



SOCIAL ENTREPRISE SKILLS TRAINING

THE FACILITATOR'S GUIDE

FIRST EDITION

FOREWORD

The development of this Social Enterprise Skills facilitator's guide was necessitated by the need to equip the aspirant entrepreneurs with the basic social business skills and knowledge of the HE franchise. It is meant for the youth who are engaged in social franchising with HE Social Impact.

The objective of this manual is to facilitate the participants to learn by doing. This is achieved through various activities during the course. These activities will give insight in their own skills. The role of the facilitator is therefore to guide the class through the process of self-learning.

With the right facilitation, it is hoped that participants will come up with their own business plans, which can be retouched and used to start their own HE franchise business.

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FACILITATOR'S BRIEF

For maximum impact, facilitators using this guide should, to the best of their ability, do the following:

- Start and end sessions with good energy and enthusiasm
- Be well prepared and organized – read all the materials well in advance of the training
- Speak clearly, ensuring all the participants can see and hear you, use simple, easy-to-understand language.
- Be willing to listen to what the participants have to say and respect their views. Be open for their inputs.
- Write clearly and legibly on the board.
- Encourage the participants to take an active part in the training by requesting them to read or write the session materials as often as possible, and invite them for participation in the session.
- Ask questions which start with words like 'why', 'what', 'how' in order to encourage discussion
- Make examples and activities relevant by inviting them to give input based on past experiences.
- When training, maintain eye contact with the participants.
- Use energizers to liven up participants when they look tired or dull.
- Follow up your participants' progress after the training.
- Make learning FUN and smile at your participants. This way, you will have the full attention of the group.
- Move around as you talk, this keeps the attention of the participants on you.
- Check understanding by asking the participants questions on what you have been training.
- Always appreciate the participants' contributions.
- Adhere to the training program
- Conclude the sessions by visualizing the subject covered
- Always appreciate the participants' contributions. Do not show your opinion to the student when a question sounds weird to you.

UNIT 1: WELCOME INTRODUCTION

INTRODUCTION

In this unit, you need to encourage participants to share their expectations of the course with the rest of the group. This exercise could help to start building confidence in the participants and create an atmosphere of dialogue. Introduce the ultimate goal of the course, which is to create awareness of their own skills and to learn how to use those skills to engage in a small business.

SPECIFIC OBJECTIVES

At the end of this unit, participants and the facilitator will have gotten familiar with one another. Participants will be able to freely participate.

TIME REQUIRED

45 minutes

MATERIALS REQUIRED

- Flip chart
- Markers with different colors / Pens
- Notebooks / Scotch

NOTE FOR FACILITATOR

- Greet, and present yourself to the group.
- Ask the participants to present themselves with respect to their names, residence and their motivation to be at present
- Let them be creative in writing their names in way that they can be read from far
- What they expect to discover about themselves
- What they expect to learn about creating a small business
- What they expect to contribute from their experience
- How they expect to interact with the facilitator and other participants
- Encourage them to pay attention to each other's comments and respect each other's opinions.
- Ask participants to set ground rules that should be observed during lessons.
- Make a list of these rules and keep them visible throughout the sessions.

UNIT 2: SOCIAL ENTREPRENEURSHIP SKILLS

INTRODUCTION

The diversity in the group of participants is likely to bring together a variety of skills and prior experiences. However, they may show degrees of reluctance to recognize and discuss their skills.

You need to be patient in encouraging the participants to articulate their capabilities and the value of their experiences, regardless of whether or not they were acquired in a formal educational setting. It may be worth reminding the group that many successful entrepreneurs have received only a modest education. An individual's inherent talent, combined with initiative and hard work, can produce a thriving business enterprise.

SPECIFIC OBJECTIVES

At the end of this unit, participants will be able to:

- Highlight their social entrepreneurship skills
- Relate their skills to real world business

TIME REQUIRED

60 minutes

MATERIALS REQUIRED

- Flip chart
- Markers with different colors / Pens
- Notebooks / Scotch

NOTE FOR FACILITATOR

- Conducting myself (confidence in myself, managing my life, being responsible, etc.)
- Thinking (being creative, solving problems, making decisions, observing my surroundings, basing actions on needs and opportunities of the immediate context, etc.)
- Interacting with people (working with others, accepting others irrespective of their gender, social status, whether they have a disability or not, etc.)
- What I can do (speaking Kiswahili, playing guitar, cooking, drawing, reading, singing, etc.).
- Ask participants to describe their skills.
- How did they learn these skills?
- What do they use these skills for?
- How often do they have to use the skills?
- How can they improve their skills?

