

Appendix 1

PARTICIPANT HAND-OUTS

Pre-Test Questionnaire

Mother's birth date _____

A. Please answer the following questions.*(Please circle)*

1. Do you feel like you could run a business cooperative with other women now? yes no
2. I feel like I can learn new skills to start a business. yes no
3. I can do the following things to start and run a business:

(Circle the words that you feel describe your skill level).

- research *really well well so-so not at all*
- planning *really well well so-so not at all*
- making decisions *really well well so-so not at all*
- financial management *really well well so-so not at all*
- facilitating meetings *really well well so-so not at all*
- resolving conflicts *really well well so-so not at all*

B. Circle the words that best describe how you feel about the following statements.

4. I shy away from trying new things for fear of failure or looking dumb.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

5. I feel good about myself.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

6. I feel that I am a very competent person.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

7. When I have problems I feel like I can deal with them well.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

8. I have control over the decisions that affect my life.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

9. I am satisfied with the amount of control I have over decisions that affect my life.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

10. I can influence the decisions that this training class makes.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

11. The program has more influence over the decisions affecting this training class than the members of the group do.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

12. I feel like the members of this class will be able work together to start and run a business.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

13. I feel like this group will be able to make tough decisions about starting and running a business.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

14. I think the members of this training class could come together to own and manage a business without the help of the program.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

15. I feel like I have a lot of choice about where I work.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

C. Please answer the following questions.

(Please circle)

16a. Do you belong to any community organizations? yes no

If yes, which ones?

Neighborhood association

Economic development group

Women's organization

Church group (in addition to attending services)

Other _____

16b. What is your role in these groups: *(Please circle)*

I attend meetings

I help in the office, typing, sending mail

I help to organize meetings

I organize meetings

I lead meetings

I organize activities

OUTLINE OF TRAINING TOPICS

1. Introduction to Ourselves & Our Vision

- Introductions to get to know each other.
- Identifying expectations from the training.
- Review of program goals, objectives and philosophy.
- Participant feedback on training program and discussion of expectations.

Homework (HW): Fill out the "Work/Skills Chart"

2. Introduction to Coops and Cooperation

- Video, "The Spirit of Cooperation."
- Group discussion and analysis of the principles of cooperatives, the individual/social alternative they represent, and the advantages and disadvantages of cooperatives as compared to conventional businesses.
- Establishing the group's "Principles of Cooperation:" groundrules to promote cooperation and accountability to each other.

HW: Fill out "Assessment of Entrepreneurial Traits," "How Much Time Do I Have to Build a Business?" and "Assessment of Personal Income Needs."

3. Introduction to Small Business Development

- Presentation on the basics of small business: how to start one, why they fail and what it takes to succeed.
- Conduct personal assessments to explore entrepreneurial traits.
- Conduct personal assessments to explore how much time participants have or can allocate in order to build a successful business.
- Examine personal income needs and compare these to realistic estimates of how much income they are likely to earn during planning and start-up .

4. Step 1: Choosing the Businesses: (A) Learning About Our Business Ideas

- Exploring market demand: Presentation by a resource person (or panel of resource persons) on participants' business choices.
- Creating a list of businesses to consider.
- Planning site visits to businesses on the list.

HW: Site visits.

5. Communication in Groups

- Exploring the factors that influence our communication styles.
- Identifying positive and negative ways to communicate in groups.
- Practice disagreeing, and giving and receiving constructive feedback.
- Exploring the role and responsibilities of the process observer.

6. Step 1 (continued): Choosing the Businesses: (B) Exploring Our Skills and Interests

- Reportbacks from site visits.
- Exploring our dreams/interests.

- Exploring our skills/experiences.

HW: Thinking about your top 3 business choices.

7. Step 1 (continued): Choosing the Businesses

- Discussion: Pro's & con's of the business ideas.
- Voting and deciding on three businesses (plus two back-ups).
- Breaking into three committees.
- Review of the feasibility stage: key steps & concepts.

Participant HW: Participants who have not yet done a site visit to a business they are on a committee to research need to do so.

Facilitator HW: Identifying solid list of contacts and resource persons for each business idea.

8. Step 2: Exploring the Market & the Competition; **& Research Skills: Learning how to Create a Research Plan**

- Learning about the market and the factors that affect markets, including customer demand and competition.
- Learning how to create and implement a research plan.
- Creating a plan to research customer demand and competition.

HW: (a) Conducting research on competition; (b) Reading an article about market niches.

9. Research Skills: Learning Interview & Survey Skills

- Learn key research skills including how to conduct interviews and surveys.
- Develop surveys for research into customer demand and competition.
- Practice presentation and interview skills through role plays.
- Increase self-confidence and skill in relating to "experts."
- Practice process observing and facilitation skills.

HW: Conducting research on competition and customer demand.

10. Working in Committees

- Examine democratic process in small groups.
- Critique committee process to date and brainstorm recommendations for improvement.
- Learn problem-solving steps and techniques.
- Understand the role and power of committees in relation to the larger cooperative.

HW: Continued from previous training.

11. Research Skills: How to Analyze & Report Data

- Learning how to compile, analyze and report data.
- Learning how to make recommendations to the larger group.

HW: Committees meet to analyze research findings and prepare

reports.

12. Step 3: How do the Businesses Operate?

- Reportbacks on research into customer demand and competition.
- Learning about business operations.
- Developing a research plan to obtain information about business operations.

HW: Setting up site visits and/or interviews with business owners.

