A Tailored Approach to

BoP Business
Training Programs

MIT D-Lab Practical Impact Alliance Practitioner's Guide

MIT | **Practical Impact Alliance**

C-BED training in Luang Prabang, Laos. Photo: International Labor Organization

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INTRODUCTION

With over a billion low-income entrepreneurs across the globe running small-scale enterprises, Nobel Peace Prize winner and Grameen Bank founder Muhammad Yunus champions people living in poverty as natural entrepreneurs and business creation as a viable pathway out of poverty. In the last twenty years, this sentiment has sparked a lively movement to support the launch and development of enterprises run by people living in poverty. To fortify the development of these business ventures, a proliferation of organizations have developed training programs that teach business skills to support populations living at the bottom of the economic pyramid (BoP) in their efforts to build enterprises that provide livelihood income.

In January 2017, MIT D-Lab's Practical Impact Alliance (PIA) launched a working group convening 12 nongovernmental organizations and multinational organizations to analyze instructional approaches and skill sets in a way that would answer the question, "What are the most effective business training approaches for a BoP population?" The working group, which gathered monthly to share ten case studies of business training programs used to help people living in poverty reach their full potential as entrepreneurs, was co-led by MIT D-Lab and Pact World. Four of the case studies presented over the course of the PIA working group sessions were provided by member organizations and six were presented by guest speakers selected for their unique approach to teaching business skills to a BoP population. As many of the organizations in the working group offer business training to low-literacy beneficiaries, the group focused on instructional tools specifically designed for people who have not had the opportunity to gain literacy skills, including simple rule of thumb and technology-enabled approaches.

The case studies showed that training programs vary greatly based on population served and desired outcomes. Although young people ages 15 to 35 currently only make up 17% of the world's total population, they comprise 40% of the unemployed, and in Africa, they make up 80% of people without jobs. Therefore, many organizations focus on this population and Dare to Innovate, Phosboucraa Foundation, International Labor Organization (ILO), and MOVE all presented entrepreneurship training cases specifically designed for young people. Ultimately, businesses are launched by this age group to provide employment when other, more conventional job opportunities are unavailable.

Case studies presented by BRAC's Graduation Program and World Vision targeted smallholder farmers, who make up 80% of the more than one billion people living on less than $1.00 a day. These programs use marketing and financial planning as a means to inspire better business practices and instill confidence in these entrepreneurs. Danone, Global Alliance for Clean Cookstoves (GACC), and Pact World all used agency enhancement to develop business-training programs that target low-income women. The final case study, presented by Luephana Universität Lüneburg, offered a closer look at curriculum used for personal initiative training, which can be effectively applied when targeting low-income entrepreneurs in general.

Over the months, as case studies were discussed, a framework for building BoP business training programs began to emerge. It starts with clearly identifying the target beneficiaries and desired outcomes and then connecting these variables by pairing instructional approaches with specific skill sets. What follows is a guide that details this proposed framework.

The practitioner's guide is broken into two distinct sections. The first section outlines 5 instructional approaches for teaching business to a targeted BoP population, and the second presents 4 skill sets that are associated with particular outcomes. By pairing instructional approaches with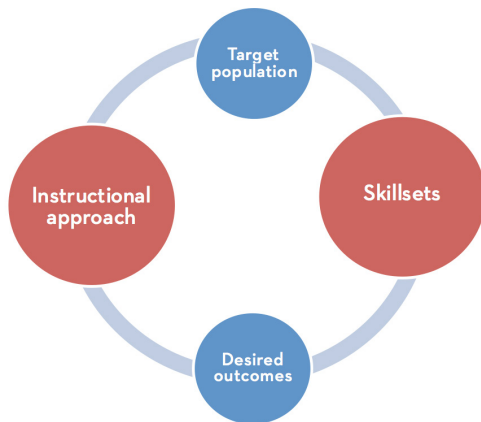 appropriate skills, practitioners can optimize their curriculum design to create training programs that support people living in poverty as they launch and grow thriving businesses.

The three in-depth case studies featured in section two of this guide —GACC, Dare to Innovate, and the ILO — illustrate how practitioners have successfully implemented components of this framework to create livelihood opportunities for people living in poverty through business creation.

It is our hope that this guide will inspire and inform practitioners as they engage in the creation and dissemination of business training programs for a BoP population, while simultaneously addressing social and environmental ills in low-income regions across the globe.

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A Quechuan woman taking notes as part of the Empowered Entrepreneur Training in Yamparaez, Bolivia.
Photo: Anjali Shankar

5 APPROACHES FOR TEACHING BUSINESS TO BoP ENTREPRENEURS

Five instructional approaches for delivering business management training to Base of the Pyramid (BoP) entrepreneurs emerged as the PIA Business Management Training for a BoP Population Working Group investigated case studies.

Teaching methods were selected based on the effectiveness of the approach for the particular target population (for instance, low-literacy entrepreneurs require different curriculum delivery mechanisms); the cost of implementation (a co-creation method for teaching business to a BoP population, for example, requires a larger staff and more teaching hours than a classroom approach); and the ability to easily scale training programs.

The PIA case studies are grouped into the five primary teaching approaches outlined here, allowing practitioners to easily determine which approach is the best fit given their target population, overall program objectives, and budgetary constraints.

