;

* Have the groups complete the activity for each of their potential businesses with your help.
* Make sure that each group can tell you which of the enterprise is more profitable than the others.
* Ensure that the groups capture the information of the most profitable business to their record book.
* Let them agree as a group if that is the enterprise they want to pursue and include in the SB.
* Ask the households to go through the same process in their homes when making a choice for which enterprise to select, once they have money to start their own family.

KEY MESSAGE AND EXAMPLE

* Groups whose businesses have high business value do better. So remember to keep growing your business.
* HHs that have multiple IGAs do better. Support the groups but keep saving money for HH-level business.
* Businesses that implement best practices and have larger acreage for crops or large stock if its retail does better.
* Businesses that make profits do better
* The businesses which don't split all the profits but reinvest 30-50% back into the business do better

GOAL SETTING

* Based on discussions that have happened, have groups and HHs set goals/targets for themselves. For example, a group can set a target;
  + To invest 100% of their grant into the business that they have decided on as a group
  + To increase their group contribution to meet the additional cost of the business
  + Mobilize other resources needed for the business before the grant arrives, for example, land, space for a shop among others.
  + Identify an input supplier before the grant is received
* Households can go back home and set goals like;
  + Decide on the type of business
  + Saving money to start a HH level business
* Capture goals specific to each group and remember to share this with the BMS. Ask the BOs to write their goals into the business/ HH record book.
* Remind the groups and HHs of the spotlight tool. Ask them to work towards getting as many greens as possible.

CONCLUDE

* Tell them when you meet next time, if they have archived the set goals, they will earn a green face from the spotlight tool. Remind that their target is to earn as many greens as we can.
* Schedule the next mentoring session, be clear on the time and location. Thank them for their participation.

# **SESSION THREE**: BSG COACHING BUSINESS RECORD KEEPING

|  |  |
| --- | --- |
| Objective | Businesses are keeping and using accurate records of cash in, cash out, assets, debts and debtors to make informed business decisions |
| Session participants | 30 primary entrepreneurs and other HH members |
| When | Immediately after the 2nd Session or before the SB grant |
| Time | 60 minutes |
| Materials needed | Sample Record book, colored pens, razor, cutter/ scissor for cutting tabs in the record book. |
| Lead | Field Associates |

 START YOUR FORM IN TARO WORKS

REVIEW GOALS

* Start by reviewing the goals that the groups set from the last session.
* Let a few groups share their goals and what they have been able to achieve.
* Let the group award themselves a green, yellow or red spotlight based on the performance on the goal.
* Encourage groups to make corrective to meet their set targets
* Explain that today our focus will be on the behavior*, Businesses are keeping and using accurate records of Cash in, Cash out, Assets, Debts and Debtors to make informed business decisions*

GROUP ACTIVITY

PART ONE: SPLITTING INTO GROUPS BASED ON BUSINESS TYPES

* Ask the groups of three to move and sit into groups based on business categories 1) Crop businesses) 2) Retail businesses 3) Skilled businesses and 4) Service businesses.
* Explain to them that you will be working with them today to set up their books so that they can capture and use records accurately. Explain that you have put them into the business categories so that they can share and see how others are setting up the books and allows for shared learning and experience

PART TWO: SETTING UP THE ASSET SECTION

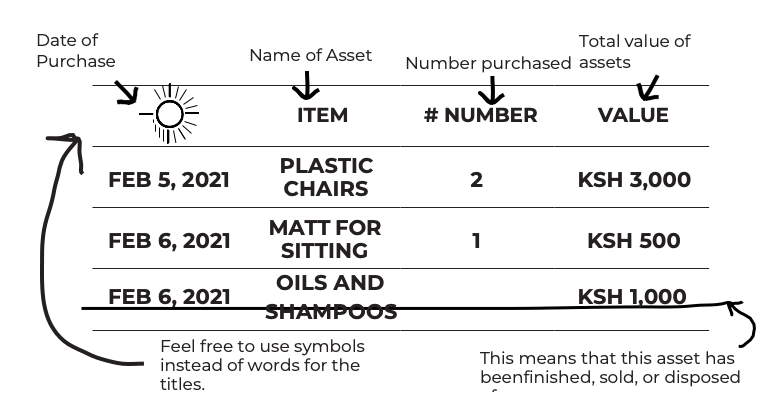
* Introduce the concept- **Asset** or ask if they remember the meaning of the term "Asset" from the training done. *Assets are useful or valuable items a person owned/bought.*
* Explain that:
* In the first section of our Record Book, we will track the assets that belong to our business. *For example, for a hotel business: plates, pans, serving spoons, tables.* *For an agriculture business the seeds hoes, etc. would be assets.*
* Ask your business owners what examples of assets might be for their business so that you can get them to think with you.
* The values of our assets help us to know the overall value of the business, just like the assets in a household help us know if the household is doing well.

Example

We know that if a household has many mattresses or saucepans that household is doing better than household with only mats and one saucepan. We need to record our assets to help us know how our business is doing*.*

PRACTICE SETTING UP THE ASSET SECTION

* The Assets section of the Record Book should use the template below. Set up the table below on the Assets pages of the BO’s books and then ask the Business Owners to add the assets that they have purchased already.
* Explain that every time they purchase a new asset, they should add it to their asset list.
* Explain that when they finish or dispose of an asset, they should cross it out. An example is shown below for a saloon business.

****

REFLECTION

Ask:

* The Business Owners for an example of an asset that they might have purchased for their business and let them enter it into their record books. Check their books to see if they have filled it right.
* The Business Owners for an example of their assets that they might sell, finish or dispose of. Let them share their answers and fill them in the record books. Confirm that they understand how to record the disposal of an asset.

PART THREE: SETTING THE CASH IN AND CASH OUT SECTION

* Introduce the concepts- **Cash in and Cash out** or ask if they remember the meaning of the two terms from the training done.
* **Cash in** is the money/revenue received from selling products or goods
* **Cash-out** is the money/expenditure spent to produce and market products
* Explain that high profits are a sign of a good business. This means that good businesses bring in more money than they spend. Ask business owners for example of ways that money will come into their business (e.g. sales) and things that will cause money to go OUT of their business (e.g. paying for assets or transport). Explain that to know how much profit we have to be very careful to record ALL of the money that goes IN and OUT of our business.

PRACTICE SETTING UP THE CASH IN AND CASH OUT SECTION

* The Cash in/Cash Out section of the Record Book should use the template below. Ask Business Owners to help you populate any Cash in or Cash Out that has already occurred. *For example, if they purchased their inputs, record this as Cash Out.*
* Label for the week/month/or season. This might vary based on the type of business being run. Have business owners decide how often it makes sense to calculate profits? For example: on a monthly, weekly, or seasonal basis?

