Enterprise Development Training Course

DAY SEVEN - SESSION TWENTY THREE

The Enterprise Experience - Conclusion

Objective: to enable participants to present and share the results of their enterprise experiences.

Time: Approximately ten minutes per enterprise plus one hour for discussion

This session normally includes a refreshment break.

Advance Preparation and Materials:
Participants should have handed in the completed accounts for their enterprises the day before, in order to enable you to assess them and to identify the prize winner(s) with the highest profit per member and the best kept books.

They should also have been asked to prepare a simple presentation for this session, summarising their financial results and identifying the lessons they have learned. You should have three simple prizes ready to present to the prize winners, ensuring that there are enough separate items to cope with winning enterprises which are owned by more than one person.

Session Guide

1. If any participants borrowed money from the course organisers, and it has not yet been repaid, they should repay it now, with any interest due, and whatever security they deposited should be returned to them.

If the owners of any enterprises cannot or will not repay their loans, the security should be sold to the highest bidder from the class, and any balance remaining from the proceeds after recovering the loan should be returned to the defaulters.

This has never actually happened, but participants should understand that the enterprise experience loans, like any loans, are meant to be repaid. Any difficulties that arise when disposing of the security can be used to demonstrate the problems of taking effective securities from members of a close-knit community.

2. A representative of each enterprise should then present their financial results, showing the beginning and ending balance sheet for the business and the profit and loss account for the complete period which explains the difference between the two sets of figures.

The presentation should also include a brief statement of what the owners learned from the experience and what changes they would make if they had to run the same business again.

3. The first prize should be awarded to the owner(s) of the business which has made the highest profit per owner. The profit should be calculated before any withdrawals the participant may have taken as a wage or personal drawings for him or herself. If they have paid wages to others, of course, then those are deducted as costs. If they have any equipment or unsold materials or stocks at the close of business, the value of these should be conservatively estimated for the purpose of calculating the total profit.

The second prize should be awarded to the enterprise which has the best set of accounts. These should be judged before this session, on the basis of their completeness, their accuracy and the neatness and presentation. Some of the figures may show that the participants who have prepared them still do not understand the meaning of a balance sheet. Use these examples in this or in one of the forthcoming summary sessions to remind participants of the basic principles of accounts, but stress that it is you, the instructor, who has failed to help them to learn properly, those who have made mistakes should not feel embarrassed.
The third prize should be awarded on the basis of participants' voting (by secret ballot) for the enterprise which provided the best service to participants who were its customers.

4. The enterprise experience should be enjoyable, and the awards of the prizes should not be taken too seriously. Nevertheless, it is important that participants should appreciate that it is a serious learning experience, and that it should indeed have demonstrated that if lessons are enjoyable they are more likely to enable students to learn than if they are boring.

The experience should also have helped participants to understand a number of important issues. Start discussion by writing these rather extreme statements on the board and asking whether the experience has changed their views on any or all of them.

- Formal accounting records are neither feasible nor useful for small businesses.
- Individual businesses are more likely to be successful than group enterprises or partnerships.
- Business opportunities are best identified by the people who are actually going to own and manage them.
- Low prices are not the main reason why people buy things.

5. Finally, ask participants whether they can think of other groups for whom the enterprise experience might be used as a training tool.

Suggestions might include groups such as:

- Young people who are about to leave school and who are unlikely to be able to find jobs; this experience can introduce them to self-employment.
- Educated unemployed youth who have been trying to find jobs for some years and who have skills on which they might base their own businesses.
- NGO field workers who are starting to work in enterprise development.
- Civil servants or others who are about to retire and who may need or wish to start their own businesses.

If some participants may actually be able to use the enterprise experience as a training tool, ensure that they know they can obtain copies of all the session guides from the Rural Finance Learning Centre (www.ruralfinance.org) training guides section.

Note
At the end of this session provide participants with a form containing a list of all the session numbers, i.e., 1 - 23 and ask them to write a letter beside each to rank them according to the following scale:

A = Excellent  B = Good
C = Mediocre  D = Waste of Time

They should not write their names on the forms. Collect the completed forms and collate the results before the final session.