

BPRM-MICRO BUSINESS OWNERS TRAINING & MENTORSHIP REPORT



Submitted to;
Mercy Corps Uganda
BPRM Program Manager

Presented by



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“Enhancing the Resilience of Urban Refugees and Vulnerable Host Communities in Kampala through an integrated Protection and Livelihoods Approach”



Introduction

Targeted at vulnerable Urban Refugees, asylum seekers and host communities in the divisions of Makindye, Kawempe and Rubaga in Kampala district, Uganda, the Micro Business owners program provides business & Financial management and marketable skills, confidence and connections needed to achieve steady business growth to access alternative income generating opportunities. With an aim to continue empowering and supporting refugee Micro business owners to develop feasible business plans, improve on their financial management skills and meet the needs of the market that affect their lives, creating and sustaining a supportive environment

In 2019, Mercy Corps Uganda in a consortium with the International Rescue Committee (IRC), Urban Refugees and Young African Refugees for Integral Development (YARID), received funding from the US Department of States' Bureau for Population, Refugee and Migration (PRM) to implement a 34 months' program entitled **"Enhancing the Resilience of Urban Refugees and Vulnerable Host Communities in Kampala through an integrated Protection and Livelihoods Approach"**.

In light of the above, Mercy corps Uganda signed an agreement to conduct a one-month micro business owners mentoring and coaching training for 65-groups of refugees and host community micro-business owners in the three (3) divisions of Kampala as one of its strategies to contribute towards enhancing resilience of urban refugees and host communities. The training was being facilitated by Talents Enabling Uganda and 65-Micro business owners (groups and individuals) are participating. In the initial rollout of the training plan, selected group involved in small businesses in said divisions were considered and given preference to leverage their skills in business.

The training package included content on "Micro-business owners, business and financial management skills training; developing feasible business plans, improve on their financial management skills and meet the needs of the market – Nurturing business owners to strengthen their business management systems". The content was designed to assist both individuals and groups to develop strong values, ideate and write feasible business plans and institute business and financial management processes to enable sustainability, growth and scalability of small businesses.

The training package promotes the economic and psycho-social empowerment of refugees in enterprise to do businesses that resonate within themselves.

Participants' profiles

A total of 65-business owners (groups and individuals) mostly refugees, asylum seekers as well as host community members participated in the training. These are men and women who are operating micro businesses from three divisions of Makindye, Kawempe and Rubaga. These participants had participated in a competitive selection processes; they applied for the business grant and were selected, based on the due-diligence exercise carried out by Mercy corps.

Before the training, the groups had faced a COVID-19 pandemic breakout challenge which resulted into country lockdown including strict guidelines / SOPs by Ministry of Health/COVID task forces, restriction of operation of their micro-businesses led to lose of their business working capital, customers, suppliers, premises for failing to remit rental dues, among others. The pandemic caused a substantial impact on micro-businesses. 20% of the participants had lost their premises due to lock down and landlord evictions. However, at the time of the training most of them had resorted to undertake other survival ventures such hawking, selling on verandas, home hairdressing as well as petty road side trade business to keep their businesses afloat. Almost 95% of the participants sight low sales turnover which resulted in losses.



Photo above. Talents Enabling, team member guiding a participant in filling the their participants manual

Objective of the Training

The overall objective of the training was to mentor and coach the 65-micro business owners to develop feasible business plans, provide business and financial management skills as well as market oriented skills needed for them to run stable, sustainable and scalable businesses including supporting them to stay afloat during and after COVID 19 pandemic.

Specifically, the training aimed at achieving the following Objectives;

1. Support 65 entrepreneurs to develop viable business plans to be presented to Mercy Corps for funding.
2. Provide on-going mentorship and coaching to the grantees, supporting them to institute business & financial management procedures and standards that ensure funds are not diverted and entrepreneurs stick to their goals and aspirations
3. Carry-out one-on-one mentorship sessions with 65 - entrepreneurs to provide business diversification, ensure value addition and risk assessments for business growth.