**FEBRUARY 2021**

Money spent

Description of transaction

Money earned

Date of

Transaction

**INFORMATION**

* **CASH OUT**

**+ CASH IN**

**FEB 5, 2021**

**PLASTIC CHAIRS**

**3,000**

**FEB 6, 2021**

**MATT FOR SITTING**

**500**

**FEB 6, 2021**

**OILS AND SHAMPOOS**

**1000**

**FEB 7, 2021**

**PLAITING**

**100**

**FEB 8, 2021**

**SHAMPOO**

**300**

**TOTAL**

**4500**

**400**

**BALANCE**

**-4000**

REFLECTION

* Now that your Business Owners have set up the Cash in/Cash out page, test to ensure that they understand how to enter ongoing transactions. Give them time to practice and check how much they have understood.
* Ask:
* For an example of Cash in that they anticipate. Let them explain or show you how they would enter that in their books.
* For an example of Cash Out that they anticipate. Then let them explain or show how they would enter this in their books.

PART FOUR: SETTING UP THE DEBTS AND DEBTORS SECTION

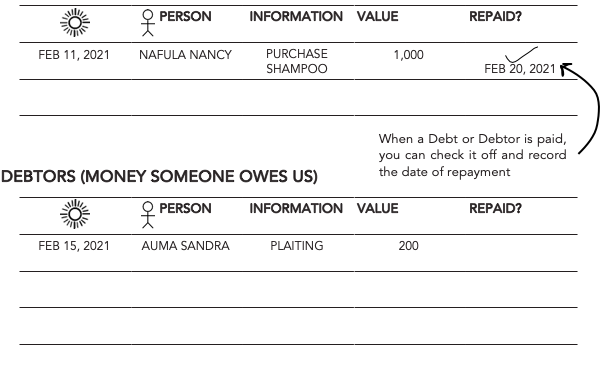
* Introduce the concepts- **Debts, and Debtors** or ask if they remember the meaning of the two terms from the training done.
* **Debt** is when one owes someone else money. *For example, We go to Mary’s shop and get an item without paying her there and then. We owe her money for that item.*
* **A debtor** is someone who owes us money. *For example, if John came to our market stall and took vegetables without paying, he owes us money.*
* Explain that:
* Having too many debts or debtors is like poisoning the business or failing it completely. Debts and debtors’ practices should be avoided to keep the business going.

*For example, imagine that we had many sales and had over 100,000 Ush or 3,000 Ksh on hand, that would be great! But imagine that we had purchased our assets like our seeds and fertilizers on credit and we owed our supplier 110,000 Ush or 3,300 Ksh. Even though we have cash on hand, our actual business value is less than 0! That is not good.*

* Having high profits is a sign of a good business. This means successful businesses bring in more money than they spend.
* Ask business owners for example of ways that money will come into their business (e.g., sales) and things that will cause money to go OUT of their business (e.g., paying for assets or transport). Explain that to know how much profit we have to be very careful to record ALL of the money that goes IN and OUT of our business.

PRACTICE SETTING UP THE DEBTS AND DEBTORS SECTION

* The debts and debtors’ section of the Record Book should use the template below. Ask Business Owners to help you populate any Debts or Debtors that they have already accumulated and use the example they have given to fill the table below



REFLECTION

* Now that your Business Owners have set up the debts and debtor’s section, test to ensure that they understand how to enter ongoing transactions. Give them time to practice and check how much they have understood.
* Ask:
* For an example of a debt, they have taken. Let them explain or show you how they would enter that in their books.
* For an example of a debtor, they already know. Then let them explain or show how they would enter this in their books.

PART FIVE: SAMPLE ACTIVITIES FOR PRACTICE AND REFLECTION

Identify 5-6 examples of assets, transactions, and debts/debtors that your business might encounter. Go through each example and ensure that your Business Owners can:

* Identify which section the example should be recorded in
* Can correctly explain or show you how they would enter the record.

**Agriculture/Livestock Business**

* Paying for land hire (Cash Out)
* Selling harvested crops to a trader on credit (meaning trader will pay later) (Debtors) Purchase of hoes and sprayer (Cash Out and Assets)
* Sale of harvested crops (Cash-In)
* Purchasing fertilizers on credit from local Agro-Dealer (Debts)
* Trader fulfills payment for crops purchased on credit (Check off Debt and Record Cash In)

**Retail/Service Business**

* Purchase of stock (Cash Out and Assets)
* Sale of stock to a customer on credit (Debtors) Sale of stock to a customer (Cash-in)
* Stock runs out (e.g. sold all soap) (Cross out Asset) Purchase of stock on credit (Debts)
* Paying debt for stock purchased (Cross out Debt and Cash)

USING RECORDS FOR BUSINESS DECISION MAKING

Ask

* The entrepreneurs how they are going use records for business decision making? Examples of things to pay attention to;
  + Is the business making profits? Let one person share what in their record they will use to determine if the business is making profits.
  + Ask another to share how they will know they have so much money outside of the business?
  + Ask another to share how will they will use their records to know if their business is doing well or not?
  + Let them share what types of decisions they may take based on their records.
  + For example; A group may choose to bring more rice into their shop because they have noticed from their records the item that brings in the most money.
  + Another group may choose to change the business because they noticed they are not making profits.

GOAL SETTING

* Based on discussions that have happened, have groups and HHs set goals/targets for themselves. For example, a group can set a target to;
  + To keep and review their records weekly to understand how the business is performing
  + To have group members. Family members who know how to write help the group keep up-to-date records.
* Households can go back home and set goals like;
  + Starting to keep records of all their expenses (cash in and cash out)
* Capture goals specific to each group and remember to share this with the BMS. Ask the BOs to write their goals into the business/ HH record book.
* Remind the groups and HHs of the spotlight tool. Ask them to work towards getting as many greens as possible.

CONCLUDE

* Tell them the BMs will be following on their goals through phone calls

# **SESSION FOUR**: PHONE NUDGE (GRANT INVESTMENT)

|  |  |
| --- | --- |
| Objective | Groups of three invest all the grants into the group business |
| Session participants | 3 primary entrepreneurs |
| When | One or two weeks after the grant |
| Time | 10 minutes |
| Materials/ Tools needed | Group goals and phone numbers |
| Lead | Business Mentors |

START YOUR FORM IN TARO WORKS

* Call the business group/business owner
* Start by explaining that you are following up on the goal that they set during the group session and that you also have a few important key reminders for them.
* Read the goal to them
* Ask what progress they have made
* If they haven’t taken action yet, remind them what action they agreed to take and encourage them and let them know you are looking forward to seeing the progress

KEY NUDGES:

* + Tell them that they need to Invest all the grants into the business, they should not split the grant.
  + Tell them to use best practices as they start their businesses
  + Tell them to focus on growing their business value and making profits
  + Remind them to continue to save and invest to be able

to start the household level business

CONCLUDE:

* Thank them for their participation and schedule the Business Group level coaching session.

