



ECONOMIC RECOVERY AND DEVELOPMENT

TRAINING GUIDE





ECONOMIC RECOVERY AND DEVELOPMENT

— TRAINING GUIDE —

In Partnership with:





Contents

1

Acknowledgement	iv
TOPIC 1 : MINDSET CHANGE	5
1.2 The Power of the Mindset	7
1.3 Types of Mindsets: Fixed and Growth Mindset	12
1.3.1: Fixed and growth mindset	12
1.3.2: Internal and external locus of control	12
1.4 Self-transformation as a Family member	16
1.5 Household visioning – Introduction	18

2

TOPIC 2 : EASE DISCUSSION SERIES	23
2.1 Household Economy	29
2.2 Household Cash Flow	33
2.3 Setting Financial Goals	36
2.4 Dealing with Financial Stress	40
2.5 Dealing with Financial Stress (Part 2)	47
2.6 Budgeting and Planning	51
2.7 Review and Reflection	54
Conclude with the Household Vision Map.	56

3

TOPIC 3:

LEARN TO EARN

57

	All About Business	-
3.0	Introduction to Business	57
	Types of businesses in the community	58
3.2	The Individual and The Enterprise	59
3.3	Why Start a Business?	61
3.4	Preparing to Start a Business	62
	Business profitability	65
3.6	My Business Ideas	68
3.7	Business Strategies	70
	3.7.2: Listening to customers	72
	3.7.3: Good location	73
	3.7.4: Attracting customers	73
3.8	Capital and Operating Costs	74
	3.8.1: Business start-up costs	75
	3.8.2: Source of capital	75
3.9	Record Keeping	78

4

TOPIC 4 :

FINANCIAL LITERACY

79

4.1	Introduction	79
	Why is it important to be financially literate?	79
4.2	Savings	81
4.3	Setting Financial Goals	88
	What is a financial plan?	88
	Family budgeting	90
4.4	Financial Services	95
	What are financial services?	95
	Agency Banking	95
	What is Mobile Money?	97
	Knowing your rights	100
4.6	Investments.	102
	My money versus someone else's (Loan)	104



ACKNOWLEDGEMENT

The content of this manual has been adapted from IRC Learn to Earn (L2E), Economic and Social Empowerment (EASE) Discussion Series, Enterprise Uganda's Agribusiness Training manual, Oxfarm gender action learning series, World Food Programme and UNCDF financial literacy manual. We extend our appreciation to IRC, Kulea Watoto partners and all other development humanitarian Partners for making this content available for use. Sincere appreciations are extended to the line Ministries; particularly Ministry of Agriculture Animal Industry and Fisheries (MAAIF), Ministry of Gender Labour Social Development (MoGLSD), Ministry of Local Government (MoLG), Ministry of Education and Sports (MoES) and the Ministry of Health (MoH) for their invaluable contributions in reviewing and adapting this material to the needs of Kulea Watoto Project. The commitment to excellence and collaboration from these entities has resulted in a resource that we are proud to use and share with our audience. We express our gratitude for their dedication, expertise, resourcefulness, and leadership in overseeing the adaptation of this manual, which has been instrumental in its success.

A sincere thank you is extended to the individuals who devoted their time, knowledge, and expertise particularly to make adaptations to the illustrations and graphic designs in the manual. Their insights and collaborative efforts have significantly enriched its content. Special appreciation is given to the International Rescue Committee (IRC), the partners, Literacy and Adult basic Education (LAFE), Madrasa Early Childhood Program (MECP), Kabarole Resource and Research Centre (KRC), and AfriChild Centre for their invaluable contributions to the adaptation of this manual.

Thanks to individuals or groups who tested the manual and provided valuable feedback, contributing to its refinement and improvement and hope the content contributes to the caregivers' responsiveness while nurturing young children to develop holistically.

Our heartfelt thanks go to the graphic designers, reviewers, and editors for their valuable feedback and tremendous work during the process of reviewing and designing the manual. Their attention to detail and constructive input have significantly improved the overall quality of this manual. Overall, we extend our thanks and appreciation to everyone involved in the adaptation and success of this manual. Their dedication, expertise, and committed support have been invaluable throughout the entire process.

International Rescue Committee, Inc.
Plot 7 Lower Naguru East Road,
P.O. Box 24672, Kampala
Uganda.

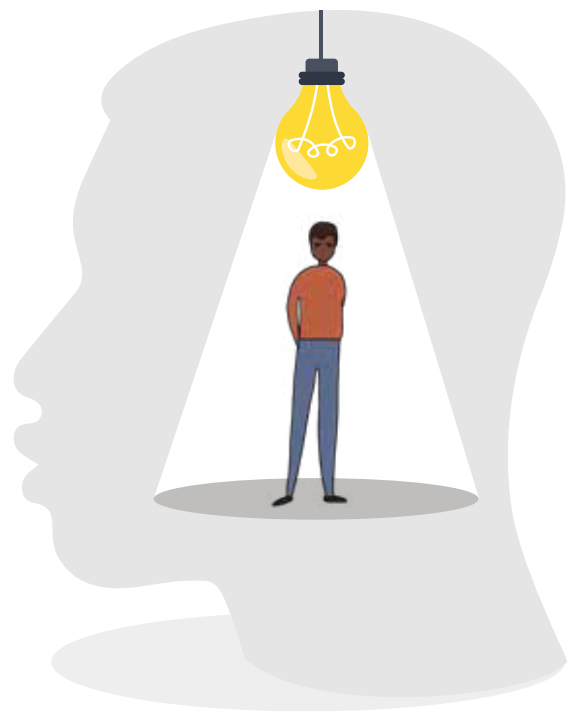
Tel: +256 (0) 200 963 673
Web: rescue.org

Mindset Change

1.1 INTRODUCTION

The single most important factor influencing a person's success, whether personal or professional, is Mindset.

What you think about consistently has a direct impact on your behavior, and not the other way around. The mindset is a seemingly small thing that makes a huge difference. Mindset accounts for the primary distinction between those who succeed and those who do not. And, if you are serious about achieving success in any area of your life, you must learn to master your mindset.



This session will assist the family to develop self-esteem to successfully accomplish any worthwhile business and livelihood ventures. The session is essential in making the family recognize how they perceive and evaluate issues around their family business enterprise. Mindset impacts their daily self-dialogue and reinforces their most intimate beliefs, attitudes and feelings that are essential in running a successful business. The right mindset will make the households formulate a winning perspective; harnessing drive, face adversity and achieve their underlying goals.



Objectives:

- ✓ To motivate members of the household to believe in their ability to succeed in business and life.
- ✓ Enable Household experience self-transformation as a way of attaining success in the family business.



Activity 1: Understanding how the mindset impacts on personal achievement or business success; How does mindset determine success or failure?

Start with a key question at the heart of the mindset discussion:

'Are people born smart or successful?'

This question should get your audience thinking about what they believe about this issue. For example, are children born walking, talking, singing, running? Or are great athletes born running and great musicians born singing?

The other way to reinforce learning is to ask,

'Do talents, abilities and intelligence grow from experience?'

From the discussion above introduce the importance of growing our abilities. It is a fact that people grow and develop. Just as a child grows, learns to talk, walk, and run.

Give examples of famous people who are known to be very successful.

Let them draw their local examples.

Then continue with the same type of questioning as before e.g., **'Were Dorcus Inzikuru or Kiprotich born athletes? Or he developed and grew this talent through practice and experience? How many times do you remember he participated in international events without winning a medal? Of course, several times until he got the Olympic gold medal in 2012.**

He went for high altitude/ mountains training in Kenya where he lived, dined, talked to, practiced with and shared experiences with the winners.

Note: Use the above illustration above to customize to the example of local person they have given as successful and relate to business or entrepreneurship.

1.2 THE POWER OF THE MINDSET

MINDSET is a habitual or characteristic mental attitude/position that determines how you will interpret and respond to situations (The Free Dictionary, by Farlex).

Ask participants to give a long list of examples of wealthy/successful families and briefly describe them based on the following guidelines. The facilitator should in addition have motivating examples, from the local area and beyond to supplement those given by participants:

- Do you know any wealthy/successful people?
- Are there any wealthy/successful people engaged in business or farming in your community?
- What does the wealthy/successful family you know do?
- Does s/he have big gardens or businesses?
- Does s/he employ other people?
- Do their children go to school?
- Do they provide for the basic needs of their family?

Brainstorm:

- ✓ Do members of the wealthy/successful families have a brain like the rest of those who are not so successful?
- ✓ What is the difference between the wealthy family and other families not successful?
- ✓ We have equal endowment of the most important resources – brain and time - what causes the difference?
- ✓ What is it that the wealthy/successful families do that sets them apart?

Record reasons given for the difference; noting particularly:

- ✓ Specializes in business, (trading, farming etc.) e.g., one/few crops for commercial versus subsistence.
- ✓ Acquired knowledge of business and how to succeed.
- ✓ Hard working and committed.
- ✓ Persistent
- ✓ Has a positive attitude
- ✓ Plans ahead- sets goals.
- ✓ Identifies markets.
- ✓ Employs other people to do some work.

Scientists say all humans have same size of brain: 1.2Kg.

Reflect
(individually for 5 minutes):

Today, are you wealthy/successful? What do you do (with your brain)? What do you do for a living/wealth/to earn income? Are you happy?

The Equation of Equality:

Same brain mass:

1.2Kg

Same length of day

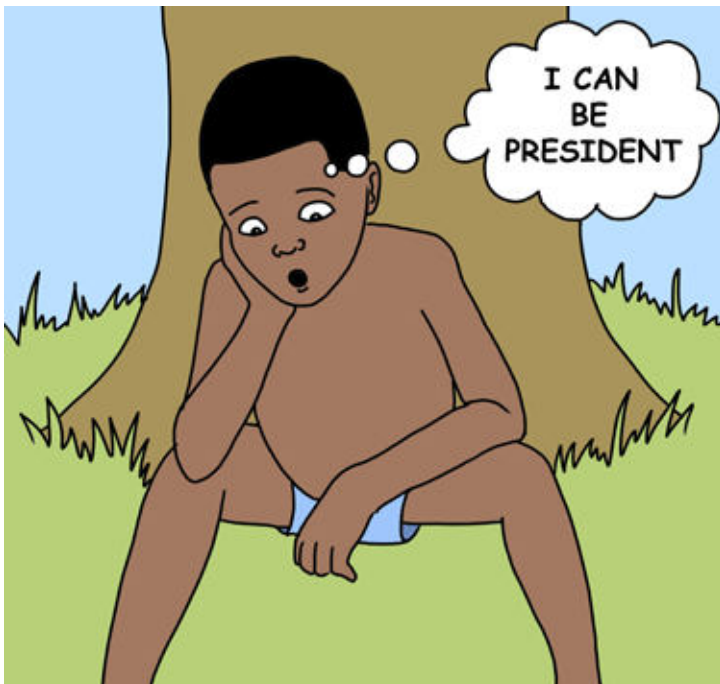
24Hrs

Why are you not doing the good things that successful families are doing? You may site examples of wealthy/successful people in the community.

Share and record feedback in two different colors on two different sheets; green color for reasons attributed to oneself and black color for excuses e.g.

- ✓ Lack of vision
- ✓ No cash, so not able to resist selling before prices rise.
- ✓ Self-doubt
- ✓ Fear factor
- ✓ Lack of realization and knowledge
- ✓ Too many ideas, lack of focus
- ✓ Culture, tradition, and social beliefs
- ✓ Peer influence
- ✓ Too many dependents.





Summarize main ideas:

The real difference between the wealthy family and the rest is the way the members utilize time and their brains...

the mindset.

For you to become wealthy, you need to be able to use your brain and time to overcome any reasons or excuses for failure. Giving excuses shows you do not believe in your ability to succeed.

Activity 2: Group Discussions

In small groups, participants share ideas on the following questions and identify actions they can take to transform the mindset.

Volunteers will share their feedback on how they intend to better utilize their brains and time.

The facilitator may give a handout or prepared flip chart with sample responses to each question as below.

a. What are the attributes that the wealthy/successful families have, and you too have but you are not utilizing optimally?

Responses will include:

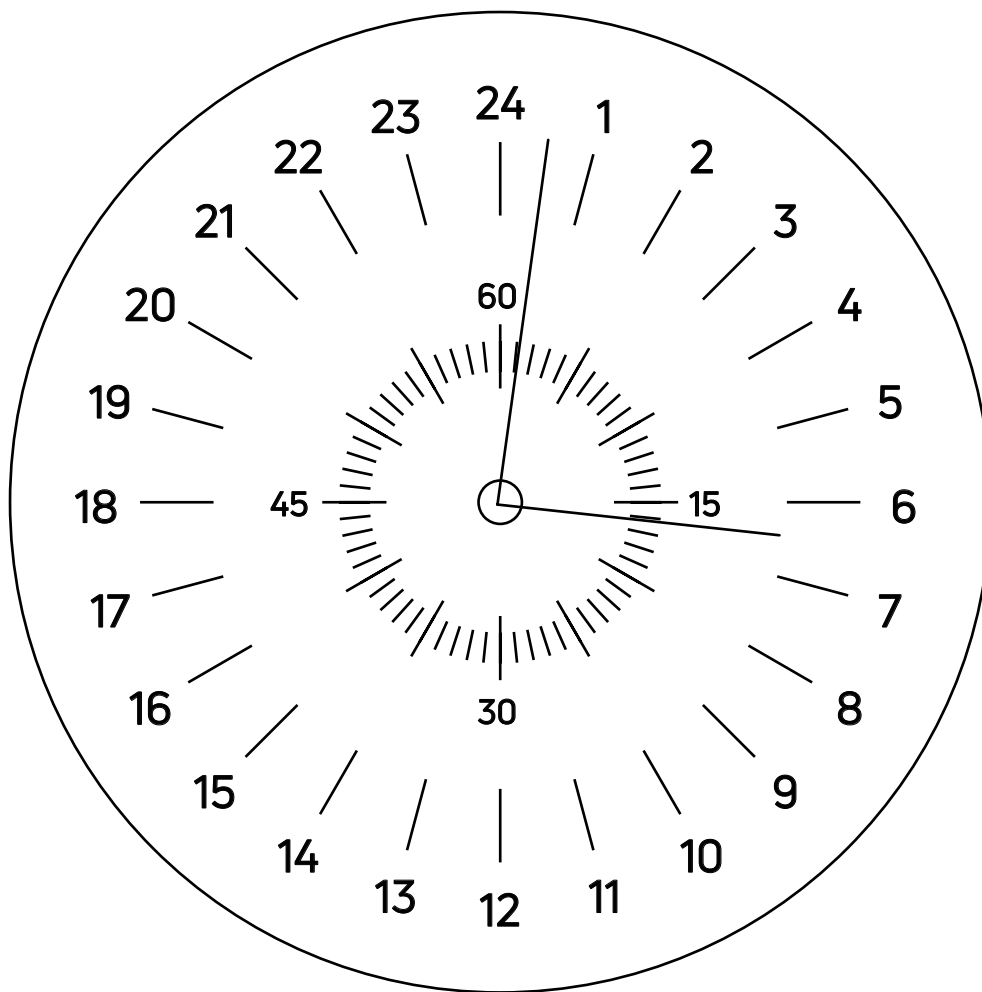
- ✓ Time
- ✓ Planning ability
- ✓ Being strategic – thinking ahead
- ✓ Physical resources like land
- ✓ Good weather
- ✓ Available markets

Introduce and explain the pie of life.

1.2 Pie of life Exercise

The pie of life helps each of us to assess how we use our time. It is a good indicator of where your time and energy is spent. The pie of life helps us understand we are poor or rich based on how we utilize our time and resource.

Ask: the participants to take a piece of paper and draw a clock, ask them to fill in their daily activity pattern over the 24 hours of the day.



Then ask them to add up the hours of the day spent as follows:

Productive hours used for (creating money or wealth activities) = _____ hrs.
Hours used for none money or wealth creating activities. = _____ hrs.
Hours spent on essential life needs = _____ hrs.

**b. What are the “wasters” that take up your time and brain power at home, on your farms, in your businesses or even while attending this training?
(Responses may include)**

- ✓ Passing vehicles and passers by
- ✓ Children playing nearby.
- ✓ Phone calls
- ✓ Gossiping
- ✓ Being on phone- social media
- ✓ Going after less productive activities like spending time at the trading centers.

c. When you look at the good things that the wealthy family does and the rest of us do not do, and the time wasters we have just named, which of those aspects/ things are within your ability to change?

- ✓ Change attitude to look at farming as business, as our office and profession
- ✓ Use our brains more to think of productive activities.
- ✓ Use our muscles more to engage in productive work.
- ✓ Use our time better to make money.
- ✓ Make plans for our time and money.
- ✓ Invest your time to acquire knowledge.
- ✓ Convert some of the existing assets (e.g. produce) into cash for a well-planned agri-business activity

Conclude:

Research has shown that all successful entrepreneurs have certain habits a lot like those of the wealthy/successful families and that these habits can be learned. You can learn them. You can change your mindset – the way you use your brain and time.

Show overheads.

Overhead 1.1:

“The Pie of Life – the better you utilize your time, the bigger the pie you will get to bite off.”

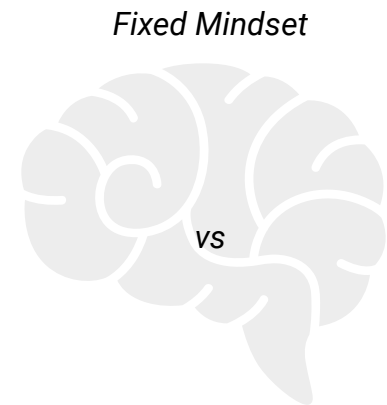
Overhead 1.2:

The Bumble Bee – according to all the laws of aerodynamics, the bumble bee cannot fly... Its abdomen is too thick, the chest too big..., the wings too small; but you see no one has told the bumble bee, so the bumble bee flies.

1.3 TYPES OF MINDSETS: FIXED AND GROWTH MINDSET

1.3.1 FIXED AND GROWTH MINDSET

There are two beliefs which shape how people view ability. People adopting a fixed belief think that intelligence (one's ability) is static: something stable and unchangeable. Individuals adopting a growth mindset believe that intelligence (one's ability) can be changed e.g., people can get better at things. One mindset allows ALL people to grow and develop (growth) and the other does not (fixed).



People adopting a growth mindset believe that intelligence can be increased and changed. People endorsing a growth mindset believe that learning requires hard work and effort, and that people's potential can be increased. Give examples.

Beliefs associated with the growth mindset	Beliefs associated with the fixed mindset
<ul style="list-style-type: none">✓ Intelligence or ability can be increased.✓ Learning requires HARD WORK and EFFORT✓ ALL individuals CAN LEARN and improve.✓ Believe in own ability to give and receive constructive criticism.	<ul style="list-style-type: none">✓ Intelligence (one's ability) cannot change something stable and unchangeable.✓ Do not believe in the ability to grow and develop.✓ Often do not stretch themselves and do not value effort.✓ Ring-fenced in comfort zones.

1.3.2 INTERNAL & EXTERNAL LOCUS OF CONTROL

Locus of control can be defined as **the degree to which people believe that they, as opposed to the external forces, have control over the outcome of the events in their lives.**

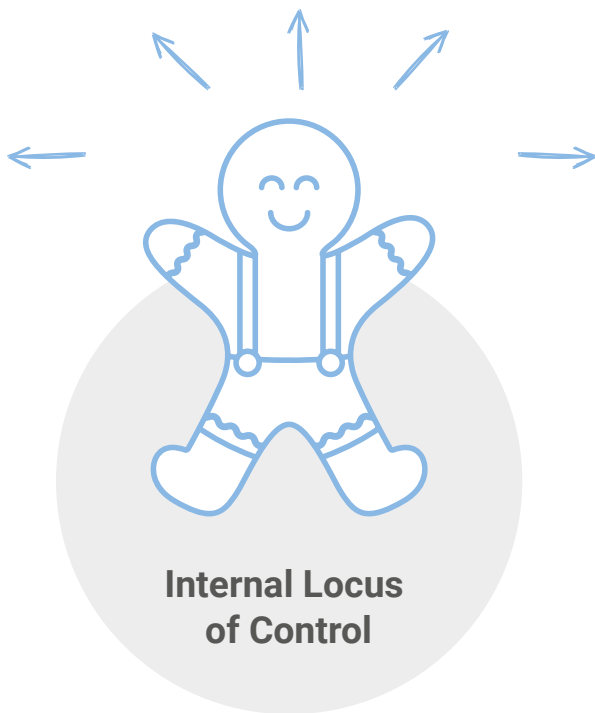
People with an internal locus of control look at themselves as being responsible for their success and failures. On the other hand, those with external locus of control attribute their success and failures to others or external factors/forces.

Internal Locus of Control	External Locus of Control
<ul style="list-style-type: none"> ✓ Look at themselves as being responsible for their success and failures ✓ Creates a positive mindset 	<ul style="list-style-type: none"> ✓ Attribute their success and failures to others or external factors/forces ✓ Creates a negative mind-set

Give examples for internal locus of control and external locus of control.

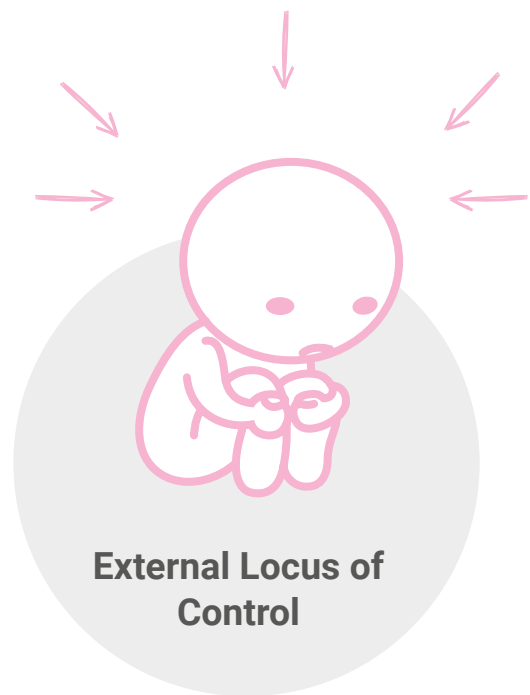
You make things happen.