1. RULE OF THUMB
Beneficiaries learn simple, practical rules for managing their business.

2. PEER TO PEER TRAINING
Peers from within the beneficiary community are taught to provide business training to local BOP entrepreneurs.

3. CO-CREATION
Beneficiaries learn business skills as they propose, design, launch, and build their own business ventures that solve a particular problem in their community.

4. LEVERAGING TECHNOLOGY
Beneficiaries are provided with business-training modules on mobile phones or tablets.

5. COACHING OR MENTORING
Beneficiaries are provided with one-on-one training specific to their needs from a business coach or mentor.

1. Rule of Thumb

Beneficiaries learn simple, practical rules for managing their business.

A London School of Economics, UT Austin, and MIT Poverty Action Lab joint study published in July 2010 (www.povertyactionlab.org/sites/default/files) revealed that a standard accounting curriculum, which included basic accounting, working capital management, and investment decision-making content, produced no significant outcomes when provided to low-income entrepreneurs in the Dominican Republic. However, a rule of thumb classroom-based training program resulted in significantly improved business practices and higher earnings for the businesses that received the training. When BOP entrepreneurs were taught rule of thumb business practices, such as keeping household income in one drawer and business earnings in another so that business profits could be easily calculated, they maintained better financial records, were more capable of calculating revenue, and were more likely to separate home and work financial records by ten percentage points.

TARGET POPULATION

- **Sales agents.** Organizations building networks of sales agents, with either door-to-door or street vendor models.

- **Micro-entrepreneurs.** International NGOs providing business trainings to a large number of micro-entrepreneurs working in the same sector, such as smallholder farmers.

- **Savings Groups.** International NGOs offering financial training to beneficiaries participating in savings groups.

- **Low-literacy Entrepreneurs.** Organizations targeting a population with few to no literacy skills.

KEEP IN MIND

- **Be consistent about the composition of your attendees.** This approach is beneficial for a large classroom of BOP entrepreneurs with similar rates of literacy, working in the same sector.

- **Target micro-enterprises.** Rule of thumb is best suited for micro-entrepreneurs as opposed to small to medium-sized enterprises (SMEs).

- **Keep it light.** One or two rule of thumb practices per session are probably enough for a business-training program that targets BOP entrepreneurs.

- **Do your homework.** Select rule of thumb practices to include in your training program according to the specific needs of your BOP entrepreneurs.

RULE OF THUMB SPOTLIGHT CASE
DANONE ECOSYSTEM FUND

The Danone Ecosystem Fund designed a simple rule of thumb curriculum for their Kiteiras program in Brazil, which teaches women micro-entrepreneurs how to become door-to-door sales agents. The network of sales professionals that sell Danone products in hard-to-reach regions of the country was specifically designed to contribute to women's empowerment and improved self-esteem.

Because a third of the participants in the program have low literacy rates, the organizers chose not to teach these micro-entrepreneurs basic accounting. Rather, the program, which has come to be known as the Godmother Initiative, supports the launch of distribution businesses with three questions: what are your goals, how much does it cost to achieve your goals, and who do you know that can help you reach your goals. Danone then uses a simple graphic to teach Kiteiras entrepreneurs how to perform a basic calculation showing money spent as they buy products and money accrued as they sell products, allowing sales agents to determine revenue. This calculation also allows participants to determine the sales they need to make to be able to achieve their goals.

What are your goals? How much does it cost to achieve your goals? Who do you know that can help you reach your goals?

In addition to this teaching tool, the program uses short videos in which Godmothers teach a single business rule or approach, such as how to talk to a customer to identify best their needs. The videos also include inspirational peer testimonials. The entrepreneurs not only participate in the network, but are also encouraged to "ascend" in the program and become Godmothers, mentoring and managing junior saleswomen.

TAKEAWAY

The rule of thumb approach, which teaches one to two easily understood business practices per session, is particularly relevant when working with low-literacy BoP entrepreneurs.

RULE OF THUMB AT-A-GLANCE

Typical cohort size	15-20
Resources needed	MED
Time commitment	MED
Skill development	MED
Agency enhancement	MED

2. Peer-to-Peer Training

Peers from within the beneficiary community are taught to provide business training to local BoP entrepreneurs.

Many low-income entrepreneurs in developing countries face geographical constraints that hinder their ability to access business trainings. Coupled with the expense of traditional classroom programs, it is particularly challenging for organizations to widely disseminate financially viable business training programs to a large number of aspiring entrepreneurs in remote regions. The peer-to-peer approach, in which community members who are themselves entrepreneurs are trained to provide business training to their peers, has been effectively cultivated by organizations to meet this particular challenge. Not only do peer-to-peer trainings allow for the wide dissemination of low-cost business trainings, but also they provide job opportunities and capacity building that remain within the communities served long after the implementing organization has left the region.

TARGET POPULATION

- **Aspiring entrepreneurs.** Organizations often use peer-to-peer training to support the launch and development of new businesses.

- **Vulnerable populations.** Organizations use peer-to-peer training to effectively reach vulnerable populations, including youth and women.

- **Low-literacy populations.** Organizations use peer networks to adapt concepts to the appropriate literacy levels, cultural nuances, and language needs of their audiences.