# **SESSION FIVE:** PHONE NUDGE (RECORD KEEPING)

|  |  |
| --- | --- |
| Objective | Groups of three keep and use records for business decision making |
| Session participants | 3 primary entrepreneurs |
| When | Two to Three weeks after the grant disbursement |
| Time | 10 minutes |
| Materials/ Tools needed | Group goals and phone numbers |
| Lead | Business Mentors |

 START YOUR FORM IN TARO WORKS

* Call the business group/business owner
* Start by explaining that you are following up on the goal that they set during the group session and that you also have a few important key reminders for them.
* Read the goal to them
* Ask what progress they have made
* If they haven’t taken action yet, remind them what action they agreed to take and encourage them and let them know you are looking forward to seeing the progress

KEY NUDGES**:**

* Remind them that they need to continue growing their businesses so that their value and profits increase.
* Remind them to use keep and use records for business decision making
* Tell them to focus on growing their business value and making profits
* Remind them to continue to save and invest to be able to start the household level business
* Remind them to continue to work together

CONCLUDE:

* Thank them for their participation and schedule the Business Group level coaching session.

# **SESSION SIX:** BG TAILORED SUPPORT (ALL THREE BEHAVIOURS)

|  |  |
| --- | --- |
| Objective | * Groups of three are working together with the support of their families * Groups are have launched profitable and sustainable businesses |
| Session participants | 3 primary entrepreneurs |
| When | 1 Month after the grants |
| Time | 30 minutes |
| Materials/ Tools needed | Group goals and make sure that you are at the business location |
| Lead | Business Mentors |

 START YOUR FORM IN TARO WORKS

GOAL REVIEW

* Revisit the goal that your business owners set during your last sessions of mentoring. Have them assign themselves a ‘red’ ‘yellow’ or ‘green’ and have them discuss how to improve if needed.
* Tell them that today you will carry out a check on their businesses and progress on all three key behaviors.

PART ONE: GROUPS OF THREE ARE WORKING TOGETHER TO RUN THE BUSINESS WITH THE SUPPORT OF THEIR FAMILIES

Ask your business owners to talk through the following checklist, sharing their experiences and brainstorming solutions where needed.

* Are all three members working together to run the business? Tell me about how you are sharing responsibilities in the business.
* Is each member of the group maintaining their record book to make sure we have accurate records from all three members?
* What conflicts have arisen for your group? What caused conflicts? How have you resolved them? How can we avoid similar conflicts in the future?
* What challenges are you encountering as a group? How can I help you overcome these challenges?
* Have each member share the support level they have experienced from their household members. Request that they share specific examples of support or lack of support. (E.g. did a family member contribute to savings or help with the business, or have there been domestic conflicts at home about the grant?)
* Refer back to the goals and commitments that various family members made during the first family support mentoring session. Ask the group members about whether their family members have followed through on their commitments.
* Let the groups use the spotlight tool to rate their performance in this area.

After you have gone through the checklist and discussions, remind the group of the following;

* Groups that truly run their business together, instead of splitting the grant, do better.
* Groups that have the support of their family, are more likely to get out of poverty.
* Households that have multiple Income generating activities generate more income and can save

*“If you want to go fast go alone, but if you want to go far go together”*

PART TWO: BUSINESSES ARE MAXIMIZING BUSINESS PROFITS AND PRODUCTIVITY

Use your observations to see what is happening with the group business and lead discussions around the following questions and topics to ensure that they are making progress on their targets

* Ask business owners to discuss how they will use improved business practices with their newest business activity to maize profitability.
* Ask business owners to discuss how each member plans to have multiple income-generating activities throughout the year. What type of businesses will they run?
* Ask the business owners to discuss how they plan to continue diversifying, expanding, and adding value to their business activities.
* Let the groups use the spotlight tool to rate their performance in this area

After you have finished the discussions reminded the groups of the following;

* Groups whose businesses have high business value do better.
* HHs that have multiple IGAs do better.
* Businesses that implement best practices and have larger acreage for crops or large stock if its retail does better.
* Businesses that make profits do better
* A business that does not split all the profits but reinvests 30-50% back to the business do better

# **SESSION SEVEN:** BG TAILORED SUPPORT (ALL THREE BEHAVIOURS)

|  |  |
| --- | --- |
| Objective | * Groups of three are working together with the support of their families * Groups are have launched profitable and sustainable businesses * Groups are keeping and using accurate records. |
| Session participants | 3 primary entrepreneurs |
| When | 1.5 Months after the grants |
| Time | 30 minutes |
| Materials/ Tools needed | Group goals and make sure that you are at the business location |
| Lead | Business Mentors |

START YOUR FORM IN TARO WORKS

GOAL REVIEW

* Revisit the goal that your business owners set during your last sessions of mentoring. Have them assign themselves a ‘red’ ‘yellow’ or ‘green’ and have them discuss how to improve if needed.
* Tell them that today you will check on their businesses and progress on all three key behaviors.

PART ONE: GROUPS OF THREE ARE WORKING TOGETHER TO RUN THE BUSINESS WITH THE SUPPORT OF THEIR FAMILIES

Ask your business owners to talk through the following checklist, sharing their experiences and brainstorming solutions where needed.

* Are all three members working together to run the business? Tell me about how you are sharing responsibilities in the business.
* Is each member of the group maintaining their record book to make sure we have accurate records from all three members?
* What conflicts have arisen for your group? What caused conflicts? How have you resolved them? How can we avoid similar conflicts in the future?
* What challenges are you encountering as a group? How can I help you overcome these challenges?
* Have each member share the support level they have experienced from their household members. Request that they share specific examples of support or lack of support. (E.g. did a family member contribute to savings or help with the business, or have there been domestic conflicts at home about the grant?)
* Refer back to the goals and commitments that various family members made during the first family support mentoring session. Ask the group members about whether their family members have followed through on their commitments.
* Let the groups use the spotlight tool to rate their performance in this area.

After you have gone through the checklist and discussions, remind the group of the following;

* + Groups that truly run their business together, instead of splitting the grant, do better.
  + Groups that have the support of their family, are more likely to get out of poverty.
  + Households that have multiple Income generating activities generate more income and can save

*“If you want to go fast go alone, but if you want to go far go together”*

PART TWO: BUSINESSES ARE MAXIMIZING BUSINESS PROFITS AND PRODUCTIVITY

Use your observations to see what is happening with the group business and lead discussions around the following questions and topics to ensure that they are making progress on their targets

* Ask business owners to discuss how they will use improved business practices with their newest business activity to ensure maximum profitability.
* Ask business owners to discuss how each member plans to have multiple income-generating activities throughout the year. What type of businesses will they run?
* Ask the business owners to discuss how they plan to continue diversifying, expanding, and adding value to their business activities.
* Let the groups use the spotlight tool to rate their performance in this area

After you have finished the discussions reminded the groups of the following;

* Groups whose businesses have high business value do better.
* HHs that have multiple IGAs do better.
* Businesses that implement best practices and have larger acreage for crops or large stock if its retail does better.
* The businesses which make profits do better
* The business that does not split all the profits but reinvests 30-50% back to the business do better

PART THREE: BUSINESS OWNERS KEEP AND USE REGULAR ACCURATE RECORDS OF CASH IN, CASH OUT, ASSETS, DEBTS, AND DEBTORS

Use the following questions and topics with your business group to make sure that they are making progress on this key behavior change target.

