



MANAGEMENT OF FISHERFOLK MICROENTERPRISES

A manual for training of trainers



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By

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The Bay of Bengal Programme for Small-scale Fisheries Development (BOBP) has, in its work with small-scale fishing communities, seen a need for alternative employment opportunities in coastal areas where fish resources are heavily exploited. The creation of small village businesses is one strategy for individual upliftment as well as strengthening village-level economic development. Experience has shown that many very small businesses or microenterprises fail due to lack of managerial skills. The idea of imparting basic business skills through experienced field workers of Non-Governmental Organizations (NGOs) was thought of as a means to provide already existing as well as future microenterprises with on-the-spot managerial advice. This practical manual on small business development is the outcome of this belief.

The manual will be of help to NGOs already involved with fisherfolk as well as those interested in such work, in the training of village-level field workers. Translation, adaptation and reproduction of this document is encouraged.

The Bay of Bengal Programme (BOBP) is a multiagency regional fisheries programme which covers seven countries around the Bay of Bengal: Bangladesh, India, Indonesia, Malaysia, Maldives, Sri Lanka and Thailand. The Programme plays a catalytic and consultative role: it develops, demonstrates and promotes new technologies, methodologies and ideas to help improve the conditions of small-scale fisherfolk communities in member countries. The BOBP is sponsored by the governments of Denmark, Sweden and the United Kingdom, and also by UNDP (United Nations Development Programme). The main executing agency is the FAO (Food and Agriculture Organization of the United Nations).

This document is a training manual and has not been cleared by the Governments concerned or the FAO.

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INTRODUCTION

What is the need for fisherfolk to generate additional incomes from nonfishing activities? Why not concentrate on increasing production of fish?

Fish are a natural resource and, like other natural resources, are prone to over-exploitation. Increased production would mean depletion of this resource as is already being felt in many countries.

REMEMBER:

- YOU CAN CATCH FISH ONLY ONCE.
- IF YOU CATCH THEM ALL TODAY, YOU CAN'T CATCH ANY TOMORROW.
- IF YOU CATCH THEM SMALL, YOU CAN'T CATCH THEM BIG.

It must also be remembered that income from fishing is seasonal. Then how does a fisher-family survive? The answer to this may lie in **generating income** from nonfishing activities.

What do we mean by 'income' from 'nonfishing activities'?

The most common such activity is to work as a labourer in a nearby agricultural village, factory or city. But employment opportunities are not always available.

The second possibility is for the fisherman to use his spare time for some income-generating activity of his own, *e.g.: A fisherman growing vegetables*. By growing vegetables

- he could use them for personal consumption, which means the family would not have to buy vegetables, thus saving money;
- alternatively, the vegetables could be sold and with the money (income) earned he could buy other necessities: and
- of course, he could always do a little of both.

Let us take a look at what income means. By 'income' we mean 'money' or 'goods' that are received by a person for doing work, producing something, or giving someone something they want.

By 'non-fishing activities', we mean any other work possible in the locality, or in easily accessible nearby localities, but which

does not have anything to do with fishing. Some such activities could include:

- Handicrafts manufacturing.
- Food processing.
- Fruit, vegetable or fish farming.
- Animal husbandry.
- Trading.
- Repair services.

What is an ‘enterprise’?

An ‘enterprise’ or ‘business’ may be defined as an organization which employs resources like money, materials and skills to provide goods and services to others and whose goals are to produce a profit for its owner so that, essentially, he can survive and grow.

The enterprise, to start with, would depend on what the individual is capable of and what the needs are in the area he plans to start the business in. The ‘size’ of the enterprise envisioned here would be very **small**, involving a minimum investment and which the owner himself would be comfortable managing. This is what we call a **microenterprise**.

What do we mean by ‘micro’ and why should we have a microenterprise?

By **microenterprise** we mean a business which is very small and within the financial means and capabilities of fisherfolk who may not have business experience. The ‘manager’ of such an enterprise will be the main person, if not the only person, carrying out all the work. Though a microenterprise is small to begin with, it can grow, depending on the success the owner/manager makes of it.

What should the microenterprise do for the owner, and how?

The enterprise should be such that it helps the owner to increase his earnings.

Earnings can be increased by

- utilizing all resources in the owner’s household in terms of skills, money etc., and
- minimizing the risks in the business, *i.e.* by being in a viable business and managing it effectively.

However, experience has shown that microenterprises often fall far short of their potential, essentially due to lack of managerial skills in the entrepreneurs and lack of access to people with these skills.

A microenterprise seems so small and familiar to the one or two people running it. What is the necessity for management inputs?

A business, however small, would benefit from management inputs, which take a fresh look at how healthy the enterprise is and how to make it stronger.

Management should be seen as a tool which will enable the owner to comprehend the entire business and ensure that the business is successful and makes money.

There are many situations where attention not paid to certain aspects has meant bankruptcy or non-profitability, *e.g. the woman who wanted to rear ducks, but invested all her money in buying ducklings, leaving no money to buy their feed*. Anyone, in hindsight, would tell her she had to plan for a place to keep the birds, estimate the time it would take for them to grow to a size where she could either sell their eggs or the birds themselves, and how much feed she would have to invest in before the ducks would bring in money. In short, she would have to consider the entire business cycle. But must this be in hindsight? Of course, not! Such concepts could be conveyed to fisherfolk interested in starting any business by nongovernmental organizations (NGOs) who are in regular touch with them.

