

The logo for BEST (Business and Entrepreneurship Support Tanzania) features the word "BEST" in a bold, white, sans-serif font, slanted upwards to the right, set against a solid black rectangular background.

**BUSINESS AND ENTREPRENEURSHIP SUPPORT
TANZANIA
P.O. Box 13099 Arusha
Tanzania**

**Fax 027/ 2544092 Tel.027 2509397
E- mail: best@habari.co.tz**

Title of the project:

Capacity building of micro-entrepreneurs in business skills.

Report of activities: November 2005 to November 2006.

Nambala, Malula, Kolila and Valeska Arumeru District

Submitted by,

Praise Ngowi, Manager BEST

November 2006.

TABLE OF ABBREVIATION.

AHEAD- Arumeru Holistic Empowerment and Development.

BEST- Business and Entrepreneurship Support Tanzania.

TOT- Train of Trainers

GMT- Grass-root Management training

RMA- Rapid market appraisal

PCC- Project Coordination Committee

CCC- Community Coordination Committee.

TABLE OF CONTENTS.

Title page	(i)
Table of Abbreviation	(ii)
Table of contents	(iii)
Project Summary	1
Summary of current report	2
General context	3
Enumeration of the projects objectives	3
Implementation/Activities/Results	4
Progress towards project purpose and overall objectives	4
Quality factors	5
Conclusions/Recommendations/Lesson learned	6

PROJECT SUMMARY.

Title of the project: Capacity building to micro-entrepreneurs in business skills

Responsible personnel: Manager.

Contact address: P. O. Box 13099 Arusha. Tel 027 250 9397 e-mail best@habari.co.tz

Time covered 12 months, November 2005-November 2006.

BEST Objectives:

BEST has the main objective of alleviating poverty among micro-entrepreneurs through the provision of training of business management skills and business development services. BEST has the role of capacitating micro-entrepreneurs in the development of business services to generate income, which will subsidize the standards of living. In addition, it has the task of stimulating supporting and the small-scale entrepreneurs in Nambala, Malula, and Kolila and Valeska village. It also has the responsibility of creating gender sensitivity to those villagers in process of conducting training on business and family.

Main results

Through the AHEAD project micro-entrepreneurs of Nambala, Malula, Kolila and Valeska has managed to learn business skills that enlightened them on better methods of conducting business and realizing profit. Micro-entrepreneurs are now keeping records. In the beginning, it was hardly to find records to the micro-entrepreneurs.

Entrepreneurs have covered the modules on generating business ideas, business planning, record keeping, marketing, costing and pricing and gender and development. The trainings have oriented clients on better methods of doing business. Entrepreneurs are able to utilize skills they learnt from the trainings to improve their traditional way of conducting businesses. Now they make business plans as well as keeping business records. Entrepreneurs are marketing their products inside and outside their villages. Therefore more sales have been realized and hence more profit.

The increase of profit has changed their lives, as they are now able to access more commodities as well as meeting their daily requirement such as food, clothing and education for their children. Their houses have been improved and well furnished. The purchasing power for entrepreneurs has increased.

Main activities:

The main activities conducted were mostly the mobilization and training of the micro-entrepreneurs, training of business management grassroots committees on project management, identification and training of business local facilitators who will continue to train others after project phase out. Through mobilization, different groups were formed

for being trained on business skills. Business management and business development skills were taught to micro-entrepreneurs of Nambala, Malula, Kolila and Valeska. The micro-entrepreneurs have come up with identification of four new income-generating activities to be implemented. These activities draw resources, which are locally available, and at the end, the micro-entrepreneurs will realize profit from them.

Main constraints:

Clients who were not interested to be enrolled to the program in the beginning are now asking for the trainings while the project is coming to an end. Some villagers still cannot read and write. Therefore, it is difficult for an evaluator to see the proper business records although from their knowledge they believe they have made profit out of their business. Delay of disbursement of funds has created problems because the targeted clients had to engage in activities of all implementing partners at one time.

Conclusion.

The project has made people change their mode of life. They realized the existence of resources in their local areas. What is important is the awareness creation and training on the usage of the existing resources. From the awareness creation and trainings of business management, villagers are now being occupied with business and agribusiness activities. Within a short time lives of the villagers have positively changed. People are anxious to learn more as they are now awake.

Executive summary.

The project started by conducting basic assessment needs to the trainees to come up with the reality of the required training. It was found that the most of trainees were not aware on how to conduct a profitable business. So BEST prepared the training curricular which could fit their requirements.