* Ask the business owners to report any assets that they’ve purchased with their second installment of the grant. Ask them to confirm that assets purchased are recorded in the assets section of the record books.
* Ask the business owners to read to you the most recent transactions in the cash-in and cash-out sections. Ask if these are up to date and ask them to record any missing transactions.
* Ask the business owners if they have any outlying debts or debtors. Ask business owners to confirm that these debts/debtors are recorded in the debts/debtor’s section.
* Ask the group to share one business decision they have made based on the records of their business.
* Let the groups use the spotlight tool to rate their performance in this area.

After you have finished this discussion remind the group of the following

* Records are the mirror into how your business is performing so keep them.
* Keeping the records alone is not enough, they have to use them for decision making.
* Groups that keep and use their records do better.

GOAL SETTING

* Based on discussions that have happened have the group set goals/targets for themselves and encourage them to achieve those goals. Examples;
* Increase stock amounts for their businesses
* Start group savings to expand their business

CONCLUDE:

* Thank them for their participation and tell them that the FA will be doing the BSG level coaching and that they should all plan to attend.

# **SESSION EIGHT:** TAILORED (HOUSEHOLDS SUPPORT RED AND YELLOW BUSINESSES)

|  |  |
| --- | --- |
| Objective | * Groups of three are working together with the support of their families * Groups are have launched profitable and sustainable businesses * Groups are keeping and using accurate records. |
| Session participants | 1 primary participant and their HH members |
| When | 1 month after the Tailored support |
| Time | 30 minutes |
| Materials/ Tools needed |  |
| Lead | Field Associates /RM/Field Coordinators/ E&SL |

 START YOUR FORM IN TARO WORKS

GOAL REVIEW

* Revisit the goal that the HH set when they attended the different sessions of mentoring or training. Have them share the goals and assign themselves a ‘red’ ‘yellow’ or ‘green’ and have them discuss how to improve if needed?
* Share with the HH that they are being visited because the business group of three people that their HH member is a part of is not doing well or is in the red category.
* I’m also here because we are interested in your well-being and want to help you succeed.
* Explain that today we shall focus on what you will do differently to support the representing BO and your household goals.

FAMILY SUPPORT TO THE PRIMARY PROGRAM ENTREPRENEUR

* What support have you given to (put a name of the BO) since the program started?
* Why is your opinion being the business is struggling?
* What are you going to do differently to support the BO and his/her group?

HOUSEHOLD GOALS

* Ask the household to share any goals that have they for their family. As the share write them down; examples; could be financial goals, they may want to start a HH level business or educational goals- what to have their children achieve the highest level of education.
* Ask the household to share what is holding them back from achieving these goals? Examples of things holding them could be, not working together as a family, not saving, and not following through on their goals.
* Ask the family to share what they are willing to change and do differently?
* Work together and set goals for the household?
* Tell them you will be checking on the progress of their goals during the group mentoring
* Remind them that;
  + Groups that have the support of their family, are more likely to get out of poverty.
  + Households that have multiple Income generating activities generate more income and can save
* *“If you want to go fast go alone, but if you want to go far go together*

# **SESSION NINE:** BSG COACHING (SECOND GRANT PREP AND COST-BENEFIT ANALYSIS)

|  |  |
| --- | --- |
| Objective | Groups of three are selecting profitable and sustainable second businesses |
| Session participants | 30 primary entrepreneurs and other HH members |
| When | 6 months into the program |
| Time | 60 minutes |
| Materials needed | Offline cost-benefit analysis google sheet, flipcharts and markers |
| Lead | Field Associates |

Make sure the groups of THREE are sited together

START YOUR FORM IN TARO WORKS

REVIEW GOALS

* Start by reviewing the goals that the groups set from the last session.
* Let a few groups share their goals and what they have been able to achieve.
* Let the group award themselves a green, yellow or red spotlight based on the performance on the goal.
* Encourage groups to make corrective to meet their set targets
* Explain that today our focus will be on the behavior; *Businesses are maximizing business profits and productivity.*

GROUP ACTIVITY

* Start by reminding them of the assignment you gave them to determine the three possible businesses that interest them during the enterprise selection training.
* Tell that today’s goal is to validate their work and select the most profitable and sustainable business of the three options that they have.
* *Note: If you are in a project promoting specific value chains, the 3 business ideas should be among the value chains being promoted, if you are in the core program, the 3 business ideas should be among the top three enterprises in your region. Finally, make sure the business ideas are environmentally friendly and not on the list of blacklist businesses by VE*.
* Tell them that BEST (Sustainable and profitable) business idea will then go into the SB application to Village Enterprise.

PART ONE: SPLITTING INTO GROUPS BASED ON BUSINESS INTEREST/ASPIRATIONS

* Ask the groups of three to move and sit into groups based on business aspirations 1) Those aspiring to start crop businesses) 2) Those aspiring to start retail businesses 3) Those aspiring to start skilled businesses and 4) Those aspiring to start service businesses.
* Explain to them that each business requires different skills sets and resources to successfully start it and make sure that it makes profits.

PART TWO: EXPLAINING THE MEANING OF PROFIT

* Ask a volunteer to share what they understand by profit?
* Add to their explanation by saying that Profit is a financial term used to mean the money we are left with after taking away all the expenditures (Cash-in - cash-out). Remind them that every business must make profits for it to be a business.

*For example, Mary started her produce business with capital (Cash-out) of 10,000 KSH. She used 1000Ksh to transport, feed, and pay for tax in the market. After selling her produce she got 13,000KSH (Cash-in). That means her profit is 2,000KSh (13,000-10,000+1000 =2,000KSh).*

* Explain that like Mary once we get our seed capital and start our businesses, we need to make decisions that will ensure that our businesses are profitable and productive.
* Explain that we will need to make sure that we are using best practices to ensure increased business productivity.
* Pass a sheet with a summary of the minimum business expectations for each business category for them to keep in mind as you go through the math.