UNIT 3: SOCIAL BUSINESS IDEAS

INTRODUCTION

Participants come from different communities. They know and observed what business models and services are lacking. It is important to note that needs are the basis for any business idea. A social entrepreneur could approach needs by identifying a difficulty the community is experiencing and then determining what product or service could help overcome that difficulty.

SPECIFIC OBJECTIVES

After this unit, participants will be able to:

- Identify unmet needs in their communities
- Know how they can apply their resources to meet those needs

TIME REQUIRED

60 minutes

MATERIALS REQUIRED

- Flip chart
- Markers with different colors / Pens
- Notebooks / Scotch

NOTE FOR FACILITATOR

Ask participants to consider their community and identify its needs for products or services in relation to health.

Ask them whether they can apply one of their own skills to provide a service or product that could address the needs.

Need	Most women must spend time and some money to ascertain whether they are pregnant
What can be done?	They need to be provided with pregnancy test services
How can I help?	I can provide them with pregnancy test gadgets

Ask several participants to generate similar examples. Encourage them to think about their skills and how they may address the identified needs.

Ask participants to form small groups, each of which will select a need that they will develop into a health related business idea as the course progresses. This will also introduce the concept of working together in business.

UNIT 4: MARKETING

INTRODUCTION

Businesses function by selling a product or service to its market. If a person or a group of people needs a product or service, there is a demand. The people who need the product or service and are willing to pay for it are customers or potential customers. The number of (possible) customers in the community represents the market for a service or product. Businesspeople who provide similar products or services are competitors.

A business can estimate the size of its market by carrying out surveys of customer needs, preferences and willingness to pay.

SPECIFIC OBJECTIVES

After this unit, participants will be able to scan their business environment with reference to:
demand, customers, market, and competitors

TIME REQUIRED

60 minutes

MATERIALS REQUIRED

- Flip chart
- Markers with different colors / Pens
- Notebooks / Scotch

NOTE FOR FACILITATOR

Ask participants to design a simple market survey. The survey should try to find answers to questions such as:

- Who are the people (the part of the community) interested in my product / service (age, gender, income status, etc.)?
- How to reach them?
- Why do they like or dislike my product (shape, size, color, etc.)?
- Are they willing to pay a commercial price for it?
- Will they always want to buy the product regularly or seasonally (sustainable)? Or will they stop buying it completely (unsustainable)?
- How many of my products or hours of my service will they need?
- Where should the product be available (location of sales points)?
- Who are my competitors?

Summarize the debate on:

- 4Cs of Market information: Commodity, Cost of production, Customers, Competition;
- 4Ps of marketing: Product, Price, Promotion, Place

UNIT 5: PROFIT, REINVESTMENT & PAYING BACK THE LOAN

INTRODUCTION

Since the participants now have an awareness of their talents and skills, and have shared ideas for possible health related small businesses, the issue of profit, reinvestment and paying back the loan needs to be discussed.

In the case of Health Entrepreneurship Social Franchise however, the profits are prefixed. The burning issues to be discussed are reinvestment and paying back the loan.

OBJECTIVE

The participants should gain insight in the concept of profit, reinvestment, and paying back loans. They should be skilled enough to calculate the profit they make, the reinvestment they can do including the advantages and disadvantages, and how they can pay back the loan.

TIME REQUIRED

60 minutes

MATERIALS REQUIRED

- Flip chart
- Markers with different colors / Pens
- Notebooks / Scotch
- Projector

NOTE FOR FACILITATOR

Provide young entrepreneurs with a price list for all the products;

- Ask them to look at the lists and discuss what they think about profit margins,

Invite them to discuss the reinvestment concept and paying back the loan in the flowing flow of money:

The young entrepreneur contributes 100USD. S/he gets a 300USD worth in HE products with expectations of paying back the loan within 12months. The next step is going out in business. Suppose the entrepreneur makes a profit of 25% of every sale. The 25% of 300 USD would be 75 USD.

It is up to the young entrepreneur to decide and plan how to pay back the loan and reinvest in the business.

The business should grow, be able to pay back loans and contribute to the livelihood of the owner.

EXERCISE

1. Ask participants to form three groups
2. Ask each group to choose a typical health related business
3. Ask each group to elect their spokesperson
4. Ask them to determine how to pay back and reinvest

5. Ask the spokesperson to present their business
6. After the presentation, ask them to prepare a play where they will examine different sources of loan, as well as their advantages and the disadvantages.
7. You may need to first ask them to cite different sources of loan including personal savings, family funds, community co-operative organizations, micro-finance organizations, savings and loan associations, commercial banks, etc.

