

# Business Training for Family Teams

## – A Facilitator's Manual

### First steps to starting a small business

Heather Vanua, Lalen Simeon, Roboam Kakap, Camilla Vai,  
Emily Flowers, Barbara Pamphilon

March 2019

This manual will help facilitators to support women and men who have limited understanding of how to start a business and grow it to meet their daily needs. With the skills gained, women and men can work towards achieving their life-long dreams and be empowered to participate in decision making roles.



© Pacific Adventist University 2019

This work is copyright. It may be reproduced in whole or in part for study or training purposes subject to an acknowledgment of the source and no commercial use or sale. Reproduction for other purposes requires the written permission of the School of Business, Pacific Adventist University.

Authors: Heather Vanua, Lalen Simeon, Roboam Kakap, Camilla Vai, Emily Flowers, Barbara Pamphilon

For citation

Vanua, H. with Simeon, L., Kakap, R., Vai, C., Flowers, E. and Pamphilon, B. 2019, Business Training for Family Teams A Facilitator's Manual: First steps to starting a small business, Pacific Adventist University, Port Moresby

Cover illustration

Is an extract from the Family Teams "Earning and Saving Together" poster  
© copyright 2015 University of Canberra, ACIAR project ASEM/2014/095 a project funded by the Australian Government in partnership with the Government of Papua New Guinea through the Pacific Women Shaping Pacific Development program

# Business Training for Family Teams

## – A Facilitator's Manual

### First steps to starting a small business

Heather Vanua, Lalen Simeon, Roboam Kakap, Camilla Vai,  
Emily Flowers, Barbara Pamphilon

March 2019

This manual will help facilitators to support women and men who have limited understanding of how to start a business and grow it to meet their daily needs. With the skills gained, women and men can work towards achieving their life-long dreams and be empowered to participate in decision making roles.



## Acknowledgements



This manual has been developed collaboratively by representatives from a variety of organisations interested in helping women and men from all walks of life in Papua New Guinea to develop and grow their business ideas.

The first vote of appreciation goes to Heather Vanua, lecturer in the School of Business at Pacific Adventist University, for pulling all the ideas together to create the manual. Thanks also to Heather's fellow lecturers Roboam Kakap and Camilla Vai, who helped to pilot the new idea of teaching business to illiterate people in different groups and settlements in Port Moresby.

Support and advice from Professor Barbara Pamphilon, Director of the Australian Institute for Sustainable Communities at the University of Canberra, was much appreciated. Barbara believed in the Pacific Adventist University team and requested that our School of Business work on creating a manual – and here it is!

We extend our sincere appreciation to Emily Flowers, the former Papua New Guinea Country Manager for ACIAR. Emily supported Heather and her team by observing them deliver the training and then assisting them with writing the activities up into this facilitator's manual.

Thanks also to Richelle Tickle, Papua New Guinea Country Manager for the Pacific Women Shaping Pacific Development (*Pacific Women*) Support Unit. Richelle's invitations to attend a variety of meetings allowed us to share the idea with different groups of people.

Both ACIAR and the Australian Department of Foreign Affairs and Trade through *Pacific Women* provided funding for this project, for which we are very grateful.

Finally, thank you to the women and men in Papua New Guinea who have participated in the workshops which have led to the development of this manual. We truly wish you the best with reaching your business and life goals.

Dr Lalen Simeon  
Deputy Vice Chancellor, Pacific Adventist University

## Foreword



A growing body of research is helping us to understand how to best support families in Papua New Guinea to develop small-scale businesses that will flourish. This facilitator's manual on business training for family teams converts the research findings into an easy-to-use series of activities. The activities will support Papua New Guineans from all walks of life succeed in achieving their business goals.

The manual builds on Pacific Adventist University's involvement with the University of Canberra's and ACIAR's innovative family team methodology. The family team approach has been used to enhance the economic development of women farmers by building their agricultural and business skills and knowledge. The approach has enabled women and men to consider the gender roles, work distribution and decision-making processes in their family to help them balance workloads and benefits from their family business activities.

Other research in the Pacific has explored the relationship between economic inclusion programs and violence against women. That research concluded it is necessary to work with men on women's economic empowerment and that community-based programs are needed that actively challenge gender norms and address power inequalities between men and women. This manual does just that by bringing a program of gender transformative business skills training for women and men into their communities.

The Australian Government prioritises gender equality and women's empowerment in its foreign policy and its overseas aid program. The Pacific Women Shaping Pacific Development program (*Pacific Women*) aims to improve opportunities for the political, economic and social advancement of Pacific women. *Pacific Women* has proudly supported important economic empowerment initiatives, including the research activities mentioned above and the development of this practical manual.

The manual is a wonderful example of collaboration of partners working together towards a joint goal. Facilitators will enjoy using this manual and those who participate in the training will have a solid foundation on which to build strong, profitable businesses in their communities.

Andrew Egan  
Minister-Counsellor  
Australian High Commission, Port Moresby

# Contents

<b>Acknowledgements</b> .....	i
<b>Foreword</b> .....	ii
<b>Introduction</b> .....	1
<b>Module 1</b> A typical day in a Papua New Guinean woman's / man's life .....	5
<b>Module 2</b> The family team circle.....	9
<b>Module 3</b> Community mapping.....	13
<b>Module 4</b> The importance of setting a goal.....	16
<b>Module 5</b> Identifying business opportunities .....	21
<b>Module 6</b> Calculating business start-up cost and price.....	26
<b>Module 7</b> Budgeting and savings.....	35
<b>Module 8</b> Record keeping .....	43
<b>Module 9</b> Go to market (market and action plan).....	49
<b>Appendix 1</b> Pictures.....	57
<b>Appendix 2</b> Record keeping board game .....	58

## Introduction

This manual has been designed to support facilitators to teach basic business skills to Papua New Guinean women and men with low or no literacy. The lessons and activities are simple, practical, engaging and fun. They are closely linked to the daily life of Papua New Guinean families. The manual applies a bottom-up approach to personal and business development that enables participants to improve their own lives and their family's lives.

The manual covers:

- goals and how to set them and the importance of breaking big ideas into small steps to make them achievable;
- community mapping and the value of the assets in their community;
- simple steps to develop a business, including location and market, cost and pricing; and
- basic financial management, including record keeping, budgeting and savings.

The manual was developed by Heather Vanua from the Pacific Adventist University. For more information contact Heather directly on Heather.Vanua@pau.ac.pg or Lalen Simeon on Lalen.Simeon@pau.ac.pg.

This manual will be regularly updated. Most of the ideas in this manual come from the Heather's experience in teaching financial literacy.

## Adult learning

The activities in this manual are based on adult learning principles.<sup>1</sup> While many of us have been taught by teachers who talked 'at' us, good adult learning is different. Adult learners already have some experience and skills and need to be asked questions and be listened to, as they can often discover their own answers with a little additional information and discussion with others. Adult learners are like a team working together to find solutions that are valued by and relevant to them.

As such, we use the term 'facilitator' rather than 'trainer'. This shows that our approach focuses on helping others learn (facilitation) rather than teaching people what we think they need to know (training). We like to think of adults' minds as a fire to be kindled (facilitated), rather than an empty vessel to be filled (trained).

Facilitation is about empowering others. It requires letting go of control over the outcome of a process and giving the responsibility to the group.

---

<sup>1</sup> Please see the companion document: Pamphilon B. 2017. The farmer-to-farmer adult learning manual: a process and resources for the development of farmers as peer educators. *ACIAR Monograph* No. 198. Australian Centre for International Agricultural Research: Canberra. 53 pp. <https://www.aciar.gov.au/publication/farmer-farmer-adult-learning-manual>.



## **Flexibility**

A key to the success of the activities in this manual is their ability to adapt to participants' needs. In this respect, the facilitator's knowledge of the participants is very important. Prior information on the education level, group composition (such as married couples, widows, youth or work colleagues) and primary income sources (for example, agriculture or trade stores) will help the facilitator to adapt the training to the participants' needs.

This manual has been developed for a workshop with about 30 participants. The facilitator may need to adapt the activities to suit a larger or smaller group.

## **Language**

This manual has been published in English for accessibility. However, the facilitator should conduct the activities in a language common to the facilitator and the participants to ensure that participants fully understand the material. The facilitator should encourage participants to contribute in the language in which they are most comfortable communicating.

## **Program**

Each module includes an introduction, information on timing, suggested materials, activities (with step-by-step guidelines) and review questions.

The review questions are designed to spark a summary discussion for each module. We encourage facilitators to let the participants lead this session as it will help ensure that they have understood the key messages from each activity. It also allows the participants to take ownership for the outcomes and lessons learned. Facilitators may need to 'seed' the discussion to ensure participants understand the key messages.

In some modules, there are suggested discussion questions, special tips (for the facilitator to consider when running the activity) and homework. The facilitator can also ask the groups to do homework if participants are struggling to finish tasks in the allocated time.

Stories and examples are an important part of this approach. Stories or examples are included for most modules; however, it is helpful to have examples relevant to the participants and their communities. The facilitator should feel free to use their own examples. Keeping the stories and examples real will give them more weight.

In some modules (particularly Modules 3, 6 and 7) participants can get lost or caught up in the details. We suggest the facilitator moves between the groups to help them and ensure they are progressing.