I create my future *Freedom based* *Look what I can do*



Things happen to you

Why bother? *Fate-based* *Why does everything happen to me?*



Lead a discussion on how the internal and external locus of control affects the way we look at things and our mindset. Discuss the roadblocks on the journey to success and demonstrate that the Journey to success is filled with potholes/challenges and it takes those with a positive mindset and attitude to reach the top of the journey.

REALITY OF THE JOURNEY: FULL OF CHALLENGES

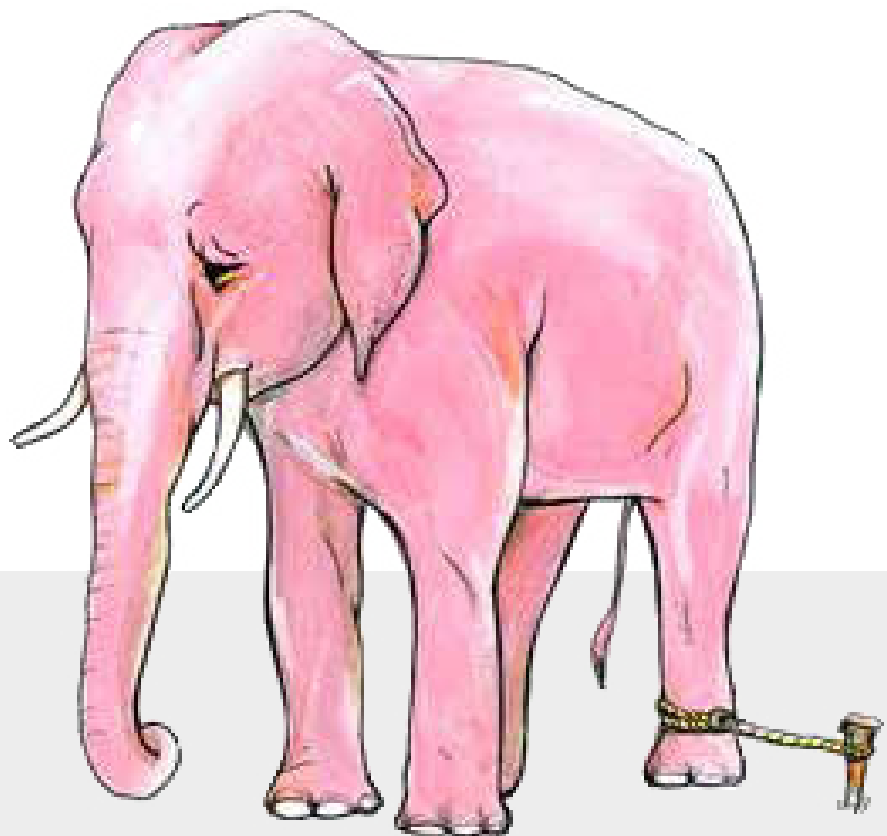
It takes those with a positive mindset and attitude to get to the top

Where does all this start? It starts from my brain, my mind, and my thoughts that this is possible.



How your beliefs limit your life, the story of the Elephant:

Tell the story of the elephant and compare the mindset it had with a farmer.



The Elephant's rope story

While strolling through an elephant camp, a gentleman noticed an intriguing sight – the elephants weren't confined by cages or chains; rather, a small piece of rope was all that bound them, tied to one of their legs. Perplexed, he wondered why these powerful creatures didn't utilize their strength to break free from such a seemingly feeble restraint. Despite their capability, the elephants stood still without attempting an escape.

Intrigued and seeking an explanation, the man approached a nearby trainer and inquired why the elephants showed no inclination to break away. The trainer revealed that when the elephants were very young and smaller in size, the same type of rope was used to tie them. At that stage, the rope was sufficient to keep them in place. As they matured, the elephants became conditioned to believe that they couldn't break free. The initial impression lingered, and they continued to assume that the same rope, now seemingly inadequate, could still hold them captive.

Consequently, the elephants never tested their ability to break away because they had adopted the belief that escape was impossible.

Your beliefs are your ropes, your invisible ropes. Why wait any longer to defy them and walk away?

How many of us are being held back by old, outdated beliefs that no longer serve us?

How many of us have avoided trying something new because of a limiting belief?

Worse, how many of us are being held back by someone else's limiting beliefs?

- i. What are the lessons from the story?
- ii. What are those ropes still tying you or pulling you down and you are comfortable with them? List them and share.
- iii. What excuses are people giving for not succeeding in farming as a business?
- iv. What are you going to do to break those ropes in your life, family or business?

Let participants list their answers to the above questions and reflect on their own experiences before giving the following explanation:

Lesson learnt

The elephants in the story depict the destructive voices of self-limiting beliefs. We tend to think we are not capable of achievements just because we had failed in our previous attempt or the task is insurmountable to achieve by the "insignificant me". Such beliefs constrain us from maximizing our potential and living a purposeful life.

No matter how much the world tries to hold you back, always continue with the belief that what you want to achieve is possible. Believing you can become successful is the most important step in actually achieving what you want to achieve. Believe in yourself.

Action points for each person for the module

- ✓ List down the barriers / hinderences that have been preventing you from reaching your goals.
- ✓ What are you going to do to break these barriers?

Reconstructing the mindsets and achieving self-transformation

Key Question: Where does self-transformation start? It starts from the brain, my mind, and my thoughts.

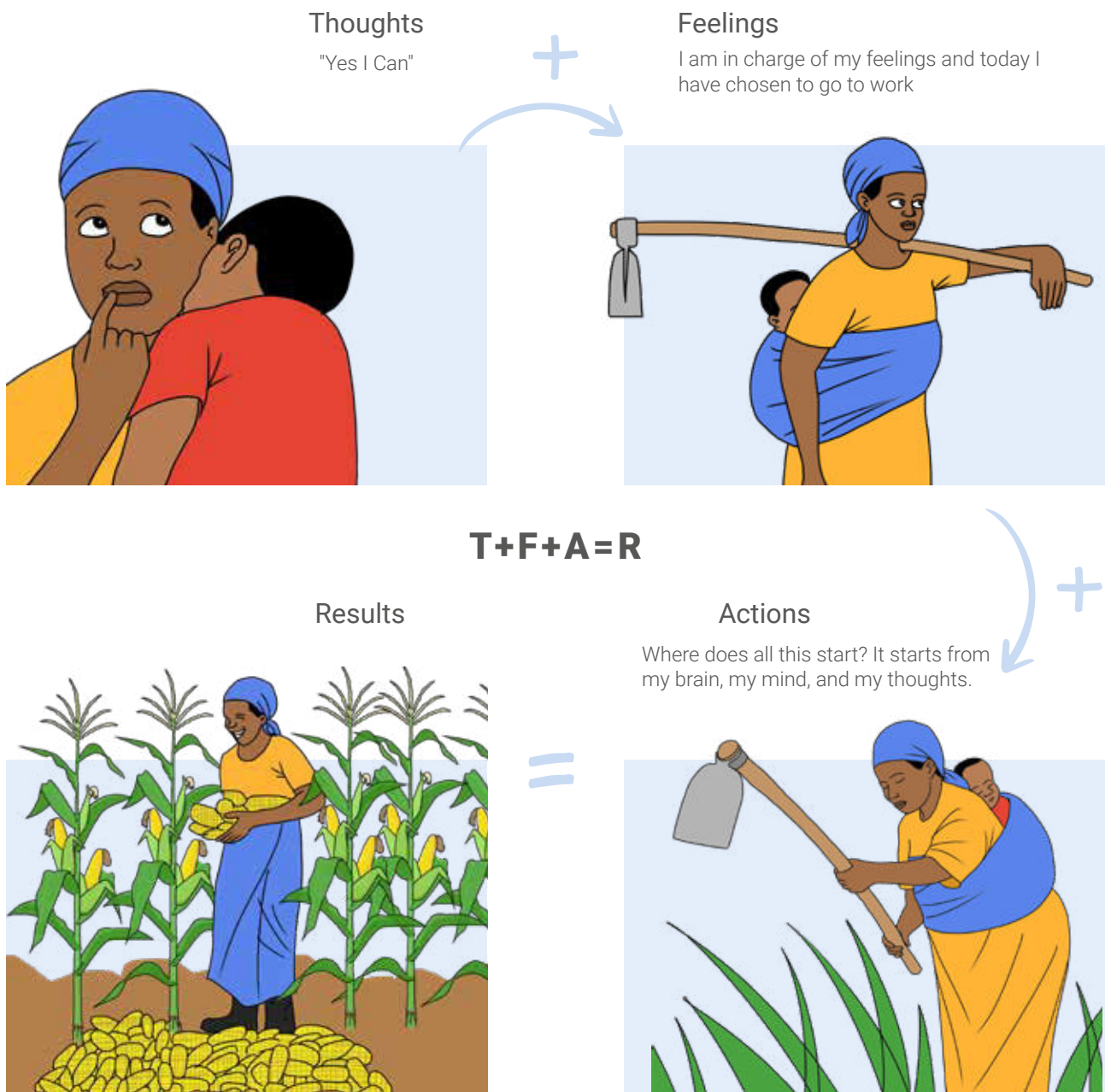
1.4 SELF-TRANSFORMATION AS A FAMILY MEMBER

Tell them: it is possible for one to change the way they approach issues as a member of the family and family business and look at things.

A positive Mindset is needed to achieve this. If others have done it, then we can do it. Introduce the idea that **thoughts** lead to **feelings**, feelings lead to **actions** and actions lead to **results**. Summarised as;

T + F + A = R and illustrated in the following picture.

Real-life story of a successful farmer



This is an experience-sharing and inspirational session.

In prior preparations for the training, the trainers should find a prominent businessman/ businesswoman or farmer, who has good reputation for integrity, hard work and a stable family life.

The trainers should brief the guest speaker that, the value of his/her speech will be in sharing a true-life story about how s/he has succeeded in farming. It should be a true story revealing both ups and downs, and the actions s/he took to get to where s/he is today.

Trainers should be tactful when briefing the guest to ensure that s/he does not turn an experience sharing session into a lecture – this has happened in some past cases.

While introducing the guest, the trainer should be brief enough not to pre-empt the testimony.

After the guest speaker's presentation, s/he can answer a few questions.

- The speech and discussions should last not more than 1 hour.
- Trainers may also make their own video documentary of a renowned farmer.
- However, care should be taken to ensure the documentary is recorded in a language the participants can understand clearly.

1.5 HOUSEHOLD VISIONING – INTRODUCTION

- Tell participants that now you will give them a chance to review and reflect on all the learning shared over the course of the discussion.
- Remind them of the dreaming exercise of a successful household that they looked at earlier.
- Tell them that this time, they are going to do a visioning exercise and come up with a Vision map.
- Explain that the Vision Map will help them plan the things they want to achieve in the future.

THE VISION MAP

Tell participants that the vision map goes into 3 steps:

- i. Tell participants that, first they will look into the future (what do I want to achieve within a specific time frame. The facilitator should illustrate this to make sure participants understand.

- ii. The second step is for participants to look at their current situation (where do I stand now?)
- iii. Finally they define the factors in between, objectives or stages (what do I want to achieve in the first month/year, the second month/year? etc.) in order to meet my vision.

The Vision Map – Step 1 - The Vision/Future

- Participants draw a large circle, like a bright sun (bright future), at the top right-hand corner of the paper.
- In the circle, participants draw how they see their future; themselves, their families and any individual project.



The Vision Map – Step 2 - The current situation

- Participants draw a circle at the bottom left side of the paper.
- In the second circle, participants draw their present situation, how they are now.
- The facilitator can guide by asking '*how do you see the current situation of your family?*'

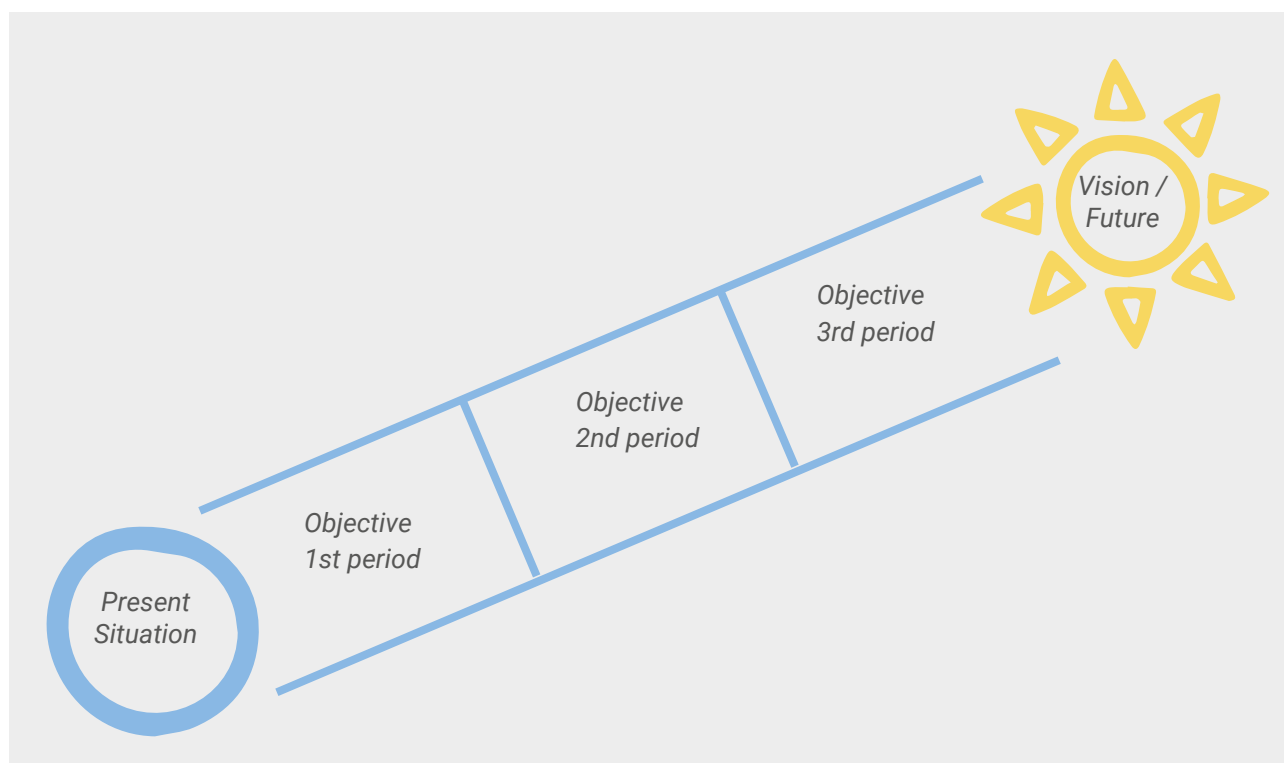


The Vision Map – Step 3 - Time-bound objectives

Explanation

- Participants draw two lines between the two circles to indicate the road they will follow to reach their visions.
- Then they divide the road into parts (objectives) they want to achieve (time bound).
- The first Vision Map (objective) can be for 6 months and can still be sub divided into 3 periods of 2 months. (As you will see in a later picture)
- Participants then define what they want to achieve in the first 2 months, what in the following 2 months, what in the last 2 months.
- They draw it in the respective parts of the road.

Show participants the illustration below.

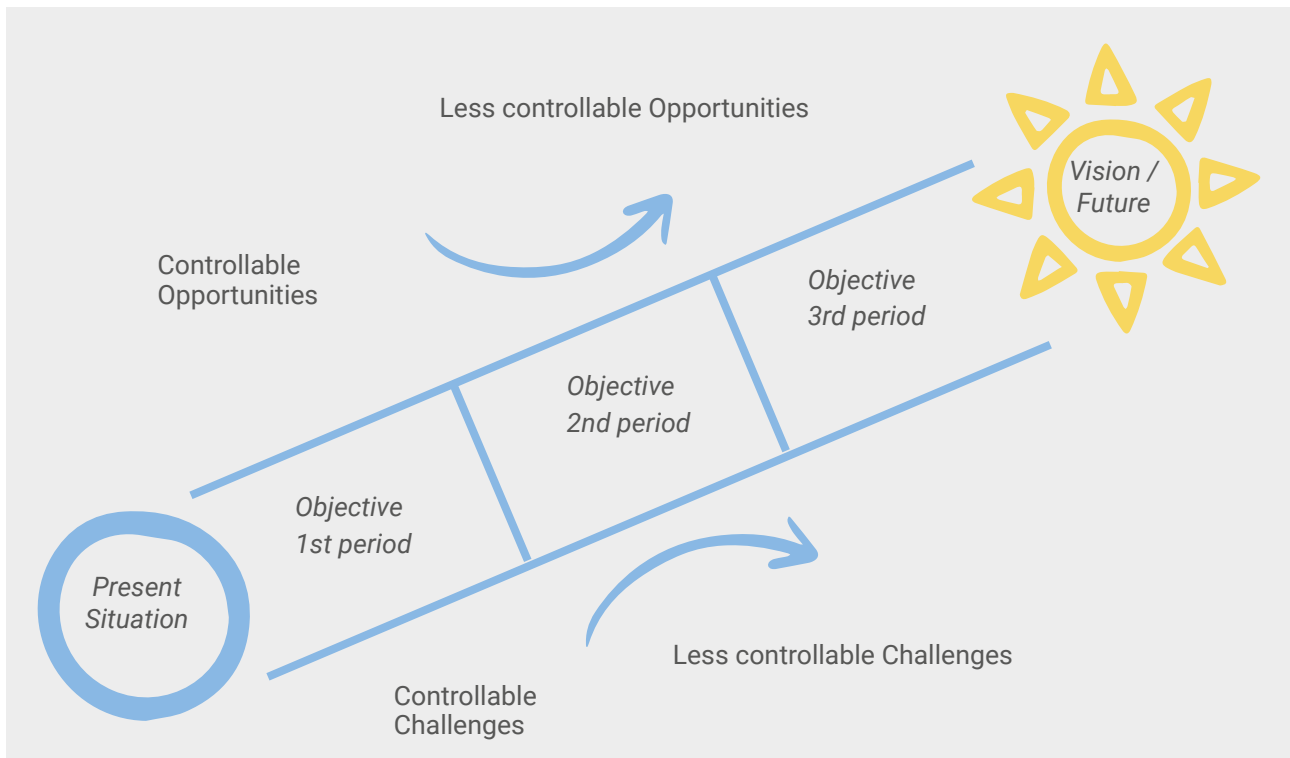


The Vision Map – Step 4 - Opportunities and challenges on the road explanation

- Participants indicate on the Vision Map the opportunities they have which will help them achieve the vision.
- They draw them above the road with a U-sign.
- Participants draw the challenges they may face below the road with a U-sign upside down.
- Opportunities and challenges which are more under the individual's control are placed closer to the road.
- If one has no or little control over them, they are placed far from the road.

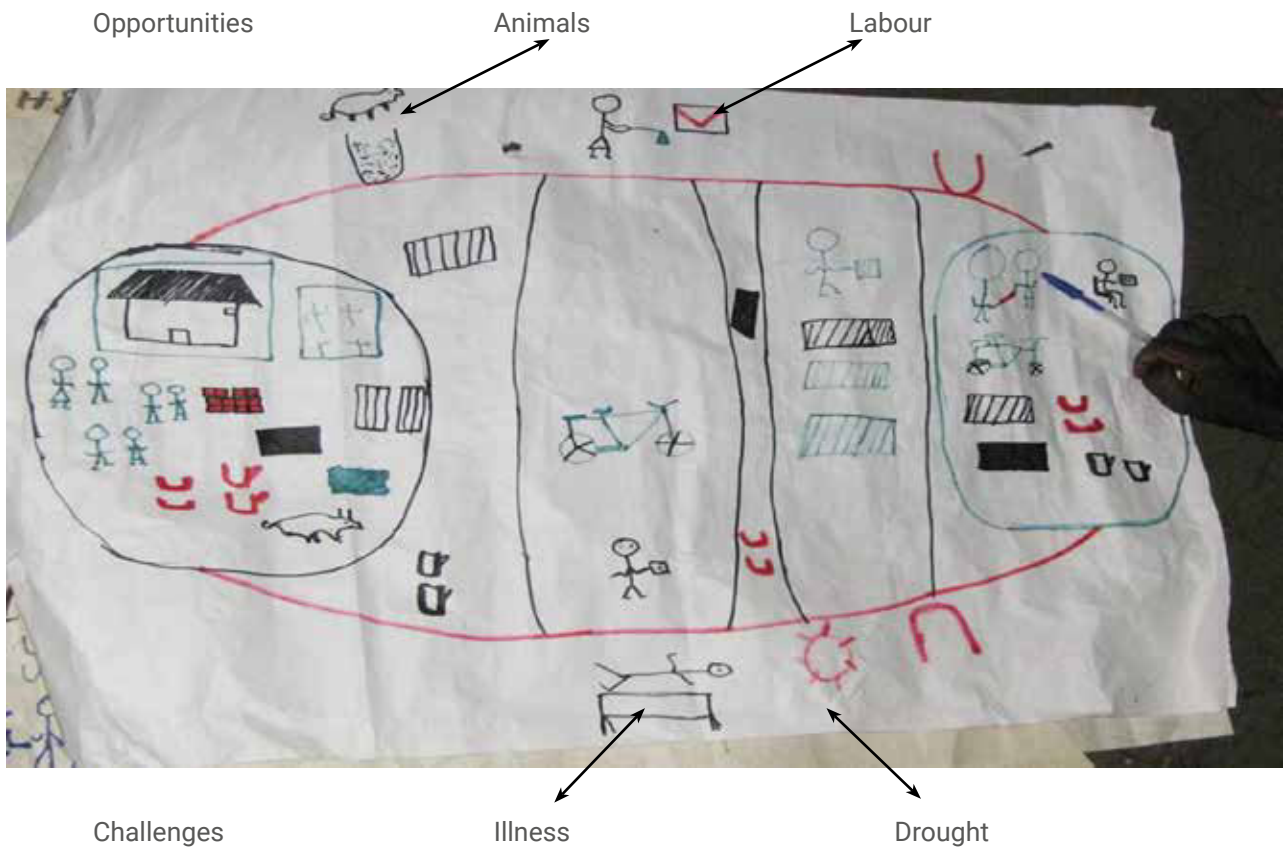
For example:

- A controllable opportunity is one's business
- A less controllable opportunity is a project in the area that might give support
- A controllable challenge is illness
- A less controllable challenge is drought.