- **Remote regions:** As peer-to-peer training is relatively inexpensive to scale, it has been effectively used to reach resource-constrained regions of the globe.

KEEP IN MIND

- **Be selective when choosing your first cohort of community trainers.** As the first group of trainers will be responsible for training subsequent trainers, put time into identifying the right criteria and carefully selecting the initial cohort.

- **Maintain a correctly sized learning group.** So that peer trainers can tailor trainings to the specific needs of each entrepreneur, this approach is best suited for small groups of 3-5.

- **Identify activity-based exercises.** Make sure your business curriculum includes many activity-based exercises to drive home important business skills.

PEER-TO-PEER TRAINING SPOTLIGHT CASE
THE INTERNATIONAL LABOR ORGANIZATION

The International Labor Organization's (ILO's) Community-Based Enterprise Development (C-BED) utilizes a peer-to-peer model to provide activity-based, experiential learning to teach business to entrepreneurs living in poverty in remote regions and, more recently, in refugee camps.

After the first group of peer trainers has received the training, participants select a group leader to facilitate trainings for an additional group.

The ILO program targets small groups of 3-5 entrepreneurs and offers step-by-step instructional modules for building businesses that solve identified community problems. The ILO launches a C-BED program by training local organizations how to provide the curriculum. After the first group of peer trainers has received the training, participants then select a group leader to facilitate trainings for an additional group, C-BED's guiding principles for directing peer-to-peer learning include recognizing the beneficiaries as the agents of change, promoting experiential learning and shared facilitation opportunities, building community capacity to sustain trainings with few to no external resources, and providing follow-up services and support.

TAKEAWAY

The peer-to-peer approach is particularly beneficial for programs operating in culturally diverse, resource-constrained, hard-to-reach areas where peer trainers can sustain the program long after the implementing agency has moved on.

PEER TO PEER TRAINING AT-A-GLANCE

Typical cohort size	Groups of 3-5
Resources needed	LOW-MED
Time commitment	LOW
Skill development	MED-HIGH
Agency enhancement	MED-HIGH

3. Co-Creation

Beneficiaries learn business skills as they identify, design, launch, and build their own business ventures with other co-founders and/or actors engaged in the same market system.

This approach can be simultaneously provided to four or five small teams made up of 2-5 people and a team facilitator. It is intensive in that each daily or weekly session focuses on the development of one aspect of business creation, for instance market segmentation, value proposition, or branding and marketing. As a co-creation approach is structured so that beneficiaries create their own business solutions to problems they or their communities are facing, it often sparks innovation and agency, which can effectively move participants from passive recipients of knowledge and innovation to active drivers of knowledge and innovation.

TARGET POPULATION

- **Aspiring entrepreneurs.** Co-creation is particularly suited to orienting participants toward specific market opportunities, building collaborative relationships between co-founders, or for engaging key market stakeholders in the design of a new business.

- **Entrepreneurs building SMEs.** Organizations interested in building larger businesses may find co-creation a useful approach for engaging key stakeholders from their market or ecosystem with the aim of gaining market insight, getting by-in, and building partnerships.

- **Low-literacy population.** Because the approach uses many hands-on activities to teach business skills, co-creation works well with both literate and non-literate beneficiaries launching micro-enterprises.

KEEP IN MIND

- **Don't skimp on your facilitator selection process.** It is essential to select an inspired group of trainers with strong facilitation skills and a base of entrepreneurship know-how. It is also important to spend time training your facilitators so that they become a cohesive group of well-informed and confident trainers.

- **Make sure you have the funds to hire local, on-going support.** It is important to leave a coach or mentor in place to support the participant teams in further development of their business skills.

- **Steer beneficiaries towards viable business concepts.** Many ideas for creating business solutions will come out of the co-creation brainstorming process, some viable and some not so viable; therefore, make sure facilitators are prepared to orient entrepreneurs towards sectors where there is a relevant need.

CO-CREATION SPOTLIGHT CASE DARE TO INNOVATE

Dare to Innovate (DTI) launches and develops networks of youth-led businesses to spark the advancement of entrepreneurial ecosystems in West Africa. Overall, DTI's co-creation training program is comprised of three components: basic accounting training, an accelerator which includes ideation and prototyping, and the development of an entrepreneurial ecosystem by building innovation capacity within existing players and attracting new ones. From basic training to business co-creation, DTI's young entrepreneurs are taught to analyze value chains, map customer experiences, and develop prototypes to test, and iterate concepts toward the intersection of desirability, feasibility and viability. Ultimately the DTI co-creation approach is designed to pass agency onto the entrepreneurs — by the end of the two-year business program the young entrepreneurs are working in self-directed groups to co-create business solutions.

A co-creation approach designed to pass agency onto the entrepreneurs.

TAKEAWAY

Although co-creation can be an expensive approach, it is extremely effective for teaching all BOP populations business skills. An additional benefit is that it tends to engender grit, resilience, and self-determination, or in the case of business development, an entrepreneurial mindset.

CO-CREATION AT-A-GLANCE

Typical cohort size	4-5 TEAMS
Resources needed	MED-HIGH
Time commitment	MED-HIGH
Skill development	HIGH
Agency enhancement	HIGH

4. Leveraging Technology

Beneficiaries are provided with business-training modules on tablets or mobile phones.