There is an example used throughout the manual. We suggest the facilitator goes through the example prior to conducting the workshop to ensure the facilitator fully understands it. Once the facilitator is comfortable with the exercise, they could develop their own business example to demonstrate to the group.



## Materials

The activities can be done with very simple materials. The facilitator will need:

- large paper: butchers' paper or a roll of brown paper
- scissors
- marker pens: more than one colour is preferable
- something to secure the large paper on the wall, like pins, Blu-Tack or sticky tape
- buckets
- balls (or scrunched up paper or rocks)
- pretend money (or paper or rocks)
- dice
- record keeping board game (see Appendix 2 Record keeping board game)
- prizes (something small for the winners).

If these items are not available, be creative!

Each participant will need:

- a school exercise book
- a pen or pencil
- coloured pencils or crayons, if available.

In each module there are specific materials listed, including some that need to be prepared in advance. If the facilitator is unable to source these, we suggest being creative and using what is available in a village.

## Helping everyone learn

There are some things common to all learning workshops in Papua New Guinea:

- It may be good to start each day with a prayer.
- The facilitator may like to start the training with an introduction or ice breaker activity.
- This course can be very mentally challenging for participants and the facilitator. If participants are getting tired or struggling to concentrate, the facilitator may need to run an energiser activity (something to get the group moving).
- It is a good idea for the facilitator to review the activities from the previous day with the participants at the start of each new day.

The facilitator can be creative and use their own experience for these activities.

## Everyone having a say

It is important that the facilitator gives everyone at the workshop the opportunity to speak and contribute. Papua New Guineans typically expect senior men to do a lot of the talking about issues affecting the communities

they live in, but in this program it is important to hear what everyone thinks. The facilitator can model good communication by taking the time to listen to the less powerful members of the group. It is important for the facilitator to watch out for people interrupting each other, or talking too much and to remind people that everyone needs to have a say.

It can be helpful for the facilitator to begin the workshop with an introductory statement, for example:

'In this training I'd like to encourage all of you to have a say. It doesn't matter who you are — we want everyone's ideas. You might be able to tell us something that we didn't know that could really solve a problem. So, don't be shy, speak up and we will all be respectful of each other's opinions.'

## **Review and revisit**

It is very important for the facilitator to go back to communities to visit them and monitor their uptake of the lessons. It helps to keep participants motivated and enthusiastic about what they have learned. It will also give them a chance to ask questions if they are confused or have any issues.

## **Family team training**

For the activities in this manual to be most effective, we suggest that the facilitator first runs a half-day session to help both women and men consider the importance of becoming family teams. The Australian Centre for International Agricultural Research (ACIAR) has produced the Papua New Guinea Family Farm Teams Manual. This is available free of charge at <http://www.canberra.edu.au/research/faculty-research-centres/aisc/png-family-farm-teams-program>.

# Module 1 A typical day in a Papua New Guinean woman's / man's life



## Background information

This module enables participants to explore and share their perceptions of the main activities that women and men undertake. It helps participants to see gender roles and inequities and think about how families can work more effectively and equally.



## Outcomes

After completing this module, participants will:

- understand the difference between traditional women's and men's roles
- understand the workload of the other sex
- appreciate the importance of making time for children
- see the importance of a time budget for all members of the family.



## Time

30 minutes



## Materials

Markers

The facilitator will need to prepare large sheets of paper before starting the activity (see Table 1)



## Introduction

In a community, women and men have very different roles and workloads, as do youth and elderly people. Discuss with the group the differences between traditional women's and men's roles and how this starts with young girls and boys and continues through to elderly women and men.

Are you aware what other members of your family do in a day?



## Activity: A day in a woman's / man's life

- Divide the group into smaller groups (up to 10 people in each group) of women only and men only. It is ideal to divide participants into groups of young women, older women, young men and older men. If the young people are not comfortable participating, mix up the ages in the groups.
- Give each group a pre-prepared large sheet of paper and ask them to fill it out for a typical day (women fill out 'A day in a woman's life' and men fill out 'A day in a man's life').
- Then give each group the opposite sheet of paper and ask them to fill it out for a typical day (women fill out 'A day in a man's life' and men fill out 'A day in a woman's life').
- Ask each group to present their own day (women present their version of 'A day in a woman's life' and men present their version of 'A day in a man's life').
- After each group presents, ask if there is anything missing. For example, sometimes people forget about church activities, staying up late to mend children's clothes, relaxing with friends or other activities.
- Ask each group to present the opposite sex's day (women present their version of 'A day in a man's life' and men present their version of 'A day in a woman's life').
- Display them side-by-side so 'A day in a woman's life' as seen by the women is beside 'A day in a woman's life' as seen by the men.



## Discussion

Once all of the sheets of paper have been presented and are displayed at the front, start a discussion. Questions might include:

- Are the women and men aware of what each other do in a day? What are the differences between what men think women do and what women think women do, and vice versa?
- What are the differences between women's and men's days?
- 'Is the woman the tractor taking all the heavy family load, waking up in the morning and just work, work, working all day?'
- Are there ways that time can be used better?
- How could a family work together to better share the work?
- Has time with the children been considered in the day? (This is an opportunity to consider the participants' interactions with children.) It is very important for children to have quality time with both parents.

- When do you play with the kids? Do you read to the kids? Children need to understand that their parents love and care for them. Children will also benefit from learning time management skills. Parents can help children make better use of their time and help them succeed at school by developing a time management program for them.



## Special tips

It is very important that the facilitator leads the discussion carefully. If this activity is part of a whole day on gender roles, the facilitator can probe and challenge, knowing that other activities will follow. The facilitator should encourage participants to think about the new insights they have learned with a focus on how family members can share skills, time and workloads.

Many participants may not have previously thought about different gender workloads across the day and some people may become defensive. The facilitator needs to monitor the reactions and use humour if required so that people can laugh at the differences as they begin to think about them.

There are two options for presenting the table on the pre-prepared sheet of paper. Participants can either use clock times or use words to describe the time of the day. For big groups or groups with low literacy it may make more sense to use words to describe the time of the day. The facilitator should choose which option will work better for the group and prepare the tables accordingly before starting the activity.

If time is short, steps 3 and 6 can be left out and women and men only present on their own day to the whole group.



## Review questions

- What is the difference between traditional women's and men's roles?
- Do women and men (and youth and elderly) have the same workloads in a household?
- Why is it important to understand the workload of different members of your household?
- Why should you make time for the children?

**Table 1**                      **A day in a man / woman's life**

Time (option 1)	Time (option 2)	Activities
5.00-6.00am	Early morning	
6.00-7.00am		
7.00-8.00am		
8.00-9.00am	Morning	
9.00-10.00am		
10.00-11.00am		
11.00-12noon		
12.00-1.00pm	Middle of the day	
1.00-2.00pm		
2.00-3.00pm	Afternoon	
3.00-4.00pm		
4.00-5.00pm	Early evening	
5.00-6.00pm		
6.00-7.00pm		
7.00-8.00pm	Evening	
8.00-9.00pm		
9.00-10.00pm		
10.00-11.00pm	Night	
11.00-12 midnight		

**Facilitator's notes**

---

---

---

---

---

---

---

---

---

---

---

## Module 2 The family team circle



### Background information

This module is designed to help families look at the division of work of women, men, grandparents, youth and children in the family. It supports family heads and others in the family to discuss together how work can be shared equally. Sharing work equally means that all the talents of the family are used and that everyone has an equal workload.



### Outcomes

After completing this module, participants will:

- understand how unbalanced the workload is in a typical Papua New Guinean family
- understand how this imbalance can affect the family and affect women and girls
- be able to identify ways to help balance their own family circle.



### Time

30 minutes



### Materials

Large paper and markers





## Introduction

This activity uses group discussion to start participants thinking about the workload in a typical Papua New Guinean family. It takes a lot of work to ensure everyone in a family has their daily needs met and the family runs smoothly; work like cooking, cleaning, gardening, marketing, chopping wood, washing clothes, feeding animals and looking after children. This workload is often not shared equally by all members of a family. When the workload is not equally shared, the family will not function properly.

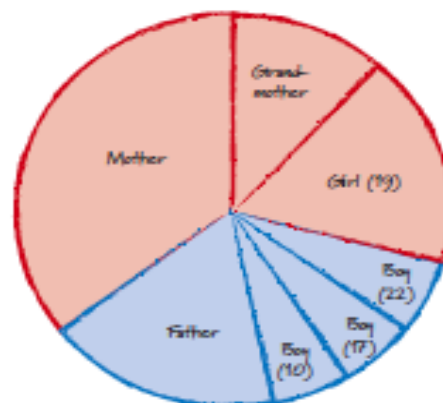
We are going to look at the division of labour in a typical Papua New Guinean family.



## Activity: The family tree circle

- Ask the group to call out family members in a typical Papua New Guinean family. Make a list of up to 10 people on the side of a large sheet of paper. Make sure the following people are included: mother, father, at least one daughter, at least one son and at least one grandparent.
- Draw a circle in the middle of the large paper.
- Divide the circle into sections that show how the workload is split in a typical Papua New Guinean unbalanced family. Make sure there are enough sections to cover all of the family members on the side of the page. If there is more than one daughter, they will be grouped together and the same for sons. There should be up to six groups: mother, father, sons, daughters, other women (such as grandmothers, aunts and female cousins) and other men (such as grandfathers, uncles and male cousins).
- Ask the participants which proportion of the workload they think belongs to each member of the family. (In an unbalanced family, women usually do a lot more work than men.)