Training Methodology

The training was conducted in two phases; at a centralized venue and at the business sites. The centralized training which was conducted in clusters of 10 businesses took place from 10th to 17th July 2020 at Texas lounge in Nsambya and at Old Kampala, Martin Road Plot 14. (Facilitators followed the Covid-19 Ministry



Photo below. Anastasia, a micro entrepreneur using a well-developed participant's tool kit

of health SOPs including social distancing, sanitizing as well as having every one put on mask). The training was conducted in five different languages; English, Luganda, Kiswahili Congolese and French. The facilitators used a well-developed training manual which was specifically tailored and designed for this training and meet the needs of the target participants to support them develop feasible plans as well as develop skills to manage their business and finances well.

The centralized clustered trainings which targeted the top leader(s) of the business was participatory and involved discussion in working groups, Case studies, exercises, questions and

answers, group work presentation and practical success story lessons that stimulated active learning which excited business owners and yet brought out a good learning experience.

The onsite business training was intended to train all the groups on corporate governance, business management, group dynamics and most importantly book keeping. This required direct participation and sharing of experience with participants while practicing new skills and applying new knowledge and attitudes during the training activities.

Training content

Training tool and modules used

The facilitators used a tailored curriculum which was developed to support micro business owners to develop feasible business plan and management skills. The content below is a summary of the different topics covered over the 7 days training. While flexibility was highly exercised during the course of training, the content in here highlights the key areas that were covered.

Introduction

- i. Opportunity Identification
- ii. Business development plan
- iii. Product description
- iv. Customer analysis
- v. Industry analysis
- vi. Company description
- vii. Business strategy
- viii. Operational plan
- ix. Finding Capital
- x. Management of cash
- xi. Bookkeeping 1
- xii. Bookkeeping 11
- xiii. Marketing plan
- xiv. Teams



Photo above: Participants filling needs assessment questionnaires.

Training Needs assessment

The training started with a pre-training assessment that encompassed the concepts which included business and financial management and their experience. The SPSS v21, report is as follows'

Out of the 65 microbusiness owners, 52 participated in the assessment.

- 36.5% said that they had never participated in any business training before.
- 51.9% of the business ideas presented were good but needed more work in terms of refining their business ideas and plans
- 7.7% had spent 6 months in business, 28.8% had been in businesses for only one year 42.3% had been in business 2 years, 21.2% had been in business for over three years.
- 61.5% had no necessary skills to develop business plans business, 38.5% said that they had necessary skills for business they had started.
- 55.8% said their businesses weren't having any form of registration and 44.2% said that they had some form of registration for their businesses less than 12 months ago.
- 69.2% said they got their startup capital through their own savings, 15.4% were those that got startup capital in other ways like friends, 9.6% were those that got through group loan and 5.8% were those that got through family loan;
- 28.8% had pivoted their business activities during covid19 in addition to existing one

After the pre -training assessment, the participants enlisted their expectations, agreed on ground rules and chose their leaders for time keeping, welfare and entertainment.

Participants' expectations

Following the profile of the participants, when asked for what they hoped and expected to get out of the training, they mentioned the following summarized;

- i. To know how to run business effectively
- ii. To know how to revamp from covid-19 and run my business well
- iii. To know how to keep customers
- iv. Get a certificate after the training
- v. To share our experiences and be able to build on what we already know.
- vi. To get transport refund and seating allowance.
- vii. To know how to do customer care

The facilitators told the participants that they would be able to fulfil most of the expectations especially in relation to knowledge. However, they also said they will not provide start-up capital for those who want to start a business but encouraged them to save as will be shared more during the training.

DAY 1: introduction to the program

The 65-Microbusiness leaders were invited in groups for an introduction of the program, 52 participants attended the session, the rest missed out because of the morning rain and they failed to come. On this day, participants filled the training needs assessment forms and photo consent forms. The Executive Director of talents enabling Uganda informed participants that this training was meant to benefit them beyond the grant. He used his experience of running a business trading in drug shop, having got investment from an angel investment and now has grown to over 300



million shilling in a business. He emphasized the need for entrepreneurs to act in all phases of the entrepreneurial process from opportunity identification, preparing the start-up, running the business, the entrepreneur has to act to successfully accomplish each phase and run their business following the fundamentals of business and processes to grow from small to medium scale. The facilitator said, "Careful

management of the business cash-flow or money is critical to; meet day to day needs, cope with unexpected emergencies as well as taking advantage of opportunities for the business and plan for the future development of the entrepreneur". He challenged participants to acquire, the knowledge and skills in business and financial management as it has a lifelong reward.