PART THREE: THE COST-BENEFIT ANALYSIS

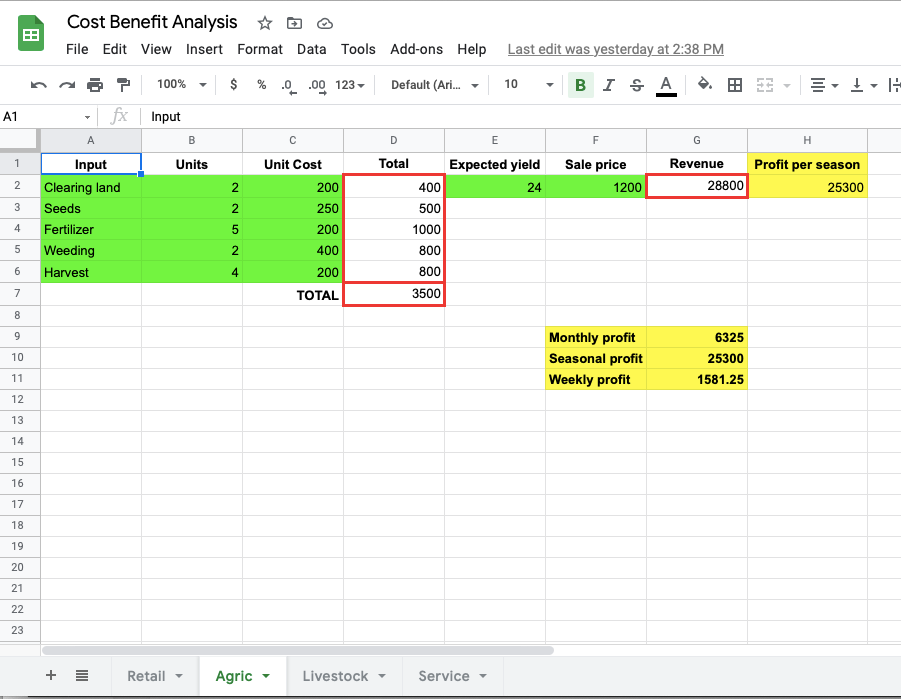
* Explaining that profit cannot be determined by merely looking or predictions. It must be calculated by doing a cost-benefit analysis. This is a tool where we analyze what we think we will spend/buy, then determine what we will come out and then see what balance we are left with. However, all these things/activities must be valued in monetary terms
* Explain that you will use retail as an example but let them be thinking of the things needed for the different businesses.

***NOTE:*** *You can do a cost-benefit analysis on paper or use the google sheet template. However, to avoid long calculations, it is easier to use the ‘Cost-Benefit Analysis’ Google Sheet available in* [*Box*](https://villageenterprise.app.box.com/file/908277528236) *OR* [*Google sheets*](https://docs.google.com/spreadsheets/d/1WRm8OJ_Hi8rNr0uR40EIc2xapbiS5n4YYjxenE0970w/edit#gid=1322365845)

* Proceed to start the excises for our example business. This may differ from time to time. Make sure to use the relevant example. Details for other businesses are in the different tabs of the sheet.

AGRICULTURAL BUSINESS

1. Identify all of the inputs needed for the business and enter them in the ‘Input’ column.
2. Add the number of units needed for the identified inputs and fill them into the second column. Add their cost prices too.
3. The total input costs will come up automatically in the third-white column.
4. Ask the business owners based on their inputs, what would their expected yield and selling price be? Enter them in the fourth column.
5. Now you can see the total revenue and total profit for the season in the fifth column.
6. Discuss the results with your business owners and work with them to determine the profit per given period for example: monthly, seasonally, yearly.



1

2

3

4

5

6

HOW TO CALCULATE PROFIT

1. Remember, profit is Revenue/Cash in – Cash out. In this case, the revenue is 28,800 and the cash-out (one-time cost + monthly costs) is 3,500. The profit in the first season is 25,300.

PRACTICE

* Now ask the groups to complete the activity in their larger groups. Move around to support and answer any questions that they may have.
* Ensure that the small groups are working together and that they are learning from other groups with shared aspirations.

Once you have completed the group example;

* Have the groups complete the activity for each of their potential businesses with your help.
* Make sure that each group can tell you which of the enterprise is more profitable than the others.
* Ensure that the groups capture the information of the most profitable business to their record book.
* Let them agree as a group if that is the enterprise they want to pursue and include in the SB.
* Ask the households to go through the same process in their homes when making a choice for which enterprise to select, once they have money to start their own family.

KEY MESSAGE AND EXAMPLE

* Groups whose businesses have high business value do better. So remember to keep growing your business.
* HHs that have multiple IGAs do better. Support the groups but keep saving money for HH-level business.
* Businesses that implement best practices and have larger acreage for crops or large stock if its retail does better.
* The business that makes profits does better
* The business that does not split all the profits but reinvests 30-50% back to the business do better

GOAL SETTING

* Based on discussions that have happened have groups and HHs set goals/targets for themselves. For example, a group can set a target to;
  + To invest 100% of their grant into the business that they have decided on as a group
  + To increase their group contribution to meet the additional cost of the business
  + Mobilize other resources needed for the business before the grant arrives, for example, land, space for a shop among others.
  + Identify an input supplier before the grant is received
* Households can go back home and set goals like;
  + Decide on the type of business
  + Saving money to start a HH level business
* Capture goals specific to each group and remember to share this with the BMS. Ask the BOs to write their goals into the business/ HH record book.
* Remind the groups and HHs of the spotlight tool. Ask them to work towards getting as many greens as possible.

CONCLUDE

* Tell them when you meet next time, if they have archived the set goals, they will earn a green face from the spotlight tool. Remind that their target is to earn as many greens as we can.

Schedule the next mentoring session, be clear on the time and location. Thank them for their participation.

# **SESSION TEN:** PHONE NUDGE (SECOND GRANT INVESTMENT)

|  |  |
| --- | --- |
| Objective | PR Grant Investment |
| Session participants | 3 primary entrepreneurs |
| When | One to Two weeks after the PR disbursement |
| Time | 10 minutes |
| Materials/ Tools needed | Group goals and phone numbers |
| Lead | Business Mentors |

START YOUR FORM IN TARO WORKS

* Call the business group/business owner
* Start by explaining that you are following up on the goal that they set during the group session and that you also have a few important key reminders for them.
* Read the goal to them
* Ask what progress they have made
* If they haven’t taken action yet, remind them what action they agreed to take
* If they have, encourage them and let them know you are looking forward to seeing the progress

Key Nudges:

* Tell them that they need to Invest all the PR grants into the business, they should not split the grant.
* Tell them to use best practices as they expand, diversify, add value or start a second business.
* Tell them to focus on business value and profitability
* Remind them to continue to save and invest to be able to start the household level business
* Remind them of the day/time that you will be visiting to follow up **on** their business groups.