**Figure 1**      **An unbalanced family circle**





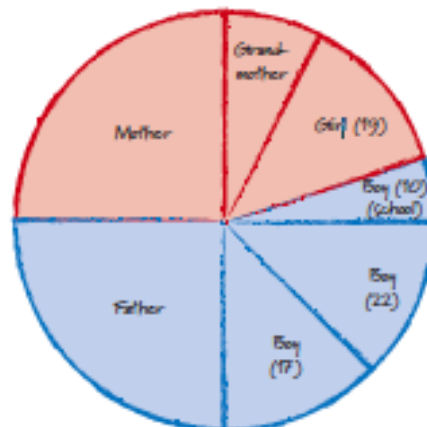
## Discussion

Start a discussion about the family team circle, going through each workload. Questions might include:

- Is the workload shared equally between everyone in the family?
- Who does most of the work in a typical Papua New Guinean family? Should everyone in the family share the work for a healthy and happy family? The mother is not a tractor, turning on at 5am and working all day. Do you think other family members could take on some of the mother's workload?
- What is the difference between the workloads of daughters and sons? Why are sons left free and daughters given work? Should they be treated equally so they all learn about the importance of families working together and sharing the workload?
- What can you change to help your kids and family be balanced?

Then draw up the balanced family team circle on a new piece of paper and ask participants what they can do in their family to balance the workload.

**Figure 2**                      **A balanced family circle**



## Homework

Ask participants to work with their families to draw up a personal timetable for each member of the family.

Look at the workload of each family member and ways to help divide it equally between all members of the family. Make sure you include spending quality time with the kids to help their development (including helping with school work, reading and playing). Also consider what you can do for the community and the church, which helps keep the mind and body healthy. Give the kids the chance to decide what they want to do to help the community, as it is a good opportunity for kids to take on responsibility.



## Review questions

- What is the breakdown of labour in a typical Papua New Guinean family? Who does most of the work?
- How does an unbalanced workload affect a family and affect women and girls?
- What is the benefit of a balanced family?
- How can you help your family be balanced?



## Facilitator's notes

---

---

---

---

---

---

---

---

---

---

## Module 3 Community mapping



### Background information

Community mapping is a useful tool to help participants consider their village, including the assets and the value of those assets. The map will be used in future modules to help participants identify current businesses and develop new business ideas. Different participants may choose to draw their communities in different ways. This does not matter as long as the drawing is meaningful to them. Some participants may prefer to use symbols instead of words.



### Outcomes

After completing this module, participants will:

- have drawn their village
- know the natural and man-made assets in their village and the value of those assets.



### Time

90 minutes



### Materials

Large paper, Blu-Tack and markers, coloured pencils or crayons

The facilitator will need to prepare an example village map before starting the activity (see Figure 3)



## Introduction

Start by explaining the concept of a community asset. Community assets include man-made assets such as schools, aid posts, roads, church buildings, trade stores, public motor vehicles (PMVs), community centres and other community spaces; and natural assets, such as rivers, mountains, grasslands, the sea and trees.

Ask participants to call out the assets in their community and write them on a large sheet of paper at the front. Once the participants have identified a reasonable list and people understand the term 'community assets,' the facilitator can start the activity.



## Activity

- Show the participants the pre-prepared community map (see Figure 3). Explain that it is a make-believe village similar to their village. Go through the map step-by-step, describing all the assets and features (roads, market place, rivers and so on).
- Divide the participants into small groups, preferably family groups. Give each group large sheet of paper and markers, coloured pencils or crayons. Ask the groups to draw their village. As they work, check that the groups are managing the task and including all of the main assets in the community. You may need to help groups, as all groups need to have a community map to use later in the workshop.



## Homework

If groups have not completed their community map, they can finish it as homework.



## Review questions

- What is a natural asset?
- What is a man-made asset?



## Facilitator's notes

---

---

---

---

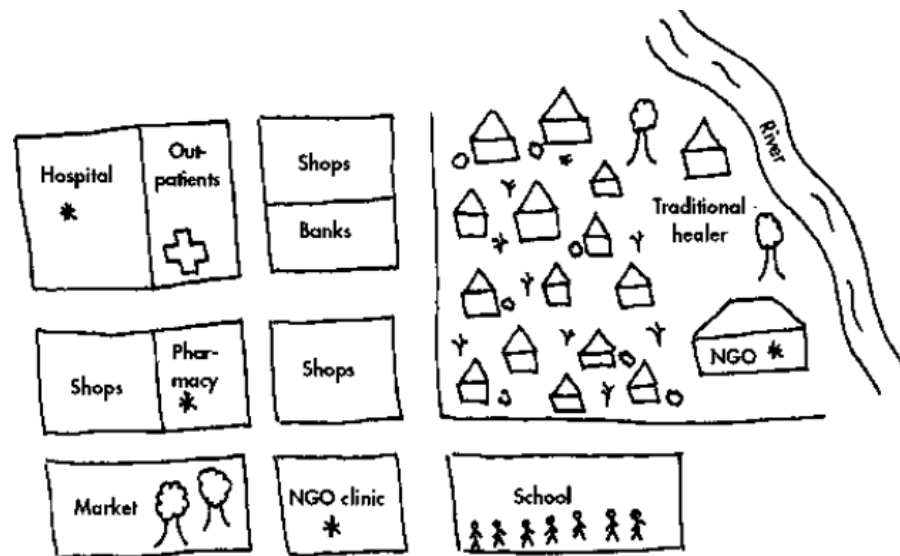
---

---

---

---

Figure 3 Example community map



## Module 4 The importance of setting a goal



### Background information

Most people do not understand the importance of goals when developing a business. This module helps participants understand the concept of a goal, the importance of setting goals and the characteristics required to achieve a goal. Having a goal will help a business become successful.



### Outcomes

After completing this module, participants will:

- understand the meaning of 'goal'
- know why goal setting is important
- know how to set a goal
- understand rules to achieve goals
- know that breaking goals down into short-term, medium-term and long-term goals and plans helps make them more achievable
- believe that a person can achieve anything by having a plan and sticking to it.



### Time

45 minutes



### Materials

Large paper, buckets, balls (scrunched up paper or a rock will do), markers, Blu-Tack and prizes (something small for the winners – a flex card or cash is ideal)





## Introduction: Understanding goals

Participants will consider what they are doing with their lives and what they will do in the future. Explain the concept of a goal as something a person would like to achieve in the future to support themselves and improve their life.



## Activity: Ball throwing game

- Divide the participants into groups of up to 10 people. You may want to separate the women and men for this activity.
- Give each group a bucket and a ball. Place the bucket a reasonable distance from the group (about 10 steps, it should be challenging).
- Ask participants to line up in single file and take turns to attempt to throw the ball into the bucket.
- Run through everyone two or three times and get someone from the group to record how many times each person gets the ball in the bucket. The person from each group who gets the ball in the bucket the most times is the group winner.
- If there are lots of groups, have the winners from each group play against each other until there are one or two winners.
- Present the winners with their prize in front of the group and ask them to share how they achieved the goal of getting the ball into the basket. What was their secret? Look for words and expressions like: focus, aim, clear mind, not thinking about other things, keep trying and be disciplined. Write what they say on a large sheet of paper at the front for everyone to see.
- Ask the winners what advice they would give the other participants. Look for expressions like: keep trying, never give up and believe in yourself. Write what they say on another large sheet of paper at the front for everyone to see.
- Now ask the rest of the participants how they felt when they did not get the ball in the basket. Look for responses like: determined, frustrated, embarrassed, change method, keep trying, change goals (wanting a bigger or closer basket) and ask for help or advice. Write what they say on another large sheet of paper at the front for everyone to see.
- Read all the words on the large paper from the activity. Break the participants back into the same groups and ask each group to write five rules to achieve their goals in life, based on the activity. They can be titled: 'The five rules that will help you achieve your goal.' Give the groups time to finish their lists.
- Present the lists to the full group and discuss.
- Combine the group lists to develop one list of five rules. Use common words and messages from the individual lists. Look for words and messages like: aim, focus, plan, discipline, review / change method, keep trying, ask for advice / help and learn from others.



## Introduction: Categorising goals

A person with a goal can break it up into short-term, medium-term and long-term goals to make it more achievable.

A short-term goal is less than one year, a medium-term goal is one to five years, and a long-term goal is more than five years.



### Example 1: Second-hand clothes store goal

Elizabeth had a goal of starting a second-hand clothes store. She started buying some second-hand clothes, washing and ironing them and selling them door-to-door in her home town of Goroka. That was her short-term goal.

Elizabeth then used the money she had earned to purchase a bale of clothes to sell. That was her medium-term goal.

Eventually she saved enough money to start a shop, LABELS, which she has expanded into a chain of second-hand clothes stores in cities all round Papua New Guinea and the Pacific. That was her long-term goal.