On this day-one, 7th July 2020, the facilitators also took time to clarify participant's expectations concerning the minimum and maximum amounts of the grant that groups were meant to receive. Some groups thought that the grant was for them to divide among the individual members of the group while others participants thought each member of the group had to receive 800\$ and in such were expecting 800\$ multiplied by the total number of the group. Alex, clarified this, he told participants that the money was specifically for business and in so doing the money is to be given to the business of the group and not for individual of the groups, certainly not even to be divided amongst the group members. He also informed participant that the money was to be given to the group based on the business budget and that the minimum amounts of money each group was to receive was 250\$ while the maximum amount was 800\$ depending on the budget of the groups business.

Day 2: Enterprise selection & Management, Business development plan

These sessions, focused on taking the entrepreneurs through an Ideation process of selecting planning and management of the Income generating activities(IGA). The sessions started by a short motivational and inspirational talk by Alex Okello the lead trainer, he spoke of the importance of running any business whether it's considered small or big to the entire economy's development. He emphasized that a business is not only important to the individual and or the group but also to the entire community/economy. He requested participants to take their businesses seriously, institute structures and systems to ensure continuity and growth. The entrepreneurs were tasked to follow the five Important points to be considered in selecting a business and check out their current business. Entrepreneurs took time to look into their current businesses and identify what problems they are solving including within their immediate environment and came up with various challenges and or needs of people that their businesses are solving. Participants discussed several opportunities within their communities and were able to identify how their businesses were solving communities problems Participants were amazed at how many opportunities one can have within their communities.

On development plan, entrepreneurs were empowered to broaden their mindsets, guided to set up clear development plans for their businesses. They were tasked to develop a one year's business development plans, set clear goals and action steps to meet their goals. The presentation encompassed definitions, the aspects of planning; Personal aspiration/financial goals, business goals and investment plans.

DAY 3: Business, product/service description, customer and competitor Analysis

Like all other days, the day began with a review of the learning of the previous day. Among the learning mentioned was the deeper understanding of development plan and why it's important to be in business. Most entrepreneurs agreed to begin running their business with a big future plan. Participants further mentioned that they were able to grasp the concept of business ideation and the mentioned different steps in setting goals and actions.

On the topics of the day Business, product/service description, facilitators helped entrepreneurs to describe their business, products/services clearly. They were taken through a process to describe their products or services, taught to identify their unique features that should differentiate them from the rest of the competition. Participants were also able to identify and describe their primary target customers in terms of gender, age, locations, income levels, social classes including customer needs that their businesses are fulfilling. This was followed by supporting the entrepreneurs to identify their competition within their communities and what they should consider to be the leading entrepreneurs, so as to have consistent clientele.

SESSION 4: Business description and business strategy

These sessions mainly focused on business description. Entrepreneurs were able to describe their groups business, stating explicitly who they are and what they want to achieve, their vision and mission, their industry that they belong into. Most businesses were in Fashion and beauty industry, hospitality. We found out that majority of the entrepreneurs could not easily know the sectors their businesses belonged

The session of business strategy seemed difficult to grasp given the level of the businesses, however the facilitators simplified it for the entrepreneurs, and they were helped to identify a competitive advantage and suggested actions they have to take to survive and grow in your market. Some of the actions participants relied to have taken were; stocking quality products and branding of the products to differentiate themselves including having great customer care.

SESSION 5: Finding capital, Costing and Record Keeping

These sessions focused on Business capital, Costing and Record keeping. Entrepreneurs learnt the four sources of business capital and also learnt the major determinant of continuity or discontinuity in any business being cost. If the cost of production exceeds the revenue derived from a sale, there is a great probability of the business closing down. If the costs are less than revenue, there is profit and a probability of expansion. If the costs equal revenue, then the business is at a point of breakeven (No profits and no loss) and it can be closed or continued depending on other variables apart from cost or on how costs can possibly be adjusted. Facilitators emphasised the importance of record keeping and showed participants the different forms of records they need in their businesses. These records then become the most valuable source of information that shows/proves the health of any business. Examples of business records introduced were having a book, ruled into; S/N, Date, Description/Items, Amount in, Amount out and balance. This book should be supported by receipt book and Cash payment vouchers

In order to make rational business decisions, participants appreciated book keeping and viable costing methods to get the correct cost or a figure which is closely enough to the actual cost for which one performs reliable cost analysis. Failure to do so can lead to the closure of a business venture, due to poor cost computation, that may actually be profitable, or at least potentially profitable.