UNIT 6: BOOK KEEPING

INTRODUCTION

Business entities carry out activities. Some activities bring in money while other activities bring out money. It is important for business entities to keep records of all the money earned and all the money spent. The business transactions can sometimes be cumbersome. Fortunately, technology simplifies the processing and bookkeeping job. The business manager application is one of these technologies (The facilitator and young entrepreneurs should have them at their disposal, so they can practice immediately).

To ensure that business related documents are kept safely and methodically, we should have a filing system. Each type of document should be kept in a separate file (for example, copies of receipts in one file, orders in another file), in alphabetical order. This will help us to find the documents we need quickly and easily.

SPECIFIC OBJECTIVES

At the end of this unit, participants will be able to:

- Appreciate why small businesses need to keep records
- Identify Basic records every small business must have
- Be able to keep business records

TIME REQUIRED

180 minutes

MATERIALS REQUIRED

- Flip chart
- Markers with different colors / Pens
- Notebooks / Scotch
- Projector
- Cashbook /tablets met business manager
- Receipt book
- Cashbook
- Receipts book
- Invoices
- Cheque book
- Purchase order
- Delivery note
- Bank slip

NOTE FOR FACILITATOR

EXERCISE:

Why do businesses need bookkeeping? [write answers on the flip chart, make sure the following are covered:

- To know what we have in the business

- To know the amount we earn from selling our products or services
- To know what we owe our creditors
- To know how much we are owed by debtors
- To know when stocks are depleted so that we could order more
- To be able to make accurate business decisions
- To know how much cash money we have in the bank and at hand
- To know whether we are making a loss or profit

DISCUSS: Business Transactions either bring in cash or take cash out.

Ask: Examples of transactions that bring cash in	Receipts from: Sales of product, Sales of services, training fee, loan, owner's capital
Ask: Examples of transactions that take cash out	Payment for: materials, Salaries, Transport, Stationery, Electricity, Tools, drawings

BOOK KEEPING

CASH BOOK

EXERCISE

1. List 3 items that bring money into your business and 3 business items on which you spend money
2. Draw a simple cashbook using the information from the list.

Left Side	Receipts (Money in)		Payments (Money out)		Right Side
Date	Details	Amount received	Date	Details	Amount paid

DEBTORS' BOOK

EXERCISE

Fifi Products Ltd has a regular client. This client is called Impact Ltd

On 07/07/08 Impact Ltd buys 2000 phones at Franc 50,000 each on credit.

On 15/07/08 Impact Ltd makes a part payment of Franc 20,000. On the same day Impact Ltd buys 500 cups at Franc 50,000 each on credit again.

On 30/07/08 Impact Ltd pays all the remaining debts.

Date	Details	Qty	Amount sold on credit	Amount received	Balance	Sign

Keep the debtor's book for your business and list to which you sold you products/services:

Date	Details	Qty	Amount sold on credit	Amount received	Balance	Sign

CREDITORS' BOOK

Fifi Products Ltd usually buys healthcare products from the same company (Social Impact) on credit, and clears the debts after selling the products.

On 15/7/08 bought 8 reading glasses at Franc 1500 each;

On 17/7/08 bought 20 reading glasses at Franc 1500 each;

On 18/7/08 paid Franc 100,000.

How much money does *Fifi Healthcare Products Ltd* owe Social Impact?

Date	Details	Amount sold on credit	Amount received	Balance	Sign

Keep the creditor's book for your business and list to whom you sold you products/services:

Date	Details	Amount sold on credit	Amount received	Balance	Sign

INCOME AND EXPENDITURES' BOOK

EXERCISE

Divide your book into two columns!

List all the items that bring in money to your business (income)!

List all the business items that you spend your money on (expenditure)!

Income	Expenditures
TOTAL _____ Franc	TOTAL _____ Franc

Find out if you make profit!

Write down how much money you would receive for selling your goods (income) and how much you would spend!

Find out whether you are making a profit or a loss.

Details	Amount in Franc
Income:	
Sales	
Expenses:	
Direct Expenses (Purchases)	
Profit of the year	

PRO-FORMA BALANCE SHEET SUMMARY

Determine your financial position!

On the left side record all your assets

On the right side record all your liabilities and capital

Add up both sides. The total on the left side should automatically equal the total on the right side. If this doesn't it shows some transactions were omitted in the computations

The totals refer to the business worth or value or financial position

<u>Assets</u>	<u>Equity & Liabilities</u>
Non-current assets	Equity
Equipment & Fittings	Owners capital (Profit less cash drawings)
<...>	Long-term liabilities
Current assets	<Loans>
Stock	Current liabilities
Debtors	<Creditors>
Bank	
Cash	
TOTAL ASSETS	TOTAL EQUITY & LIABILITIES

UNIT 7: BUSINESS PLANNING

INTRODUCTION

In this unit, explain that all that has been learnt in the previous units will build into

a business plan. A business plan is a summary of what the business intends to sell, the resources it needs and how it expects to acquire them, who will manage the business and what profits may be expected.