A successful small business can play a valuable role in increasing the standard of living of the fisherman involved. But the business will, most likely, be new to the individual. He would have had no natural opportunity to learn from his parents or by apprenticeship — a normal way of learning. This makes microentrepreneurs very vulnerable in their ventures. NGOs could play a vital role in helping them make a success of their business.

What kind of help can an NGO provide?

The NGO could play an important role in all aspects of business development amongst fisherfolk — right from encouraging the business spirit, to helping them identify businesses, set them up and run them.

How can an NGO provide this kind of help?

The best way would be through a team of dedicated field workers who would act as advisers to the fisherfolk.

These field workers would, in turn, be given inputs from time to time to strengthen their confidence in the role they play in helping microenterprises. Of course, no amount of training can substitute for actual experience — and that they will, eventually, gain on the job.

What kind of training can be given to these fieldworkers?

Fieldworkers can be trained to:

- Understand the various aspects involved in starting and running a business.
- Understand their role in helping microenterprises and how best they can do it.
- Learn from their own experience, as no amount of training can substitute for experience.

This manual is the first step in the development of training inputs for the consultant. With use over a period of time, the manual should evolve and become fine-tuned to the needs of the consultant.

Will the manual help the fieldworker become an ‘expert’?

The answer is ‘No’. Though certain basic features are common to all businesses, each business and its particular situation varies. This manual attempts to

- highlight the various concepts involved in managing a business;
- apply the concepts in different situations; and
- help the consultant to transfer the concepts into the actual business situation

As the consultant is unlikely to be an expert in the ‘techniques’ of the particular business, he should be able to obtain expertise whenever required. Over a period of time, the consultant will be able to build up a wealth of experience.

How is the manual organized?

The material has been organized in three sections:

- Section I — Starting a Business.
- Section II — Running a Business.
- Section III — The Fieldworker Consultant

The sections include:

- Reading material which could be shared with the trainees.
- Activities for the participants.
- Instructions for the trainer.

This is in as simple a language as possible and conveys the basic concept. Each chapter outlines at the beginning what is to be covered in it and highlights at the end the main points discussed.

Illustrations have been given wherever possible.

It would be necessary for the trainers and the field workers to make the material more location-specific.

In using the material, the trainer would have to build around it, using his own experiences.

Increasing participation will lead to clearer business ideas and better learning. The trainer can encourage participation by

- obtaining ideas from participants; and
- helping participants to reflect on their field locality and identify situations where the ideas would be applicable.

Activities

Each activity is to be explained to the group.

Everyone is to be encouraged to participate.

Each activity has outlined for the trainer

- its objective,
- the materials required, and
- the role of the trainer in guiding it.

Note: The trainer may alter the actual activity, as long as the objective is achieved.

Instructions for Trainers

Notes for the trainer are included in the material and have been put alongside the text. These essentially relate to

- the use of the reading material, and
- the points to be 'highlighted'.

How many consultants should be trained in one session?

Though the manual has not been used as yet, we would recommend 10-12 persons in one session.

Flow long will the entire training programme take?

Again, this manual has not been used for any training as yet. However, we feel a minimum of 8-10 days would be required to convey the basic concepts. Long-term training, with field visits and practical activities, might take upto 4 weeks, and would give the field worker more confidence than a shorter course.

The manual is to be used as a reference point to which material may be added or subtracted. The trainer may choose to cover some aspects in greater depth and some to a lesser extent. The trainer may also choose to cover any specific section or specific aspect of a section in depth.

Where should the training be done?

The training could be done in the conference room of the NGO. However, if this would mean interruption of the sessions, it would be better in a place away from the office. Field locations can offer more peace, lower costs and the opportunity of field visits.

Who would do the training?

Obviously a 'Trainer' who is familiar with business concepts and who has some experience in working with microenterprises. It would be preferable if he has at least been exposed to fisherfolk and fisheries before undertaking the task.

However, the participants should be exposed to senior members of the NGO they belong to, who should convey to them

- the importance of their task, and
- their willingness to reply to queries from the participants, especially those seeking help/assistance.

It may be a good idea to have a few sessions with:

- Experts in fields where fisherfolk microenterprises could be successful.
- Government programmes and funding NGOs, to outline the help they can give.
- Banks, cooperatives, etc., to outline what role they could play.

Is the training to be a 'one-time effort'?

No training programme can be successful if it is just a one-time effort.

The objective of the training is to give inputs to the field workers to help them to be effective.

What we envisage is a 'Training System' for consultants which could be described as follows:

NOTES

I

1. First Training Session

A. Give basic inputs.

B. Prepare a plan of action.

2. Field Experience

A. Record experience.

B. Note down problems faced.

C. Whether solved — Yes / No.

D. If 'yes', how they were solved.

3. Second Training Session

A. Brings his < > Group learns from each other experience and shares it.

B. Group identifies the problem

areas and the inputs they would like in terms of:

- Managerial concepts.
- Technical expertise.
- Contacts with funding NGOs/government programmes/financial institutions.

4. More Field Experience

5. Third Training Session

A. Additional training inputs identified in second session

B. Activity plan drawn up by consultants;

- Their role.
- The help they'll need from organizations/and experts.

This process is obviously endless. But, essentially, a minimum of three sessions will be required to

- Get any practical results from the training; and
- Reinforce the seriousness of the effort.

Incidentally, this will also help in firming up the training modules by determining:

- Which concepts are required at which stage of a field worker's efforts.
- In what depth each concept is to be covered for field workers with different levels of experience.
- Additional concepts/areas to be covered in the manual.