### Example 2: Bakery shop goal

Heather dreams of starting a bakery shop. She estimates that starting a small bakery would cost approximately K4,950, including K1,000 for her to attend two training courses. Here is what she plans to do to achieve her dream:

**Table 2** Planning for a bakery shop

Goals	Plans	Outcome
Short-term: 12 months	1. Open a bank account.	1.1 Opened a bank account.
	2. Bake my own cakes and sell them at the market.	2.1 Selling cakes at the market.
	3. Save K500 to sponsor myself to attend a baking course.	3.1 Deposited K20 per week from my marketing. 3.2 In six months I had saved K500.
	4. Enrol in a baking course.	4.1 Enrolled in a baking class. 4.2 Attended a baking class.
	5. Participate in a cake baking show to gain experience from other experts.	5.1 Participated in a cake baking show.
Medium-term: one to five years	1. Bake my own cakes and sell them at the market.	1.1 Selling cakes at the market.
	2. Save the remaining K4,450 to start the bakery business (including K500 for more training).	2.1 Deposited K50 per week from my marketing. 2.2 Saved K500 in three months. 2.3 Saved an additional K4,450 in two years.

Goals	Plans	Outcome
	3. Register the business.	3.1 Registered the Business with the Investment Promotion Authority (IPA) and obtained a certificate.
	4. Save K500 to sponsor myself to enrol in a specialty cake decorating course.	4.1 Saved K500.
	5. Enrol in a specialty cake decorating course.	5.1 Enrolled in a specialty cake decorating course. 5.2 Attended a specialty cake decorating course.
	6. Take orders for cakes for special occasions (birthdays, weddings and anniversaries).	6.1 Making cakes to order for special occasions.
	7. Open a small bakery shop.	7.1 Renting a small shop to sell cakes.
	8. Conduct baking classes.	8.1 Started running basic cake making classes. 8.2 Photos of cake classes taken for marketing.
	9. Hire additional staff.	9.1 Additional staff hired and trained.
	1. Established the baking business.	1.1 Business established.
	2. Obtain a bank loan to expand the business into selling baking equipment and ingredients.	2.1 Obtained a bank loan.
Long-term: more than five years	3. Opened a second shop.	3.1 Sourced suppliers for baking equipment and ingredients. 3.2 Renting a second shop in Port Moresby.
	4. Hire additional staff.	4.1 Additional staff hired and trained.



## Discussion

Ask participants to think about goals in their lives.

‘Setting goals is relevant for you, for your family and for your business. You should develop your own set of short, medium and long-term goals to help you in your life. You do not need to use words for your goals, you could draw pictures or write a song. Anything that you can remember and work towards.’



## Homework

Ask the participants to work with their family to develop their family goal and the short, medium and long-term plans to achieve the goal.



## Review questions

- What is a goal?
- What are the differences between short-term, medium-term and long-term goals?
- What is the importance of goal setting?
- What might happen if we do not set goals?
- What are some factors that can affect your goals? How can we overcome them?



## Facilitator's notes

---

---

---

---

---

---

---

---

---

---

## Module 5 Identifying business opportunities



### Background information

In this module, participants will use their community maps to develop business ideas. They will consider the unmet needs in their community along with their own skills and resources to identify new business ideas. They will also look at competitors and competitive advantage, market size and location.

We have used one business as an example throughout this exercise. The facilitator may use a different example. Make sure to work through all of the examples prior to presenting the module.



### Outcomes

- After completing this module, participants will:
- be able to identify a business opportunity
- match their skills, knowledge or experience with the business opportunity
- locate on the community map a location for their business
- be able to identify their most important customers
- know their competitors and how to gain a competitive advantage.



### Time

90 minutes



### Materials

Large paper, Blu-Tack and markers

The facilitator will need to prepare a large sheet of paper with an example table of unmet needs, skills and resources before starting the activity (see Figure 3)



## Introduction: Identifying business opportunities

Participants will use the community maps to identify the current businesses and the unmet needs in their community. Unmet needs are those that the current businesses in the community do not satisfy.

Think about what you are not able to do or get, or what you have heard other people complain about needing. These are the unmet needs that can become a new business when matched with your skills and resources.



### Activity: Current businesses

Ask the groups to mark all the current businesses operating in their community on the map, including trade stores, transport companies, shops, markets, road-side sellers and so on.



### Activity: Unmet needs

- Ask the groups whether the current businesses meet all of their needs. Ask them to list the needs that the current businesses are not meeting on a sheet of paper (examples might include transport to town, places to purchase second-hand clothes or shoes, somewhere to wash clothes or to charge mobile phones). Once each group has a list of at least four needs, ask them to prioritise them.
- Ask each group to call out one of the unmet needs they identified and write the responses on a large sheet of paper at the front.
- Ask the groups to think about their skills, knowledge and experience. Write examples (such as baking, sewing, agriculture or holding a driver's licence) on the large sheet of paper at the front, next to the unmet needs. Ask the groups to list their own skills on their sheet of paper.
- Ask the groups to list their own resources on their sheet of paper. Ask the groups to think about the resources available to them (for example land, electricity, a vehicle, a sewing machine, a house. Write them on the large paper at the front next to the skills.



- Using the example table on the large sheet of paper (see Example 1), ask participants to look at how they can match the skills and resources with an unmet need. Ask the groups to go through their own table to match the unmet needs with skills and resources to be a new business idea. Write down all the new business ideas.
- Mention that it does not matter if participants do not have the skills, expertise and knowledge to run one of the businesses themselves. Encourage participants to think about who they could partner with, perhaps a family member or friend, or how they could receive training. Encourage participants to think of a creative business that uses the skills, resources and unmet needs they do have. Participants can use their skills to provide a solution to the unmet need. The solution is the new business or a complementary service to an existing business or product.



### Example 1: Unmet needs, skills and resources

Unmet needs?	Skills?	Resources?
Babysitting	Driving skills	Washing Machine
House cleaning	Teaching skills	House
Laundry	Baking	Car
Transport		Baking oven drum
Bakery		
Business idea 1 Unmet need: Babysitting Skills: Teaching Resources: House Business idea: Start a day care service for children of working parents.		Business idea 2 Unmet need: Bakery Skills: Baking Resources: Baking oven drum Business idea: A bakery that serves families' needs.



### Activity: Competitors

- Ask the groups to think about who is already doing the same thing as their new business idea. It is better to ask '*who is doing the same as your idea?*' rather than asking '*who is your competitor?*' Ask participants how many people are providing the same, or a similar, service as the business idea. Ask the groups to list those competitors on a sheet of paper.
- Discuss the concept of a competitive advantage and ask the groups to identify what they can do in their business to attract customers. For example, open a shop earlier in the day, sell cheaper products or fresher produce, offer purchase deals, nurture good relationships or provide a clean environment.



### Example 2: Competitors for the day care service business idea

For business idea 1 (the day care service), there are two women in the community who look after their own children and their sisters' children. However, they do not look after other children and they do not have teaching skills. There is an early learning centre in town, but it is expensive and only open from 8am to 3pm. This is the competitor.



### Activity: Market (customers)

- Explain to participants that the people in the community who need their product or service and are willing to pay for it are their market. Ask participants: '*Who will be using your business?*' Ask the groups to list the top five types of customers for their business. They need to be specific about who in the community will use their business or service (for example, widows, children, school kids, working mothers, working fathers, unmarried women or unmarried university students).



- Ask the groups to circle the most important type of customer in their list. Ask *'Who will use your business the most?'* Then ask participants to estimate the number of people in that group: *'How many people in the community are your most important customer type?'* Explain that this number is their market size.

'It is very important to make sure your market size is big enough to make your business viable. If there are only a couple of people who will regularly use your business, then it is unlikely to be successful.'

- If any of the groups have chosen a business with a small market size it is unlikely to succeed. Get them to choose another business instead.



### Example 3 Market size for the day care service business idea

For business idea 1 (the day care service), there are 30 families in the surrounding neighbourhood. Fifteen of the families have both parents working and have young children not yet in school. In those families there is a total of 32 children. Therefore, your market size is 32.



### Activity: Location

- Discuss the importance of business location. When choosing a business location participants need to consider customers, resources, competitors, accessibility and security. Ask the groups to choose where they think it is best to establish their business and mark it on their map.
- Discuss with each group why that is the best spot (this can be done with individual groups if time permits, or with all of the participants together).



### Example 4: Business location for the day care service business idea

For business idea 1 (the day care service), the house is one block from a major bus stop that most families use to get to work. There is a paved area under the house, with shade, water and toilets. There is a secure fence around the yard. It would be possible to build a sand pit and a swing in the yard. It is a good location.



### Activity: Product demand role play

- Ask for one volunteer from each group to participate in a role play.
- Ask each volunteer to imagine they are going to start the day care business. *'What do you need to consider to increase demand for this service? What factors will influence your main customers?'* Some things to consider include location, security, accessibility, cost, quality and

facilities. Ask the volunteer to think about the business now, in six months' time and in 12 months' time.

- Give the volunteers about five to 10 minutes to discuss with their group what they can do to increase demand for their day care business.
- Bring each of the volunteers to the front of the full group.
- Tell the remainder of the participants that they will act as working parents considering whether to send their young children to day care. Give each volunteer a couple of minutes to explain their business strategy and convince the rest of the group to use their day care business.
- Discuss as a group what worked and what did not work to increase the demand for the day care service.
- Discuss how customers will use their product or service. List as many ways as possible that the customers will use their products or services. This will help the participants see if there is demand for their product or service. It helps them to develop new business ideas too.



### Review questions

- What is an unmet need?
- How can you identify an unmet need?
- How can you turn an unmet need into a new business idea?
- Why do you need to know the type of existing businesses within your community?
- What is your market?
- Why is it important to know the size of your market?
- What is a competitive advantage?
- Why is location important in business?