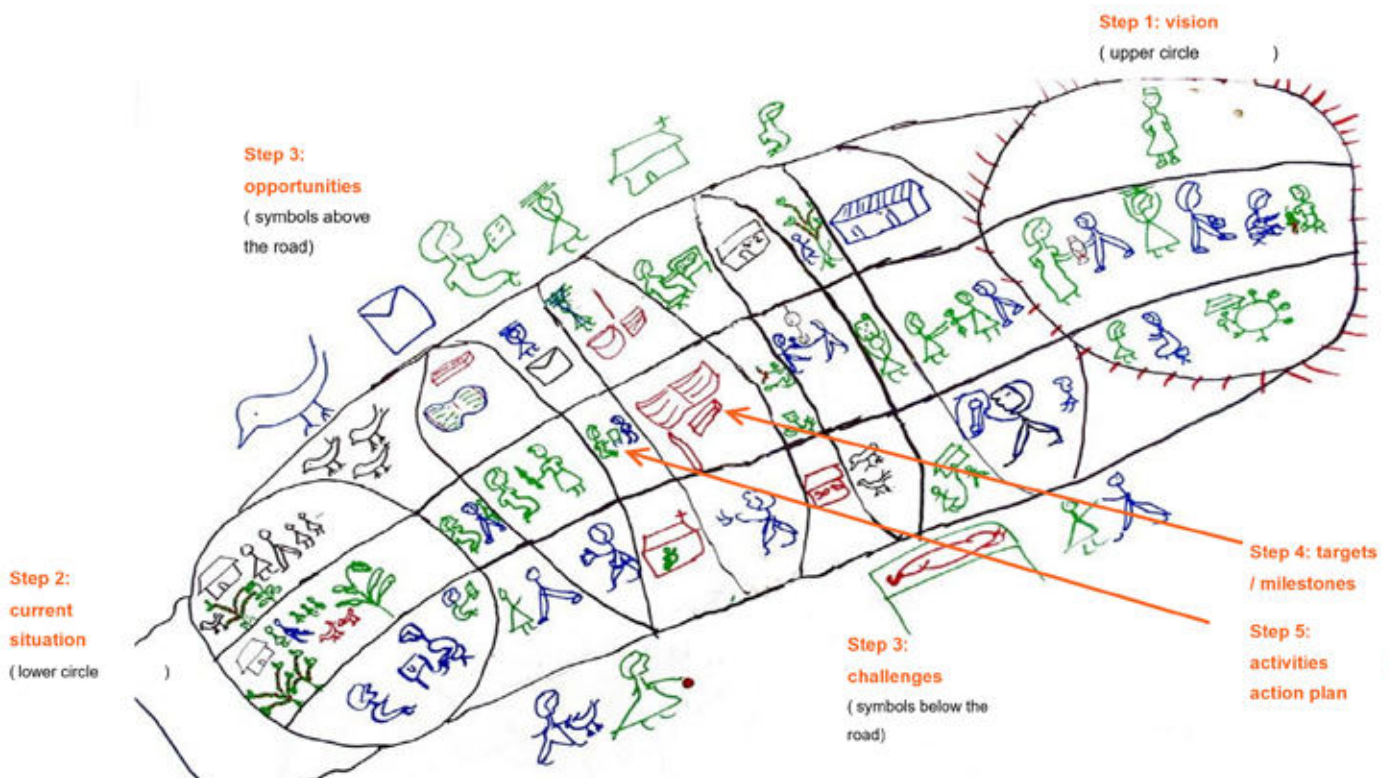
**Tips for the facilitator - Summary**

- ✓ Draw the empty frame of the Vision Map on a flipchart in front of the group to guide them for the exercise.
- ✓ Don't help participants to draw! Everything that people draw is right, as little as it is.
- ✓ You can help participants by asking questions.
- ✓ Let people exercise in their notebooks to build confidence with drawing.
- ✓ If participants are satisfied with their drawings, they can draw their Vision Maps on a flip chart. Manilla paper is even stronger and more durable.
- ✓ Participants can work individually or in small groups (but work individually on their own paper in those groups).

Examples of complete Vision Map



Vision Map



EASE Discussion Series

The Discussion Group Series covers basic concepts of financial planning such as tracking income and expenditure, setting goals, and allocating resources.

- EASE stands for **Economic and Social Empowerment**.
- It is an empowerment module that provides a forum for women and men to discuss beliefs, attitudes, and behaviors with the major aim of household well being.
- It aims to achieve increased joint decision making, improved communication and negotiation and reduction of intimate partner violence.

The process aims to achieve attitude and behavior change such as increased respect and value of women in the household, increased joint decisions making, improved communication and negotiation and ultimately the reduction of intimate partner violence which results in the overall wellbeing in a household.

The following table summarizes the topics to be discussed in the EASE discussion series:

Session Title	Activity	Objectives
<p>Getting Started: Setting the stage for the discussion series</p>	<p>Brainstorming with participants and drawing a workplan for the discussion series.</p>	<ul style="list-style-type: none"> ✦ “Market” the Discussion Group Series as an important and valuable activity. ✦ Increase interest among participants and their spouses. ✦ Encourage regular attendance and participation by participants and their spouse.
<p>Session 1 Introduction to the discussion group series</p>	<p>Icebreakers & Name games</p>	<ul style="list-style-type: none"> ✦ Gain a clear understanding of the purpose and the value of the discussion series. ✦ Understand the importance of regular attendance and spousal participation. ✦ Develop a clear definition of a successful household that participants will strive to achieve.
<p>Session 2 Household Economy</p>	<p>Household Economy Exercise</p>	<ul style="list-style-type: none"> ✦ Better understand their household economy. ✦ Reassess the common belief that men are the main contributors to household well-being. ✦ Understand and appreciate the value that women contribute to the household.
<p>Session 3 Household cash Flow</p>	<p>Cash Tree Exercise</p>	<ul style="list-style-type: none"> ✦ Understand the first step of financial planning for the household. ✦ Understand that prioritization is a fundamental component of financial planning. ✦ Identify at least one key benefit of better communication regarding household needs.

<p>Session 4 Setting Financial Goals</p>	<p>“Wants” and “Needs” Card & Goal Setting</p>	<ul style="list-style-type: none"> ✦ Distinguish between “wants” and “needs.” ✦ Apply productive communication skills to prioritize needs and wants. ✦ Set household financial goals. ✦ Identify areas of potential tension around resource management and decision making.
<p>Session 5 Dealing with financial stress (Part 1)</p>	<p>Boat Activity- Staying Afloat</p>	<ul style="list-style-type: none"> ✦ Understand the importance of shifting “win-lose” situations to “win-win” situations. ✦ Communication and negotiation are fundamental techniques for successfully overcoming stressful situations. ✦ Understand that listening, validating opinions, and showing respect will improve household well-being.
<p>Session 6 Dealing with Financial stress (part 2)</p>	<p>Skit Performance</p>	<ul style="list-style-type: none"> ✦ Be able to identify harmful communication practices. ✦ Understand the negative impacts of violence on the household and recognize alternatives to violence. ✦ Apply new and productive communication skills.
<p>Session 7 Budgeting and Planning</p>	<p>Joint Household Budget Exercise</p>	<ul style="list-style-type: none"> ✦ Understand the value of planning and making decisions together with their spouses. ✦ Prioritize needs and wants and allocate resources based on a common goal. ✦ Practice communication and negotiation skills during household budgeting.
<p>Session 8 Review reflection what will I do differently</p>	<p>Closing Exercise & Presentation of Certificates</p>	<ul style="list-style-type: none"> ✦ Review and reflect on all the discussion sessions held to date. ✦ Reflect on their own lives and what they will do differently moving forward. ✦ Be able to define concrete steps, attitudes and behaviors that promote good household resource management and overall household well-being.



Activity 1: Consulting with household members and setting ground for the discussion series.



Objective

Develop an agenda to inform participants of the Discussion Group Series designed to help spouses talk about household well-being.



Facilitation steps:

- ✓ Thank participants for their time.
- ✓ Tell participants that the purpose of the meeting is to introduce a new intervention– **The Discussion Group Series**.
- ✓ Tell them that this new activity will help them identify ways to improve household financial well-being. The discussion will allow them to exchange ideas and make plans, understand income and expenditure, allocate resources, and set goals.
- ✓ Tell participants that the discussion series is meant for members and their spouses or “intimate partners” with whom they make household decisions. If a member is not married or does not have an intimate partner, she can invite another person with whom she makes financial decisions. If she cannot identify an appropriate person, she is still eligible to participate in the discussions.
- ✓ Remind participants that the purpose of the discussion groups is to help them identify ways to improve household financial well-being. The discussions will allow them to exchange ideas and plan for the future, understand income and expenditure, set goals and allocate resources.
- ✓ Take some time to determine if the men are interested in the discussion series. You might ask questions such as:
- ✓ How do you feel about participating in a series of discussions designed to improve household well-being?
- ✓ Once you have established their interest in the Discussion Group Series, and the men have reflected on its benefits, explain it is important for both spouses to attend the discussions together for maximum benefit.
- ✓ Ask participants if they have any questions. Facilitate a discussion until all the questions and concerns have been addressed.

Transition: _____

Now that the aim of the discussion group series has been clarified, tell participants that you will work together to define what a successful household looks like.

- ✓ Tell participants that you will conduct a “dreaming” exercise.
- ✓ Ask participants to close their eyes.
- ✓ With their eyes closed, tell participants to start thinking about the perfect household.
- ✓ Tell them to dream as big as they like to. There is no limit to what they can dream about.
- ✓ Now ask them to imagine the physical structure of the house they have in their minds. What do the walls look like? What kind of furniture fills the rooms?
- ✓ Give participants a moment of silence to allow them to envision their dream house, and then move to the next set of instructions.
- ✓ Ask participants to think about the people in the household. Who lives in this household?
- ✓ What do the children look like? What are they eating? Give participants a moment of silence to allow them to envision the people in their house, and then move to the next set of instructions.
- ✓ Remind participants they can dream as big as they want. They have no limits!
- ✓ Ask everyone to think about the relationships between the people in the household. How do they care for each other? How do they help each other? Give participants a moment of silence to help them imagine, and then move to the next set of instructions.
- ✓ Ask participants to imagine how other members of the community might see them if they lived in this imaginary household. What are the things people would admire about this successful household? Give participants a moment of silence to help them imagine.

A Successful Household

A successful household is one where each individual feels valued, respected and happy and where men and women together effectively and creatively use available resources.

Remember: a household is made of individuals. The well-being of a household therefore depends on the wellbeing of each individual within the household.

Note: The definition or characteristics of a successful household that members develop will be used and referred to throughout the rest of the discussion series. Your co-facilitator should write the ideas on the flip chart to keep track of the information. Make sure the group discusses basic concepts such as happiness, respect, fairness, and health and reinforce those concepts.

- ✓ Once you have established some of the participants’ aspirations, remind them that the goal of the discussion series is to create a space for them to come together with their spouses and talk about achieving these dreams.

Transition: _____

Tell participants that they will be able to explore concrete ways to improve household well-being and attain their vision of a successful household. They will also engage in discussions about income, expenses, budgeting, saving, and planning for the future.

Explain to participants that, in order to help them achieve the success they just envisioned, you will be conducting an eight-session discussion series.

These discussions are not formal trainings but an opportunity for people to share their experiences and thoughts about a given topic. The eight sessions will give participants the opportunity to think about the things they can do to improve their overall household wellbeing. Emphasize the importance of attending all the sessions.

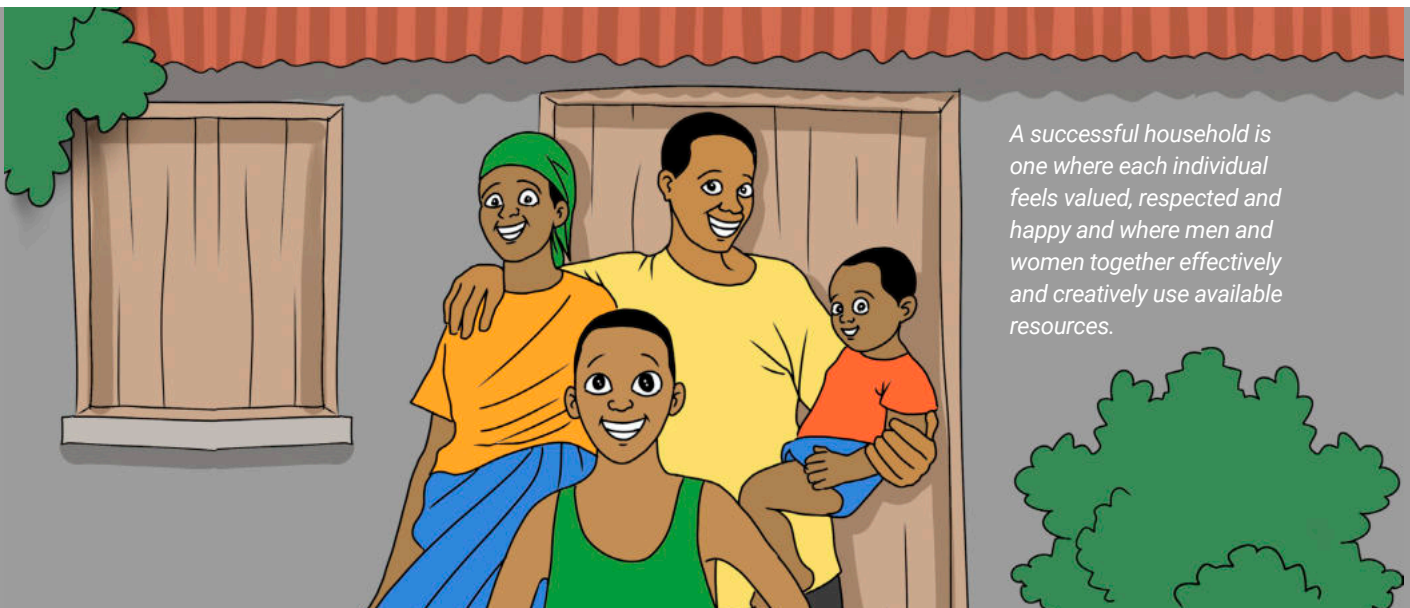


Key messages

It is the responsibility of each facilitator to summarize the ideas shared throughout the session and to pull out the key messages. Ensure that the messages are clearly based on ideas shared during the discussion, and that participants will be able to identify with them.

Below are the essential key messages:

- ✓ A household is made up of individuals. The well-being of a household therefore depends on the well-being of each individual within the household including children.
- ✓ A successful household is one where each individual feels valued, respected and happy and where men and women together effectively and creatively use available resources.



A successful household is one where each individual feels valued, respected and happy and where men and women together effectively and creatively use available resources.

2.1 HOUSEHOLD ECONOMY



Session objectives:

- Better understand their household economy.
- Reassess the common belief that men are the main contributors to household well-being.
- Understand and appreciate the value that women contribute to the household.



Material: Household Economy Diagrams



Notes to the facilitator:

The purpose of this session is for men and women to question popular beliefs that men are the main contributors and most valuable members of the household, and to appreciate the indispensable role that women play. By introducing an exercise that is very tangible and that participants can easily relate to, facilitators will be able to create a space and an environment for both men and women to explore new ideas.

Facilitators should keep in mind that for best results you should not suggest ideas but encourage participants to publicly question and disagree with popular beliefs!

- ✓ Remind participants that in the previous session they defined the characteristics of a successful household. Today participants will talk about the activities of a household and the value (monetary and non-monetary) that is created and the value that is spent.
- ✓ Tell participants that you will conduct an exercise to help everyone better understand how money flows in and out of the household.
- ✓ Ask participants to divide themselves into groups.
- ✓ Give each group a flip-chart paper with the household economy diagram drawn on it.
- ✓ Explain that the diagram depicts a house in the center and all the activities that add to or subtract value from the house.
- ✓ Ask participants if they can identify the various items in the diagram.
- ✓ Ask if there are any household activities not represented in the diagram. Draw the suggested activities on the flip-chart paper. The co-facilitator can move around and help participants add the activities to their diagrams.

- ✓ Tell participants that the exercise is intended to help them discuss among themselves (as a team) the value of the activities represented in the diagram. If the activity adds value to the household, participants represent that by drawing an arrow from the activity to the house. If the activity subtracts from the value of the household, participants represent that by drawing an arrow away from the house to the activity.



Value

Value is time, effort, goods, and money that is dedicated to or created by an activity carried out by a member of a household.

TIP 1: Give the markers to women participants

Women may be hesitant to take the markers and start drawing. It is the role of the facilitator to pay attention to the dynamics in the group and make sure that women are given an opportunity to actively participate. You can encourage this by sitting in on some groups and asking women their thoughts as well as by giving them the markers to draw on the diagrams. Be patient and if necessary, demonstrate how to do it.

- Pass out markers to the participants so they can draw the arrows.
- Then ask participants to indicate who participates in the various activities represented. Groups can indicate with symbols if the activity is done primarily by men, women or children. (Decide with the participants what symbols will be used to represent men, women and children.)

Transition: _____

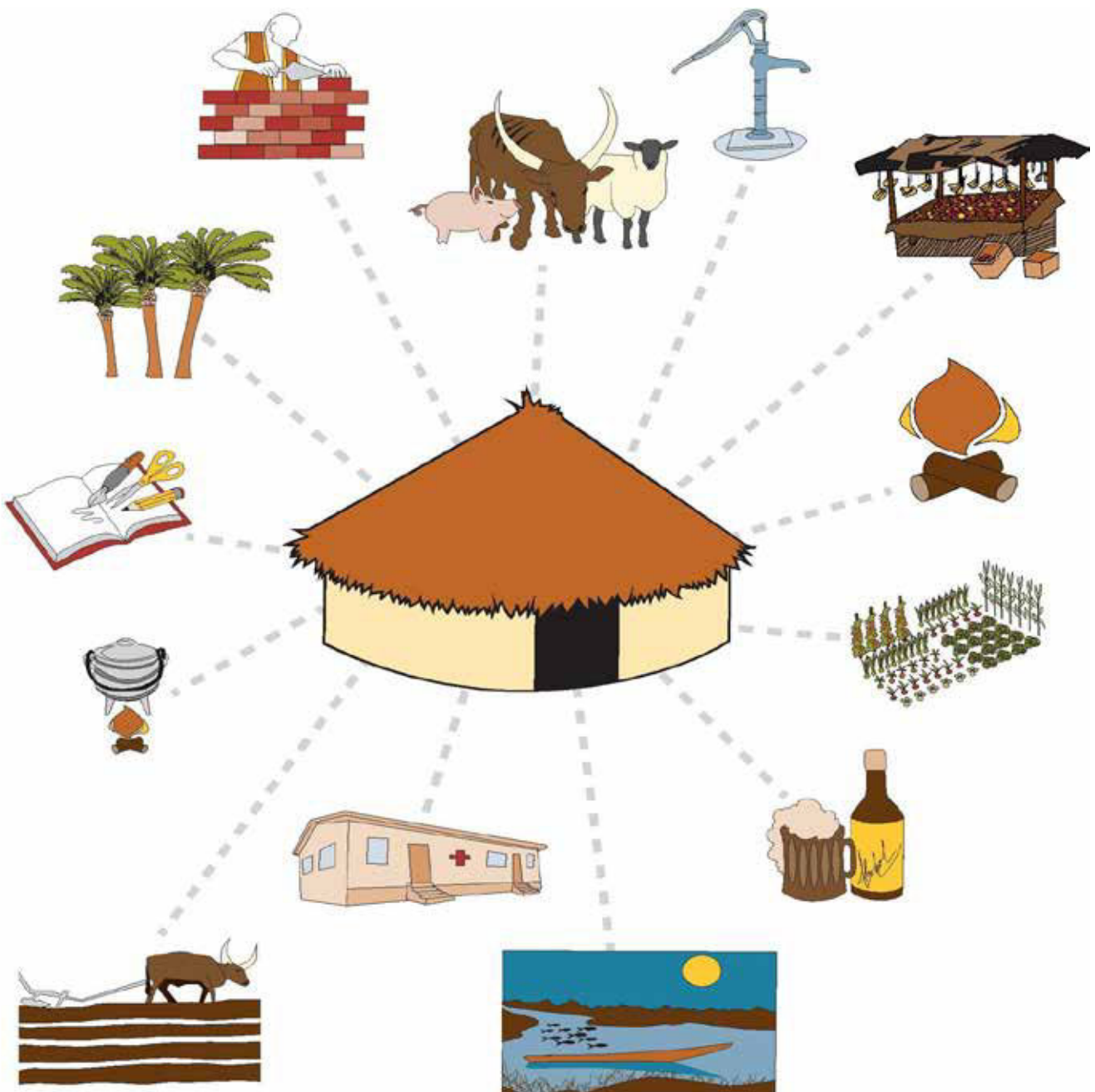
Now that they have completed the diagram, ask participants to reflect on what they have drawn.



Facilitate a Discussion: - Possible facilitation questions:

- Who participates in the creation of value for the household?
- What role does each member of the household play?

Household Economy Diagram



Household contributions

- How do the values in the diagram compare to commonly accepted beliefs about men and women in the creation of household value? This is an opportunity to show the important role that women play in creating household value.
- If you could, what would you change in this diagram? Why? This is an opportunity to further define a successful household and address changes that could help participants achieve desired success.