OBJECTIVES

At the end of this unit, participants should be able to:

- Appreciate the importance of a business plan
- Develop their own simple business plan

TIME REQUIRED

180 minutes

MATERIALS REQUIRED

- Flip chart
- Markers with different colors / Pens
- Notebooks / Scotch
- Projector

NOTE FOR FACILITATOR

Note that the goal here is to think and discuss about a business plan rather than having learners write impeccable business plans

1. Ask participants what they think a business plan is.
2. Ask them to list possible uses of the business plan – They must include the following:
 - a. Convince funding institutions to provide finance,
 - b. Motivate employees towards a better future,
 - c. Convince business partners to supply materials or services etc.

Discuss: Components of a business plan

1. Title page (name proposed for the business, entrepreneur's name, contact address and other co-ordinates)
2. Summary of business objectives
3. Table of contents
4. Structure of the proposed business
5. Intended product or service that is to be sold
6. Marketing plan (based on a simple market survey)
7. Financial plan (includes the payment of loan and re-investment of money)
8. Anticipated returns
9. Other supporting documents, such as letters of recommendation, certificates of
10. Education and training, community service documents, etc.

Ask participants to form several small groups and ask each group to prepare a business plan.

A SIMPLE BUSINESS PLAN

Prepare your own business plan; answer the following questions as honestly as possible. If you find it difficult to answer any question immediately, it means that you have to look for more information regarding the business you intend to start or expand.

1. History and background of the business

- Includes the name of the owner of the business
- The name of the business
- With who do you operate the business
- Location of the business
- Which products are you going to sell
- Explain why you are of added value to the market (what is special and unique about your products).
- What are the objectives for the first year of doing business?
- How many customers do you expect?
- What is your expected overturn
- What is your expected profit (per day/week/month)

2. Marketing Plan

- How many customers do you expect per month/week/day in your shop.
- What will be the average of times a person is coming to the shop?
- What will be the estimated sales of the products/services per month/week/day? See table

	Healthcare products	Quantity (No.)	Selling Price per item	TOTAL (franc)
1				
2				
TOTAL				

- What will be your estimated sales of products/services per month for the coming first year.

	Month												Total (RWFSs)
	1	2	3	4	5	6	7	8	9	10	11	12	
Cash Sales													
Credit sales													
Total (Rwfs)													

3. Competition

- a. The most important competitors in the region. See table.

	Competitor	Competitor's strengths	How I will out-compete them
1		_____ _____	_____ _____
2		_____ _____	_____ _____

4. The business and operation plan

- a. Purchase costs
b. Equipment, tools, and other fixed assets required
c. The equipment, tools, and other fixed assets required to operate the business are as listed below.

5. Critical risks and problems (seasonal and other changes)

- a. For example fire, legal etc. In the table below, I have completed the changes that could take place and affect my business adversely.

Critical risk/problem		How they can affect my business
1.		_____ _____
2		_____ _____

- b. What will you do to ensure that these changes do not adversely affect my business or to reduce the possible effects
c. What are legal requirements to start the business? Both local and national.

6. Financial Plan

- a. Pre-operational costs

	Item	Cost (RWFSs)
1		
2		
3		
4		
5		
6		
7		
TOTAL (a+b) (RWFSs)		

b. Monthly running cost

	Expenses	Total RWFSs
1	Purchase costs	
	Security	
7.	Rent - for business premises	
8.	Electricity/ Fuel / Firewood	
9.	Business promotion	
10.	Savings	
11.	Loan Repayment	
12.	Any other	
TOTAL (RWFS)		

c. Financial Resources

	Source	Total (RWFS)
1	From my own pocket	
2	From my parents/guardians/spouse	
3	Loan from: HE	
4	Any other source	
	TOTAL (Rwfs	

d. Projected Cash Flow

		Month						
In (Cash receipt)		1	2	3	4	5	6	Total (RWFS)
1	Balance from last month							
2	My own pocket/ investment							
3	Loan from							
4	Cash sales							
5	Collection from debtors							
6	Others							
TOTAL (RWFS)								
Out (expenditure)								
1								
2								
3								
4								
Total (b)								
Balance c/f: [(a)- (b)]								