### Facilitator's notes

---

---

---

---

---

---

---

---

---

---

## Module 6 Calculating business start-up cost and price



### Background information

Participants know that starting a new business needs money and resources. However, some of them do not know how to calculate the start-up cost, running cost and price correctly. Participants will learn how to calculate these costs.



### Outcomes

- After completing this module, participants will:
- know how to calculate the start-up and running costs of a business
- know how to calculate the business profit
- know how to calculate price.



### Time

45 minutes



### Materials

Large paper, markers, Blu-Tack



## Introduction: Calculating start-up cost

To start a new business, the business owner needs to know how to calculate the start-up cost. The start-up cost is the total cost of the materials, wages or salaries and other supporting costs. These costs should cover running the business for the first month.

**Materials** refers to the items the business owner needs to purchase in order to start the business (for example, a vehicle if it is a transport business, a washing machine if it is a business washing clothes or an oven if it is a bakery). It also includes items that will be purchased to run the business (for example, petrol if it is a transport business, washing powder if it is a business washing clothes or ingredients if it is a bakery).

**Wages or salaries** are the cost of employees who work for the business (including the business owner) for a month.

**Other supporting costs** are day-to-day expenses for running the business (for example vehicle permits, flex cards for communication, petrol, electricity and gas).

It is important to accurately calculate each of these costs, so the start-up cost is realistic.

Materials + wages / salaries + supporting costs = start-up cost



### Example 5: Start-up cost for a bakery business

Cost	Materials	Quantity	Amount (K / unit)	Sub-total (K)
Materials	Baking trays	10	20	200
	Drum oven	2	100	200
	Tea towels	20	3	60
	Oil	10 x 1 ltr bottle oil	10	100
	Sugar	10 x 1 kg	7	70
	Yeast	10 x 500 g	10	100
	Flour	10 x 20 kg	60	600
	Firewood (for oven)	20	5	100
Cost of materials				1,430

Cost	Job	No. of people	Salary (K / month)	Sub-total (K)
Wages / salaries	Sales person	1	600	600
	Baker	1	600	600
	My salary	1	800	800
Cost of wages / salaries				2,000


Cost	Materials	Quantity	Amount (K / unit)	Sub-total (K)
Cost	Item	Quantity	Amount (K / unit)	Sub-Total (K)
Support costs	Communication	10 x flex cards	10	100
	Transport (PMV / taxi)	20	10	200
	Advertising	4 ads	20	80
	Staff training	2	500	1000
	Electricity	20	5	100
	Water	20	2	40
Cost of support costs				1,520
Total Start-Up Cost				4,950

For this example, the total estimated start-up cost is K4,950. Explain to the participants that it is important to know how much it costs to start the business. If they feel that the start-up cost is too expensive, then they can choose another business. They can look at their list of new business ideas and calculate how much it will cost to start a different business.

Choose a business that has an achievable start-up cost, so you are able to reach your financial goal.



### Activity: Calculating start-up cost

- Give each group a new sheet of large paper and ask them fill out the table from  Example 5 for their business idea. Leave the example up on the board.
- Keep a close watch on the groups to make sure they are moving through the exercise as it is easy to get lost in details at this stage. For example, for a transport business, the participants should give a monthly maintenance estimate, rather than listing each potential maintenance item. You may need to talk through the exercise with individual groups.
- Ask the groups to add up all of the individual costs they have listed to get the total cost to start their business and run it for the first month.
- Ask the group to think about what they can do in the short-term, medium-term and long-term to work towards this target.

'In the short-term you can start a smaller business to work towards your business goal. Let's work on a way to earn money now to work towards your goal.'

- Do another example on the board for a small business people can start now.



### Example 6: Start-up cost for a smaller-scale bakery business

Heather would like to start baking bread using the drum oven she already has, to work towards her goal of starting a bakery business. She does a calculation for the cost to start up her backyard baking business today.

Cost	Materials	Quantity	Amount (K / unit)	Sub-total (K)
Material Cost	Baking Trays	2	20	40
	Flour	2 x 20 kg	60	120
	Oil	2 x 1 l bottle oil	10	20
	Sugar	2 x 1 kg	7	14
	Yeast	2 x 500 g	10	20
	Tea Towels	1	3	3
	Firewood (for oven)	20	5	100
Cost of materials				317
Cost	Job	No. of People	Salary (K / month)	Sub-total (K)
Wages / salaries	My salary	1	200	200
Cost of wages / salaries				200
Cost	Item	Quantity	Amount (K / unit)	Sub-total (K)
Support costs	Transport (PMV / taxi)	20	5	100
	Electricity	20	5	100
	Water	20	2	40
Cost of support costs				240
<b>Total start-up cost</b>				<b>757</b>

Therefore, Heather needs K757 to start up her small backyard bread baking business for the first month.



## Introduction: Running cost

The running cost of a business is very similar to the start-up cost. However, it does not include materials that only need to be purchased to start the business (for example a vehicle if it is a transport business, a washing machine if it is a business washing clothes or an oven if it is a bakery). It only includes materials that need to be purchased to run the business (for example, petrol if it is a transport business, washing powder if it is a business washing clothes or ingredients if it is a bakery).

For example, in a transport business the running cost does not include the vehicle, as it is not necessary to purchase a new one every month. For some businesses – such as a shoe shop where the business owner only purchases stock – the total monthly running cost will be the same as the start-up cost. In the example of Heather's small, backyard bakery business, she will not need to purchase the tea towels and baking trays every month, so they can be removed to calculate the running cost.

So to calculate the running cost use the start-up cost table, but remove any items that you do not need to purchase every month.



### Example 7: Running cost for a smaller-scale bakery business

For Heather's small backyard bakery business, the baking trays and tea towels are removed to calculate the running cost.

Cost	Materials	Quantity	Amount (K / unit)	Sub-total (K)
Materials	Baking Trays	2	20	40
	Flour	2 x 20 kg	60	120
	Oil	2 x 1 l bottle oil	10	20
	Sugar	2 x 1 kg	7	14
	Yeast	2 x 500 g	10	20
	Tea Towels	4	3	3
	Firewood (for oven)	20	5	100
Cost of materials				274

Cost	Job	No. of People	Salary (K / month)	Sub-total (K)
Wages / salaries	My salary	1	200	200
Cost of wages / salaries				200

Support costs	Transport (PMV / taxi)	20	5	100
	Electricity	20	5	100



Cost	Materials	Quantity	Amount (K / unit)	Sub-total (K)
	Water	20	2	40
Cost of support costs				240
Total running cost				714

Once participants know the total monthly running cost, they can divide by two to get the fortnightly running cost, or by four to get the weekly running cost.




### Example 8: Running costs of the smaller-scale bakery business

Heather's monthly running cost is K714. Divide this by two to get the fortnightly running cost of K357, or divide by four to get the weekly running cost of K178.50.



### Activity: Running cost

- Leave the example up of running cost (see  Example 7) on the board.
- Give each group a new sheet of large paper. Using their start-up cost as a base, ask them fill out the table for the running cost for a month for their business idea.
- Ask the groups to add up all of the individual costs they have listed to get the total running cost to operate their businesses for a month.



## Introduction: Calculating price

Once a business is started, the business owner needs to work out how to determine the price of the product that will be sold. Most people do not consider their goals when they are determining price. This activity demonstrates a way to determine price that takes the business and goals into account.



## Activity: Calculating price

Ask participants how they determine a price for their products. Use a product everyone is familiar with (like a local vegetable) and ask the group how they would determine a price to sell that item. Write their suggestions on a large sheet of paper at the front. Look for words like: demand, size, quality, expense, bench marking or supply.

These are good methods, but they do not consider your business and your goals.

Suggest to the participants that there is another way to determine price – by considering the cost of the product.

We can use the same information we used in the previous running cost section to work out our pricing.

Remind participants that this information includes:

- materials (that are needed to run the business. For example, if it is a pair of shoes, how much did they cost to purchase? If it is a vegetable, how much were the seeds?)
- wages or salaries (including paying the business owner)
- other supporting costs (such as petrol, transport, flex, gas, firewood, land preparation or water)
- profit.

Explain to the participants that they should careful consider the level of profit they want to make on the product or service they offer. To set the level of their desired profit, participants must consider the demand for the product, the availability of the product (supply) and competitors. If the demand of the product is high (the market is large), the product is always available in large quantities and there are not many competitors, then they can increase the profit. However, if there are only a few people who want to buy the product (the market is small) or there are lots of competitors, then they may consider dropping the price. It is better to make more sales to capture the market and even expand it.



### Example 9: Calculating price for the smaller-scale bakery business



Heather's calculations in Example 7 are for enough materials for her to make 50 loaves of bread each week. She will sell them every weekday, so she needs to sell 10 loaves each day. Heather also needs to put money into savings each week to work toward her goal. Initially, Heather aims to put K20 in her savings each week. Once she has improved her skills and increased her market she will increase the amount she puts into savings.

Heather's running costs were K714 for one month. She needs to add K20 per week to go into her savings. If this is multiplied by four, it gives her a monthly savings amount of K80. So, Heather needs to take K794 per month from customers.