Role of women

- When looking at your diagram, what do you notice about the distribution of labor in the diagram?
- Do all activities equally ensure the well-being of the household and its members? Which activities are more important than others? Why? This is an opportunity to show that all activities in the household are important and that every member of the household contributes to its overall well-being.
- If your household were to pay for some activities that are free (collecting water and wood, cooking, etc.), how much would it cost? This is an opportunity to help participants recognize the monetary value women contribute to the household.



Key messages

- ✓ Women and men contribute monetary and non-monetary value to the household.
- ✓ Women engage in activities (often non-monetary) that are essential to the well-being of the household.
- ✓ Women deserve to be respected and valued as human beings and contributing members of the household.

Sample of Household Economy Diagram (Refer to Annex)

2.2 HOUSEHOLD CASH FLOW



Session objectives:

- Understand the first step of financial planning for the household.
- Understand that making priorities is fundamental to financial planning.
- Identify at least one key benefit of good communication in regard to household well-being.



Material: Cash Flow Tree diagram on flipchart paper.



Notes to the facilitator:

This session builds off the previous session in that it delves more in-depth about household income and spending. While its focus remains on household finances, you will be able to introduce the value of open communication with spouses and keep the focus on highlighting the value of women in the household and elevating their status as an equal partner.

Transition: _____

Inform participants that you plan to build on the previous session to further understand household income and spending, the first step in developing a household budget.

- Introduce and conduct the cash flow tree activity.
- Ask participants to divide themselves into groups (depending on the number of participants)
- Give each group a flip-chart paper with a Cash Flow Tree diagram.
- Explain that, just as trees draw water through their roots into their branches, so households must channel money toward a variety of expenditures.
- Give each group a set of Income and Expenditure Cards (found in annexes) and ask each group to place activities that bring money into their household at the roots of the tree.
- Ask participants to place activities that require spending money (expenses) on the branches of the tree.
- When placing these expenses, ask participants to put the most important items (expenses) at the top and less important ones on the lower branches. This part of the exercises generally leads to much debate and differences of opinion.
- Ask participants if they have any questions. Answer all their questions to the best of your ability.
- Make sure everyone is participating in the exercise.

Transition: _____

Once groups have placed their cards, tell participants that you would like to analyze the activity and reflect on key lessons learned.

Cash Tree Diagram





Facilitate the discussion: Examining Income and Expenses.

- ✓ What do you notice about the expenses and the sources of income?
- ✓ What lessons can be drawn from this exercise?
- ✓ What are the advantages of planning resources and the use of resources based on income and expenditure?
- ✓ If you can change anything in this diagram, what would you change and why? This is an opportunity to refer back to the diagram of a successful household and the changes participants can make in their lives to achieve a positive outcome.

Communication

- How were you able to prioritize your expenses in your group? What kind of discussions did you have?
- Did you change your mind about the priority of certain expenses during the exercise? Why?
- Why is it important to discuss your ideas with other members of your group? How is this applicable in your home?
- Why is communicating with your spouse important?

One last question: In the last two sessions, participants first mapped out the value that is created and spent in the household, then participants created a household cash flow to track income and spending.

Why do you think these exercises are important in your household?

This is an opportunity to explain the budgeting process. Tracking income and expenses will help people better allocate available resources to meet household needs.



Key messages

1. The first step to household financial planning is identifying income and spending.
2. When income and spending are imbalanced, it is necessary for men and women to find ways to reduce spending and increase income.
3. Communication is a key component of household financial planning. Good communication takes into consideration the different perspectives of each individual in a respectful and understanding way.

Sample of Cash Tree Diagram (Refer to Annexes)

2.3 SETTING FINANCIAL GOALS



Session objectives:

- Distinguish between “wants” and “needs.”
- Apply productive communication skills to prioritize wants and needs.
- Set household financial goals.
- Identify areas of potential tension around resource management and decision making



Notes to the facilitator:

At this point in the discussion, participants will have assessed their household income and expenditures, and they will have talked about the role that each individual plays. Now this is a chance for them to think through the difference between “needs” and “wants” and begin the process of prioritizing and setting goals, which is the second step in creating a household budget. Couples will explore how open communication can help in efficiently and accurately distinguishing “needs” from “wants” thus allowing them to set realistic and shared goals for improving household well-being.

Transition: _____

Remind them that so far, they have spent time analyzing the income and expenditure in the household. It is now time to begin to develop goals and set priorities.

Introduce and conduct needs and wants activity

Ask participants to explain the difference between a need and a want. Facilitate a discussion. Clarify for all participants that:

- **A NEED** is an absolute necessity, something important for basic survival and ones’ ability to function in society. Needs are things like food, clothing and shelter.
- **A WANT** is something that is desirable to have but can be eliminated if necessary.
- Ask participants to divide themselves into same-sex groups.

Give each group a set of “**wants and needs**” cards (found at the end of this section). Each group will divide the cards into three categories:

1. **NEEDS**
2. **WANTS**
3. **CANNOT AGREE**

Tell participants to discuss and categorize the cards. If they cannot agree on a certain card, they can place it on the CANNOT AGREE pile.

Now ask the participants to take the NEEDS pile and divide it into three categories of:

1. **MOST IMPORTANT**
2. **IMPORTANT**
3. **LEAST IMPORTANT**

Ask them to do the same for the WANTS pile.

Transition: _____

Tell participants that you would like to analyze the activity and reflect on its key lessons.

Setting Priorities:

- How did you distinguish between NEEDS and WANTS?
- Why is it important to distinguish NEEDS from WANTS?
- Did you notice differences in NEEDS and WANTS in the other groups? The answer here most likely will be no. In this case, take the opportunity to explain that it is okay to have different “needs” and “wants.” In fact, people within the same household will have different “needs” and “wants”. The key is to communicate with each other and reach a suitable compromise.

Communication:

- Was it difficult making a decision? What was difficult about it?
- If it was easy to make a decision, what in the process or discussion made it easy? This is an opportunity for you to talk about the benefits of open communication and active listening. It is easier to come to a mutually satisfactory decision when people are actively listening to peoples’ concerns and communicating clearly.
- Were items placed on one pile when you thought they belonged on another? How did that make you feel?

- What can you do with the “disagree” pile?
- When a member of the household feels disrespected or ignored, what impact can that have on the household well-being? How can you make sure that the person feels valued and his or her concern validated?
- What can people do to avoid situations in which someone feels disrespected or ignored?
- How can you make sure that “needs” and “wants” are satisfied? Solicit discussion around this topic but try to use it as a transition to the idea of joint goal setting. Introduce the notion that, if partners thoroughly assess household income and spending and prioritize their needs and wants, they can together set goals to ensure that both their needs as well as their wants are satisfied.

2.3.1: GOAL SETTING

This activity is designed to start a discussion around the process of goal setting. Facilitate a short discussion, using the following questions:

What is a goal?

Why is setting a goal important to the household? Make sure participants understand that people with clear goals are more likely to achieve them because they know what they want. Rather than starting many different projects and failing to accomplish any one of them, people with clear goals take specific actions to move them closer toward desired results.

Ask participants to pair off with their spouses and give each couple a set of “Needs and Wants” cards.

Ask participants to discuss key priorities for their households and choose one or two cards that indicate the goal(s) they aspire to achieve.

Goal setting

Goal Setting is the process by which people identify what they want to accomplish and by what time. Once priorities and goals have been identified, one can make plans for achieving them.

Transition: _____

After couples have identified key priorities and set goals for the household, lead the group in a more detailed discussion about the goal setting process.

Goal setting:

- Why is goal setting important? This is an opportunity to emphasize the notion that setting goals is fundamental to establishing a shared vision of success. Without goals, the members of a household will not be able to work together to achieve success.
- What goals did you set? Why did you choose these goals?
- Can you describe the process you used to set your goals?
- What kind of discussion took place?

Transition: _____

Tell participants that you have found the discussion very engaging and that you encourage the discussion to continue outside of the sessions, but that you are now nearing the end of your time together.

**Key messages**

- ✓ Understanding and prioritizing “needs” and “wants” will help men and women develop clear household financial goals.
- ✓ To ensure efficient management of household resources, men and women need to set clear goals.
- ✓ Open communication between spouses means to understand and value each other’s perspectives.
- ✓ When men and women disagree, they should practice positive communication methods such as listening, empathizing, and respecting each other.
- ✓ While it is not always possible to come up with a decision where everyone agrees, the important thing is to listen to everyone’s ideas or concerns and take those ideas into consideration!

Needs and Wants Cards (Refer to the picture cards in Annex)

2.4 DEALING WITH FINANCIAL STRESS



Session objectives:

- Understand the importance of shifting “win-lose” situations to “win-win” situations.
- Understand that communication and negotiation are fundamental techniques for coping successfully with stressful situations.



Material: Boat Activity Cards



Notes to the facilitator:

Building off previous sessions, the purpose of session five is to allow participants to explore ways to deal with financial stress and competing needs. The emphasis will be on encouraging participants to reflect on how they deal with tensions that might arise as a result having to make decisions on limited household income. In this session, participants will also learn about key negotiating concepts that result in positive outcomes for the household.

Transition: _____

Remind them that you have spent time analyzing income and expenditure and the process of setting financial goals. It is now time to explore ways to deal with difficult financial situations.

Introduce and conduct the boat activity

- Tell participants that you are going to do an activity that requires their imaginations. The goal of the activity is to help them better deal with stressful financial situations.
- Ask participants to form groups of six (three pairs of spouses or couples). Ask them to imagine that they just received news that the government is building a dam that will put their entire village underwater.
- The government has asked them to move to a new village across the lake where they will have access to fertile land, but they must move quickly.
- A boat will be made available for each group to help them cross the lake and arrive to the new village. Space is limited on the boat, so they need to select carefully among their possessions and take only those items essential to start their new lives.

- Give each group a set of Boat Activity cards and tell them they can select only 20 items to pack. Give participants about three minutes to make their selections. If they are not ready in three minutes, the boat will leave without them.

Note: Participants should feel a certain level of pressure and stress. Give them a warning when they have one minute left and count down the last 10 seconds.

Make sure everyone is participating in the exercise, including women.

Now have groups imagine themselves loading their 20 items into the boat. The crossing will take three hours on the water before they arrive to their destination and new home.

Sample Script

Use the following script to animate the game:

- Congratulations! You have successfully loaded all your belongings and we are now on the way to our destination!!! The water is calm, and it is a beautiful day on the lake. You are anxiously waiting to get to your new village.
- It has been about an hour, and you notice that something is wrong... Water is leaking into the boat!! Everyone is worried because you are nowhere near the other side of the lake. You realize the boat is too heavy and you have no choice but to throw overboard some of the items you packed.
- You have 90 seconds to decide which 5 items you will discard (Round-1). If you don't act fast and find a solution, your boat will sink! Quick.

Call out when there are 30 seconds left and count down the last 10 seconds.

- Phew! The boat has stabilized, and everyone is safe. Our journey continues safely, and we can almost see the shore.
- But wait, things have started to go wrong again! The waves are getting big and rough, and you need to throw more items away to avoid sinking. You have 60 seconds to get rid of another 7 items (Round-2). If you don't reach an agreement, the boat will sink, and no one will reach the final destination.

Call out when there are 30 seconds left and count down the last 10 seconds.

- Good work, you managed to get rid of 7 items, but it's not enough – the boat won't stabilize. You have 15 seconds to pick another 2 items to throw overboard (Round-3)!

Count down the last 5 seconds out loud.

- Horray!!! You have managed to save the boat, and you are now pulling ashore.
- Welcome to your new village. It is now time to unload the boat and see what you have left.

Transition: _____

Tell participants that you would like to analyze the activity and reflect on its key lessons.



Facilitate the discussion:

Below are sample questions to help you facilitate the session. Do not attempt to get through all the questions but select a few to help you guide the discussion and draw out key messages.

Possible facilitation questions

- ✓ What was the whole process like for you? Was it stressful? What made it stressful?
- ✓ What did you decide to throw out in the first round? Why? What about the second round?
- ✓ What items did you have left when you finally reached your destination? Why did you decide to keep those items?
- ✓ What kind of discussion did you have among your group? Was everyone in the boat in agreement about which items to keep? This is an opportunity to show that groups were able to make decisions jointly on what to keep and what to throw away.

Goal setting

The new village represents the "goal."

The boat represents the household.

Each member on the boat represents members of the household who care about the well-being of the boat.

The items in the boat are household "needs" and "wants" that need to be prioritized.

- ✓ How did each group make a decision when there were disagreements?
- ✓ Did you have a situation where the group could not reach an agreement? What did that mean for the safety of your boat? This is an opportunity to introduce negotiation concepts.
- ✓ If you think of the boat story as a metaphor for the household, what parallels can you draw?

Introduce negotiation concept

- **Note:** This is the rare occasion that the facilitator must introduce new concepts to the participants during the discussion.
- Refer to the discussions that occurred during the activity. These discussions can also be called negotiations.

2.4.1 NEGOTIATION

Negotiation is the process by which two or more individuals try to resolve a situation where there are conflicting points of view.

During a negotiation, there can be several types of outcomes:

1. **“Lose-Lose”:** Neither person involved in the negotiation gets what he or she wants.
2. **“Win-Lose”:** One participant gets what he or she wants and the other gets nothing. The participant who loses might not negotiate again. In the household, this may lead to resentment. Often this outcome is a result of a decision made by one person without properly consulting the other.
3. **“Win-Win”:** Both participants in the negotiation get something they want or need. A “win-win” outcome is achieved when we try to satisfy the other person’s needs as well as our own. All stakeholders feel good about the decision and are willing to negotiate again.



This outcome generally results from a joint decision by everyone involved.



Facilitate the discussion:

To ensure participants clearly understand the various outcomes, use the questions below to facilitate a discussion and relate them to the activity.

- ✓ How do these outcomes apply to the boat scenario?
- ✓ What would a “lose-lose” situation look like? What would a “win-win” situation look like? What about “win-lose”? This is an opportunity to demonstrate that if members of the group are unable to come to a compromise, the boat will sink, and everyone will lose.
- ✓ Why is a “win-win” outcome desirable? This is an opportunity to demonstrate that a “win-win” outcome is most beneficial for the well-being of the household because all parties will be satisfied with the outcome. With a joint decision, they will feel heard and respected and as a result happy and eager to continue to contribute to household well-being.
- ✓ What are the advantages of making decisions together?
- ✓ What lessons can be drawn from this exercise and applied to the household? Give specific examples. Can these lessons be easily applied in your homes? Explain why or why not.
- ✓ What would prevent people from applying these lessons?
- ✓ What are the benefits of listening and negotiating during a stressful situation? You do not have to have to be explicit but remember that your goal is to help participants understand that men do not always have to get the final say in a decision and that they sometimes use (or abuse) their power to impose their will.
- ✓ It is possible that through constructive communication and negotiation, both partners can get what they want even if it is not everything. By jointly making decisions, everyone benefits and the family achieves a successful household.

Remember

Members of the household want to achieve a successful household which is represented by individuals who feel heard and respected.

To achieve success for the household, negotiation needs to happen in a way that every individual in the household seems to have gained something (win-win situation).

It is not possible to achieve overall household wellbeing when some members of the household are consistently disadvantaged or always “lose”!

Transition: _____

Tell participants that you have found the discussion very engaging and that you encourage the discussion to continue outside of the sessions, but that you are now nearing the end of your time together.

The following is an example for you to keep in mind when thinking about outcomes of a negotiation!

Something to keep in mind,

When negotiating or resolving disputes in the household, it is important to focus on individual needs, fears, and interests rather than positions (i.e., desired outcomes). When individuals focus on their position, they tend to focus on the disagreement rather than potential solutions. To achieve a positive outcome, disputing parties are better off to focus on needs which will help them identify specific solutions to a problem.

For example,

Juan wants to get 10,000shs from her husband for food. Ladu wants to give Juan only 5,000sh because he knows that is how much it will cost her. Juan argues that if she only gets 5,000, she will not be able to buy her husband's favorite food because the money is not enough. If they both focus on their position which for Juan is to get 10,000 from Ladu and for Ladu is to give Juan 5000shs, it will be difficult for them to arrive at a "win-win" solution. But if they analyze their needs and interests, they can find a solution.

Juan needs 10,000shs because she needs to meet all household needs for the week and save a little money in case of an emergency, because her husband tends to not have money when she needs it to take the kids to the clinic for example. Ladu wants to give Juan only 5000shs because he wants to use 2,000shs to hire someone to work on their field and use the rest of it to go out with his friends.

If they stop focusing on the outcome and analyze their needs, Juan can remind Ladu that her brother has no job and would be happy to help them on their field if they pay him 1,000shs and give him a bag of grains during harvest season. Ladu can offer to give the 1000shs saving (by hiring his brother-in-law) to Juan to save for emergencies. In this case, they achieve a win-win outcome where Juan has enough for food (including Henry's favorite food) and emergencies. Ladu is also able to get his favorite food and get help on his field.



Key messages

Most households experience many types of stress such as financial stress. Negotiation in the home is a useful way to deal with such stress when they arise.

- ✓ A “win-win” outcome is the most beneficial outcome for the success of a household because every member of the household will be satisfied by the outcome, feel valued and happy.
- ✓ To achieve a “win-win” outcome, both parties need to listen to each other, show respect, and make decisions together.

Boat activity (Picture Cards-Annexes)



2.5 DEALING WITH FINANCIAL STRESS (PART 2)



Session objectives:

- Be able to identify harmful communication practices.
- Understand some of the negative impacts of violence in the household.
- Realize that there are alternatives to violence.
- Apply new and constructive communication skills.



Activity: Skit Rehearsal



Notes to the facilitator:

In this session, participants will explore how to resolve tensions that may arise in the household when negotiating decisions about making large purchases. This session does not explicitly walk participants through the process of how to plan for large purchases. The session focuses on questioning attitudes and beliefs that condone violence and that prevent households from achieving their desired well-being.

Transition: _____

Inform participants that volunteers among the participants will perform a short skit about a family discussion regarding a large purchase.

Introduce and perform the skit

- Perform the skit (see script below) for the group and facilitate a group discussion.
- Once the skit ends, tell participants that you would like to reflect on what happened in the skit.
- The following is a sample of a skit. It is about a discussion that a husband and wife are having regarding a large purchase for the household. The husband is withholding money and the conversation very quickly takes a turn for the worse and ends up in verbal abuse and the threat of physical abuse.



Sample Script

Facilitators should read the skit below and discuss how they will perform it in their respective discussion groups. (the facilitator may choose volunteers to perform the skit). The facilitator and co-facilitator or the volunteers should practice the skit before presentation. The skit can be used as is or after making modifications to be more culturally relevant.

Wife: I am glad you are back from the farm. I have been waiting all day to talk to you about something important. The rains are coming, and we still have not fixed our roof. When will we be buying iron sheets?

Husband: I do not want to talk about it now. Give me my food and leave me alone.

Wife: Here is your food. I just wanted to talk about it now because we can use the money from the simsim sale from last week to buy iron sheets. Besides, we only have one month before the rains start.

Husband: The money from the simsim is none of your business. Why don't you stop asking me for money for a change? You keep spending my money on foolish things and then come back to me for more money. Now leave me alone.

Wife: What are you talking about? You are the one that spends too much money on alcohol and going to the center. I don't have any money to buy food let alone spend money on foolish things. You always accuse me of these things while you are always away, and we are suffering with a leaky roof.

Husband: It is not my fault the roof leaks. I've tried to fix it a hundred times. The roof is old, and I don't have money for iron sheet roof.

Wife: What about the money from the simsim sale? You got the money last week. We can use it for the roof and the children's school fees.

Husband: Woman! I told you that it is none of your business. You do not tell me what to do with the money. I decide what that money is used for. If you ever mention it again...

Wife (shouting at her husband): I am only suggesting that we use it for the good of our family!

Husband (feeling challenged): I see you are now trying to rule this household. I will teach you a lesson...

Husband raises his arm in a threatening manner and shakes his fist at his wife.



Facilitate the discussion:

General

How do you think the discussion went? What went well? Facilitate a discussion to make sure that participants “saw” the following points:

- The discussion started off calmly, but the man was in a bad mood and not open-minded.
- The woman in the skit was able to identify a “need” and was able to clearly communicate the need to her husband.

What went wrong? Why? Facilitate a discussion and make sure that participants are able to identify the following points:

- The people in the skit had a breakdown in communication.
- The man insulted his wife throughout the conversation.
- The two people did not listen to each other. In particular, the man did not take into account his wife’s concerns.
- The man used the threat of physical violence to end the discussion and have his way.

Who won the argument in the skit? This is an opportunity to revisit the “lose-lose” and win-lose” idea that was discussed in previous session. It may seem that the husband won the argument by refusing to discuss the issue of money and the leaking roof.

Who lost the argument? Some of the participants may feel that the wife lost, but some may feel that the husband lost because he may not be able to spend some money on entertainment, which is important to him. If this issue comes up, it is important to cultivate allies in the group to show that, when the household benefits, so does the husband; and when the household loses, so does the husband.

Do you think the couple has planned a household budget?

What will be the impact on the well-being of the household? This is an opportunity for you to show that though it may seem that the husband “benefits” (by getting what he wants—to be left alone), the reality is that everyone in the household, including the husband, is going to suffer from a leaking roof.

Impact

How do you think the wife felt? For example,

- The wife may feel disrespected and scared.
- She may worry about her own well-being, as well as the well-being of her children. She may not trust him to act in their best interest. Make sure that the discussion stays focused on the character of the wife in the skit, rather than the personal experiences of the participants.
- What do you think is the impact of the discussion and threat of violence on the wife in the skit? For example, she may feel that she cannot raise important concerns with her husband because she will have to risk her own physical safety to do it. She may feel that she has to work around her husband to ensure the household is taken care of instead of working in partnership with him.
- What impact might this kind of interaction and threat of violence have on the family or children? For example, the children's needs are not addressed because the mother has little say in the household, or the household may not be taken care of well because the mother does not have the opportunity to influence how their limited resources are being used.
- Do you think the situation can be improved?