Using digital technology to disseminate business and financial literacy trainings in hard-to-reach regions can make a big difference in efforts to stimulate financial stability in low-income contexts. Training programs that utilize mobile phones and tablets provided to BoP entrepreneurs ensure that business trainings are easily accessible. Mobile-based services that complement traditional trainings, videotaped mini-lectures that target specific skills, and entertaining games that teach 3-4 key business skills are examples of technologies that organizations successfully leverage to reach entrepreneurs in low-income regions all over the world.

TARGET POPULATION

- **Entrepreneurs living in remote regions.** International NGOs utilize technology to reach BoP entrepreneurs living in hard-to-reach regions of the world.

- **Low-literacy entrepreneurs.** Organizations use highly visual games to effectively teach business skills to low-literacy entrepreneurs.

- **Capture a young population.** NGOs and INGOs use devices such as mobile phones or tablets to gamify business training curriculum, which is particularly attractive to a younger population.

KEEP IN MIND

- **Pair technology with additional training schemes.** This approach is often used to reinforce business skills taught in a classroom setting or by a business coach.

- **Use devices to aid in assessment.** Design your technology to support assessment. For instance, devices can monitor how many times each beneficiary accesses and completes learning modules or track a business coach's progress working with beneficiaries during a particular week or month.

LEVERAGING TECHNOLOGY SPOTLIGHT CASE FUNDACIÓN CAPITAL

Fundación Capital developed a mobile application called Apptitude to teach entrepreneurship, life skills, and financial literacy. Utilized by business coaches, the app, which trains users on how to launch and grow enterprises, supports the dissemination of business trainings in remote regions in Colombia.

The app is comprised of modules for teaching hard skills and games that allow users to practice those skills.

The app is comprised of modules for teaching hard skills and games that allow users to practice those skills. With seventeen customizable business-training modules, participants complete one module every week. Designed with colorful graphics and audio, the app creates learning opportunities for low-literacy users and is designed to be didactic and practical. For instance, it simulates an ATM to teach people how to use a real machine. Another game allows participants to run their own restaurant, where they learn basic accounting skills. Apptitude is designed to allow business coaches the opportunity to monitor a student's progress, allowing the coach to see which module the student is currently tackling and how long it takes them to complete each module. The monitoring tool also provides the actual time and location where the training session has been conducted.

TAKEAWAY

This approach is particularly suited to meeting the needs of low-literacy BoP entrepreneurs that require the assistance of visual aids to learn and practice key business skills. The approach has also been used to effectively meet the needs of entrepreneurs residing in remote regions where training teams can, in a short period of time, train coaches, deliver devices, and then leave the community.

LEVERAGING TECHNOLOGY AT-A-GLANCE

Typical cohort size	One on One
Resources needed	HIGH
Time commitment	LOW-MED
Skill development	MED-HIGH
Agency enhancement	LOW-MED

5. Coaching or Mentoring

Beneficiaries are provided with one-on-one training specific to their needs from a business coach or mentor.

Many business programs targeting low-income entrepreneurs stress the importance of ongoing mentoring or coaching, either at intervals during the business training or for a period of time after a business has already been launched. In this way, mentors and coaches can provide long-term support, guiding their beneficiaries as they work through challenges and supporting them as they develop hard skills. Mentoring and coaching can take the form of either short, monthly sessions where entrepreneurs-in-training set goals with their coach (who then checks in on a regular basis to ensure that objectives are being met), or more frequent meetings where fledgling entrepreneurs get regular feedback and advice from their mentor or coach. In addition to providing a mechanism for teaching business skills, the mentoring approach enhances agency and confidence, which supports entrepreneurs in their efforts to take more risks as they develop their businesses and potentially yields increased revenue.

TARGET POPULATION

- **All types of businesses.** NGOs have used this approach to tailor business trainings to meet the particular needs of BoP entrepreneurs launching and building micro-enterprises in many different sectors, as well as SMEs.

- **Low-literacy entrepreneurs.** Organizations use coaching because it allows trainers to understand their student entrepreneurs' learning styles, making it particularly well-suited to a low-literacy population.

- **Vulnerable populations.** Organizations have used the one-on-one model as an effective approach for working with marginalized populations that may have special needs.

KEEP IN MIND

- **Take an individual focused approach.** The beauty of one-on-one coaching, or coaching in small groups, is that the coach or mentor will come to know each of the entrepreneurs well, so they can steer entrepreneurs towards businesses that are likely to be successful given their particular assets.

- **Know the community and develop the right number of correctly sized businesses.** It is important to understand the needs of the community in which you are working and the number of businesses that already exist within a particular market system, so that you can guide your entrepreneurs towards the creation of businesses that make sense within local and regional supply chains.

COACHING OR MENTORING SPOTLIGHT CASE MOVE

MOVE has a unique business program model based on selecting high-skilled graduate student volunteers from universities in Portugal to go to the field in East Timor, Sao Tome, and Azores Islands, where they provide business coaching to local entrepreneurs. After groups of five graduate students receive MOVE's business coaching training, they spend six months in the field, offering a one-on-one, hands-on business-coaching curriculum to local entrepreneurs so that they can create or improve their businesses. When new graduate student volunteers come on board, they spend their first two weeks in the field with an existing coach and local entrepreneur to ensure continuity. In this way, local entrepreneurs are continuously coached by graduate students in economics, finance, business, and engineering until they reach financial sustainability. In exchange, graduate students can apply theoretical knowledge gained at the university and experience real-life challenges in developing countries.