- Total monthly cost: K794
- Total weekly cost (divide by four): K198.50
- Number of items for sale each week (loaves of bread): 50
- Price per item (total weekly cost divided by number of items for sale each week): K3.97 (round this up to an even K4)

Therefore, Heather needs to sell her loaves of bread for K4 each. If Heather sells all her loaves of bread for K4 each she will earn enough to put K20 towards her savings each week. That was her short-term goal. This means Heather is on the way to starting her big bakery business and achieving her goal.

- Leave the example up on the board. Ask the groups to work out the fortnightly and weekly running cost of their businesses, then the price they need to charge per item.
- Keep a close watch on the groups to make sure they are moving through the exercise. It is easy to get confused at this stage, particularly if they have capital items in the start-up cost. You may need to talk through the exercise with individual groups.

If the price you get is very different to the market price (how much similar items cost) you may need to reconsider your price. If your price is lower than the market price you are lucky and will have a competitive advantage or could raise the price to the market price and make extra profit. If your price is higher than the market price you will need to rethink your costs or maybe your business idea.

Once all groups have worked out the running cost and price for their business, ask them to present it back to the group to discuss together.



## Review questions

- Why is it important to calculate the start-up cost and running cost?
- How do you calculate the start-up cost?
- What is the difference between the start-up cost and the running cost?
- How do you calculate the price?
- Why should you include profit in your running cost?
- Who should you include in calculating costs for wages or salaries?



## Facilitator's notes

---

---

---

---

---

---

---

---

---

---

# Module 7 Budgeting and savings



## Background information

Most people are aware of the term ‘budget’, but not many people actually use a budget. In this module, participants will learn how to develop a budget to manage their income, expenses and savings.



## Outcomes

After completing this module, participants will:

- be able to define budget
- appreciate the importance of having a budget to manage their income, expenses and savings
- have skills to plan their budget
- be able to review their current expenses and income and identify ways to improve
- know how to create a budget and a savings plan
- recognise the importance of sticking to a savings plan
- produce a simple table to help them stick to a budget plan.



## Time

Two hours



## Materials

Pretend money prepared by the facilitator or group (or paper, rocks or anything else, but pretend money makes it more realistic for participants), picture cards (see

---

---

---

---

---

---

---

---

---

---



## **Appendix 1 Pictures)**



## Introduction: Budget

A budget is a plan or a tool used to control and spend money.

A budget helps you manage how much money you have, where it needs to go to meet your needs and wants, including how much goes towards savings. Savings is an amount of money you put away toward achieving your goals.



### Example 10: Budget for the smaller-scale bakery example

Heather sells 50 loaves of bread in a week or 10 loaves of bread in a day. The price of one loaf of bread is K4. Therefore, she earns K40 per day or K200 per week. Heather pays herself K50 per week (K200 per month). She plans to put K20 per week from her business into her savings. The remaining K130 goes back into her business for running costs. She spends her K50 per week based on her family's needs and wants. This is how she plans her expenses.



### Activity: Budget category cards

One way to help manage your money is to divide your income into different categories, to make sure you have enough to meet your needs and savings.

- Give each person a set of the budget category cards (see Figure 4) and get them to lay the cards out in front of them. Discuss each category and what they mean:
- My family and me – is for everyday family expenses (such as food, clothes and transport).
- Wantok / custom – is specifically for wantoks and cultural obligations (such as haus crai and bride price).
- Savings – is for a person's goal.
- Future (special savings) – is special and different from normal savings. These savings could be for retirement, or to buy a block of land for the family, or to send kids to university.
- 'Future savings are something for you and your family for your future.'
- Emergency – is for unforeseen events or expenses (for example, if a relative needs to go to the hospital, or a tree falls on a house and puts a hole in the roof).





### Example 11: Heather's budget

Heather knows she has to stretch her K50 for the week, including food for her family. She puts K35 into My family and me. She puts K5 into Wantok / custom (and will explain to her wantoks how she is working hard to start a business, so does not have much money to share at the moment). She has already put K20 into her savings from the business income. She puts K5 into Future savings, and K5 into Emergency.

You need to be strict with the categories, you need to practice self-discipline and be very strong.

- Ask everyone to use their pretend money (at least K500) and divide it into the five categories. Give them time to consider their decisions.
- Discuss how much everyone has put into each category. Does everyone have a reasonable amount in savings? Hopefully it is at least K100. Does everyone have a reasonable amount in My family and me? It should be at least K100. How much has everyone put in Wantok / custom? What about Future savings? What about Emergency? *'Did you find it easier to budget your money when you have the five categories? Did it help you ensure there is money available for everything?'* Explain to the participants that planning their weekly expenses will help them save more money because they will be able to spend money wisely.
- Ask the participants: *'What is it you will change after this training?'* Write the responses on a large paper at the front. Look for responses like: discipline, stick to a budget, plan and start using the categories.
- Suggest that it is helpful to keep the money from different categories separate (for example, in five separate tins).
- *'That way you are less likely to reach into one jar when you run out in another (and dip into money put aside for savings or the future).'*
- Explain to participants that having a budget means planning how they will use their money.
- *'Most people do not know how to do this, so they run out of money. These categories are a helpful way to manage your money at home. You need to be realistic about the amount going into each category.'*
- It is also important that the entire family, particularly children, understands the importance of the budget and the importance of not dipping into other categories.
- *'It is very beneficial for your children if you can teach them budgeting and get them to practice, perhaps with different categories like school, sport and books.'*
- Make enough budget category cards to give a set to each family to help them budget at home.

**Figure 4**                      **Budget category cards**

My family and me	Wantok / custom	Savings	Future (special savings)	Emergency
------------------	-----------------	---------	--------------------------	-----------



## Homework

Ask participants to take the budget category cards home and discuss them with their family members. Encourage them to start working together to develop a family budget.



## Introduction: Savings

It is easy to develop a financial goal, but much harder to reach it. Even with short-term plans and daily or weekly savings goals, it can be hard to stick to a plan.

You need to work with your whole family to help stay on track. You also need constant reminders about what you are trying to achieve.



## Activity: Savings plan

Draw up the savings table on a large paper at the front. Ask participants to copy it to take home with them.

This table is a simple way to remind you about your financial goal. Draw it up on paper at home with your goal and stick it somewhere prominent, somewhere you spend lots of time so you see it all the time, like the bedroom or the kitchen. Decorate the page so you want to look at it, maybe use pictures from newspapers or magazines that remind you of your goal. If you have a calendar, tick off every day that you have saved your planned amount. It's easy, yeah? Make savings a habit – if you save regularly you are more likely to achieve your financial goal.

**Table 3**                      **Example savings plan**

<b>Financial Goal</b>		<b>K4,950</b>
Timeframe		2.5 years
<b>Per month</b>	<b>Per week</b>	<b>Per day</b>
K80	K20 (first 6 months until training)	K4
K200	K50 (for the next 2 years)	K10



## Example 12: Savings plan for the big bakery business

The start-up cost for Heather's big bakery business is K4,950. Heather puts K20 per week into her savings in the first six months. Once she has done her training, she starts earning more money and increases the amount going into her savings to K50 per week. If Heather saves K4 per day, she will reach her initial savings goal of K20 per week, and K500 in six months. Then if she increases her savings to K10 per day, she will reach her medium-term goal of K50 per week. If she continues doing this for two years, she will reach her long-term goal of K4,950 to start her big bakery business.



### Review questions

- What is a budget?
- What are savings?
- Why is it important to plan your expenses?
- Why is it important to save regularly?



### Facilitator's notes

---

---

---

---

---

---

---

---

---

---

# Module 8 Record keeping



## Background information

The aim of this lesson is to help participants understand the importance of keeping records. The participants know how to buy and sell, but not all of them know how to keep a proper record of what they buy and sell. Record keeping is important to keep track of daily income and expenses and to help participants achieve their goals.



## Outcomes

- After completing this module, participants will be able to:
- identify basic records
- state the importance of keeping a record
- keep records of their transactions
- discuss the importance of keeping a basic record.



## Time

Two hours



## Materials

Record keeping board game (see Appendix 2 Record keeping board game), dice, record keeping sheets, pens, flash cards (described below), pretend money (you can use paper or rocks or anything, but pretend money makes it more realistic for participants).

**Flash cards:** Make about 12 flash cards. Draw or find pictures to represent a mixture of important things (such as a hospital, electricity, food, transport, wantok / custom or school), less important things (such as flex cards, a party, clothing, shoes or a takeaway lunch) and savings.

**Note about dice:** If a dice are not available, write numbers 1–6 on a piece of paper. Cut up the paper so there is one number on each piece of paper. Place the pieces of paper in a jar or container, so that numbers are not visible. A player will pick a piece of paper from the jar or container instead of rolling a dice.

**Note about the record keeping board game:** The record keeping board game in Appendix 2 is only a sample to guide facilitators. The facilitator can develop their own board games to suit the level of the participants. The facilitator can contextualise pictures to suit the business environment. However, the facilitator must not deviate from the idea this module aims to teach the participants, which is record keeping.



## Introduction: Record keeping

Income and expenses are like a balance scale. If a person's expenses side is greater than their income side, it is unbalanced and they have a loss. If the income and expenses side are the same, then they are breaking even – not making a loss but not making a profit. This means there is nothing to put in savings. If the income side is greater than the expenses side, then they make a profit – there is money for savings.