Transition: _____

Tell participants that you are glad to hear they think the situation can be improved. In this next activity, they will be asked to modify and improve the skit.



Key messages

- ✓ Planning together, setting goals together and making household decisions together can lead to using resources in a way that benefits the household as a whole.
- ✓ Making a decision that benefits the household means that all members of the family-the man, woman and children gain.
- ✓ Consider the needs of the household as a whole.
- ✓ It is important to listen to one another and to understand each other's concerns and ideas. When people feel listened to and that their ideas are respected, they are more able to contribute to the well-being of the household.
- ✓ Always avoid insulting or threatening your spouse. Speak respectfully with your spouse, even if you are angry or frustrated.

2.6 BUDGETING AND PLANNING



Session objectives:

- Understand the value of planning and making decisions together with their spouse.
- Prioritize needs and wants and allocate resources accordingly based on a common goal.
- Practice communication and negotiation skills during household budgeting.



Materials:

- Fake money (made of colored paper representing local currency)
- Copies of the budgeting and planning cards (enough for one per couple)
- Monitoring cards for Session 7 and an ink pad



Notes to the facilitator:

Notes to the facilitator: This session is designed to help participants put into practice some of the concepts of fair and equitable decision-making addressed in previous sessions. Participants will explore constructive and efficient ways for budgeting limited resources to achieve the highest return for all members of the household. The focus of this session will be on promoting healthy negotiation patterns between spouses and to challenge participants to work towards a “win-win” situation where all members of the family feel valued and respected and satisfied with the outcome.

Transition: _____

Remind them that you have spent time analyzing income and expenditure and how to set financial goals. It is now time to begin an activity that will help participants explore how to plan and budget resources.



Introduce and conduct the planning and budgeting activity

- Tell participants that you will be doing an exercise that will put every lesson they have learned from previous sessions into practice. Tell participants that you will be giving them some fake money with which they will practice family budgeting.
- Ask participants to remember sessions 3 and 4 where you talked about needs and wants and where each couple identified key needs and set a common goal for the household.
- Tell participants to get into pairs (with their spouses). Give each pair a set of Budgeting and Planning cards (found at the end of this section) and a limited but varied amount of paper money. Paper money should be prepared in advance using colored paper to represent as much as possible the local currencies.
- Ask participants if they recognize the notes. Make sure that everyone is comfortable and can identify the value of each note.
- Ask each couple to count total amount of money that they have been given. Tell them their task is to allocate the resources (the money) at hand to the various household expenses as they see fit.
- Tell participants that they need to discuss and figure out how best to spend the money.
This is the first step to planning and budgeting!
- Once participants have finished the activity, facilitate a discussion in plenary. You can use the following questions to guide the discussion.

Financial planning

- What is the importance of the budgeting activity that you just did?
- How did you prioritize all the competing needs?
- Did any couples put some money towards savings? Why?
- What were some challenges to saving?
- How can a household increase its savings?
- Did any couples allocate money for an investment? Why? This is an opportunity to discuss how people can put some money in small business to help them grow their income so that they can afford to buy more of their “wants”.
- What were some challenges to investing?
- What are the key elements of developing a household budget? Who should be involved in the process? Why?

Decision-making

- Were there disagreements about how to use the money?
- Did any of the groups make decisions together? How did you do this?
- What are examples of how those disagreements were handled in the activity? Ask participants to give examples and why they are helpful.
- What are the advantages of making decisions together with your spouse?
- When doing a joint budgeting exercise with your spouse, what does a “win-lose” situation look like? How does this disadvantage the household/the family?
- What does a “win-win” situation look like? What is the advantage?
- What are some concrete ways of promoting a “win-win” situation when couples are planning and budgeting for the use of their resources? What are some things you can do?
- How does joint planning and budgeting help improve the household well-being?

Transition: _____

Tell participants that you have found the discussion very engaging and that you encourage the discussion to continue outside of the sessions, but that you are now nearing the end of the session.



Key messages

- ✓ In order to effectively plan and budget, spouses need to discuss their income, expenses and preferences for using resources together.
- ✓ Planning and budgeting helps to ensure that limited resources are used more efficiently.
- ✓ Budgets that reflect real household needs take into account the opinions and priorities of all members of the household.
- ✓ A “win-win” outcome when creating a household budget means that both spouses are satisfied and committed to using it to inform their decisions moving forward

Budgeting and Planning Cards (Picture cards in Annexes)

2.7 REVIEW AND REFLECTION



Session objectives:

- Review and reflect on all the discussion sessions held to date.
- Reflect on their own lives and what they will do differently moving forward.
- Be able to define concrete steps, attitudes and behavior that promote good household resource management and overall household well-being.



Materials:

- A bucket and long piece of wood for the closing game



Notes to the facilitator:

The purpose of this session is to give participants a chance to review and reflect on all the learning shared over the course of the discussion as well as define concrete steps and attitudes that promote good household resource management.



Reflection activity

Ask participants, what was the purpose of having the discussion series. The answer you are looking for is that the purpose was to explore how to improve household well-being.

Use this to lead into a review of the definition of a successful household discussed in the first session. Ask participants to recall their definition of a successful household. Facilitate a discussion and make sure you put an emphasis on the following ideas:.

- ✓ The budgeting process includes tracking income and expenses, distinguishing “needs” from “wants” and setting goals, allocating income and reassessing progress.
- ✓ The importance of making sure that each individual feels valued and respected.
- ✓ A household is made of individuals. The well-being of a household therefore depends on the well-being of each individual within the household.
- ✓ To be successful, a household needs to effectively and creatively use available resources.
- ✓ To achieve an efficient use of resources, it is important for both spouses to consult with each other and make decisions together that will benefit everyone in the household.

Ask participants if their definition of a successful household has changed since the first session, facilitate a discussion to see in what ways their definition has changed or been modified.

You should encourage participants to think about success not only in financial terms but the environment that is created in the household that empowers members to achieve their dreams. This is an opportunity for you to reinforce ideas such as mutual respect, fairness, equitable decision-making, a violence-free environment, etc.

Once you have reviewed the key characteristics of a successful household as defined by participants, tell them that it is time to review some of the ways to achieve the desired success (as discussed in the sessions).

Transition: _____

Highlight some key things that you found particularly interesting.

Tell participants that you understand it is not easy to apply everything they have learned. While change does not come overnight, it does start with people deciding to do things differently.

Closing activity

You can conclude the discussion series with the following exercise.

- You will need a bucket, a large piece of wood and medium sized rocks.
- Before you begin the activity, ask each participant to go outside and find a medium sized rock each. Once participants return with their rocks proceed to explain the activity
- Place the bucket in the middle of the room and the wood in the bucket. Ask participants if the wood can stand on its own in the empty bucket. The answer you are looking for is that the wood cannot stand on its own. Demonstrate that the wood indeed will fall if you let it go.
- Tell participants that the rock they have picked out will represent an action or commitment that each one of the participants will make to uphold the wood, which really symbolizes holding up their household.
- Ask each participant to think about what they will commit to as they complete the discussion groups series that will help keep their homes strong. Then invite each participant one by one to come and make their statement and place their rock in the bucket.
- When you have enough rocks in the bucket to hold the piece of wood up, you can let go and take your seat. Once every member has placed their rock in the bucket, it is the turn of the facilitators to share a few words of encouragement and place their rock in the bucket as well.

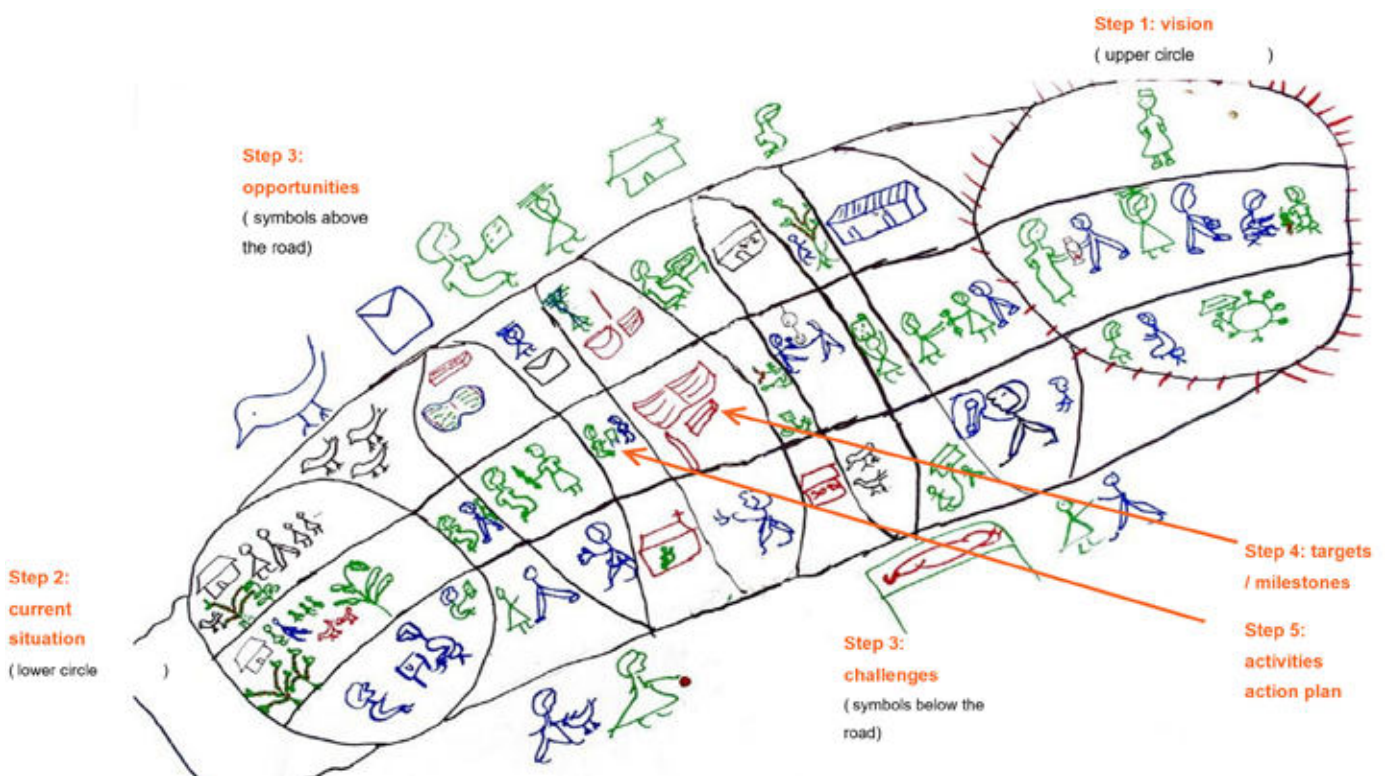


Concluding remark

We all know that change is difficult and together we have begun a process that can have a great impact on our households. We should try to practice some of the key lessons learned such as communicating with each other, respecting different viewpoints, making decisions together, resolving conflicts, non-violence. We have formed a family here, and we will be there to encourage each other along the way.

Good Luck!

Conclude with the 'Household vision map.'



Learn to Earn

ALL ABOUT BUSINESS

3.0 INTRODUCTION TO BUSINESS



Objectives:

- Define a business enterprise.
- Learn the basic functions of business.
- Identify various types of business.

WHAT IS BUSINESS?



Facilitation steps:

- ✓ Explain to participants: “In the previous sessions we learnt about how each one of us can be successful in life. Now we are going to talk about one of the main subjects of the training; business.”
- ✓ **Ask** participants: “What is a business enterprise?”

Two possible definitions for business enterprise.

A business enterprise is a legally recognized organization designed to provide goods and/or services to consumers in order to generate a profit (make money).

However, the word 'business' is also used to represent small-scale income generating activities such as vegetable selling or dealing in livestock.

- ✓ Write their answers on flip chart or on the board. Using the answers, together come up with one definition. Explain to participants that there are three types of businesses in a community.

Types of businesses in the community

- Trading businesses: buying and selling.
 - Production businesses: handicraft, crops, animals.
 - Service businesses: repairs, hotels, restaurants.
- ✓ Ask participants to brainstorm businesses that fall under each of the business categories. See examples below. Encourage participants to give examples of businesses in larger towns or cities, as well as those immediately around them.

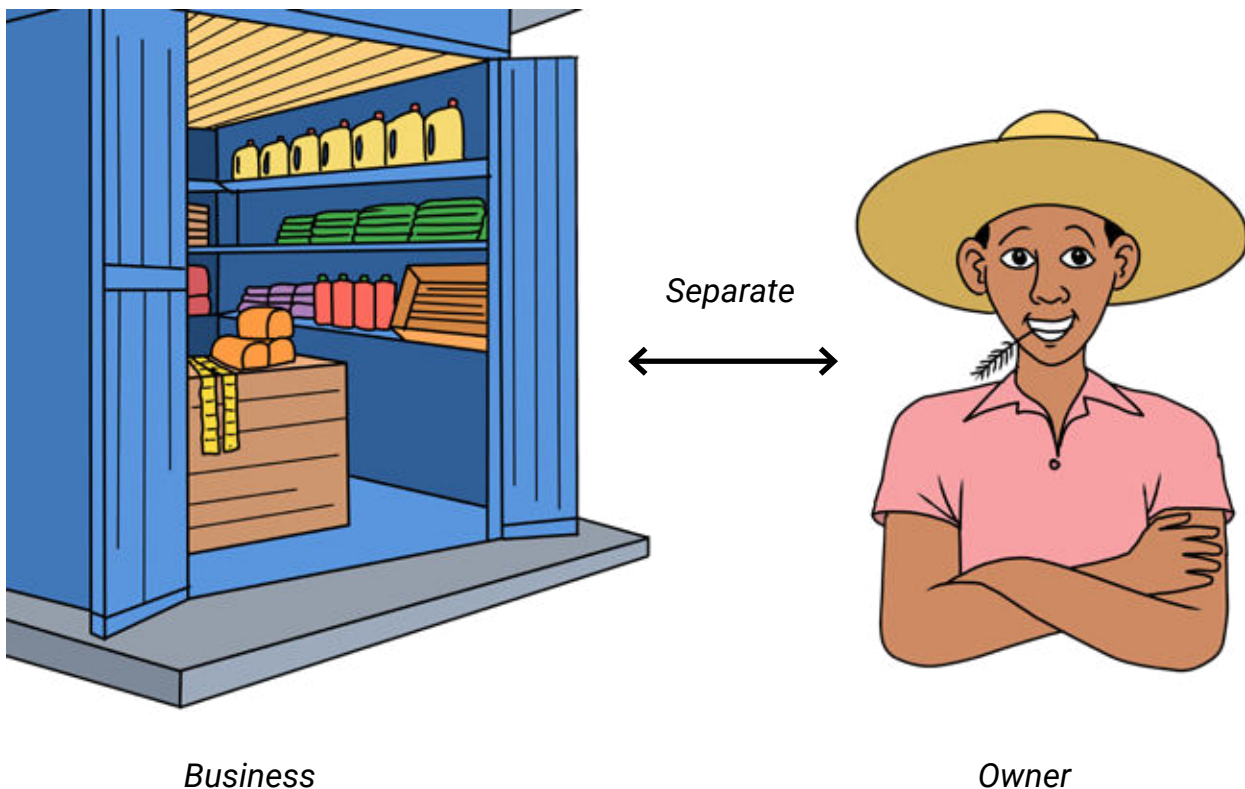
Production	Service	Trading
<ul style="list-style-type: none">• Tailoring• Wood furniture making• Bakery-bread• Soap making• Upholstery• Block making	<ul style="list-style-type: none">• Restaurant• Hair dressing• Shoe repair• Vehicle repair• Artwork• Photography	<ul style="list-style-type: none">• General retail shop• Marketing centers• Kerosene and gasoline sale• Grocery• Warehouse

3.2 THE INDIVIDUAL AND THE ENTERPRISE



Facilitation steps:

- **Explain to participants:** “A business must not be confused with the individual who owns it. You own the business, but you are not the business.”
- **Explain:** “A business uses capital to make profit to increase the value of the business. If the owner and his or her family eat (spend) the business capital, it will not be possible to continue the business. The business will die.”
- **Explain:** “When a business makes profit, the owner may take part of the profit as a salary. As a private individual you can give or lend your own money to a friend, but as an entrepreneur you cannot. As an entrepreneur you must not give away or lend money from the business cash box, even to a friend or a relative, because that money belongs to the business. If you make a salary that is your own money, which you can spend or lend as you please.”
- **Explain:** “When you are running an enterprise, you have to play two separate roles. You are the family person, and you are the businessperson.”
- Have participants discuss the following scenarios and the difficulties of balancing the two roles.





Group Work

Your mother comes to you at your place of business asking for money because she doesn't have enough money for baby food, and she really needs it.

Your uncle comes to your place of business the next day and asks for money because of a family emergency. His son has gone to the hospital, and he needs to pay for the hospital bills.

Your friend comes to your place of business the next day. He asks for money to help him grow his own business. He helped you start your business and says that you owe him.

Your grandmother comes to your place of business asking for free household supplies, which you sell. Your family has run out and she doesn't have enough money to buy more.

- Ask participants to get into small groups. Give them 10 minutes to discuss how they would allocate the money that they expect to earn from their businesses.

Often, the outcome will be that they will not pay themselves a salary and that they will use whatever they earn for their families (without savings or re-investments). There will even be cases when they use part of the capital for the family.

Use this as an opportunity to explain that such scenarios are likely to happen, but they should understand that if they do not distinguish between business and themselves, their business is likely to die. Explain that sometimes during emergencies, they will have no choice but to use business money, they have to take a record of it and pay it back to the business.

3.3 WHY START A BUSINESS?



Objectives:

- Discuss why some people want to run their own business or want to prepare for a career.
- Identify the benefits of starting your own business or preparing for a career.
- Set a Personal Goal.



Materials:

- **Photocopies of handout:** "The Why of it for Me" for all participants.



Activity:

The Why of it.



- Explain to participants that in this session they are going to talk about the **Why of It**. Why they want to start a business. Why they want to earn money. Why it is a good thing to have and run a business.
- Divide participants into three groups; make sure each group has a member with higher literacy skills. Ask each group to discuss why someone might want to start a business.
- Give each group a piece of flip chart and some markers. Ask participants to write down as many reasons as they can.
- Visit each group as they work. Guide them through the activity. Ensure that all participants have a chance to share their ideas.
- After the groups have worked for 10 minutes bring everyone back together. Ask each group to share the top reasons from their list. You may want to have each group take turns listing one thing at a time, to get all groups involved.
- After all groups have made their presentations, display their written lists on the wall.

Explain to participants that deciding to start a new business takes a lot of faith and sacrifice and requires coming out of your comfort zone and trying something new. If that idea excites you, then you are ready to take on a new challenge.

3.4 PREPARING TO START A BUSINESS



Objectives:

- Consider important factors when preparing to start a business or preparing for a career.
- Discuss some of our fears of starting a new business or preparing for a career, and develop strategies for overcoming these fears.

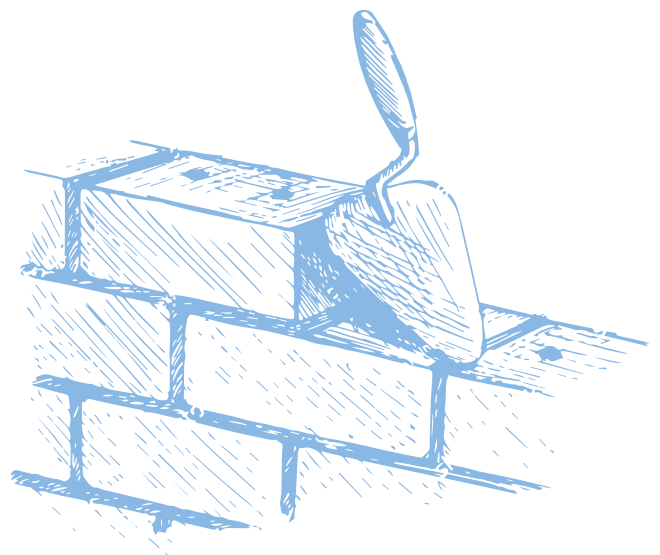
Before selecting and planning a business, members should always ensure that the following important points are considered carefully:

01

Knowledge, skills and time

Which knowledge and skills do you have that can be used for a business?

- If you see an opportunity for a business but do not have the required knowledge and skills, how can you or your family members start a business?
- Do not use examples that are unfamiliar in the members' village, or too costly. Ensure that the group discusses opportunities related to NGO programs, government programs and working for others who have existing businesses.
- Businesses will take time, and you need to consider whether you and your family members have the time for the business.
- Can you estimate the time involved in some examples of businesses? Can you be sure family members also have the time to perform their roles at the right time?
- Time spent making the products or performing a service.
- Time spent travelling to buy supplies.
- Time spent travelling to transport products to a marketplace, or to the place where you perform the service.
- Time spent on other income-generating activities.



02

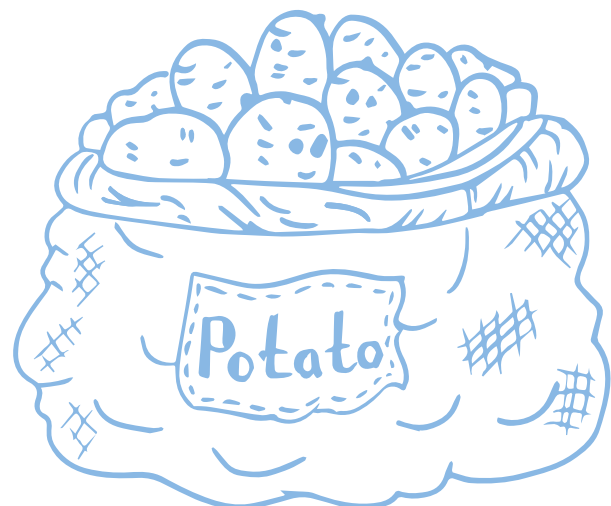
Market and customers

SAY

Now we think we have the knowledge, skills and time for a business. But before we try to sell a product or service, we must be sure that enough customers will want to buy what we are selling. There are some important questions we should ask as we think about that, which we will now review together.