> Local entrepreneurs are continuously coached by graduate students in economics, finance, business, and engineering.

TAKEAWAY

Because it is versatile and can provide precisely targeted instruction designed to meet the specific needs of each BoP entrepreneur, coaching and/or mentoring is well suited to a low-literacy or vulnerable population.

COACHING OR MENTORING AT-A-GLANCE

Typical cohort size	One on One
Resources needed	MED-HIGH
Time commitment	MED-HIGH
Skill development	MED-HIGH
Agency enhancement	MED-HIGH

5 Approaches at a Glance

	RULE OF THUMB	PEER TO PEER	CO-CREATION	LEVERAGING TECHNOLOGY	COACHING OR MENTORING
SIZE OF COHORT	15-20	Groups of 3-5	4-5 Teams	1-on-1	1-on-1
RESOURCES NEEDED	MED	LOW-MED	MED-HIGH	HIGH	MED-HIGH
TIME COMMITMENT	MED	LOW	MED-HIGH	LOW-MED	MED-HIGH
SKILLS DEVELOPMENT	MED	MED-HIGH	HIGH	MED-HIGH	MED-HIGH
AGENCY ENHANCEMENT	MED	MED-HIGH	HIGH	LOW-MED	MED-HIGH

*KEY TO RESOURCES & OUTCOMES

	Cohort size	Resources needed	Time commitment	Skill development	Agency enhancement
LOW	0-5 participants	$10,000-$25,000	Up to 8 months	Limited level of understanding	Little capacity for self-determination
MED	5-20 participants	$25,000-$100,000	Up to 12 months	Adequate level of understanding	Adequate capacity for self-determination
HIGH	20-50 participants	$100,000-$250,000	Up to 24 months	Proficiency	High capacity for self-determination

4 SKILLSETS FOR TEACHING BUSINESS TO BOP ENTREPRENEURS

As you think about how to best deliver your business training curriculum, you will need to select the skill sets you intend to provide your beneficiaries. Over the course of the PIA working group sessions, four key types of skills emerged as the primary building blocks for teaching BOP entrepreneurs how to launch and build their own enterprises. Surprisingly, the tools that consistently increased revenue were not hard skills such as pricing and marketing, but agency-based empowerment trainings focused on personal initiative and self-determination.

A randomized control trial (RCT) conducted by the Leuphana Universität Lüneburg showed that participants receiving personal-initiative training saw their profits increase by 30% and sales by 17% — more than that of participants receiving the World Bank's renowned Business Edge training program.[1] In addition, none of the case studies provided detailed curriculum on management training. One explanation for this success could be that BoP entrepreneurs tend to develop micro-businesses, which do not necessarily require highly developed management skills.

The table below indicates the skill sets targeted by each working group case study.

Organization	Curriculum	Agency enhancement	Entrepreneurship	Marketing & sales	Financial planning
Global Alliance for Clean Cookstoves	Empowered Entrepreneur Training Handbook	◯		◯	◯
Fundación Capital	Graduation Program		◯	◯	◯
Danone	Various	◯		◯	◯
World Vision	Ensure		◯	◯	
Dare to Innovate	NA		◯	◯	
PACT	Worth	◯			◯
MOVE	NA		◯	◯	◯
International Labor Organization	C-BED	◯			◯
Leuphana Universität	Personal Initiative Training	◯	◯		
PHOSBOUCRAA	Various		◯		◯

1. Campos et al. (2017), Teaching personal initiative beats traditional training in boosting small businesses in West Africa.

1. Agency Enhancement

This concept is about developing participants' ability to focus on their own goals and meet those goals even in times of uncertainty. By enhancing their own agency, participants develop a mindset that fosters a belief in themselves as entrepreneurs and an ability to take advantage of opportunities when they arise. Ultimately, agency enhancement or agency-based empowerment helps participants identify a long-term vision for their business, set goals, create action plans, and develop problem-solving and communication skills.

TARGET OUTCOMES

- Self-confidence
- Positive mental habits
- Goal setting
- Developing a life plan
- Resilience
- Self-determination

WHEN TO USE

Because it promotes self-confidence, positive mental habits, goal setting, and self-determination, this skill set is particularly relevant when organizations are working with vulnerable populations. Many organizations use agency enhancement to provide empowerment opportunities to women living in poverty.

KEEP IN MIND

- **Time/financial commitment for participants:** The curricula available for developing personal initiative and agency enhancement are full-time, intensive trainings. Participants must commit to several days to the training, sometimes compromising their daily incomes to be present.
- **Continued support:** Mentorship and peer support are usually important components of agency-enhancement training. Hence, resources should exist to provide mentor check-ins, manage Whatsapp groups, and conduct other activities that help participants build a safety net and a support group after the training is over.