SESSION 6: Budgeting, Branding and marketing.

In these sessions, entrepreneurs examined their business money management styles. Defined what a budget is? covered the steps to creating a budget; 1)

Review of financial goals, 2) Estimate amount of Income 3) List all expenses-Expenditure priorities, 4) Make sure expenses are not more than Income-Stay within Budget - 5) Decide how much to save, 6) Review and adjust as necessary. Participants were tasked make a budget with careful details of projected incomes and expenses. This was interesting to all the participants since it was engaging and challenging them to budget for their own businesses which most of them were not doing before. A female refugee from Mundu group said. *"I thought budgeting for money was supposed to be only for the big organization and not small businesses like ours"*.

Sessions on branding and marketing challenged the participants to brand their products and services and develop simple marketing strategies to differentiate



themselves from competition and also to be known for specific thing eg quality products, long lasting, genuine among others. Participants learnt that a business brand is a promise to the customer; it informs communities on what can be expected from the business regarding its products and services. The brand is what differentiates a business from its competition. Participants were challenged to start thinking of designing good names, logos for their businesses.

SESSION 6: Group dynamics and Team.

This session targeted mostly group led initiatives/businesses. Facilitators emphasised the fact that working in groups is always challenging because of the difference in opinions, mind-sets and backgrounds. Facilitators however said, that if groups worked together, they can achieve more, they used the acronym of the word TEAM – **Together Everyone Achieve More** – to emphasise that teams have the potential to transform small business ideas to a big one. They shared different tips on team dynamics, conflict resolution and how to focus on the main goal of the business.

Achievements/results of the training

Overall the training was successful as per 96% turn up and attendance of the training by the anticipated participants, also the individual testimonies captured below indicate the success of the training.

Some of the participants had this to say;

1. **Jasmin a member of Team19 Group** testified that the training had equipped her with business plan development skills. She said, “This course deserves to be done for the whole year, I was green about developing plan of our business, but now, I have got some insights and will work on this with my team.” she believed this training would improve the quality and overall performance of their business of”
2. **Name of the leader?? Group Solude Classic Saloon**, said, “My greatest take away from this training is separating ourselves from the business, understanding that the business is different from us and that we have to ask the business to give us money. We cannot eat from the business when it’s still very small or when the business still has little or no profit.”
3. **Damian from Mirror Group Network** said, “I have attended many trainings, but I have liked this one because of the simplicity of the facilitators and their eagerness to teach us and show us what to do, I have learnt that a business also has to save money and this is possible when I have good records of my books.”
4. **Members of Women of Value Group**, said, we didn’t have good coordination but the talk about teams was very vital, we have learnt to coordinate.
5. **Paulin from Heart of Gold and Joanita from Nasa Fashion** were very grateful for the session of book keeping. They admitted, “We have not been writing down our records.

Field-based business owners training.

After a seven-day clustered training 8 – 14th July 2020, the second week 15 - 25th July 2020, was dedicated to onsite business based training with the Micro business owners. The main goals were to talk to the groups on team dynamics and proper financial management (Book keeping). The other aim was due diligence to find out true existence of the business. This process went on - Photos appear in the micro business profiles. Generally, the participants were very grateful for the visits and the training for the group members.