ASK

- Are we sure that the product or service that we know how to provide is something that enough people will want to buy? How do we know that? Have we studied what people are buying now?
- The product or service that group members can provide may not be as attractive as other similar products or services. For example, locally made clothing may not be as attractive as clothing which is imported and sold for the same price.
- Am I able to provide the product or service at the place where customers want to buy it? Am I able to transport myself and my goods to that place, and ensure that customers have an opportunity to buy from me?
- For a business to be successful, goods and services have to be sold where customers want to buy them from. This might be the customers' home area or the weekly market. Individuals and their families need to have the time, and be able to travel to where they need to sell goods and services.
- Do many people know how to provide what I want to sell in my business? If so, do I think I can do it better than others, so that I am still successful?
- Individuals or group members may choose to invest in business because they see others doing it. But too much competition results in bad business for everyone as the supply is higher than the demand.
- When there are many people doing a particular business, new businesses should only be started by someone who has new and better ideas that can compete with the other businesses. Being original and creative pays off!





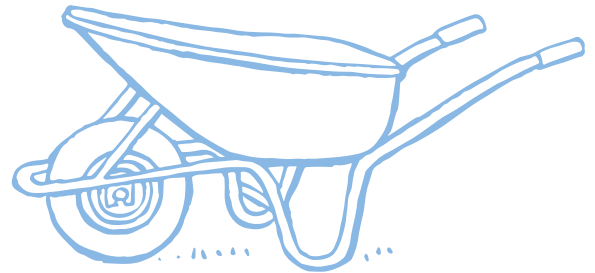
What else do you need to consider before deciding which business to start?

Allow some participants to respond before giving the following answers:

03

Tools and equipment:

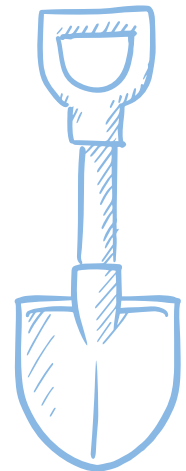
- Which equipment and tools will be required?
- How many do I need of each?
- What will they cost?
- Where can I get them?
- Can they be borrowed or hired?
- Will the equipment need repair?
- Who will do the repair?



04

Raw materials/inputs:

- Which raw materials and other inputs will be required?
- What quantity and quality do I need?
- What will it cost?
- Can I get these inputs locally?
- How will I transport these items to the production site?



05

Production method and site:

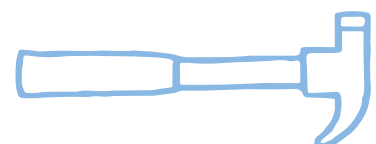
- What will be the production method?
- Am I experienced with this method?
- Do I know how to solve any problem that might arise?
- Do I know where to get help?
- Where will the activity operate?
- Is this site suitable?
- If any energy source is needed, is it available?



06

Labour:

- How much time is required for this activity?
- Can my family members and I spare this amount of time?
- Will I need any workers with special skills? If so, are these people available?
- If so, what will they cost?



07

Business profitability

Expected sales, working costs and start-up costs.

- If a business is to make a profit, it must subtract its costs from its income and the difference should be a positive figure. There are two types of costs to think about: start-up costs and ongoing costs.

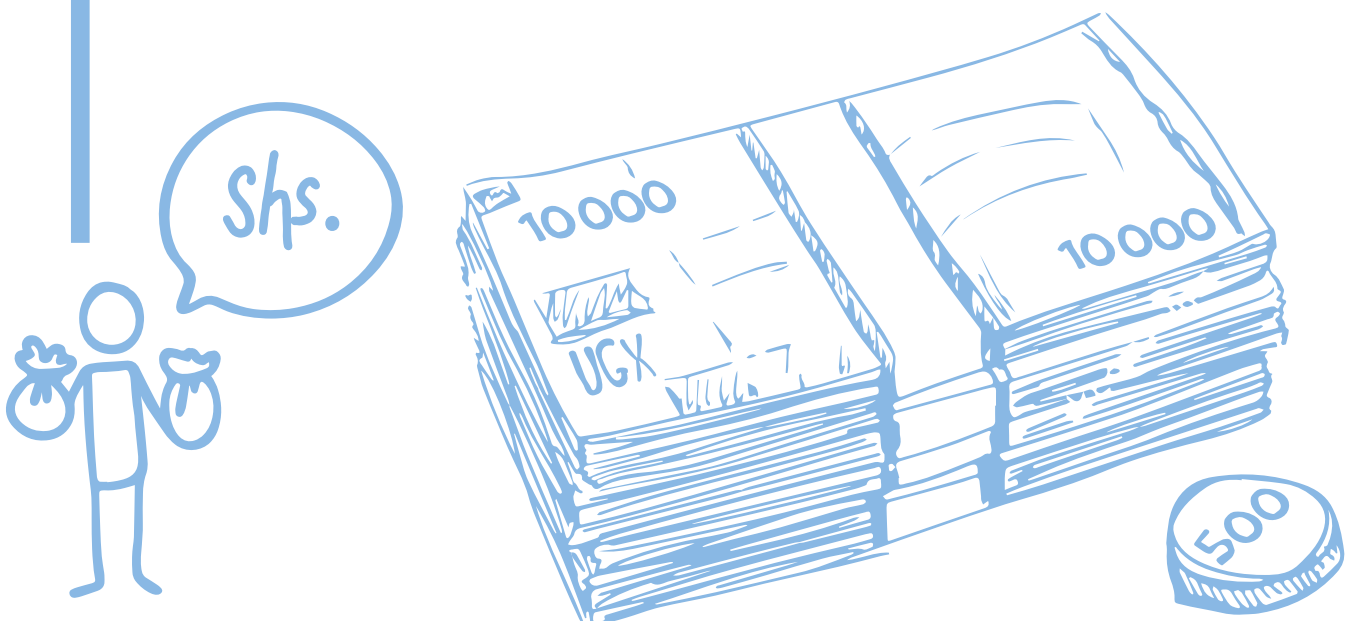
Start-up costs:

This is the amount of money you will need to start the business. These are things that you only need to buy once, covering many production cycles.

Working costs:

This is the amount of money you will need to run the business, once you have started it. The amount is usually linked to a production cycle, which is the time it takes for a product to be made and sold. For agricultural and livestock activities this will be several months but for small-scale trade could be as little as a day.

- You will need to be sure you have enough money to meet both types of costs. The Trainer selects one of the business ideas of the participants as an example and discusses with the group about the estimated start-up costs, monthly working costs and monthly sales.
- In the end, it should be checked if the business would be able to cover for the costs and leave some profit at the end of the month.



3.5 BUSINESSES IN OUR COMMUNITY



Objectives:

- Observe various businesses within our community.
- Observe what people must do to run a business.

Overview

So much can be learned by simply observing business owners as they run their businesses and interact with the community. The following session includes a group walk in the local market to do just that.

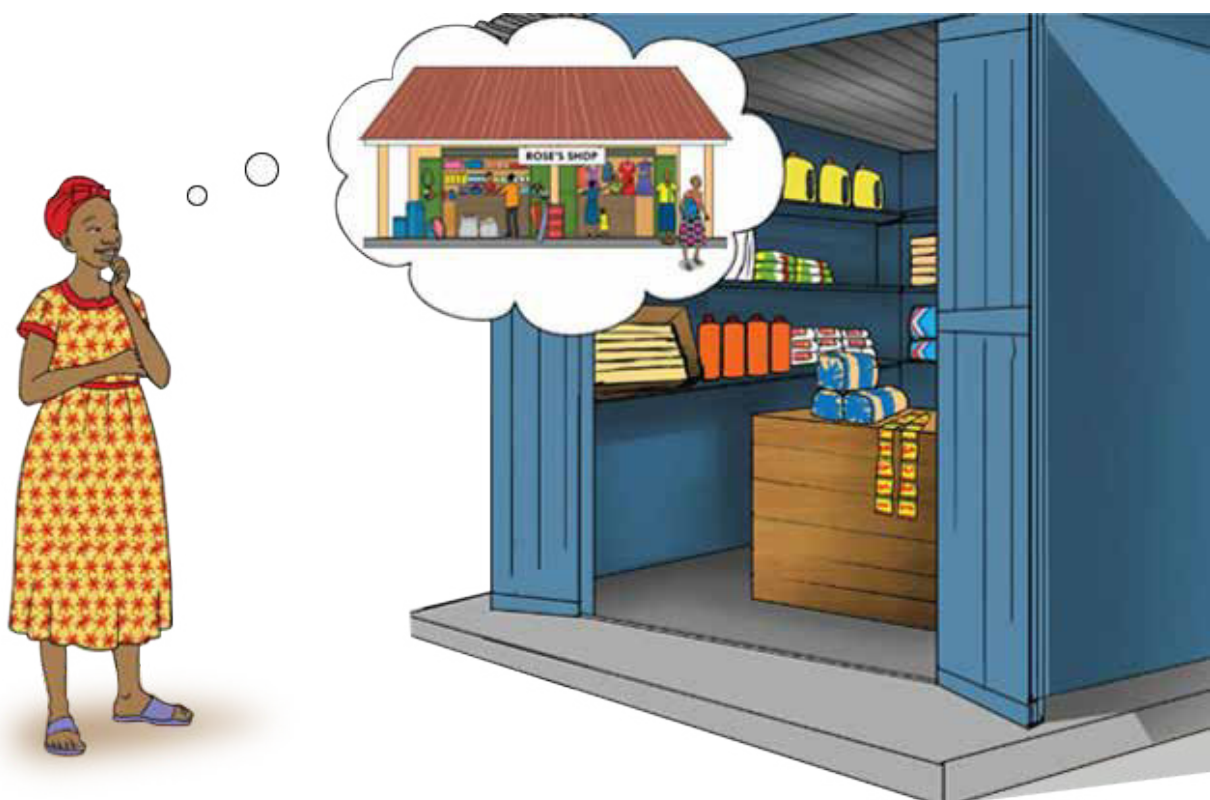


Facilitation steps:

- ✓ Explain to participants: “In this session, you will evaluate your business ideas. You will do this not only by doing work here at the training location but also by making observations in the community.”
- ✓ Divide the participants into two groups. If possible, make sure that there is one facilitator for each group.
- ✓ Tell participants that today everyone will go on a walk in the local market to observe how people run their businesses and interact with each other. Explain that they will also be meeting some business owners who will answer questions about what must be done to run a business.
- ✓ Give out **Handout 3: My Community Walk Observations** to each group.
 - Display the flip chart version of this chart so that all participants can see it clearly.
 - As a group, review the chart. Explain how to use it.
 - In the left-hand column called ‘What businesses are operating in the community?’ participants list all the businesses that they observe while on the walk.
 - In the right-hand column called ‘**What are people doing to run their businesses?**’ participants list the different things they see people doing to run their business. For example, how they manage their money, how they attract customers. Participants also use this column to write down the business owners’ explanations of what must be done to run their business.
 - Go on the walk following your planned route.
 - During the walk, the facilitator in each group should follow these instructions.
 - Be familiar with the route and the times to meet the business owners.

- Prompt participants to answer the questions on **Handout 3: My Community Walk Observations**.
- ✓ Assist participants who have limited writing skills.
- ✓ Ensure that all participants are present at the business owner interviews.
- ✓ Encourage participants to ask questions.
- ✓ Once you have finished the route, return to the training location.
- ✓ Ask the two groups to total the number of different businesses they saw on the walk. Have them share their results with each other.
- ✓ Review the activity by asking the group:
 - **Did you enjoy the walk?**
 - **Did you expect to see so many businesses?**
- ✓ If participants did not visit their own local market, encourage them to repeat the activity in their local market before the next session.

What businesses are operating in the community?	What are people doing to run their businesses?



3.6 MY BUSINESS IDEAS



Objectives:

- Identify important factors to consider when planning a business or preparing for a career.
- Brainstorm ideas for our own businesses or careers



Facilitation steps:

Explain to participants: “Just as it is important to have business ideas, it is also important to have a business plan. A business plan is a simple document that consists of information about your business. It will include a Business Description, Market Analysis, Marketing Plan, Business Management, Business Operations and Future Plans.”

Explain to participants: “The first step in planning a business is to decide the type of business you want to start.



Activity:

Give out Handout:

My Business Ideas.

Note: Display the flip chart version of this chart so that all participants can see it clearly.



- Ask participants to think about factors to consider when exploring appropriate business ideas of their own. Also remind them of the session earlier in the training when they identified their likes, skills and values.
- In the ‘Business Idea 1’ box, ask participants to write down the business they imagine themselves doing.
- In the ‘Business Idea 2’ box, ask participants to write down another business they are interested in.
- Visit participants as they are filling out their charts. Guide them to focus on appropriate small businesses. Make sure that their choices are realistic. They need to choose businesses that can be launched in their local community (selling vegetables or selling mixed goods). Encourage them to begin with smaller rather than larger businesses. This will make it easier for them to attain their goals.
- Tell participants that for the rest of the session, they will explore Business Ideas.
- However, if at some point during the course they discover that Business Idea 1 is not practical, they can switch to Business Idea 2 or another idea that they have.
- Review the activity by asking participants to share their two ideas with the group. Make sure that they do not try to influence each other to change their ideas.

HANDOUT: My Business Idea

Business Idea 1	Business Idea 2

Business idea analysis - SWOT

- Tell participants that now that they have their business ideas, they are now going to analyze their ideas to see if it is viable or not, or if they can make it better.
- Tell them that we are going to use what we call the SWOT analysis to analyze each of their business ideas.
- Remind participants to keep in mind factors to consider when starting a new business that they discussed earlier.

Introduce and explain the SWOT analysis

- Tell participants that SWOT analysis looks at **internal** and **external** factors that may have an impact on our businesses.
- Tell them that the **internal** factors are our **strengths** and **weaknesses** which we have control over.
- Tell them that on the other hand, the **external** factors are the **opportunities** and **threats** that we may not have control over, but they have an effect on our business.

Discuss examples under each factor with the participants.

S trengths	W eaknesses	O pportunities	T hreats
<ul style="list-style-type: none"> • Things you do very well • Qualities that separate you from your competitors • Internal resources that you have- skill, labor, knowledge, language ability • Tangible assets e.g capital assets 	<ul style="list-style-type: none"> • Things you do not have • Things your competitor does better than you • Limited resources 	<ul style="list-style-type: none"> • Few competitors in your area • Emerging need for your product or service eg selling Umbrellas during rain. 	<ul style="list-style-type: none"> • Emerging competitors • Changing government laws on business e.g taxes • Changing customer attitudes towards your products or service

- Tell participants that it is important to be aware of your strengths as well as your weaknesses before starting your business.
- This will help you further improve on your strengths and also give you the opportunity to address some of the weaknesses you will identify.
- Learning about your surrounding or other factors that may impact on your business (**opportunities and threats**) is equally important for the success of your business.

3.7 BUSINESS STRATEGIES

3.7.1: DEMAND AND COMPETITION



Objectives:

- Define and understand the concepts 'demand' and 'competition.'
- Start thinking about whether there is demand for our business or career.
- Start thinking about how our business can be competitive.

Overview

Now that the participants have their business ideas, they need to find out if people would want to buy their products or services. If no one wants or needs what they will be selling, participants will not earn any money. Also, if there were lots of people selling the same thing, it would be harder for participants to get customers. This activity uses the story about *Momodu* to introduce the concepts of demand and competition.

- Explain that when people want or need a product or service, there is a demand for the product or service. Write the word 'demand' on flip chart.
- Next, explain that if there are a lot of people selling the same thing or providing the same service, it is also harder to get customers.
- Explain that when other people are offering the same service or product to the same customers, these people are your competition. Write the word 'competition' on flip chart.

Discuss what to do to increase sales for your products.

- Offer good prices.
- Be friendly.
- Choose a good location.
- Create an effective business name and sign.
- Have regular hours.

Demand and Competition Walk**Overview**

In this activity, participants will discover the demand and competition for their business idea in their local market. They will also have the opportunity to discuss their ideas with local business owners, who will give them advice about starting and running a business.

Use the [HANDOUT](#) to discuss this session.

<i>My Business Idea:</i>		
1. How many people are selling it?		
2. How many clients or customers do you see?		
3. What time of the day are people buying?		
4. Which stall or shop did people buy from or go to?		
5. What is the price of the product or service?		
Answer the next two questions after the walk	Yes	No
Is there a demand for my product or service?		
Can I do something to differentiate myself from the competition?		

3.7.2: LISTENING TO CUSTOMERS

Objectives:

- Understand the importance of listening to our customers' unique needs.
- Practice interpersonal skills for developing good working relationships.

Overview

As well as observation skills, business owners and employees need good listening and empathy skills so they can understand their customers' unique needs. Good listening skills and the ability to demonstrate empathy for others is also important for developing good working relationships with co-workers and employees. "Empathy is the ability to understand and share the feelings of another person."

Knowing your customers

Objectives:

- Identify the importance of knowing our customers' needs.
- Describe the different customers who would buy our products or services.
- Begin to explore how we will meet our customers' needs.

HANDOUT: My Customer Handout

<i>My Business Idea</i>		
Who would buy my product or service	Why would they buy it from me?	How much would they pay for it

3.7.3: GOOD LOCATION

Help participants to understand that a good location would be:

- Easy for customers to get to.
- Away from the competition.
- Close to a safe and secure place to store your money and your goods.
- Somewhere in need of the product or service you will be offering.

HANDOUT: My Business Location

<i>My Business Idea</i>	
My location	How this location meets my customer needs

3.7.4: ATTRACTING CUSTOMERS

- Offering good quality products.
- Being organized, neat and clean.
- Having attractive signs.
- Being friendly.
- Offering good price

Remind participants that it is important to differentiate (do things differently) coming up with ideas to attract customers. They should try to think of strategies which are different from their competitors, to better attract customers.

HANDOUT: How Would I Attract Customers

<i>My Business Idea</i>	
What would I do differently to attract more customers?	What would I say differently to attract more customers?

3.8 CAPITAL AND OPERATING COSTS



Objectives:

- Define and understand capital costs and operating costs.
- Calculate the capital costs and operating costs for our business ideas.



Facilitation steps:

Explain to participants: “Every business needs to buy or pay for something before it can start to sell a product or service. This activity will help you to determine how much it will cost to start your business. It will also help you determine how much money you will need to keep your business going.”

Capital Costs: Total cost of items that you need to buy only once in order to start a business.

Operating Costs: Total cost of things you need to buy always (e.g., weekly) to run your business.

- Ask participants to return to their groups. In their notebooks, ask participants to list all the items they would need to buy to start their businesses.

Explain how to multiply the number in the ‘**How Many**’ columns by the amount in the ‘**Cost for One**’ column to find the ‘**Total Cost.**’ Together, do an example on flip chart to show how the math works.

HANDOUT: My Capital Costs

<i>My Business Idea</i>			
Once (Item)	How many	Cost for one	Total Cost
Total Capital Cost:			

HANDOUT: My Operating Costs

<i>My Business Idea</i>			
Always (Item)	How many	Cost for one	Total Cost
Total Capital Cost:			

3.8.1: BUSINESS STARTUP COSTS

Business Startup Costs: Total amount of money that you need to start a business (capital costs + operating costs).

HANDOUT:

<i>My Business Idea</i>
<p>Capital Costs + Operating Costs = Business Startup Cost</p>

3.8.2: SOURCE OF CAPITAL



In this section we will review the sources of money to start a business and discuss the good and bad points of each source.

Personal savings are the safest form of money to start a business.



- If your business fails, you do not owe this money to anyone.
- You do not have to share decision-making with anyone else.
- You can determine what to do with the profits the business makes.
- No collateral

However,

- If you have an emergency and need personal savings, you may not have any.
- It may take time to raise the required amount of savings to start your business.

Family



- If you do not have enough personal savings, then money from family is the next best option. They might become a partner in your business, or they might lend you the money either at a cost or no cost.
- If your business fails, a family member may not pressure you about repayment
- If you have to share decision-making, you are sharing it with a family member and not an outsider
- If you must pay some of the profits in exchange for start-up money, you are paying that money back into the family.
- No collateral

However,

- You may not want to share this with your family members, so you may prefer the privacy of borrowing from your VSLA or another source outside the family.
- If the business fails, losing family savings can lead to tension
- A family member may want discounts or free goods and services if they have lent you the money

Loans from a VSLA



- Village Savings and Loan Association's, VSLA loans are riskier than family or friends but have many advantages.
- You remain in control of decision-making.
- You remain in control of the use of any profits.
- Easy access
- No collateral
- Positive support and advice from other group members
- You benefit from the profits made by the VSLA.
- Flexibility in loan repayment and understanding from members.

However,

- The loan term of a VSLA (3 months) may be too short.
- Loan amounts from a VSLA may not be big enough.

- If the business fails and you cannot repay this loan, it will affect your reputation in the community.
- If the VSLA charges flat interest, this can be expensive.



Loans from a bank or a Micro Finance Institution (MFI)

- These loans have the highest risk but have some important advantages for better established businesses (not startups)
- The loans are usually available for longer term than those from a VSLA.
- Loans are usually available in larger amounts.

However,

- Institution is likely to be far away and needing several visits.
- Procedures take time and are complicated.
- Loan repayment on a fixed schedule may not be suited to the income of the business.
- Loans usually need collateral, which puts your assets at risk of being sold, should you completely fail to pay.
- The relationship is formal and distant. Some institutions are usually unsympathetic to problems that arise to the business that may be no fault of the borrower.

Loans from a money lender



- Quick and simple
- Local access
- Loans can be of longer duration than a VSLA.

However,

- Very high interest compared to all other sources.
- Collateral requirements. In most cases the collateral is lost because of very high interest.

3.9 RECORD KEEPING



Objectives:

- Learn why it's important to keep records in our businesses.
- Identify the various types of record keeping and their purposes.



