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NOTE FROM THE FIELD

Microenterprise Trainers Reach Refugees

Improving Business Management Training in Post-conflict Situations



Trainees learn best business practices.

“This business skills training will be appropriate for our clients because it is practical. Clients will love it!” A Sierra Leonean service provider described the business skills curriculum she learned, which will help her to improve her services to clients.

Shoshana Hecker of Making Cents and Tim Nourse of the American Refugee Committee, International (ARC) submitted this *Note* about their joint efforts to provide effective business development services to microentrepreneurs in post-conflict situations.

Making Cents and ARC tell the story of their collaboration in Guinea and Sierra Leone, which has helped microentrepreneurs practice better business and financial management, and non-governmental organizations (NGOs) to provide services on a cost-recovery basis. During their work, they learned the importance of selecting trainees wisely, how to provide training to a semi-literate population, and strategies for selling training services in post-conflict situations. The success they have realized so far holds important lessons for assisting microentrepreneurs in post-conflict situations. Hecker and Nourse write:

“Since 1996, ARC has been providing loans and business skills training to Liberian refugees through its Income Generation and Microenterprise Development Program, supported by the U.S. State Department’s Bureau of Population Refugees and Migration and the UN High Commissioner for Refugees (UNHCR). ARC’s services have helped refugees in camps in Guinea and Sierra Leone to begin and expand income generating activities. When refugees return home, ARC provides them with preferential access to loans through local microfinance institutions. The Refugee-to-Return process has proven an effective enterprise development approach, serving over 20,000 entrepreneurs to date.

“While achieving remarkable results, the ARC staff was unhappy with the quality of its business skills program. Refugees appeared to learn little from the curriculum and had to be encouraged with snacks or fines to attend refresher training sessions. To improve its program and thus to increase client profits, in January 2004 ARC invited Making Cents to conduct their Business Management Facilitator Training Course for its

Sierra Leone and Guinea program staff, and for local NGO staff.

The objective of this training was to build the capacity of participants to deliver effective training to refugee and resident microentrepreneurs. In addition, Making Cents' success in providing business training as a cost-recovery service in Senegal offered ARC the opportunity to complement its sustainable microfinance approach with sustainable business development service programming.

"An initial 19 people were trained. Following the training, the Income Generation and Microenterprise Development Program staff began training refugees using the Making Cents curriculum. Clients found the new curriculum's 'learning by doing' approach more interesting than ARC's previous discussion-oriented approach. Soon, they were lining up for trainings and demanding additional sessions.

"An impact analysis of the program found that clients who had attended the training have a more sophisticated understanding of business management and practice better financial management than those who had not attended. The training appears to have directly impacted their businesses. Sierra Leone staff attributes clients' increase in business assets and their unprecedented 100 percent loan repayment in part to the skills learned during the training. However, staff also found that

the majority of the beneficiaries could use only the portions of the curriculum designed for clients with low literacy levels.

"The local NGOs did not fare as well. After the training, they began to pilot the Making Cents curriculum with entrepreneurs residing near refugee camps and clients of Finance Salone, an ARC-created microfinance institution. While all of the clients appreciated the skills they gained, only one NGO succeeded in selling the services on a cost-recovery basis.

"From this experience, ARC learned to select local organizations based not simply on their training acumen and experience, but also on their entrepreneurial spirit, since selling training services is a radically new concept in a post-conflict environment. It also became apparent that ARC needed to invest significant time in additional marketing, planning, and support of the local NGOs to help them provide the training tools profitably.

"Based on these two experiences, ARC and Making Cents adjusted the training curriculum and composition of participants for the next training session. A more youth-oriented training curriculum was chosen to address the literacy issues that ARC was facing. The two organizations decided to train NGO staff separately from ARC program staff in order to help NGOs market and sell the curriculum to non-refugee clients. This new training round will occur in mid-2005 as part of the

Promoting Linkages for Livelihood Security and Economic Development program, a larger USAID-funded microenterprise development program in Sierra Leone that aims to serve 10,000 microentrepreneurs with business training and financial services. ARC is the technical lead on all the microenterprise development activities under LINKS. Local NGOs will provide the Making Cents curriculum to microentrepreneurs on a partial cost-recovery basis.

"In November and December 2004, a Making Cents consultant and facilitator traveled to Sierra Leone and Liberia to conduct a second and third training. The two 9-day courses included developing plans for the implementation and adaptation of the youth curriculum for use with clients in their communities. The course was based on experiential learning methodology, which brings real-life experience and opportunity into the training room and creates learning that is relevant, immediately applicable, and long-lasting.

"An important component of the program involved the practicum, in which participants practiced their new skills with local entrepreneurs. This practical experience and the feedback helped the trainers to recognize and address their weaknesses. It also provided a 'taste' of the training for entrepreneurs, demonstrating the training's relevance and value, and stimulating the demand for additional training.

“As a result of these training courses, 26 ARC staff members have been certified as Making Cents facilitators. They are now planning to integrate the training into their lending and grant programs. Based on the practicum results, they are confident that they will be able to utilize the new curriculum with their clients to further improve their business skills and confidence. Beyond its application in the refugee camps, the curriculum appropriate for low-literacy participants will prove easier to sell to the general population on a fee-for-service basis.

“In both cases, ARC looks forward to continued collaboration with Making Cents in the delivery of effective and sustainable business training services in post-conflict situations.”

For more information on ARC, please click [here](#). To learn about Making Cents, please click [here](#).