Photo above of Kalerwe Kajubi women



Photo above of Joanita NJ Auto Spare



Photo above of Family Tree Restaurant



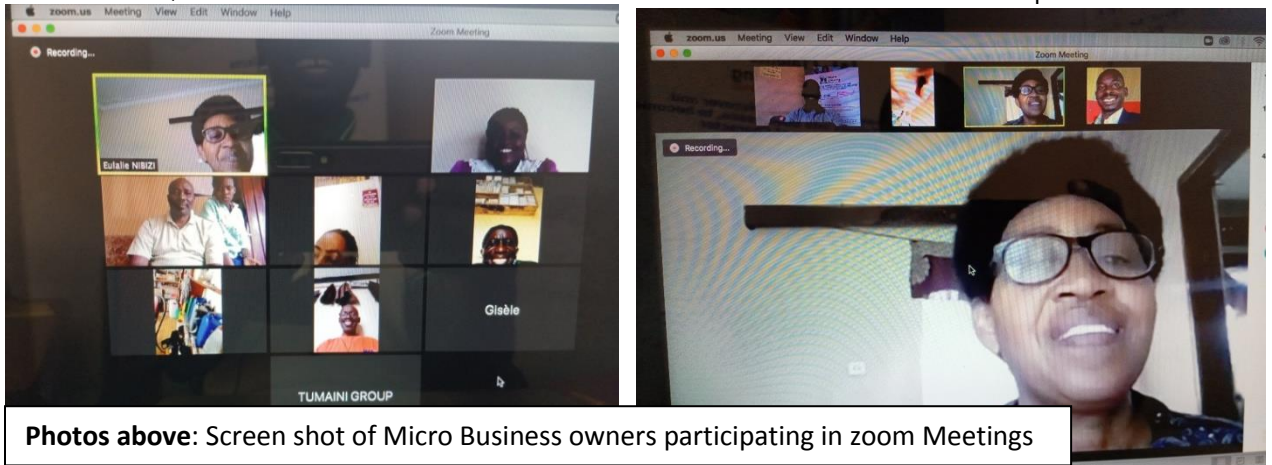
Photo Mirror groups bags shop:

Online engagement – Digital literacy.

In a bid to support entrepreneurs embrace ICT, we introduced the participants to the different online platforms

- **WhatsApp** A WhatsApp group was formed to enable easy communication with all the members. The group had all the participants from the three divisions. Because of diversity of languages, there were always translations made by Talents Enabling officers in French, Kiswahili and Congolese.
- **Zoom Meetings:** The members were taught how to download and install zoom in their gadgets. They were also taught how to join and the etiquette of attending the meeting. To this effect, we had virtual trainings on 11th, 13th, 17th and 19th July 2020. We were able to engage in five zoom meeting. Participants were very impressed to learn how to meet virtually. From the

discussions, members learnt how to market their products.



Photos above: Screen shot of Micro Business owners participating in zoom Meetings

- **Social Media engagement:** Facebook and twitter. We were able to publicize all the trainings using Hashtags' of **#US-BPRM, #IRC, #Mercy, #urban refugee, #YARID**. This enhanced community awareness and visibility of the program as well as ensuring continued connection with the partners and stake holders.
- **Introduction to Micro-mentor:** We introduced to the participants that after the training, they will be sign up for the Micro-mentor platform where they will continue to be mentored even after the training. How many committed to sign up.

We had weekly online zoom meetings to share knowledge and engage with the entrepreneurs. While on zoom, the main focus was to train the entrepreneurs about the hierarchy of needs, digital marketing and introduction to the micro mentor platform

However, only 40% entrepreneurs have been successful to login on the zoom platform for meetings. The rest were not able to participate and cited challenges like having no smart phone (3%), Data challenge (85%) while the rest 12% had internet connectivity challenges.

Recommendations

As facilitators of the training and from our previous experience facilitating similar trainings, we find training of micro-entrepreneurs critical to boost the business environment, since it supports community members enhance their operations, increase incomes and as such improve livelihood. While the majority of participants were refugees with low education levels who had not attended the business training and as such didn't have technical business skills, the trainers tried to customize/lower the training to their level and give them much time with the tools.

- We recommend that the time for the training be extended to three months from selection, training, coaching and mentoring and monitoring. This will give time for the onsite trainings and individualized group training. This will help the groups grasp the knowledge, share experience and understand group dynamics. Enough time will also give field business trainers ample time to coach and mentor each group or individual business owners.
- We also recommend that during selection, a clear eligibility criterion be shared with the target population. This will make the selection process easier as well as support the program to get quality beneficiaries
- We also recommend further training on mind-set change and financial literacy for all the groups. So that they know how to handle their own money different from the business money.

Conclusion

The training had a huge positive impact on the lives of participants many of whom were hit by the corona virus pandemic, the intervention is timely. This training managed to inspire the participants to work towards revamping their businesses and manage it well.

About Talents Enabling Uganda

Talents Enabling Uganda is a finance and business management advisory, mentoring and coaching company that supports business owners to institute clear and transparent business systems, principles, practices, standards and procedures needed to improve business growth, sustainability and scalable

Our passion is to see entrepreneurs succeed in business past the fifth anniversary.



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