Facilitation steps:

- Ask participants to discuss the general idea of record keeping. What types of different records do people keep in their daily life?
- School records, photos, children medical records, birth certificates, etc.
- Ask participants to define 'business record keeping' in their own words.
- Write their answers on a flip chart and decide on one simple definition.
- Keeping track of goods purchased and sold.
- Keeping track of prices and how much items cost.
- Keeping track of business expenses and sales (cash going in and out of the business)
- Keeping track of debtors.

Explain to participants that the main things they are going to want to keep track of in their businesses are the following:

Sales or Income: The total amount of money earned from selling products or services.

Cost or Expenditure: All the money that you spend to pay for labor, raw materials, equipment, rent and other costs.

Profit: Is when you spend less than what you get in income

Loss: Is when you spend more than what you get in income

Inventory: A business's merchandise, either raw materials to make the products/ services or the products themselves.

Customers: People who buy your product or service

Financial Literacy

4.1 INTRODUCTION

Financial literacy refers to a set of skills and knowledge that allows individuals to make informed and effective decisions regarding money matters.

Financial literacy is a combination of financial awareness, knowledge, skills, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial wellbeing.

Being financially literate means that you understand the basic financial principals such as:

- Saving your money
- How and where to open an account
- Keeping proper records of your financial transactions
- How to access financial assistance

Why is it important to be financially literate?

- An Individual, who is financially literate, makes good decisions on money matters.
- Has money to meet emergencies and for other important things (from his/her savings)

- You will also be able to convince others to lend you money.
- There is a big chance that one will not make poor financial decisions that can harm his or her family and business.
- To have knowledge that one's understanding of personal financial issues.
- To have skills that enables one to apply financial literacy knowledge to manage one's personal finances.
- To develop confidence and attitude that enables one to be sufficiently self-assured to make decisions relating to one's personal finances.

Financial literacy enables one to:

- Understand the key financial products you may need throughout your life.
- Understand basic financial concepts like compound interest, investment return, risk, and diversification and so on.
- Discuss money and financial issues even if you don't really like to talk about them.
- Make good financial choices about saving, spending, and managing debt
- Respond competently to changes that affect your everyday financial well- being





Flip Chart : What is included in financial literacy



- Financial literacy starts with giving us the knowledge on how to manage our finances well. This means we know everything we need to make good financial decisions. But we then have to apply that knowledge in our daily lives and use it to make smart decisions.
- Therefore, financial literacy requires that we change from our current behavior to the desired behavior. This is a learning process, and we have to be willing to change certain behavior, to overcome our financial challenges and achieve our financial goals.

Current behavior

- ✓ Lives on a day-to-day basis
- ✓ Savings not linked to savings goals.
- ✓ Borrows for emergencies.
- ✓ Can't choose the right investment.

Desired behavior

- ✓ Makes a spending plan, budgets, and uses it to manage finances.
- ✓ Has a savings plan with clear goals.
- ✓ Maintains an emergency savings fund.
- ✓ Chooses the right investment.

4.2 SAVINGS

Ask the groups what savings are. Encourage them to share their answers aloud. Supplement their suggestions with the following answers:

- Money that is put away in the present for use in the future.
- Investments in animals or land that can be sold when cash is needed.
- A way of building assets
- A fundamental part of money management.



What are the main reasons why people save? Allow the participants to share their answers aloud. Supplement their suggestions with the answers below:

- Sickness
- Weddings
- Funerals
- Old age
- Emergencies
- House
- Education
- Home Improvement
- Invest in business.
- Childbirth



Group Work

Form groups and ask the groups to make a list of some good spending and saving practices. Allow participants to do this for 5-10 minutes.

Ask the groups to share their answers aloud. Supplement their suggestions with the following answers:

- Make a budget. This means that you list the expected money coming in and going out, and that you plan what you will do with the money. Plan how much you will save.
- Stick to your saving plan!
- Before spending your money, ask yourself if you really need the item you want to buy.
- Don't buy it if you don't need it.
- If you don't spend money that you think you should, put that money on the side for later use. Don't just spend it because you can!
- Even saving a small bit of money is better than saving nothing.
- Keep records of how much you actually saved and spend
- Look at your spending habits and determine how you can cut them down so that you can save more.
- Put your savings in a bank or a savings and loan association (SLA). This will keep the money out of your reach and will be easier to save.

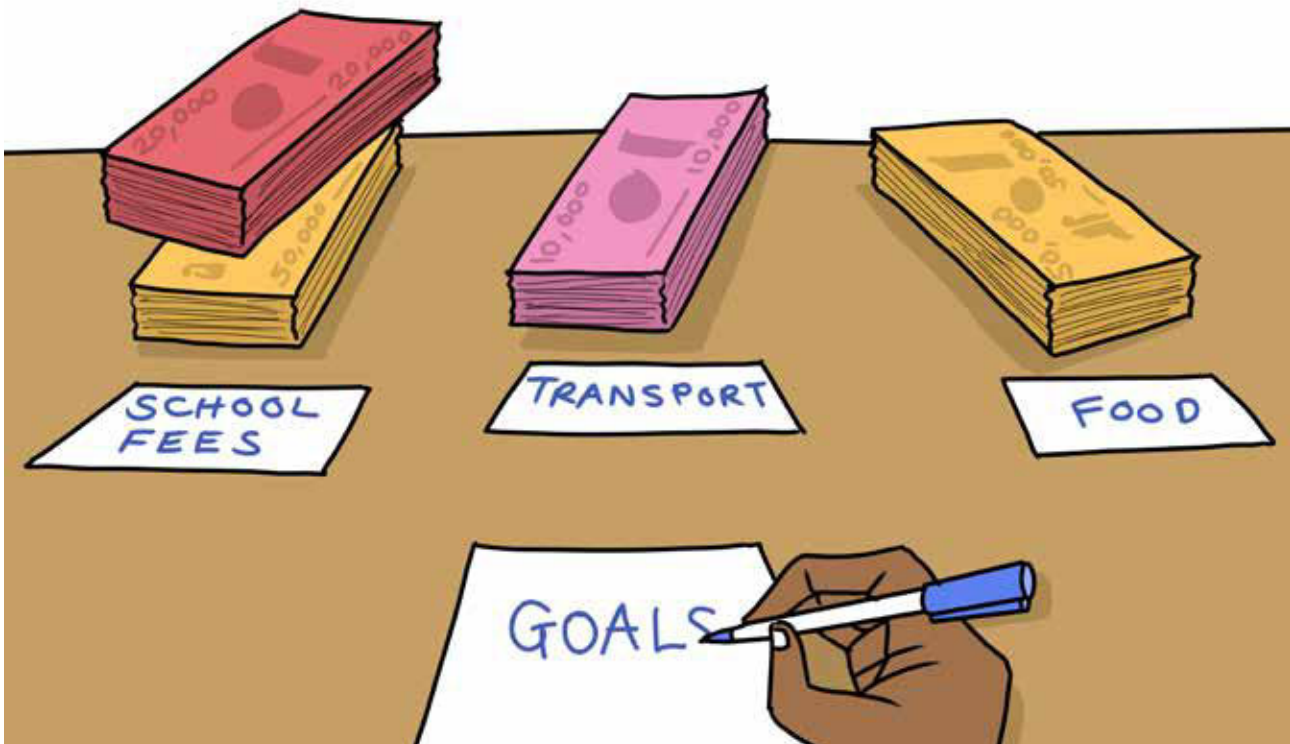
Set saving goals

What are the savings goals for your family? Ask the group to share their answers aloud. After the participants have listed the goals, explain the following:

- Savings goals can be short-term or long-term.
- Short-term goals are those that will be reached in less than 1 year, such as paying school fees for your children.

- Long-term goals are those that will take more than 1 year to reach, such as home improvements or buying a house.
- Further, take the opportunity to explain that their savings goals should be S.M.A.R.T

S	M	A	R	T
<i>Specific</i>	<i>Measurable</i>	<i>Achievable</i>	<i>Realistic</i>	<i>Time bound</i>



🎯 **Setting Goals: Developing a savings plan for your own family**



- Think about your savings goals for your own family. What do you need to save for, in the short term? What future long-term goals do you have? To achieve your financial goals, you will need a plan that states each goal, the amount of money you will need to achieve that goal, and the amount you will save each week or month over a defined period.
- To make this plan, you must look at your income, determine how much you have available to set aside as savings, and decide your savings priorities. Which goals are most important to you? A clear plan will help you know what to do, increase your discipline to save and be more successful in reaching your savings goals.

Ranking the importance of savings goals

Explain:

Review the savings goals you have set as it may not always be possible to reach all your goals. You should therefore prioritize your goals and rank them in order of importance using 1 for the most important, 2 for the next most important and so on.

When the groups have finished, ask 2 or 3 volunteers to answer the following:

1. Why have you ranked the savings goals this way?

Discuss the importance of saving for the most critical needs such as health, education, and shelter.

2. Why is it important to set realistic financial goals?

Make sure that the following answers are mentioned:

- It helps you decide your spending priorities for the future.
- It gives you discipline for spending and saving.
- It helps you to avoid unexpected money shortages.
- It helps you feel less financial stress.
- It helps to harmonize the family and work together towards the same goals.

Saving for emergencies

Which emergencies do you think will have the most severe financial consequences? List the different emergencies that the group members mention aloud.

What are the emergencies that you are likely to face in a year? What will be the consequences for the family if they do occur?



Group Work

Divide the group into small groups of 2-3. Give the groups 5-10 minutes to discuss these questions.

While the members are discussing, draw a table with two columns labelled '**type of emergency**' and '**consequences**.' Ask each group to report on a different type of emergency and the consequences. Note down their ideas on a piece of paper.



- Emergencies mean that it's an immediate cost that will affect the family. The costs may include medical bills, replacing stolen goods or keeping up loan payments even after you have lost your business. If a principal income earner is unable to work due to an emergency, the family will lose even more income.



- What are the difficulties that a family can have in trying to set aside this much money?

- What is your advice to them?
- List the difficulties and the advice on a piece of paper.

Make the following point:

- Remember, the purpose of your emergency fund is to cover small emergencies. Most of us will not be able to keep enough money to cover big losses such as loss of our homes or a crop.

Different ways to save



Flipchart 03 : Where to save?

Allow some participants to respond before giving the answers below:

- On an account in a commercial bank or credit Institution or micro deposit taking institution (MDI). This is a formal institution for saving money.
- Banks keep and manage your savings: They are a safe option for keeping your money. They come with a monthly or yearly fee.
- With a Savings and Loan Association (SLA) or any other self-help group
- People from the same village or farmers group save their money together to make the money grow. SLAs give out loans to members and collect interest. The money generated from interest repayment is then shared among the members.
- With a registered Financial Cooperative (SACCO): A SACCO is a Savings and Credit Co-Operative. This is a legal entity with formal and defined structures and systems. Operations are very formal guided by the policies and procedures in place. They have an account with a commercial institution.
- Home saving, in a box/tin, under the mattress, or in a hole under the soil in the house. This is the least safe way of saving.
- Assets such as livestock and land are a method of saving because they hold value and can be resold (for the same amount of money at purchasing or more) at a later time.

Ask your neighbour: You have one minute to ask your neighbour what they think is the best option for saving and why?

Give participants 1-3 minutes to discuss with their neighbour, then let a few participants share their neighbour's answer.



Flipchart 03: Where to save? Advantages and disadvantages of different saving options



- We will now discuss the advantages and disadvantages of the different saving options. Please try to understand them properly and ask if there are any doubts.



- What are the advantages and disadvantages of saving at a bank?

Advantages:	Disadvantages:
<ul style="list-style-type: none"> • A bank is a safe place for your money. • Banks will keep proper records about your deposits and withdrawals. • You can take a loan from a bank if you have saved there for some time. 	<ul style="list-style-type: none"> • You earn a low interest rate on your money, so it does not grow on its own quickly • There can be strict requirements to open an account. • There are bank fees for keeping an account. • When there is no network in the bank, you will not be allowed to withdraw your money. • You may require withdrawn money from the bank or the ATM which might be far away from home.



- What are the advantages and disadvantages of saving with a Savings and Loan Association (SLA)?

Advantages:	Disadvantages:
<ul style="list-style-type: none"> • You have easy access to a loan. • It is easy to save because other people encourage you and save alongside you. • You get better interest on your savings. • It is safer than keeping money under your mattress or in a box at home. • In case of emergencies, you can access an interest free emergency fund. • Transactions are quick and transparent. • You have access to social support in case of trouble. 	<ul style="list-style-type: none"> • There is a risk of fraud if the members don't know each other well or if members do not follow rules and do not pay attention to the activities of the SLA. • You are required to attend meetings regularly so it is not for people who will not take time to do this. • The SLA rules normally bar other interested members / farmers from joining them beyond 30 members. • Your savings are easy to access, and you might be tempted to spend them.



- What are the advantages and disadvantages of saving with a Savings and Credit Cooperative Organization (SACCO)?

Advantages:	Disadvantages:
<ul style="list-style-type: none"> • You have easier access to services such as big loans. • It is a safe place to keep money. • There is an easy loan approval process. • There are no or minimal monthly fees on the account. • SACCOs do not meet regularly, apart from the AGM (annual general meeting) 	<ul style="list-style-type: none"> • There are shares to buy and fees to pay for one to become a member. • Not all communities have SACCOs.



- What are the advantages and disadvantages of saving in a box or under the mattress at home?

Advantages:	Disadvantages:
<ul style="list-style-type: none"> • There are no fees. • You are able to access your savings easily in case of an emergency. 	<ul style="list-style-type: none"> • There is a high risk of theft. • You don't earn any interest on your savings. • You cannot access more money than what you put in the box. • Your savings are easy to access, and you might be tempted to spend them.



- What are the advantages and disadvantages of saving by buying livestock or land?

Advantages:	Disadvantages:
<ul style="list-style-type: none"> • There are no fees or procedures. • You can sell livestock or land in case of an emergency. • Livestock and land can grow in value and make you passive income, e.g., renting out land. 	<ul style="list-style-type: none"> • There is a risk of illness and death with livestock, or even theft. • For livestock and at times land, you spend money on maintenance.



Key Message:

Consider the advantages and disadvantages of each savings option before choosing the one that works best for

Module Summary

Rules of thumb for savings:

- Save as soon as you earn. That is, put the savings aside before spending.
- Try to save 10%-20% of your income (e.g., for every UGX 100,000 save a minimum of UGX 10,000 -20,000)
- Don't carry a lot of cash, avoid the temptation to spend it!
- Spend carefully.
- Keep savings out of reach in a safe place.
- Good savings behaviour requires discipline.
- Discipline is learned through practice!

4.3 SETTING FINANCIAL GOALS



- This training will teach you how to plan and manage your money. You will learn to set your financial goals, to make a budget and how to track your cash flows to make better financial decisions.

People everywhere work to have enough money to meet their day-to-day spending needs, pay down debts, keep the business going, meet future needs for housing, pay for school and marriage for their children, and ensure a secure old age. Often there is not enough money to spend.

What is a financial plan?

A financial plan is a tool to help you manage your money to achieve your goals.



- How can financial planning be helpful to you and your family?

Summarize their ideas and be sure to include the following:

- ✓ Helps you decide your spending priorities for the future.
- ✓ Gives you discipline for spending and saving.
- ✓ Helps avoid unexpected money shortages.
- ✓ Help you feel less financial stress.

What can you do to make your own financial plan?

Ask for volunteers to share their ideas. Decide goals or objectives for the future, decide how much money they earn and how they will use my money to save and invest to reach their goals.

Identify examples of expenses

< Expense cards >



- What are the ways that people spend their money?
- Hold all the **expense cards** in hand and one by one, place these cards in front of the group as they are called out by participants. When the participants have finished, ask for volunteers to come where the cards are placed and classify them, organizing them into categories of similar expenses.
- The expense cards are examples only. Participants may suggest different expenses, when this happens take one of the blank cards and write them down and place them together with the other cards. Ask for two volunteers to sort the expense cards into groups that are similar. Ask them to put the cards that are similar next to each other.
- Assist the volunteers and encourage the participants to call out their ideas. Encourage participants to give reasons for their suggestions. When the cards are organized, review them with the group.



- Look at the expenses again. What are the expenses you pay once in a while as opposed to every day or every week? How do you plan for expenses that occur only once in a while?

Summarize their answers and say:

- It is important for good money management to plan for expenses that do not occur regularly. You have mentioned many ways this can be done, including saving and putting off purchases until the money is available.

Identify examples of income sources



- We have talked about the ways that we spend the money. Now let us talk about where that money comes from.

< Income cards >

Where does money come from?

Hold the cards for sources of income in your hands and place the cards in front of the group one by one as they are called out by the participants. The sources of income options are examples only. Participants may suggest different income sources, when this happens take one of the blank cards and write them down and place them together

with the other cards. Ask the participants to sort these sources of income into similar types of income.



- Which of these sources of income are infrequent or irregular? Why?
- Ask volunteers to talk about their infrequent sources of income. Check the cards with the sources they mention.
- When you get income in one large amount every once in a while, how do you plan to use it to pay for expenses throughout the year?

Summarize participant responses and say to the group:

- It is nice to get a large amount of income at one time. It is important to think about how to use this money wisely to pay off debts, make sure you can meet basic necessities and save to meet expenses that will occur in the future.

FAMILY BUDGETING



- We are here to learn how to manage money. A budget is an important tool for this. It is a plan that divides your income among necessary living expenses, savings and investment during a certain period.

In order to budget, we must know how much money we have coming in and how we want to spend that money during a set period of time that we choose. To budget, it is important to identify and organize spending.



Workbook: Income vs. expenses

Homework:

Each participant should do the income vs. expenses activity with their family members in their household.

- Tell the members to bring their notebooks with the copied template filled out correctly for the next session.

Why is a budget useful?

A budget:

- Allows you to assign your income to different types of expenses.
- Helps you make decisions about spending and saving.
- Encourages cautious and disciplined spending.
- Allows you to take control of your financial situation.
- Helps you organize and manage money more effectively.
- Helps you plan for your future and meet your financial goals.



- How do you currently manage your income and expenditures to meet your family's needs?
- What can you do to improve budgeting in your household?

Give the participants up to 5 minutes to exchange ideas. Then ask 3 or 4 volunteers to report back to the large group. Summarize their ideas, ensuring that the following points are mentioned:

Ways to improve budgeting:

- List all income sources.
- List all expenses.
- Plan ahead to prevent spending more than your income.
- Save surpluses to meet future expenses when income is low.

Steps to creating a budget:

- Review your financial goals.
- Estimate amount of income by source.
- List all expenses and amount needed for each one.
- Make sure your expenses are not more than your income.
- Decide how much you will save.
- Review and adjust as needed.

Projected family budget



- What are the estimated income and expenses over a period of 1 month? pick a volunteer from a group and ask him/her to copy the worksheet into their notebook and roughly enter the numbers as applicable to his/her current income and expenses.

Ask the rest of the group to observe carefully and they can ask questions any time they have a doubt. As you explain each step, demonstrate how to do it using the volunteer's example.

Income

- On the projected family budget worksheet, define the sources of income and make sure they are listed on the left column. If any source is missing, then the participant can cut a source that does not apply to him/her and write the missing one in that row. Some of these sources may provide income every month and some may provide income only at certain periods of the year.
- Estimate the expected income by month from each source and write it in the appropriate box on the worksheet. Some income may come infrequently in larger sums. To figure out what this irregular income is on a monthly basis, determine how much you receive annually and divide this by 12.
- Add up the total income for each month.
- Now, ask all the participants to fill their respective tables for income. Move around in the group and offer to help anyone who needs it. If the majority of the participants do not write, you can lead the discussion on a flip chart.

Expenditures

- On the family budget worksheet, write the expenses for each category of expense: savings (as we want the participants to set this aside and learn to save) debt payment, necessities, optional expenditures and so on.
- Estimate the expenses for each category for 1 month. There may be some expenses only once a year or once every quarter. If there is an infrequent expense like this (eg. school fees), it is useful to spread it across months in the budget.
- To figure out how much your irregular expenses would be on a monthly basis, calculate the total expense per year and divide it by 12.
- Add up the total expenses for each month on the family budget worksheet.
- Now, ask all the participants to fill their respective tables for expenses. Walk around the room and offer to help anyone who needs it. Again, you may use a flip chart to explain this activity to the members.

Compare income and expenditures.

- Subtract the total spending for each month from total expected income for each month.



- What can you do if the number is positive? (Save more, pay off debts)
- What can you do if the number is negative? (Cut spending, find ways to earn more until you can control your spending)



Flipchart : Income vs expenses



- Make sure you budget what you think you can save each month on the savings line. The target savings for each month should be the amount that comes from using the goals and savings worksheet. Remind the participants that these savings are required to meet their goals.
- Making a budget helps the household to remain aware about their monthly income and expenses and in turn help achieve their goals.

Making Spending decisions (Refer to the Needs and Wants Cards in Section 2)



- We are going to talk about prioritizing expenses. Very few people in the world have so much income that they can pay for everything they want to buy or do. Most of us must make difficult decisions and trade-offs, especially during times when our income does not cover all our expenses. There are no perfect answers when it comes to prioritizing and choosing among expenses, but there are some general guidelines.

Points to note for prioritizing spending.

- Save for future goals and needs.
- Take care of debt
- Meet necessary day-to-day expenses based on needs.



- Why do you think the experts recommend these priorities?

Points to note are:

- Debt is costly: When payments are missed, the loan costs grow even higher. Loan fees on late payments can increase the amount of money you owe and increase the risk of having to make loan payments with money intended for basic necessities.
- Failure to make payments can lead to the loss of future access to credit.
- When debt is out of control it can threaten the well-being of your family.
- Basic expenses must be taken care of for the well-being of the household.
- Money not needed to pay debt and necessary expenses is available to set aside for the future or spend on optional (treats or luxury) items.

Stay within your budget.

How to stay within your budget?