The micro-entrepreneurs were taught on business idea generation, business management skills, pricing and costing, marketing and records keeping.

In the process of training BEST formed the group coordinating committee, which will coordinate training activities at the village level. The committee was very active in coordinating activities. The committee acted as a bridge between BEST and the micro-entrepreneurs. The committee was trained on supervision skills for the purpose of conducting the project activities at the village level. BEST identified local business trainers and trained them so that they will continue teaching others when the project phases-out.

Training was very effective to the micro-entrepreneurs. They are now keeping records, which help them to monitor the trend of their businesses and realize profit. The beneficiaries have started realizing the need of business training. Now they are asking for more training on the same topics in a more elaborated way and possibly the advanced training on business.

General context

Before introduction of the project, people were very poor, their standard of living was real poor. There were no proper houses neither could they contribute money for their own development. Children could hardly go to school. There was drop out due to inability to pay school fees and books and school uniform. Nutritional status of people was also worse.

The project has made people realize their own weaknesses and become aware of the resources and opportunities existing in their localities. The skills gained from the training improve their businesses. As a result entrepreneurs are marketing their products inside and outside their environment and hence realize more profit. The profit obtained is utilized for improving their living standards through purchasing of household items to buy food ingredients that enable them to eat a balanced diet. Good houses have been built which ensure security and shelter.

One group of Valeska has managed to purchase a Landover to ferry their goods to and from the market. The same incidence happened in Nambala where two entrepreneurs managed to buy cars so that they can ferry their vegetable products to and from the market. Children are now attending school properly.

Enumeration of the Project objectives:

Training and development of business skills

The objective of the program is to improve the livelihood of the poor households of the two divisions of Kikwe and Mbuguni in Arumeru District through capacitating micro-entrepreneurs as a way of slowly alleviating poverty among them.

BEST sensitized and train micro-entrepreneurs on business management skills and identify new income generating activities for them. The reason is to have entrepreneurs engaging in activities that will generate profit.

The new IGA draw raw materials from local environment. The products are modified for assuring additional value. With more value entrepreneurs' sales more and thus realize high profit. The profits derived are used for business expansion, subsidizing household's matters and activities relating to family matters.

Business and family

The subject of business and family is very essential as it differentiates family and business matters. Through the trainings, people/entrepreneurs become aware of what they are supposed to do and why. The family issues stay away from the business. Business operates on its own and only the profit is used for home consumptions and savings.

Activities implementation.

BEST has implemented the following activities in year 2006:

Training of entrepreneurship in Nambala village

The entrepreneurship trainings were conducted in Nambala village at different times. The plan was to conduct trainings to 100 people in total. However the trained clients increased the proposed number by 30%. So there were 130 clients trained on entrepreneurship. The reason for this increase was the result of high sensitization and motivation among business entrepreneurs through the training provided by BEST which was found to be useful. The training emphasized on Business management and development skills.

Despite that the project operates in the village for consecutive four years, entrepreneurs considering trainings coming to an end. So they enrolled to the course to utilize the final opportunity. Nambala being the first village of the project intervention, entrepreneurs took the initiatives of learning business skills and accessed loans to increase their working capital. More shops have been established as a result of business management trainings. People are now accessing the commodities at the nearest point.

Entrepreneurs are applying the skills they learnt in doing business. They keep business records. With records it is easy to trace problems within the business trend and rectify it in early stages.

More people are now requesting further training as they found business skills to be the essential aspect in conducting business.

Training of entrepreneurship in Malula village

In Malula village, the target was to train 100 micro entrepreneurs. Instead, BEST has trained 139 clients. There is an increase of 39% trainees. The reason for this increase is almost similar to those of Nambala. In Malula, a semi dry area people are considering businesses as an option during the dry season. Their main business is buying and selling cereals. So they have seen the need of acquiring business skills so as to enable them to effectively run their businesses. Also entrepreneurs acquired marketing skills that provided opportunities for securing markets for their products.

Now Malula business micro-entrepreneurs are utilizing and abiding to the business skills. Before training, they could not monitor or evaluating the business trend. So they could run into a loss without knowing, but after training, they can keep records of their business. Like other villagers people are now asking for more training as they found the necessities of having business knowledge in conducting business.