If you do not keep a record of what you spend your money on, achieving your savings goal is harder. When you have money in your pocket and the kids ask for 50T for an ice block or K3 for a scone and a packet of biscuits at the trade store, it is nice to be able to say yes. The money goes out of your bilum and before you know it, there is no money for important things. If you keep a record of when and what you spend your money on, and how much things cost, you will know how much you need and will always have enough.



## Activity: Record keeping role play

Ask for four volunteers from the groups for a role play.

- The first two volunteers play the roles of a business owner and a customer. The business owner does not keep records. The customer purchases something on credit and the business owner does not keep a record of the amount. At the end of the month the business owner comes to collect the money the customer owes, but when the customer asks what the amount is the business owner does not know. They disagree on the amount and the business owner does not get paid.
- The second two volunteers are another business owner and another customer. This business owner does keep records. The customer purchases something on credit and the business owner records the amount. At the end of the month the business owner comes to collect the money that the customer owes. The customer asks what the amount is. The business owner checks their records and tells the customer how much the customer owes. The customer pays in full. Both the business owner and the customer are happy.

Discuss with participants the differences between the two business owners and the benefits of keeping records.

Which one of the business owners is running their business well? Why?



## Activity: Transactions Activity

A budget or a record is a spending / saving plan, or a tool that can be used to help manage money.

You can use it to see how much money you have and what you spend on different things. It can help you achieve your financial goal.

Split the participants into two groups and have them sit away from each other. Make sure each group does not watch what the other group is doing.

Give each participant a set amount of pretend money (make it a realistic amount for weekly income in that community). Explain that the money is their income for their weekly expenses and that everyone has the same amount.

Go to each group separately and give them exactly the same instructions:

Group 1:

- Tell Group 1 that they will see a number of cards (do not tell them how many) that represent their weekly expenses. Ask them to decide how much they will spend on these items. Tell them they do not have to allocate money to everything.
- Show Group 1 the budget spending flash cards one at a time. Ask them to put the money they spend into a pile.
- Show the cards in this order:
  - three important things
  - the less important things
  - the remaining important things
  - then savings last.
- Ask Group 1 to put any money they allocate to savings separate from the other money.
- The group should have three piles, one for savings, one for expenses and any remaining money in the income pile.

Group 2:

- Tell Group 2 that they will see a number of cards (do not tell them how many) that represent their weekly expenses. Ask them to decide how much they will spend on these items. Tell them they do not have to allocate money to everything.
- Show Group 2 the budget spending flash cards one at a time. Ask them to put the money they allocate into a pile.
- Show the cards in this order:
  - savings
  - three important things
  - the less important things
  - Then the remaining important things last.
- Ask Group 2 to put any money they allocate to savings separate from the other money.
- They should have three piles, one for savings, one for expenses and any remaining money in the income pile.
- Bring the two groups back together for a discussion, making sure they keep their money in the three piles.
- Ask participants to put their hand up if they have any money left over (their income pile). Note if there is any difference between the two groups. Ask everyone what they will do with that leftover income: Savings? Personal spending? Put extra into family expenses? Save for an emergency in the future? There are no right or wrong answers, just

personal choices. This money is beyond their savings and weekly expenses.

- Have each person say how much they have in their savings. It is likely that everyone in Group 2 (the group that had savings as the first flash card) will have a reasonable amount of money in savings. Participants in Group 1 (the group that had savings as the last flash card) are likely to have little or no savings. Ask everyone if they are happy with the amount they have saved. The key message is the benefit of putting savings away before expenses.
- Mention that they were not told how many cards there would be, as it is not always possible to know what expenses will come up in life, especially for things like medicine or going to the hospital. *'But you still need to save.'*
- Discuss the importance of putting your savings away first and using the remaining money for expenses. The key lesson is that savings need to be the first thing in the weekly (or daily) budget.
- 'What is the first thing you budget for? Savings. Then needs. Then other. The more money you spend, the less you save.'



## Activity: Record keeping board game

Keeping a record of income and what money is spent on will help participants to manage their money and work towards their goals.

We will play a board game using a simple record keeping table to help you keep track of your income and expenses.

Show the participants the record keeping table and explain how to record income and expenses. Go through a few examples on a large paper at the front.

**Table 4** Record keeping table

Income +				Expenses –			
Date	Details	K	Balance	Date	Details	K	Balance
1.3.19	Capital	500	500	3.3.19	Transport	20	20
5.3.19	Sales	200	700		Flex	50	70
					Kerosene	30	100
				5.3.19	Supplies	150	250
<b>Total</b>			<b>K700</b>	<b>K250</b>			

The profit for the month is income minus expenses:  $K700 - K250 = K450$ .

- Start the board game once everyone is comfortable with the record keeping table.
- This game is for four players. Get the participants to move into groups of four. If there are too many participants, ask them to work together, taking



turns to roll the dice and record the income and expenses. Distribute the record keeping game board and one dice to each group.

- Give each player the same amount of pretend money (approximately K500) and a record keeping sheet.
- On the board game there are two of each picture, except there is only one each of 'pay day' and 'bank loan'. Each picture represents a different business. There are eight different businesses.
- Explain that the facilitator is the bank and that when a player lands on the bank loan square, the player should put their hand up and the facilitator will give the player a loan.
- Explain that if a player lands on the pay day square, it is an expense for the player's business that they give to themselves. The player should note it in the expenses side of their record keeping sheet.
- Get each player to select two businesses to own. Ask the players to take turns to select one business, then take turns to select their second business. Ask each player to record their businesses at the top of their record keeping sheet.
- Players take turns to roll the dice and move their pieces clockwise around the board by the amount shown on the dice.
- When a player lands on a business, the player needs to pay the owner of that business the amount written on that square. The business owner records it as income and the player records it as an expense. They both need to write it down in their record keeping sheets.
- If a player lands on their own business, then they need to record it as both an expense and as income.
- The game is over when the first player lands on the blue star. The player must land exactly on the blue star (players keep rolling until someone rolls the correct number).
- Once the game has finished, ask players to add up all their expenses and income and calculate their balance. The winner is the person with the most money at the end of the game. Players' balances on the record keeping sheet should match the amount of pretend money they have left over.



### Review questions

- What is the difference between income, expenses and savings?
- Why is it important to record your income and expenses?
- Should you spend or save first?



### Facilitator's notes

---

---

---

---

---

---

---

---

---

---

## Module 9 Go to market (market and action plan)



### Background information

This lesson helps participants to develop a plan for how to get their business started, including how to develop an action plan and how to be creative to reach their financial goal.



### Outcomes

- After completing this module, participants will:
- be able to develop a market plan
- be able to develop an action plan
- understand risks and how to manage them.



### Time

Two hours



### Materials

Large paper, markers and coloured pencils or crayons



## Introduction: Market plan

A person who makes and sells the same thing every day will not be able to increase their income.

If your current business is not earning enough to meet your savings goal and provide for your family, then you need to change your method or your marketing and sales. Be creative. Think about other ways to sell your product, or to change your product.

This activity looks at different ways to market and sell products.



## Activity: Market plan

- Display the market plan diagram (see

- Figure 5) and discuss the different areas. 'This is a tool to help you achieve your savings goal by thinking of other ways to help you earn money'. Start in the centre, then move around the circle discussing each section.
- Financial goal – is in the middle. 'It is your aim. Write your goal here'.
- Friends / wantoks / clan – 'What can you sell to them? Could you sell at one of their workplaces? Can one of them help you sell, maybe add your products to their market stall?'
- Personal – 'What can you do personally? Can you deliver your product? Can you make more, or work different hours?'
- Door-to-door: 'Can you sell your product door-to-door? Could one of your family members help you sell door-to-door?'
- Middle-person: 'Can you sell to a middle-person or a shop that could on-sell your product?'
- Partner: 'Who can you partner with to help sell your product or expand your business? Do you have a friend selling something that goes with what you are selling? Could sell together?'
- Mobile phone / internet: 'Can you use your mobile phone or the internet to sell your product? Can you put it up on Facebook? Could people text their order and you can deliver it?'
- Creative ideas: 'What other income sources can you think of? Could you expand the range of your products? What other ways in which you can sell your products?'
- Use an example and go through the market plan circle with that product.



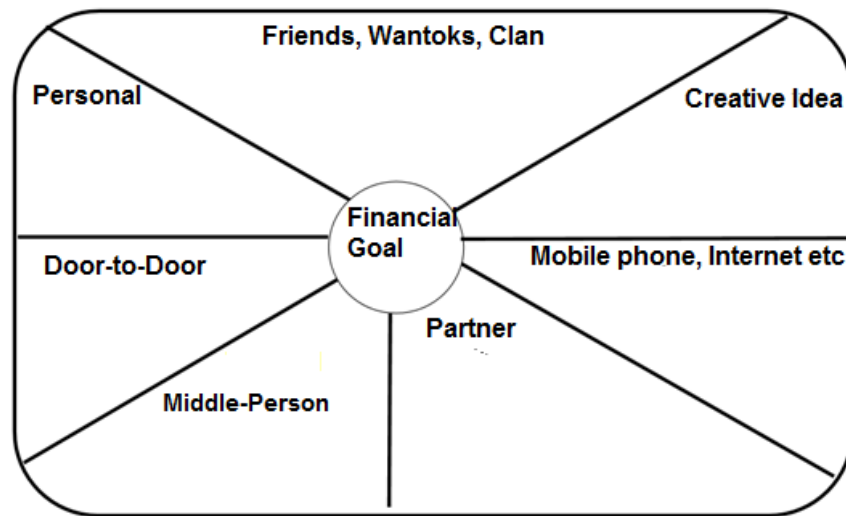
### Example 13: Market plan for a donut business

Sara makes donuts and sells them near the school each morning. She wants to build up donuts as a family business.