- **Trade-offs between agency enhancement and business outcomes:** There is a tension between allowing entrepreneurs to move forward with their own ideas (i.e., giving them the agency to decide the nature of their business) and "nudging" them towards more promising business ideas. In BRAC's Graduation Program, for example, facilitators were sometimes unsure how to advise participants to create businesses in a sector other than poultry (an already saturated market) without diminishing participants' agency and autonomy as they created their own businesses.

AGENCY ENHANCEMENT IN ACTION
Global Alliance for Clean Cookstoves

Approach: Classroom setting coupled with optional personal development coaching
Population: Adult women (but also utilized for adult men and adapted for youth)
Level of Education: All literacy levels
Setting: Africa (Kenya, Ghana, Senegal, Tanzania, Uganda, Rwanda), Asia (India, Bangladesh, Nepal), and Latin America (Bolivia, Peru).

With Johns Hopkins University (JHU) and Visionaria Network (VN), the Global Alliance for Clean Cookstoves (GACC) has developed a comprehensive curriculum called the Empowered Entrepreneur Training Handbook that builds key business, empowerment, and leadership skills for women micro- and small entrepreneurs in the off-grid energy sector. Even though the focus of this particular curriculum is low-literacy women working to sell clean cooking products (e.g., cookstoves, briquettes, and clean fuels), the training sessions are applicable to men and women alike, developing micro- and small enterprises across different sectors.

> Building key business, empowerment, and leadership skills for women micro- and small entrepreneurs in the off-grid energy sector.

The guide's most notable feature is the personal development training component that focuses on building "agency-based empowerment." This module, called "Finding Your Voice," uses exercises to help participant entrepreneurs better understand themselves and identify what is most important in their personal and professional lives. Learning sessions include activities to identify personal assets, develop positive mental habits, and manage fear and risk. The training has been tested using a RCT, which showed that agency-based empowerment training is more effective than traditional business management training at enhancing business and personal growth. An RCT in Kenya conducted in conjunction with Envirofit International revealed a near-tripling of sales and doubling of business retention over time due to agency-based empowerment training.[2]

A global roll-out of the Empowered Entrepreneur Training Handbook certification program to more than 20 clean energy organizations and 60 trainers across Africa and Asia demonstrated positive impacts on sales and retention. Furthermore, a return on investment (ROI) study conducted with Energy4Impact as part of their WIRE program in Tanzania demonstrated a ROI of 115.9% over a 4-month period. This success was due primarily to a 25% reduction in time required for mentors to counsel entrepreneurs. Trained entrepreneurs also reported positive changes in mindset, motivation, and problem solving.[3]

AGENCY ENHANCEMENT IN ACTION
Global Alliance for Clean Cookstoves

LEARNING MODULES

The Empowered Entrepreneur Training Handbook includes three modules of training activities:

» **Building the Skills**: Basic business and financial lesson plans and activities

  (Marketing & Customer Care, Costing & Pricing, Financial Planning & Management, Business Growth & Expansion)

» **Finding Your Voice**: Techniques and exercises to help individuals understand themselves and what is important to them

  (Building Trust in Ourselves, Understanding Oneself, Understanding Our Core Beliefs, Identifying & Appreciating One's

Strengths, Developing Positive Mental Habits, Managing Fear & Risk, Knowing Ourselves through Our Bodies)

» **Moving It Forward**: Tools and lesson plans for developing leadership skills and enhancing leadership competencies among participants

  (Introduction to Leadership, Establishing & Developing Clear Visions, Setting Goals & Being Proactive, Problem Solving, Communication, Plan of Action)

*Learning module content reproduced with permission from the authors of the Empowered Entrepreneur Training Handbook.

2. Entrepreneurship

This skill set teaches participants about concepts related to starting their own businesses, from technical skills (such as accounting and marketing) to entrepreneurship (such as human-centered design, prototyping, or using the Business Model Canvas). As entrepreneurship is a mix of hard and soft skills, it often requires longer periods of training and support. Although entrepreneurship training can be beneficial in that it often yields a self-starter mindset, it can also be complex and expensive to scale, especially in remote regions.

TARGET OUTCOMES

- Market segmentation
- Value proposition
- Costing and pricing
- Marketing
- Ideation
- Validation
- Prototyping
- Developing a self-starter mindset

WHEN TO USE

Use these skill sets when you have the resources to develop a long-term program that can potentially offer funding to support initial start-up costs for BOP businesses that emerge from entrepreneurship training programs.

KEEP IN MIND

- **Provide opportunities for financing:** Once the business model is ready, the entrepreneur's ability to gather funding (from banks, grants, etc.) may make or break the business. Hence, trainers need to consider whether a financial system exists to support entrepreneurs who are ready to start their businesses.

- **Focus on networks of businesses:** Entrepreneurship-training programs have the potential to support coalitions of BOP entrepreneurs that can develop interlocking, mutually beneficial businesses.

- **Consider supporting the development of SMEs, as opposed to microenterprises:** Entrepreneurship training programs tend to provide support for 12 to 24 months, which allows participants the opportunity to build confidence and (as opposed to the customary BoP approach of launching micro-enterprises) provide BoP entrepreneurs with the confidence necessary to scale their businesses or develop SMEs.