Training of entrepreneurship in Kolila village

BEST targeted to train 100 entrepreneurs in Kolila village. Instead, BEST trained 145 clients. There is an increase of 45% trainees. As noted, the percentage increases as you go away from Nambala village. This implies that more clients in the remaining villages are interested to join the trainings as compared to Nambala. The demand for the business

management training is high. Due to the fact that project is coming to an end, people want to use the opportunities of having BEST trainers in their village. Thus they want to learn more skills in a short period. Entrepreneurs at Kolila use the opportunities of their location nearby the famous Kilimanjaro International Airport to sell some of their goods. Also they sell their products in their Kolila market and in the nearby markets of Kikatiti, Tengeru, Arusha and some in Kilimanjaro Region.

Training of entrepreneurship in Valeska village

In Valeska entrepreneurs are highly motivated. Within a short period entrepreneurs learned and applied skills to improve their business.

The target was to train 100 micro entrepreneurs in Valeska village. Instead, BEST has trained 148 clients. There is an increase of 48% trainees. The increase of 48% has resulted due to high sensitization and motivation among business entrepreneurs through the training provided by BEST, which was found to be useful. The training emphasized on Business management and development skills.

People at Valeska are highly sensitized on the duration of the project in their village. So many entrepreneurs took the advantage of the training to maximize their training needs towards their business. Valeska being located near the famous mining area (Tanzanite Mererani) utilize the skills to intensify the opportunities.

People at Valeska have become real entrepreneurs to the extent that they trade outside their villages and nearby regions. One group of entrepreneurs managed to purchase a land rover to ferry their goods to the selling points.

Micro-entrepreneurs are abiding to the business skills. Before training, they could not trade in their villages and hence realize low profit. After training they explore opportunities in other regions like Singida and Dare-es Salaam where they sell and purchase raw materials for their products. They keep business records. So it is easy to trace the trend of the business.

Due to importance of the training, entrepreneurs are very anxious to learn more. This is why they are asking for more training and possibly the advanced training on business management.

To conduct follow up visits to trained entrepreneurs

BEST conducted follow up visits to trained micro-entrepreneurs of Nambala, Malula, Kolila and Valeska as follows:

Nambala: The target was to conduct follow up visits to 20 micro-entrepreneurs in Nambala. Instead, 28 entrepreneurs have been visited at their businesses and provided with advices on running businesses, proper record keeping. Advise on diversification of sources of income were also given. They were asked to engage in the identified new income generating activities as additional sources of income.

In Nambala 63, entrepreneurs have been trained on production of draught resistance paddy, vanilla jatropa tree and flowers seed production as new income generating activities.

Malula village

The target was to conduct follow up visits to 20 micro-entrepreneurs in Malula. Instead, 32 entrepreneurs have been visited at their businesses and provided with business advisory service. The advice focuses on better ways of running businesses, proper record keeping.

In Malula 50, entrepreneurs have been trained on poultry keeping. 60 clients learned and acquired skills on producing draught resistance paddy, vanilla, jatropa tree and flowers seed production as new income generating activities.

Kolila village

The target was to conduct follow up visits to 20 micro-entrepreneurs in Kolila. Instead 34 entrepreneurs have been visited at their businesses and provided with advices on operating businesses, proper record keeping and identification of new income generating activities. In Kolila 60, entrepreneurs have been trained on production of draught resistance paddy, vanilla and atrophia tree as new income generating activities.

Valeska village

The target was to conduct follow up visits to 20 micro-entrepreneurs in Valeska. Instead 34 entrepreneurs have been visited. Business advice was given at their business sites. Elaborations on proper record keeping, reasons for identifying new income generating activities as additional sources of income was given. In Valeska 90 entrepreneurs have been trained on production of poultry keeping and 60 entrepreneurs trained on production of draught resistance paddy, vanilla and jatropa tree as new income generating activities.

Much interest was shown to the indigenous poultry training due to high demand of indigenous chicken in the Arusha town and Mererani mining area. They are sure of more income if they engage in poultry keeping.

Training of Business management grassroots committee

The business management grassroots committees of Nambala, Malula, and Kolila and Valeska villages was trained on their roles and responsibilities concerning project sustainability and follow up strategies after project phase-out. The committee is composed of 8 members in each village.

Training of Local business trainers

As a step towards project sustainability, BEST conducted a phase out strategy. In the strategy 36 Local business trainers were identified. In each village 9 members were drawn. The 36 local business trainers were trained on adult learning techniques and adult psychology, facilitation skills, advanced entrepreneurship and business skills so that they will continue teaching others when project phase-out in Nambala, Malula, Kolila and

Valeska village. The training took five days classroom sessions and practical side of it. Local facilitators visited local trainers in Moirowa village at Monduli and exchange views with current local facilitators. They managed to see how local facilitators at Monduli conduct presentations to the clients. In each village the village chairman was a mandatory to be in a course so as to be able to support the trainings after phasing out.