# **SESSION ELEVEN:** BG TAILORED SUPPORT (RED AND YELLOW BUSINESSES)

|  |  |
| --- | --- |
| Objective | To provide target support to struggling businesses so that they can improve business value and make profits. |
| Session participants | 3 primary entrepreneur’s |
| When | 8 months into the program |
| Time | 30 minutes |
| Materials needed | Group goals |
| Lead | BM |

Make sure the groups of THREE are sited together

START YOUR FORM IN TARO WORKS

REVIEW GOALS

* Start by reviewing the goals that the groups set from the last session.
* Let a few groups share their goals and what they have been able to achieve.
* Let the group award themselves a green, yellow or red spotlight based on the performance on the goal.
* Encourage groups to make corrective to meet their set targets
* Explain that today our focus will be checking on their business progress and discussing all the five things that are important for business health.

PART ONE: GROUP OF THREE ARE WORKING TOGETHER WITH THE SUPPORT OF THEIR FAMILIES

Ask your business owners to talk through the following checklist, sharing their experiences and brainstorming solutions where needed.

* Are all three members working together to run the business? Tell me about how you are sharing responsibilities in the business.
* How are you sharing your profits in the business? Tell me about the last time that you shared your profits as a group.
* What conflicts have arisen for your group? What caused conflicts? How have you resolved them? How can we avoid similar conflicts in the future?
* Has the group encountered any challenges related to the family support for the program? What conflicts? Have they been resolved? Ask the group members about whether their family members have followed through on their commitments. How can you avoid future conflicts?

After you have gone through the checklist and discussions, let the group;

* + Agree on how to share responsibility in the group
  + Agree on how profits will be shared on the group
  + Agree on how conflicts will be settled in the group.
  + Let them meet as a group and discuss how to share responsibility.

*“If you want to go fast go alone, but if you want to go far go together”*

PART TWO: BUSINESS VALUE AND PROFITS

Use your observations to see what is happening with the group business and lead discussions around the following questions and topics to ensure that they are making progress on this key behavior change target.

* Ask business owners to discuss how they can increase their business value? This may involve changing the business, injecting money into the business if they split the grant.
* Ask the business owners to discuss how they calculate profits and share how much profit their business is making? What can they do to improve business profitability?
* After you have gone through the checklist and discussions, let the group;
  + Agree on how they are going to improve their business value
  + Let them agree on how they are going to make sure their business is making profits
  + Let them agree on the best practices that they will use to improve the quality of their businesses
  + Let them agree on the % of profit reinvestment back into the business
* After you have finished the discussions reminded the groups of the following;
  + Groups whose businesses have high business value do better.
  + HHs that have multiple IGAs do better.
  + Businesses that implement best practices and have larger acreage for crops or large stock if its retail does better.
  + The businesses that make profits does better
  + The business that does not split all the profits but reinvests 30-50% back to the business do better

PART THREE: BOOKKEEPING AND USE RECORDS FOR BUSINESS DECISION MAKING

Use the following questions and topics with your business group to understand where they are and provide targeted support.

* Is each member of the group maintaining their record book to make sure we have accurate records from all three members?
* Ask the business owners to report any assets that they’ve purchased with their second installment of the grant. Ask them to confirm that assets purchased are recorded in the assets section of the record books.
* Ask the business owners to read to you the most recent transactions in the cash-in and cash-out sections. Ask if these are up to date and ask them to record any missing transactions.
* Ask the business owners if they have any outlying debts or debtors. Ask business owners to confirm that these debts/debtors are recorded in the debts/debtor’s section.
* Ask the group to share one business decision they have made based on the records of their business.

After you have finished this discussion remind the group of the following

* Records are the mirror into how your business is performing so keep them.
* Keeping the records alone is not enough, they have to use them for decision making.
* Groups that keep and use their records do better.

PART FOUR: GRANT INVESTMENT

Use the following questions and topics with your business group to understand how they have used the grant.

* Ask the business owners to report how they have used the grant? Ask for the evidence and make an effort to see them.
* Did you split the grant? If yes, ask them if they each started a business? Can they show you the records of the business? Or show you the businesses?
* Ask them what they can do to recover the grant and invest that money into a group business. And what generally improvements are they going to make to get their business back on track.

After you have completed the discussion let the groups share what they are going to do. This may include;

* Each HH contributing money to the shared businesses
* Investing the balance of what is kept
* Borrowing from the BSG to start the business

GOAL SETTING

* Based on discussions that have happened have the group set a goal/targets for themselves. For example, a group can set a target to;
  + Reinvest 40% of the profits back into the business
  + Each member contributing X% to boost the business

CONCLUDE

Tell them that the FA will be checking on their progress on goals during the BSG coaching session

# **SESSION TWELVE:** BSG COACHING (PRE-EXIT)

|  |  |
| --- | --- |
| Objective | Prepare groups for exit and help to set goals for the next 1-5 years past the VE program |
| Session participants | 30 primary entrepreneurs and their HH members |
| When | 9 months into the program |
| Time | 60 minutes |
| Materials needed | Group goals |
| Lead | Field Associate |

Make sure the groups of THREE are sited together

START YOUR FORM IN TARO WORKS

REVIEW GOALS

* Start by reviewing the goals that the groups set from the last session.
* Let a few groups share their goals and what they have been able to achieve.
* Let the group award themselves a green, yellow or red spotlight based on the performance on the goal.
* Encourage groups to make corrective actions to meet their set targets

MOTIVATE AND INSPIRE THE GROUPS

Start by telling them that it has been an exciting journey from the start of the program. You have watched them grow, thrive, take on enormous challenges, and emerged stronger from them.

* Assure them that you have full confidence in their ability to continue to run thriving, successful, and profitable businesses.
* Tell them that although you will not be coming and providing the intentional support through the mentoring, you and the rest of Village Enterprise will be available on phone to answer their questions and provide support.

REINFORCING KEY MESSAGES

Tell them that today we shall focus on discussing key factors that are going to continue to be important in running successful businesses beyond the help of Village Enterprise. Tell them these principles are not new, they are the thing we have discussed from the start of the program.

GROUPS OF THREE WORKING TOGETHER TO RUN THE BUSINESS WITH SUPPORT FROM THEIR FAMILIES

* Lead the group a discussion on what they are going to do in the next one, two, and five years to make sure that their group businesses continue to thrive and that they are getting the support of their families.
* In an action, a review helps the groups to set goals for themselves.

BUSINESSES ARE MAXIMIZING BUSINESS PROFITS AND PRODUCTIVITY

* Ask the groups to share with you how their business is doing? Tell them to focus their sharing on business value and profits.
* Lead the groups in planning what the next 1, 2, 3, 4, and 5 years of their businesses will be. Help them to think of what success will look like?
* Help them set the decided as goals.

BUSINESS OWNERS KEEP AND USE REGULAR AND ACCURATE RECORDS OF CASH IN, CASH OUT, ASSETS, DEBTS, AND DEBTORS

* Ask the groups to share what challenges they have encountered in keeping records? What parts are the most challenging?
* Lead them in discussing how they will continue to keep and use records for business decision-making.
* Based on what they share, help them to set their goals for the next1- 5 years and record them.