2. Anita V. Shankar, Mary Alice Onyura & Jessica Alderman (2015) Agency-Based Empowerment Training Enhances Sales Capacity of Female Energy Entrepreneurs in Kenya, Journal of Health Communication: International Perspectives, 20:sup1, 67-75

3. Anita V. Shankar, Genevieve M. Smith & Paul F. Spurzem. (2017). Evaluating the Return on Investment for an "Empowered Entrepreneur Training" in Tanzania. Winrock International & USAID.

ENTREPRENEURSHIP TRAINING IN ACTION
Dare to Innovate

Approach: Co-creation   **Population**: Youth ages 18-35
Level of Education: At least a high school education   **Setting**: West Africa
Link: http://cleancookstoves.org/resources/342.html

Dare to Innovate, which began in Guinea in 2010, teaches teams of young entrepreneurs to generate and develop their own ideas for launching enterprises. DTI selects young people who have demonstrated an entrepreneurial mindset and critical thinking to participate in its training program. The program starts with a 10-day intensive accelerator in which participants identify a problem in their community and apply a market-based solution. Directly after participating in the accelerator, they engage in six weeks of prototyping in their communities and then return for a business pitch competition. The best ideas are funded and DTI continues to support the entrepreneurs with training as they build their businesses.

The DTI trainings have been designed to help participants better understand entrepreneurship by participating in business co-creation workshops, pitching their business ideas, launching enterprises, learning entrepreneurship skills, and tapping into larger networks (accelerators, investors, etc.). From 2014 to 2018, Dare to Innovate trained 5,000 youth, helped co-create 52 youth enterprises (which are projected to create 340 jobs by the end

of 2018), and mobilized US$220,000 in seed fund investing. DTI effectively pairs a co-creation approach with entrepreneurship skill set building in an effort to spur the development of larger business ventures that can be catalysts for job creation.

DTI has also created a business-support mobile app called OZÉ, which works as a money tracker and business manager. OZÉ provides calculations and updates about the user's business in real time and sends regular signals, alerting users to perform specific business functions and connecting them with potential sources of capital. The app, which was co-designed by DTI founder Meghan Marie McCormick and small-business owners, allows users to make data-driven decisions and take proactive actions for their business. OZÉ is currently in beta in Ghana, and DTI has observed critical behavior change in a short time period. For instance, users are more likely to keep careful records and produce a profit and loss statement on a more regular basis. At scale, DTI could reduce search costs and provide ratings to assess entrepreneurial innovation, quality, and management capacity.

> DTI effectively paired a co-creation approach with entrepreneurship skill set building.

ENTREPRENEURSHIP TRAINING IN ACTION
Dare to Innovate

LEARNING MODULES

The Dare to Innovate entrepreneurship curriculum includes 29 sessions that teach participants how to work together as a coalition of business venture innovators, co-creating new businesses to solve their communities' biggest problems. In addition to a number of sessions on creativity and motivation, the curriculum includes the following sessions for teaching entrepreneurship skills to a BOP population.

» Financial analysis
» Business model creation
» Commercializing your idea
» Describing your value chain
» Prototyping
» Fostering community
» Monitoring and evaluation
» Envisioning the future
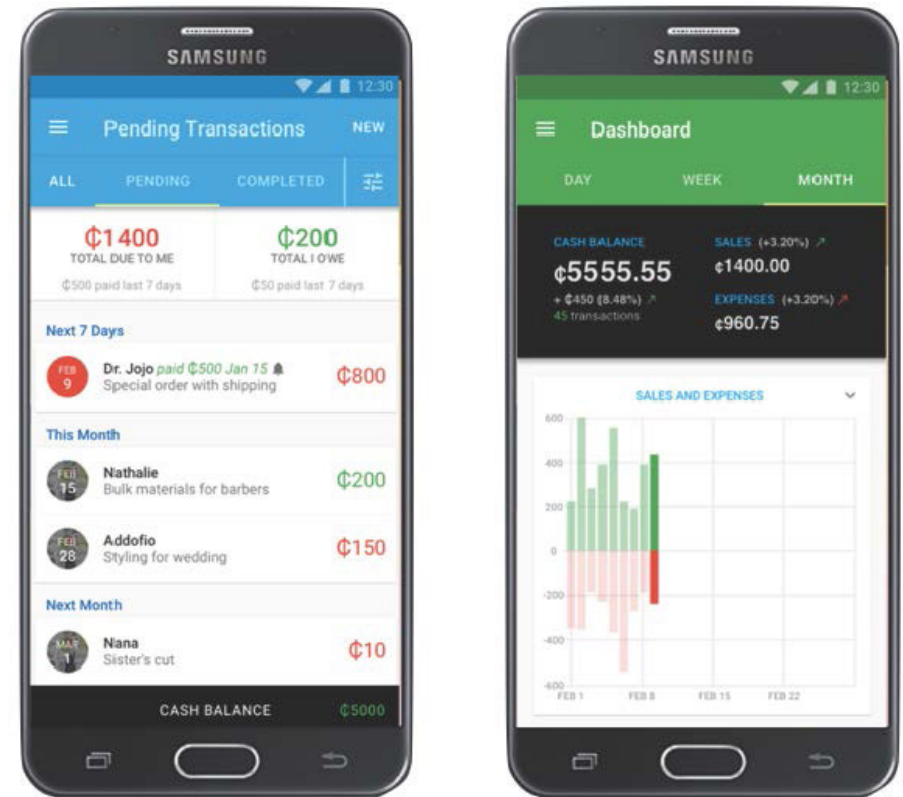
Dare to Innovate's money tracker and business management app, OZÉ Photo: Dare to Innovate

3. Marketing & Sales

Marketing and sales trainings focus on teaching a commercial mindset to subsistence entrepreneurs or micro-entrepreneurs, such as smallholder farmers or sales agents. The idea is to provide BoP entrepreneurs with the tools they need to better understand their customers and the markets in which they operate. Armed with marketing and sales knowledge contextualized for the particular community in which they work, BOP entrepreneurs can define a marketing strategy that allows them to increase sales and grow their earnings.