Sara could think about the following questions: Can her family help sell the donuts? Can she sell to family and friends? Can she have different flavours, some with jam, some with fresh banana, some with creamed banana, some with icing? Can she use Facebook to let everyone know she is selling donuts? Can people text her a donut order and have it delivered? Can she partner with someone with a shop to sell her donuts? If her friend sells tea and coffee, could she partner with them to sell donuts, tea and coffee? Can she sell to a middle-person for them to on-sell? Can she sell her donuts door-to-door or do home deliveries? Can she sell them at new places such as at the market or from home?

- Explain that it is possible to use a different method to sell the same product every day. That expands the market and keeps the business interesting. Suggest that participants ask for help from family and friends to think of ideas for how to help each other.
- Ask for two volunteers for a role play.
- The first volunteer has a savings goal to earn K300 this week from making and selling meri blouses. She makes 10 meri blouses at a total cost of K50 for materials. She sells them for K40 each. She sits at the market all week hoping to sell her meri blouses.
- Ask other volunteers to be customers. The first volunteer sells two blouses over the week to make K80. Of this, K50 covers the cost of producing the meri blouses. The remaining K30 is profit. *'Nowhere near her savings goal for the week!'*
- The second volunteer has a savings goal to earn K300 this week from making and selling meri blouses. She makes 10 meri blouses at a total cost of K50 for materials. She sells them for K40 each.
- The second volunteer uses the market plan to think of creative ways to sell her meri blouses. Other volunteers can contribute to the ideas developed in her market plan. At the end of the week she sells all 10 meri blouses to make K400. Of this, K50 covers the cost of producing the meri blouses and K350 is profit. *'Even more than her K300 savings goal for the week!'*
- Discuss with the group the benefit of being creative with marketing and the difference between the two sellers.
- Divide the participants into their groups from the community mapping activity. Ask them to think about new ways they can sell their product.
- *'Focus on who can help you, who your customers are, and how you can get your product to your customers.'*

**Figure 5**                      **Market plan diagram**



### **Activity: Action plan**

Planning is important to achieving goals. A plan sets the benchmark against which progress can be measured. This session shows participants how to plan to help them and their families work towards their goals.

What is your plan right now? Once you and your family have set a goal what can you do to start working towards it? How can you get everyone motivated and working together? One of the key factors to achieving your business goal is working together as a family unit. To make sure the family tree is balanced, everyone in the family must feel the burden to achieve the goal and work together. They also will feel the benefits and feel proud of their family progress.

- Draw up the action plan table (see Table 5) on a large paper at the front. Explain the table, going through each category.
- Keep participants sitting in their family groups or groups from the community mapping. Ask them to discuss their goal and determine the short-term tasks to achieve it. The group needs to develop the tasks and decide by when they need to be completed, who has to do them and the evidence that will show that the task is complete.
- 'It is very important that everyone understands their tasks and when they have to do them. Once a task is complete put a tick or a star next to it, to show it has been done.'
- Do an example on the board for the group to see.



### Example 14: Action plan for a family garden business

The father is responsible for running and recording a family meeting. On the action plan, put start and finish dates and the evidence (meeting minutes).

The mother is responsible for opening a bank account. On the action plan, put start and finish dates and the evidence (bank card).

The eldest daughter is responsible for purchasing the seeds. On the action plan, put start and finish dates, and the evidence (seeds).

The eldest son and father are responsible for digging a space for a new garden. On the action plan, put start and finish dates and the evidence (garden dug ready for planting).

The eldest daughter and mother are responsible for planting the seeds. On the action plan, put start and finish dates and the evidence (seeds planted).

The second son is responsible for watering and weeding the seeds in the first week. On the action plan, put start and finish dates and the evidence (garden maintained).

The youngest son is responsible for watering and weeding the seeds in the second week. On the action plan, put start and finish dates and the evidence (garden maintained).

- Explain to participants that when they do this action plan at home, they need to keep it where everyone can see it.
- “Put your plan on the wall in a room that everyone spends lots of time, like the kitchen, so everyone is reminded about their responsibilities. Once all the tasks on this sheet are complete, sit the whole family down again to write up the next action plan.”
- Ask the participants how many of them could use this strategy to achieve tasks. It is an easy way to break down tasks and achieve a goal. It also helps keep everyone in the family involved and on track.

**Table 5**                      **Action plan example**

Task	Start Date	Finish Date	Person responsible	Evidence	Done ☑
Family Meeting	3.3.19 Sunday	3.3.19 Sunday	Daddy	Meeting minutes	
Open Passbook account	4.3.19 Monday	4.3.19 Monday	Mummy	Passbook	
Purchase watermelon seed	4.3.19 Monday	4.3.19 Monday	Mary	Watermelon seeds	
Prepare garden	5.3.19 Tuesday	8.3.19 Friday	John and Daddy	Soil ready for planting	
Planting	10.3.19 Sunday	10.3.19 Sunday	Mary and Mummy	Watermelon seeds planted	
Watering and weeding (week 1)	10.3.19 Sunday	16.3.19 Saturday	Peter	Garden maintained	
Watering and weeding (week 2)	17.3.19 Sunday	23.3.19 Saturday	Paul	Garden maintained	





## Activity: Risk mitigation

A risk is something that can affect a person or their business. Risks can be small risks, like a PMV strike which might reduce the number of customers that come to the market, or a big risk, like a fire that burns down a business and all of its stock.

The chance of that risk happening is categorised as low if there is very little chance that it will happen, medium if there is a chance it could happen, and high if it is likely to happen.

For example, rain will reduce the number of people coming to the market and it is a high risk during the rainy season.

A way to overcome that risk would be to try different ways to market on rainy days – like selling at friends' workplaces or selling door-to-door.

Ask the participants to list some risks that might affect their business and think of ways to overcome them. Ask them to categorise the risks as high, medium and low risk.



## Categorising risks

Risk	High / medium / low risk	Strategy to overcome the risk
Landslide	Medium	Locate a place that is not prone to landslide.
Dry Season	High	Think of a new business opportunity that is good for the dry season.
Theft	High	Add additional security systems.



## Review questions

- Why should you be creative with your marketing?
- What are the seven things to think about in your market plan?
- What is an action plan?
- Who needs to be involved in developing an action plan?
- What is a risk and how are they categorised?
- What can you do to help manage risks?



## Facilitator's notes

---

---

---

---

---

---

---

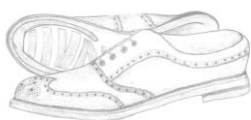
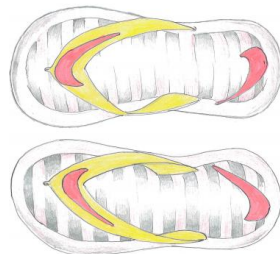
---

---

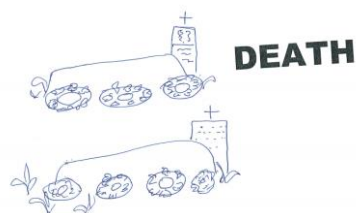
---

## Appendix 1 Pictures





















These pictures are useful when helping participants plan their budget and practice savings as part of Module 7. They provide examples of items they might need to spend money on.



**MOBILE PHONE**



## Appendix 2 Record keeping board game

RECORD KEEPING BOARD GAME					
 Start/End here	 Spend K50 Transport	 Spend K50.00 on Flex Card	 Spend K25.00 business lunch	 Spend K50.00 On Electricity	 Spend K100.00 Business shopping
 Spend K 200 clothing	<p style="text-align: center;"><b>RULES.</b></p> <ol style="list-style-type: none"> <li>Number of players is limited to four.</li> <li>Start-up capital for the business is K500. Each player receives this amount at the start of the game.</li> <li></li> <li>All players must each have a turn to throw a dice. The number on the dice indicates the number of spaces you have to move. Example if the number on the dice is three; it means you move three spaces.</li> <li>Next, each player must record their start-up capital in the income side of the book before they start to play.</li> <li>Each player must choose two business in the square. When a player's dice other than yourself lands in the square that has your business, the player must pay you the amount indicated in the square. This rule also applies to you.</li> <li>All players must pay themselves wages.</li> <li>All expenses and income must be recorded in your book, given to you at the beginning of the game.</li> <li>At the end of the game, you are to calculate your, total expense, and balance your cash.</li> <li>A player will not reach home, if the number on the dice is greater than then number required to reach home. Eg. If the number required is 2 and your dice is 3, you will try again in the next turn.</li> <li>The winner is the player who reaches home first.</li> </ol>				 Spend K20.00 on fuel
 Loose one turn, for not saving in the bank					 Spend 150.00 on clothing
 Spend K80 on Flex Card					 Spend K80 on hospital
 Spend K100.00 Food					<p><b>HOORAY! IT'S PAY DAY</b></p>  Pay yourself K300
 Loan from the bank K200	 Spend K120.00 on hospital	 Spend K150.00 on Business shopping	 Spend K60 on transport	 Spend K150.00 On electricity	 Spend K90 on Fuel