GROUPS ARE REINVESTING AND SHARING BUSINESS PROFITS MUTUALLY

* Ask the groups to share how they have been sharing business profits. Ask if they have been reinvesting profits back into the business?
* Ask them to share how they will continue to ensure that parts of the profits are invested back into the business and how they will share the remaining portion among the three households.
* Help the groups set targets for how much they want their business to make in the next 1-5 years.

HOUSEHOLDS HAVE MULTIPLE INCOME-GENERATING ACTIVITIES

* Start by asking how many households have started other income-generating activities apart from the shared group business?
* Ask the HH members to think about how they are going to ensure that the household level business continues to thrive and make profits over the next 1-5 years
* Help households set goals

SAVING AND PARTICIPATION IN THE BSG

* Ask the groups to share their experiences in saving both at the business and business savings groups?
* Ask the groups to share what they are going to do to make sure that they continue to save both at HH, BG, and BSG levels?
* Work with the groups to set targets for the next 1-5 years.

THE ROLE OF LEADERSHIP

* Ask the group to share how their leadership(BSG) can continue to support the growth and success of their businesses? What can the BSG do to help monitor the performance of the businesses?
* Work with the group to support find a point person to support business growth
* Help set 1-5 year goals for their leadership team.

CONCLUDE

* Conclude by encouraging the groups to stick together and schedule the next phone sessions.

# **SESSION THIRTEEN:** PHONE NUDGE (PRE-EXIT)

|  |  |
| --- | --- |
| Objective | To do a final check on goals and reinforce good practices |
| Session participants | 3 primary entrepreneurs |
| When | 11 months of the program |
| Time | 10 minutes |
| Materials/ Tools needed | Group goals and phone numbers |
| Lead | Business Mentors |

START YOUR FORM IN TARO WORKS

* Call the business group/business owner
* Start by explaining that you are following up on the goal that they set during the group session and that you also have a few important key reminders for them.
* Read the goal to them
* Ask what progress they have made
* If they haven’t taken action yet, remind them what action they agreed to take
* If they have, encourage them and let them know you are looking forward to seeing the progress

Key Nudges:

* + Goal setting is an important practice keep doing it beyond Village enterprise.
  + Make sure to set goals that allow you and your group members to increase your business value and profits.
  + Set goals to reinvest profits, expand, diversify and add value to your businesses.
  + Continue reinvesting business profits into the business and focus on activities that generate profits.
  + Keep saving and nature your household level business
* Encourage them to stick together, and schedule the final coaching session.

# **SESSION FOURTEEN:** BG TAILORED SUPPORT (PRE-EXIT)

|  |  |
| --- | --- |
| Objective | To provide final targeted support to the businesses before the exit. |
| Session participants | 3 primary entrepreneur’s |
| When | 12 months into the program |
| Time | 60 minutes |
| Materials needed | Group goals |
| Lead | BM |

Make sure the groups of THREE are sited together

START YOUR FORM IN TARO WORKS

REVIEW GOALS

* Start by reviewing the goals that the groups set from the last session.
* Let a few groups share their goals and what they have been able to achieve.
* Let the group award themselves a green, yellow, or red spotlight based on the performance of the goal.
* Encourage groups to make corrective to meet their set targets
* Explain that today for my regular visits. The focus will be on finalizing the planning.

IMPORTANT REMINDERS

* Groups that truly run their business together, reinvesting profits, instead of consuming all their profits do better.
* Family support is important for the success of the groups and households that have multiple Income generating activities generate more income and can save
* Keep using best practices to run your businesses, they set you apart and help keep your customers.
* Groups whose businesses have high business value and make profits do better.
* Records are the mirror of how your business is performing so keep them and use them for decision making.

MOTIVATION AND CONFIDENCE BUILDING

* + Ask who in their community inspires/ motivates them?
  + Ask about they do those individuals do differently?
  + Remind them that they are just like those individuals and are capable of much more than they ever thought.
  + Remind them that they have learned a lot over the last 11 months and that knowledge is critical for their success.

CONCLUDE

* Tell them that this is your final touchpoint. Thank them for walking the journey with you and wish them well in their businesses. Tell them that there might be other people in the organization who may come and talk to them.
* Remind them they can always reach you on the phone if they need any help.

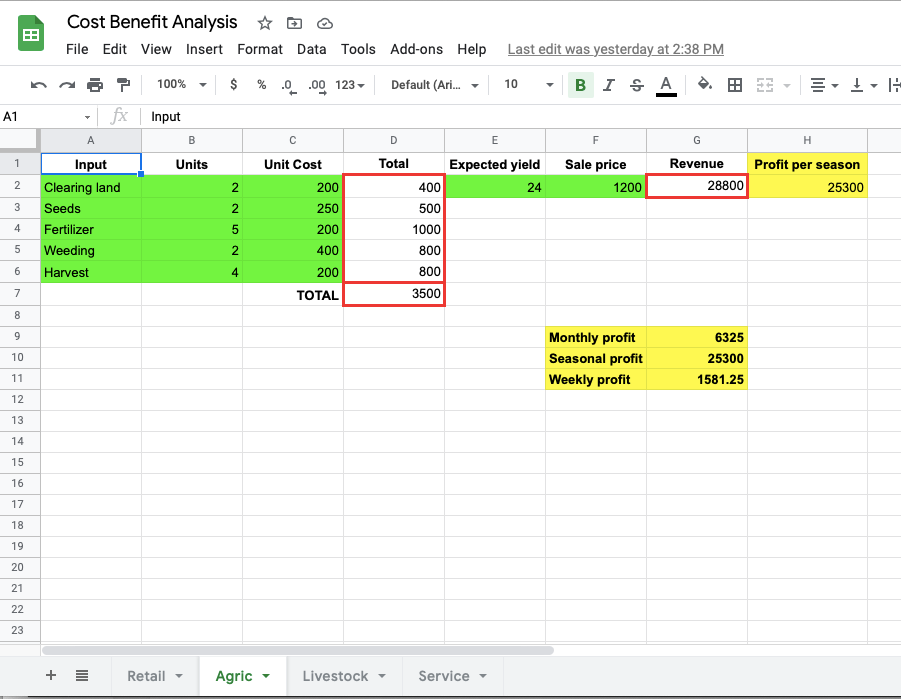
# **APPENDICES**

## Appendix 1: How to use the cost-benefit analysis Google sheet and other business examples?

* Open the cost-benefit analysis google sheet and make sure that you have it downloaded to be editable offline.
* When editing the google sheet, ONLY FILL IN THE GREEN CELLS. DO NOT EDIT ANYTHING THAT IS NOT GREEN. The formulas are already inbuilt into the document.
* Ask your business owners which type of business they intend to start and select the appropriate business from the tab options at the bottom.
* Each business has details to use for filling in relevant information to be able to determine the profit. Fill in one piece at a time till the entire process is done.
* After you complete the information entered into the Google Sheet for each business, note down the estimated weekly, monthly, seasonal, and annual profit.
* Review the profits for each business with your business owners and ask them to discuss the profit differences and go-ahead to talk about other factors: market, season, skills, and resources available.
* Make sure to take a screenshot for the business that comes to the top for form the three proposes businesses for each BG.
* Use only 2 examples of what is provided here, you can choose crop and retail or service and crop.