TARGET OUTCOMES

- Concepts and elements of marketing
- Target market assessment
- Costing and pricing
- Creating a marketing plan that includes constraints and solutions

WHEN TO USE

Although marketing and sales trainings tend to be provided to subsistence entrepreneurs, this skill set can be beneficial for all types of entrepreneurs looking to leverage context-specific marketing information to better understand and target the needs of their customers.

KEEP IN MIND

- **Include pertinent field trips in your training program.** Many organizations, including World Vision's Ensure Training Program for smallholder farmers in Zimbabwe, have made good use of field trips, such as visits to local markets where subsistence farmers can analyze products and prices while creating a marketing plan.

- **Support the development of context-specific strategies.** Marketing and sales techniques are universal across sectors. Even so, BOP entrepreneurs have limited access to traditional marketing channels and therefore need to develop context-specific strategies.

- **Achieve confidence as a byproduct.** Creating a marketing plan can allow BoP entrepreneurs to feel more secure, making them less likely to feel threatened by small shocks, (whether environmental, physical, or political) and more likely to take calculated risks that allow them to grow their businesses.

4. Financial Management

Trainings focused on financial management can give BoP entrepreneurs a leg up in running their businesses. For example, PACT's Worth Program created a curriculum for women that provides financial tools for beneficiaries to borrow money, create a group-lending mechanism, and even have their own businesses.

TARGET OUTCOMES

- Costs and revenues
- Bookkeeping
- Managing personal savings
- Managing credit

WHEN TO USE

Financial management training can be especially helpful for aspiring entrepreneurs and micro-entrepreneurs already running their own businesses.

KEEP IN MIND

- **Use visual aids to teach quantitative skills to non-literate BOP entrepreneurs.** Trainers have developed many visual strategies for teaching financial management skills to a non-literate population, including simple graphics or charts instead of spreadsheets, short videos, and apps or learning modules for tablets.

- **Content must be relevant to the audience.** Examples and activities must be tailored to the participants' reality to ensure that they are more likely to retain information and apply it to their particular context.

FINANCIAL MANAGEMENT TRAINING IN ACTION
International Labor Organization (ILO)

Approach: Peer-to-peer learning   **Population:** Vulnerable & marginalized communities
Level of Education: Low literacy as well as secondary school
Setting: Remote communities and refugee camps   **Link**: https://cb-tools.org/

The ILO created Community-Based Enterprise Development (C-BED) to target underserved, marginalized communities. The low-cost, easy-to-implement training approach helps entrepreneurs and micro-business owners plan and improve their businesses. Carried out without external trainers or resources, C-BED relies on action-based group learning best suited to contexts with low institutional capacity and limited resources. Participants work together in small groups, sharing existing knowledge and experiences to solve problems, help each other understand formal business concepts, and develop stronger skills for business improvement.

The ILO's curriculum is comprised of two core C-Bed training packages, one for aspiring entrepreneurs (AE) and another for small business operators (SBO). While AE trainings teach aspiring BOP entrepreneurs to identify and develop new and different business ideas, SBO trainings support BOP entrepreneurs as they grow their existing businesses. After working through hands-on activities that teach key business concepts such as book-keeping, productivity, understanding the customer base, and costing, participants reflect on the training's lessons and document concrete steps that they can take towards launching or developing their own businesses.

To date, more than 60 organizations in 14 countries are using C-BED across Asia and the Pacific, including government ministries, employers' organizations, trade unions, UN agencies, NGOs, the private sector, and academic institutions. Oxfam, Plan International, CARE, and others used C-BED to reach over 50,000 families who lost their livelihoods when Super Typhoon Haiyan struck the central Philippines; ADRA, Solidarites Internationale, and others provided support to refugee youth in camps along the Thailand-Myanmar border; and a recent Guinness World Record-setting training event was held in Cambodia, where over 2,000 young people took part in a highly participatory C-BED seminar on entrepreneurship.

> DTI effectively paired a co-creation approach with entrepreneurship skill set building.

ENTREPRENEURSHIP TRAINING IN ACTION
International Labor Organization (ILO)
LEARNING MODULES

C-BED for Aspiring Entrepreneurs

C-BED for Aspiring Entrepreneurs with a Gender Emphasis

C-BED for Small Business Operators

C-BED training in Luang Prabang, Laos. Photo: Industrial Labor Organization

ACKNOWLEDGMENTS

Quechuan women reviewing their business plan as part of the Empowered Entrepreneur Training in Yamparaez, Bolivia. Phot: Anjali Shankar

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