Training of BEST staff

BEST staff enrolled to a distance-learning course on entrepreneurship skills. The reason is to capacitate him with skills to train small and medium entrepreneurs on entrepreneurship and business management.

Attending PCC meetings

The project decision organ is PCC. In PCC all problems and project progress is discussed by the four implementing partners, representative from the community, The District authority and from Trias office. The meetings were successfully conducted as scheduled.

Progress towards project purpose and overall objectives

The progress towards projects purpose and over all objectives is positive in all villages. The progress realized as from November 2005 to November 2006 can be analyzed from the following sequence:

Increased and diversified production and business

In Nambala village, entrepreneurs have showed interest in the business management training. They apply knowledge and skills they learnt from business trainings in improving their businesses.

They have become more entrepreneurial by introducing new shops to the village. In the first instance, there were three shops. Now there are thirty shops. This implies that, people can access their commodities in nearby area than before.

In addition, people/entrepreneurs are committed themselves to different kinds of businesses such as agro-businesses. They cultivate vegetables such as **tomatoes, eggplants, okra and pepper** which for commercial. Men and Women have become entrepreneurs in the extent that they are now applying irrigation schemes for watering their crops for more yield and increasing sales volume. They keep records of inputs they invested in agriculture and keep using it to set prices for the selling their products.

In Malula and Kolila villages the entrepreneurs acquired business skills have engaged in business by establishing small shops, others involved in selling of grains such as maize and beans to the middlemen who sell to big businesses people. The entrepreneurs are setting their own prices so as to realize profits. Through profit earned they have established new business like food venders and bricks making especially for men.

In Valeska village, entrepreneurs have engaged in business of selling grains such as beans and maize on profit basis compared to the beginning of the project. They sell their products within and outside the villages. Through entrepreneurship knowledge,

entrepreneurs have diversified sources of income by engaging themselves in agro-business activities. Nowadays people are busy. It is hardily to find some one idle as it was in the beginning.

Increased self-employment

Those who have undergone business management trainings have increased employment opportunities. Entrepreneurs having a shop, selling vegetables and establishing bricks production is able to employ a person to help her/him in one aspect.

Diversification of sources of income

The project has enable entrepreneurs to diversify sources of income. According to the knowledge gained in the training especially in marketing aspect, they are now able to make market survey and produce commodities that are highly demanded. They are applying entrepreneurial skills by shifting from one commodity to another depending on the demand and supply of that commodity.

Therefore, villagers in the four villages are taking advantage of the four partners to alleviate poverty. They are now making the sustainable earning from agriculture and they can get access to credit, learning business skills for improving their skills in business management.

The entrepreneurs in the four villages have built better houses, they are now able to eat three meals per day; also, they have contributed money for the development activities such as construction of wards secondary schools and primary schools. The micro-entrepreneurs in the four villages are now asking for extra training to enable them to improve and advance their businesses.

Quality factors.

- a. All stakeholders are satisfied with their involvement in project management. Beneficiaries are ready to take part in the implementation of the project. They take the project as theirs and not something from above so they are ready to sustain it.
- b. The government policy concurs with project implementation policies.
- c. The project is very relevance to the stakeholders. Due to its relevance, community earmarked to be served, is anxious to learn and to cope with changes introduced by the project as the means of implementation and achieving the results.
- d. All stakeholders are encouraged by the direct outcome from the project at a very short period.
- e. Men and women found the project in a positive way. They all value it. Thus every one is playing her/his role in implementing the project.
- f. Capacity building and development to management and the trainers have been conducted to ensure proper implementation of the project. CCC members are trained on supervising skill to be able to supervise the micro-entrepreneurs.

- g. The project is intended to cover the operational costs by contributing training fees to BEST if BEST is to provide training when the project period ends. The community will continue to be supervised by the CCC and local business trainers who will be at the level of the village.

Conclusion.

The main lesson learned from this phase of implementation is in the factual of commitment of all stakeholders. Poverty is a problem, which needs to be addressed jointly by different actors.

In Nambala Malula, Kolila and Valeska villages different actors from different angles are tackling the question of poverty. BEST has played its role of teaching and advising the micro-entrepreneurs. There is a great change within a short time. Micro-entrepreneurs have changed their attitude of not keeping records. Now they can manage their businesses the way they were taught and keep proper records. The entrepreneurs are ready to learn from each other for betterment of their businesses.