AGRICULTURE BUSINESS

1. Identify all of the inputs needed for the business and enter them in the ‘Input’ column.
2. Add the number of units needed for the identified inputs and fill them into the second column. Add their cost prices too.
3. The total input costs will come up automatically in the third-white column.
4. Ask the business owners based on their inputs, what would their expected yield and selling price be? Enter them in the fourth column.
5. Now you can see the total revenue and total profit for the season in the fifth column.
6. Discuss the results with your business owners and work with them to determine the profit per given period for example: monthly, seasonally, yearly.



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SERVICE OR SKILLED BUSINESS

## Appendix II: How to fill in the one-time start-up costs (fixed costs)

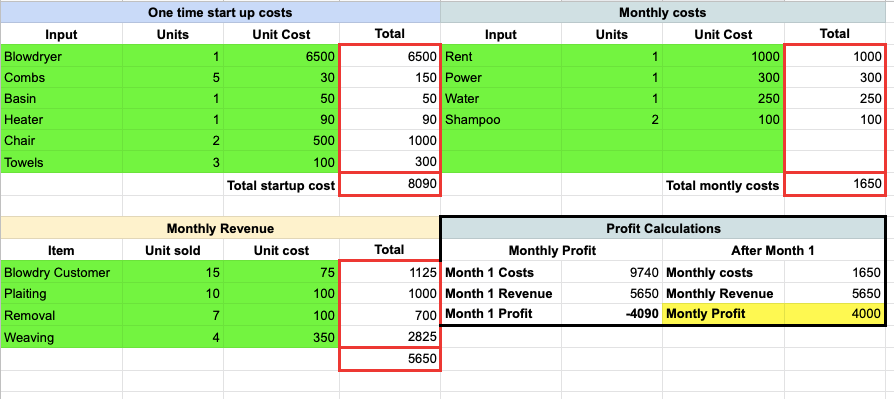
1. Ask the business owners to name all of the items that they will need to purchase once for startup costs (fixed costs). *For example, if they are running a saloon, they need to purchase a blow-dryer, chairs, perhaps towels and combs.* Enter these items in the ‘Inputs’ column of the ‘One-time start-up costs/fixed costs’ section.
2. Discuss how many of each item they will need to purchase and the unit cost of each item and enter those numbers in the Units and Unit Costs columns of the One-time startup costs section.
3. The sheet has automatically calculated our total startup costs in column 3.

## Appendix III: How to fill in the monthly costs (variable costs)

1. Go ahead to discuss with your business owners the items that they will have to purchase regularly-variable costs, perhaps monthly. *For example, for a saloon, they may need to pay rent each month or buy shampoo*. Enter each of these items into the ‘Input’ column 4 of the Monthly Costs section.
2. Next, add the units and unit costs for the monthly costs. *For example, if their rent is 1,000 shillings,* add 1 unit (because we rent per month) and then the rent cost in the Unit Costs.
3. Now we can see the total monthly costs automatically calculated in the white section column 6.

## Appendix IV: How to get the monthly revenue/income

1. Now we’ll calculate the Monthly Revenue so that we can see how long it will take to pay off our startup costs and then what our monthly profit will be. Ask the business owners to estimate the types of services or products that they will offer and enter them in the ‘Item’ column 7 of the ‘Monthly Revenue’ section.
2. Ask them the costs that they will charge for each of those services and enter them in the ‘Unit Cost’ column 8 of Monthly Revenue.
3. Finally, have the business owners estimate how many of each service or product they would expect to sell on average per month. *For example, for a saloon, they may estimate that they would do 15 blow-dries and 10 plaiting for clients.* Enter those in the ‘Units Sold’ column.
4. Now we can see the monthly revenue total automatically calculated in the white section.



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## Appendix V: Additional Record-Keeping Check List

CHECKING THE ASSETS SECTION

* Ask the Business Owners to tell you what assets they have recorded in their book. Ask to see the assets. If there are assets you see that are not recorded, record them.
* Confirm that each asset listed in one Business Owners book is listed in everyone’s book.
* Confirm that each asset’s value is reflective of the cost that the Business Owners paid.
* Ask and probe to see if there are any assets that they may have forgotten to ADD, for example, if it is a saloon business, but there are no chairs listed in the assets, ask the Business Owners if they have purchased chairs and if so, add them to the asset list.
* Ask and probe to see if any assets have been DISPOSED of. If so, ensure that they cross out the asset in the asset list. For example, if they have already sold all of the first chickens purchased from their chicken business, make sure that those chickens have been crossed out from the asset list.
* Confirm the total value of the assets.
* Can the Bos differentiate between HH and Business Assets?

CHECKING THE CASH IN /CASH OUT SECTION

* Ask the Business Owners to go to the CASH IN/CASH OUT section of their record book.
* Ask the Business Owners to show you what transactions they have recorded as CASH IN
* Ask the Business Owners to show you what transactions they have recorded as CASH OUT
* Confirm that any asset purchases previously discussed are recorded in CASH OUT
* Confirm that any sales of assets previously discussed are recorded in CASH IN
* Ask the Business Owner to confirm that each has the same records in their books.
* Ask and probe to see if there are any transactions that they may have forgotten to include. For example, if it is a chicken business and their stock of chickens has decreased, make sure that a sale of all of the chickens removed from the stock is recorded in the CASH OUT section.
* Ask the Business Owners to calculate the profit (CASH IN-CASH OUT) and ensure it matches your calculation.

CHECKING THE DEBTS/DEBTORS SECTION

* Ask the Business Owners to go to the DEBTS/DEBTORS section of their record book.
* Ask the Business Owners to show you what transactions they have recorded as DEBTS
* Ask the Business Owners to show you what transactions they have recorded as DEBTORS
* Confirm that any repayments of DEBTS or DEBTORS have been recorded.
* Confirm that any repayment of debts is recorded in CASH OUT (meaning the business paid a supplier to whom they owed money to).
* Confirm that any payments from debtors are recorded as CASH IN (meaning a customer paid the Business money that was owed to the business).
* Ask the Business Owner to confirm that each has the same records in their books.
* Ask and probe to see if there are any transactions that they may have forgotten to include. For example, if one business owner lets a customer take items on credit and has not told the other Business Owners, they should record it now.
* Assess the amount of debt and debtors. Remind the business owners that HIGH debt is poison to the business. If the value of debt is significant, have Business Owners set a goal using the spotlight tool to pay and collect debts before the next meeting.