- Remind yourself often what you planned to spend.
- Put in the budget something for unexpected spending needs.
- Keep savings out of reach so you do not spend them.
- Keep track of what you spend.
- Make sure you do not spend more than what is budgeted.
- If you spend more for one item, spend less for something else.
- Make a list of ways to cut planned expenses.
- Get the family to participate in developing and sticking with the budget.
- When investing money in business, consider what to do if the investment fails.

Summary

- ✓ Spend on day-to-day needs such as food, housing, transportation, clothing, healthcare,
- ✓ Debt repayment, and other non-essential needs such as taking alcohol.
- ✓ Save money for unexpected expenditures e.g., emergencies, medical bills, death, someone selling their property due to an emergency.
- ✓ Investing money in income generating activities to earn income over the long-term.
- ✓ Often remind yourself what you planned to spend on.
- ✓ Put something for unexpected spending needs in your plan.
- ✓ Keep savings out of reach to avoid unplanned expenditure.
- ✓ Keep track of what you spend, make sure you do not spend more than is planned.
- ✓ Get the family to participate in developing and sticking with the plan.
- ✓ Consume less of non-essential items (such as alcohol)
- ✓ Lower expenses on life events such as marriages, funerals and other forms of parties
- ✓ Plan ahead to buy necessities when the prices are lower and buy less on credit
- ✓ Carry less money or save money in a safe place; the temptation to spend it won't be there.

4.4 FINANCIAL SERVICES

What are financial services?

Introduce the session by reviewing the different types of financial service providers available in their community.



- What are the financial service providers in your community where you obtain financial services?

They should include:

- Banks (like Equity Bank and Centenary Bank).
- Credit Institutions (like Post Bank and Opportunity Bank)
- Micro – Deposit Institutions (like PRIDE Uganda and FINCA) Microfinance.
- Institutions, SACCOs, VSLAs, Money Lenders, etc.

Probe to learn if they keep savings at home in special containers, or under the mattress, and include them on the list.



- Remember the types of financial service providers we have just discussed and think about the types of services they offer (think about all the various types of services you know of or have heard about).



- Now that you know the financial service providers, what are the financial services members of your community obtain from those institutions?

Discuss with the participants: These may include: -

- Savings
- Loans
- Insurance:
- Payment Services:

AGENCY BANKING



- What is agency banking?

Explain:

- Agency banking is a channel that commercial banks use to provide services to the financially excluded people.
- Agency banking, in its simplest form, is where a commercial bank secures

the services of an agent to provide marked financial services on their behalf outside of the traditional avenues of tellers, ATM machines and bank premises.

- Examples of Bank Agents include Merchants, SACCOs and others.
- Tell participants that in Agency banking, the cash or float is entirely for the agents.
- The Agent is simply utilizing the bank structures to deliver services on a commission.

Requirements for accessing agency banking services.

Explain to the participants the requirements of accessing Agency banking services:

- You should be having an operating account in the bank (bank client).
- You must be having a Smart card/ATM Card issued by your Commercial bank.
- You must have a personal identification Number (PIN) code issued by the Bank or the Bank must have captured your biometrics/ fingerprints.
- You must have the required identification documents (in the refugee context; Attestation document and Refugee ID card)

Advantages of agency banking

- It is easy and possible to save on your bank account.
- It is easy to access and withdraw one's money on your account.
- It is easy to deposit one's money on your account.
- No need to travel long distances, the agents are within the community.
- You can withdraw cash or purchase items from the agent at the time of need.
- If one agent has no money, you move to the next agent near you.
- The money is secure on the beneficiary account since it's essentially being kept with the bank.

Some of the disadvantages of agency banking:

- The bank agent may have no sufficient amount of money to serve you at that moment.
- The service machine (point of sale device) may be faulty, or the network may be off.
- There can be incidences of fraud especially while withdrawing; like agents giving less money than requested for.
- If the clients/beneficiaries in an area are not many, there may not be many agents which may make it hard to access services.
- If someone knows your PIN and can access your smart card, they may withdraw your money without your consent.

The do's and dont's in agency banking

- Always bring your identification along with you for money withdraw (e.g refugee attestation document)

- Never write down your PIN where someone can access it.
- Always confirm with the agent that he has enough cash before you transact.
- Never keep your PIN code together with your bank card.
- Use either your fingerprint and/or PIN to withdraw cash or purchase food.
- Never tell your PIN code to anyone, not even the money agents or the merchant.
- Request for a machine generated receipt, even if the operation fails.
- Always keep receipts of all your transactions.
- Your bank card will be blocked if you provide the wrong PIN code 3 times in a row.
- Request to sign or register against your transaction in the agent's book after every transaction.
- Never leave your card or PIN code with the bank agent
- Ensure to confirm that you have received the correct amount of cash before signing in the agent's book.
- Never use your Smart Card as collateral to access money or goods on credit
- Loss or having problems with your bank card? Report it immediately.
- Never pay cash to the agents as bank charges, charges can only be deducted automatically from the account during the transaction process

WHAT IS MOBILE MONEY?

Mobile money describes the services that allow electronic money transactions over a mobile phone. Mobile money is a fast, secure, affordable, and convenient way of sending money anywhere in Uganda.

Mobile money transactions include transferring funds between accounts, depositing or withdrawing funds from an account, or paying bills.

- To use mobile money, you will need a mobile money account, on which you can keep your money in the form of e-money, which you can withdraw as cash at any time
- To get a mobile money account, you have to register with your network provider. Anyone can register. Different network providers offer mobile money services
- Ask participants to share their views about different mobile money service providers and their experiences in using mobile money.



How do you register for mobile money services?



Flipchart 08 : How to register for mobile money

Explain:

- Requirements for using mobile money:
- Have a valid Identification card.
- Have a mobile money enabled SIM card.
- Complete registration form.

Steps to register for mobile money:

- Go to a service center of your mobile network operator (e.g., MTN, Airtel, Africell) and say that you want to register for mobile money.
- You have to bring a photocopy of your ID or passport, and a passport photograph.
- The agent fills in the customer registration form that you sign
- After entering the customer details on the phone, the agent must allow you to enter your own secret pin number. You need that number to use and access your mobile money account.
- There are no charges for customer registration.

Mobile money services



- Mobile money enables registered customers to use the following services:
- Send and receive money across networks.
- Withdraw money from an agent or an ATM.
- Conveniently buy airtime for your phone or send to another number (on the same network)
- Buy data for accessing internet.
- Make Payments (for example utility bills, goods & services, fees and taxes to URA)
- Make bank transactions (check bank balances; send money from your phone to your bank & from your bank to your phone or to another bank account)



- You can deposit money with mobile money:
- When you want to transfer cash to your mobile money account.
- You give physical cash to the mobile money agent and obtain an equivalent amount of mobile money on your phone.
- Only registered users can load mobile money.
- There are currently no charges in Uganda for depositing money on your account with mobile money.



- How can a mobile money user send money?
- As registered user, you can send money to anyone, whether registered or not, with or without a phone.
- If sending money to a person who has a mobile money account on the same network, he/she will receive the money on their mobile money account and will be notified by a text message.
- When sending money to a non-registered user, the system will ask you to enter a secret code (4-digit number). It will then provide a Token ID (11 digits). You have to share the token ID and the secret code with the recipient only. The recipient has to give both to an agent to receive the money.

Advantages and disadvantages of mobile money



- Why do you think it might be convenient for you to use mobile money? How could using mobile money help you?

Ensure that the following advantages and disadvantages of mobile money are mentioned:

Advantages

- You do not have to travel with large amounts of cash to transfer money to another mobile money account which someone may steal from you. You can transfer the money electronically, right from where you are.
- All mobile money transactions must be confirmed using your PIN number. Therefore, if you do not share your PIN with anyone, no one can steal or access your money, even if you lose your phone or forget your PIN.
- Transactions are made immediately, as long as there is network.
- It saves you time and transport You do not have to bring cash to your recipients physically. If you have funds on your mobile money account and you want to send someone money, you can do it electronically without travelling anywhere.
- Opening your mobile money account is free of charge. However, for some mobile money transactions you will be charged a small fee, for example for sending money.
- Using mobile money is easier and cheaper if the people that send you or receive money from you are registered mobile money users on the same network.
- To deposit and withdraw money from your mobile money account, you have to travel to the next mobile money agents, who are readily accessed in communities.

Disadvantages

- Network problems may delay transactions. However, if you are in a place where there is usually good network, transactions should be very fast and efficient.
- Safety of PIN, at times individuals or spouses share a PIN.
- Agents cheating their customers who may not know the charges and how much balance there is on their accounts.
- Requirements for refugees to get SIM cards are stringent sometimes.

KNOWING YOUR RIGHTS



- As customers of different financial institutions (e.g. SACCOs, Banks etc) what do you understand by the word rights? Share with the rest of the group members.

Tell them that a right is what you deserve as a customer of a financial institution.



Flipchart : Knowing your rights



- What is your understanding of the different pictures you see on the flipchart?
- **Being listened to in case of a problem (redress):** you can speak to the humanitarian agency, implementing partners, office of the Prime Minister or the financial service provider in case you have a problem. Make your issues known so that they will be addressed.
- **Dignified treatment:** you should always be treated in a respectful manner. Do not be forced to wait for too long or wait in uncomfortable places. Let the provider know if you are uncomfortable.
- **Transparent Information:** make sure you always receive complete, accurate and understandable information regarding your financial transactions. Ask to have all the costs disclosed. You can request to know the cost in absolute amounts not in percentages which are not always clear. Ask how much money you will be given (total disbursement) and how much money you will be receiving (less charges). Do not pay any fee not specified on the fee charge sheet.
- **Protection from aggressive financial service providers:** do not allow yourself to be pressured to join any financial institution or take their products without full knowledge of the implication it may have on you.
- **Convenient access to your money:** you should access your money whenever you wish to do so, but most important as per financial need.
- **Privacy to client information:** Your information should be kept private.

Knowing your responsibilities



- What is your understanding of the word responsibilities?



Flipchart : Knowing your responsibilities

- Let the participants share their understanding of the different pictorials and summaries their understanding with the points here below as their responsibilities:
- Provide correct and accurate information about self and family
- Respecting and following the rules and regulations of the financial service providers.
- Respect for service providers and other partners
- Integrity: Do not offer any bribe or any undocumented gifts as a condition for a service. Corruption always involves two people: - do not cause or allow your agent to be corrupt.
- Report any abuse.
- Observe patience.

Complaint and feedback mechanisms

Tell the group members that registering complaints and getting feedback is part of their rights.



Flipchart 11 : Complaint and feedback mechanisms

Explain the different complaint and feedback mechanisms that exist in their community and how to use them.

- Demand to know the toll-free helpline for the humanitarian agency, implementing partner and financial service provider for complaints and feedback. For example, 0800 210 210 is a helpline for WFP and 0800 323 232 is a help line for UNHCR.
- Make use of the litigation desks/Complaint desks that handle multiple issues including complaints.
- Participate in community and zonal meetings to register your complaints among other things or through your community leaders.
- For those who know how to write, place your complaints in suggestion boxes placed at different distribution points and at implementers' offices.
- Make use of common protection referral forms found with Refugee leaders to register complaints or feedback.
- Make use of the mobile complaint's clinics in your communities
- Use other feedback mechanisms like other community and financial meetings, community radios, surveys etc.

Income-generating activities (Refer to L2E)

4.6 INVESTMENTS

What are investments?

Investing is putting your money to use so as to allow it to grow. An investment can be in form of property such as livestock (cows, goats, sheep), land (rental units, commercial buildings), business (market stalls, grocery shops, boda-bodas) or shares and bonds from which you can earn profits.

People invest:

- To have enough money to meet all their needs.
- To have money work for them and to generate more income in the future, which one can re-invest.
- If you use your money for consumption, for example for buying a radio, the money is gone and will not help you to generate more income in the future.
- To create wealth and security
- To Increase the ability to earn more income.
- To establish income generating facilities for old age or for children.
- To create jobs for self and family

What are some examples of investments?

Different investment options: Explain the different forms of investments:

Business

- Businesses can be set up for services, production, processing, and exportation. Many people sell goods and services through retail and wholesale shops. Common forms of businesses include saloons, boda-boda, schools, restaurants, retail and whole sale shops, hotels etc.

Farming

- In Uganda, many opportunities are available for investment in agriculture in form of production, processing and exportation. Investments can be done for example in poultry, tree planting, crop production (like maize, cassava, or matooke), fruit farming, processing and packaging.

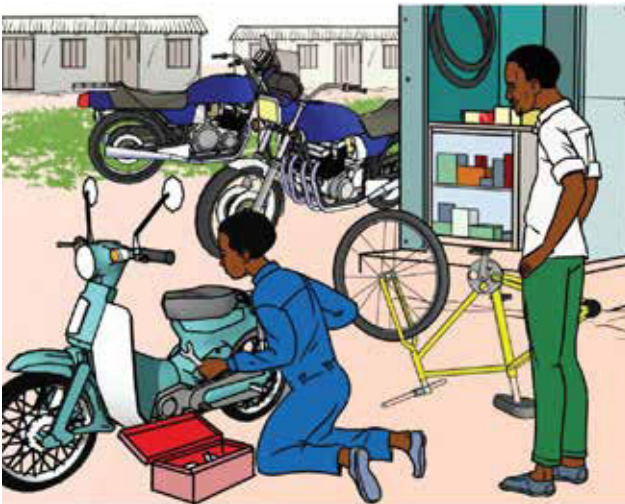
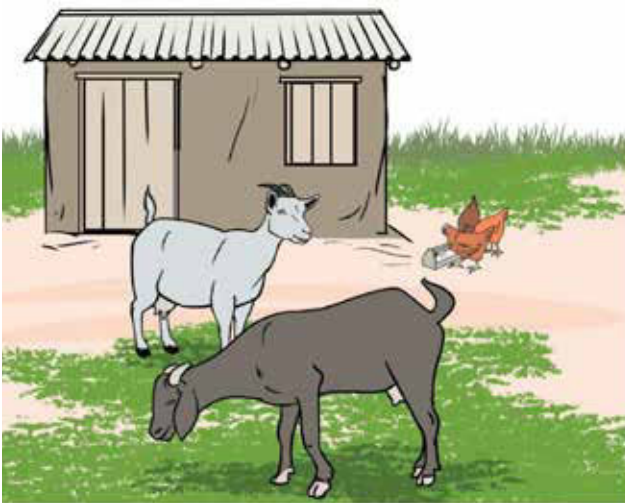
Assets

- Investment in property or land can be profitable when the market is right. Before you invest, it is important to make a good analysis of the value, environment, cost involved and the demand for the assets you want to invest in.

Fixed deposit or certificate of deposit

- When you invest in a fixed deposit, you lend your money to a financial institution and benefit from the interest they pay you. You can invest in a fixed deposit by paying money into an account set up for you by the financial institution.
- You will be given proof that you have invested, and you will receive interest, either periodically or once at the end of the investment period. It is an obligation of the financial institution to pay you the interest.

Different forms of investments



Risk management:

Every investment comes with a risk. There is a risk of losing money, get stolen, mismanaged, destroyed or damaged.

Monitor your investments closely to make sure they are not losing money and time.

Diversification of investment options. Don't put all your eggs in one basket! With diversification you reduce risk by spreading it across different types of investments

You have the potential to earn more when the risk is high and vice versa.

MY MONEY VS SOMEONE ELSE'S (LOAN)

What is a loan?

Allow some participants to respond before giving the following answer:

- A loan is money that the borrower can use temporarily. After a defined period of time, the money is repaid to the owner, usually with interest or a fee charged for use of the money.

Reasons why people borrow:

- To invest
- To respond to an unexpected emergency.
- To consume, to purchase an item for which they do not now have enough money.

Explain

- Loans for productive investment earn new revenue for the borrower.
- Loans for crises and personal consumption do not bring in new revenue and must be paid back from other revenue sources. Try to save and avoid borrowing for these purposes.
- A loan costs money
- A loan comes with obligations for the borrower, including repayment with interest and, in some cases, group membership.
- You are freer when you use your own money.
- By borrowing, you get a greater lump sum than you might have used your own capital.
- Borrowing allows you to get money more quickly than if you rely on your ability to save little by little.

What should you know before borrowing money?

- The amount of your loan payment, including principal, interest and fees.
- The sources of income and/or savings you have to make those payments.
- When will you actually get the loan money in your hands (will it be before you need it?)
- That the asset you are buying with the loan will outlive the loan and continue earning income for you.
- That the price you can charge for your goods financed with loan money is high enough to both repay the loan and make a profit

Key Area to consider before getting a loan (summary)

- ✓ Loan size
- ✓ Loan term
- ✓ Interest rate
- ✓ Fees
- ✓ Grace Period
- ✓ Repayment schedule
- ✓ Costs of borrowing



- What are examples of the different lenders available?

Allow some participants to respond before giving the answers below:

- Individuals
- SACCOs
- SLA
- Company
- MFI
- Bank
- Off takers or produce buyers who enter into contract farming with farmers.

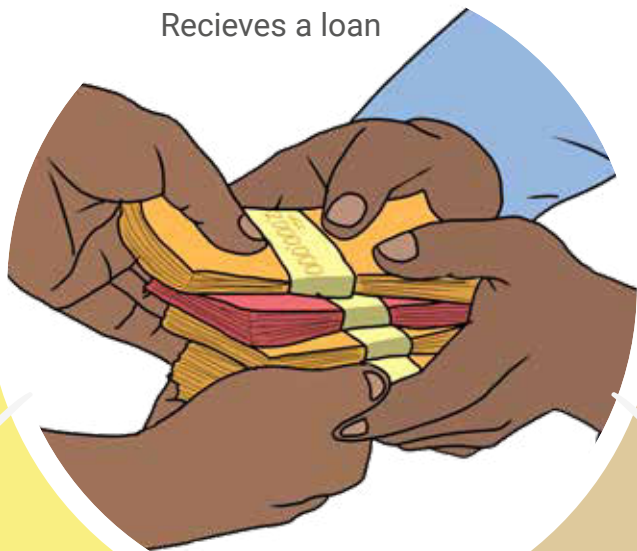
What are some questions to ask lenders before deciding whom to take money from?

Allow some participants to respond before giving the answer below:

- What is the interest rate?
- How often must the loan principal and interest be paid?
- What is the amount of each instalment?
- What amount of savings is required and how often must deposits be made?
- What fees must be paid to obtain a loan?
- What penalties are charged for late payments?
- Where are loan payments made?
- How far away is this from my place of business?
- How often do meetings take place?
- How long do the meetings last?

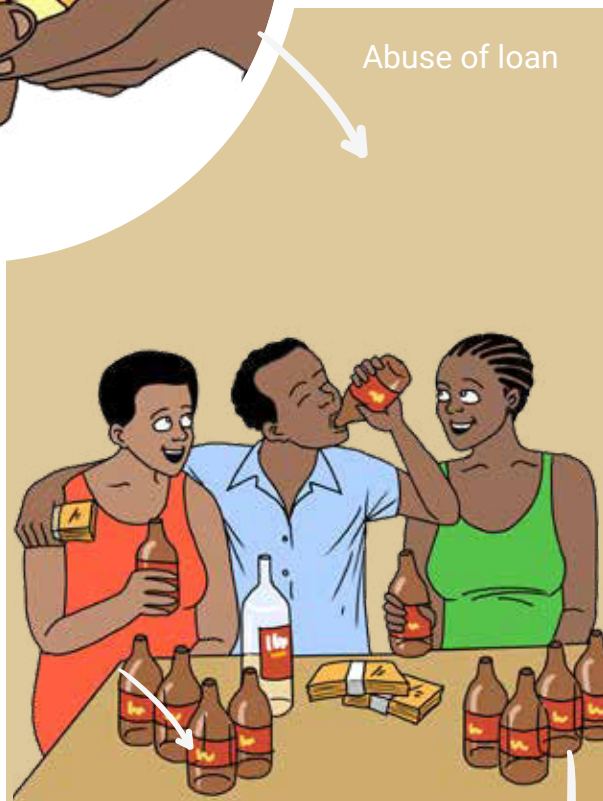
Good use of loan versus bad use of loan:

Receives a loan



Proper use of loan

Abuse of loan



...consequences

...consequences



Good borrowing practices



Group Work: Team up and make a list of some good borrowing practices.

- Allow the participants to do this for 5 minutes. Ask groups to share their answers aloud. Supplement their suggestions with the following answers:
- Before you know if you can take a loan, make a budget. This means to list your expected income and expenses for the coming weeks or months. Budget how much you think you can pay back every month, while also being able to pay for necessary things like food, medical bills, business expenses and emergencies.
- A loan is a debt. Pay it back as soon as possible.
- A loan is not for free! It comes with a cost. Calculate the amount of money that you have to pay back plus the fees and interest.
- Plan in advance for how you will pay back the loan.
- Keep records of your loan repayments
- Do not default. Defaulting means being unable to pay back the loan on time. This has severe consequences, such as losing your land, house or farming equipment.
- Ask loan providers, financial institutions or cooperative members for information about loans.
- Don't confuse loans that you take for business and for private reasons. If you take a loan for business purposes, use it only for the business purposes.
- Some loans come with a contract. Read it carefully before you sign. Make sure you understand the contract, including loan requirements and repayment terms.
- Avoid borrowing from a friend or family member. This can hurt your relationship.
- Don't borrow from an individual that you don't know. S/he may be a loan shark charging high interest rates.
- Make sure you have good collateral outside of your farming business. Protect your business: it is your source of income.
- Obtain receipts of repayment from your lender to avoid confusion or conflict.

Source of materials

- ✦ ENTERPRISE UGANDA AGRIBUSINES TRAINING MANUAL – Mindset change
- ✦ World Health Organization
- ✦ IRC L2E (Learn 2 Earn) Package
- ✦ CARI-EA Financial-literacy Manual
- ✦ Gender Action Learning System - Oxfam
- ✦ IRC EASE (Economic and social empowerment)
- ✦ World Food Programme and UNCDF - Financial literacy 5-week training programme



International Rescue Committee, Inc.
Plot 7 Lower Naguru East Road,
P.O. Box 24672, Kampala
Uganda.

Tel: +256 (0) 200 963 673
Web: rescue.org