13. Membership, Governance and Management Issues in Coops

- Panel discussion on membership, governance and management issues in coops and collectives.
- Comparison of governance systems, member responsibilities, major internal challenges, ideas about how to deal with them.
- Discussion about structures and processes that group members might consider adopting.

HW: Fill in "What I Need from the Group."

14. Who Am I? What Do I Need? Sharing About Ourselves & Our Needs from Each Other

- Sharing personal information and formative life experiences with each other.
- Discussing what we need from each other and the program in order to commit to starting a business.

HW: Preparing reports on business operations.

15. How will Our Business Operate? Clarifying Goals for the Business

- Reportbacks on business operations research.
- Values & Identity: Exploring members' values about work and running a business.
- Determining members' business operation goals for job creation, skills, work environment etc.

HW: Developing questions for site visits to coops.

Saturday: Site Visits to Coops

16. Step 4: Calculating Business Expenses

- Learning about projections and profit and loss statements.
- Differentiating between different kinds of business costs.
- Committee work: Creating a plan to obtain information about business costs.

Participant HW: Gathering information on costs.

Facilitator/Consultant HW: Gathering information on variable costs.

17. Step 5: Estimating Sales Income

- Learning what income is and how it is calculated.

- Learning how to estimate the “break-even” point for a business.
- Reportback on findings about costs in preparation for applying break-even analysis to the group’s business ideas.

18. Step 5: Estimating Sales Income (continued)

- Applying break-even analysis to the committee's business ideas.
- Learning about factors that influence income.
- Developing a plan to gather data on factors influencing income

HW: Gathering information on prices and sales.

Facilitator/Consultant HW: Gathering complementary data.

19. Step 5: Estimating Sales Income (continued) & Step 6: Is this Business Feasible?

- Reportback of findings of research into prices and sales.
- Setting initial prices for their products/services.
- Creating one year profit and loss statements for each of the businesses.
- Examining loan requirements of the businesses.

Facilitator/Consultant HW: Creating cash flow statements for the businesses.

20. Step 6: Is this Business Feasible? (continued)

- Examining profit and loss, and cash flow statements for each business idea.
- Review of the final Feasibility Report Form.
- Committee work: Preparing the final reports.

HW: Preparing the final reports.

21. Decision-Making in Cooperatives

- Learning about different methods of decision-making.
- Learning basic principles of consensus decision-making.
- Practicing consensus decision-making with a hypothetical issue.

HW: Preparing the final reports.

22. Step 6: Is this Business Feasible? (continued)

- Small group reports summarizing the research on the businesses.
- Discussion of the reports, pro's and con's of each business.

HW: Fill out "How Do I Feel About the Businesses? How Do I Feel About the Group?"

23. Step 7: Deciding on a Business

- Decision on which business idea to pursue.
- Decision by individuals on whether to go forward with the business.

24. What’s Next & Evaluation of the Training Series

- Review of next steps and signing the “Contract with WAGES” (if the group decides to continue)
- Evaluation of the training series.

CELEBRATION!

Business Development Stages

Feasibility Steps

Feasibility Study & Report

First level of exploration of each area

Business Plan

Detailed examination of each area & development of concrete plans

Step 1:
Choose the Business

- Product/Service

- Product/Service
-

Step 2:
Explore The Market
& Competition

- The Market & the Competition

- Market Analysis
 - Marketing Plan
-

Step 3:
Look at how the
Businesses Operate

- Operating Requirements
- Management Requirements
- Employment Requirements

- Operating Plan
 - Org./Management
-

- Development Plan
 - Community Impact & Benefits
-

Step 4:
Calculating Business
Expenses

- Financial Requirements

- Financial Projections

Step 5:
Calculating Income

- Special Considerations

- Critical Risks & Contingency Plans
-

Step 6:
Determine if the business
is feasible

Step 7:
Choose the Business

THE FEASIBILITY STUDY

A simple definition of a "feasible business" is a business that can make a profit. A more complicated definition is: "A feasible business produces a product or service which people will buy, in enough quantity, at a price which covers all the costs of producing the product, and allows for a profit."

THE SEVEN STEPS OF FEASIBILITY

1. Choose the Business

- What is the demand or need for different business ideas?
- What are our skills and interests?
- What are our goals as a group?

2. Research the Market

- What is the customer demand for this business?
- What is the competition like?
- Is there a special market or niche we should explore?

3. Find Out About how the Business Operates

- What does the business look like? Construct a model of the business by researching questions about jobs, equipment, facilities, costs, etc.

4. Research Business Costs & Expenses

- What will it cost to start the business?
- What will it cost to operate the business over the long run?

5. Estimate Income

- How much income can we plan on getting, and when?
- When will the business break-even? At what level of sales?
- How much do we have to sell to make a profit?

6. Determine Whether the Business is Feasible

- Create a profit and loss statement for the business.
- Create a cash flow projection.

7. Decide on a Business

GROUNDROLES FOR PARTICIPATION IN THE TRAINING PROGRAM

a) Regular attendance. If someone misses more than four trainings in the nine month training period they will be dropped. If she feels she has a good case, she can petition to the program and the program participants.

b) Advance notification of absences. Unless it is impossible, please call if in advance if you are going to miss a training.

c) Catch up on work in the event of absences. If you miss a training that is taped and we have it available, you'll be expected to watch the video. Also, if you miss once the group has divided into committees, you are responsible for calling your committee so that you can carry out your work with the group.

d) Punctuality. There is a grace period of 10 minutes. Three late arrivals equals one absence.

e) Respect for the group's groundrules. The training group will establish its own groundrules for cooperation and communication. These must be respected by all program participants.

MAKING A LIST OF YOUR SKILLS

Please write down all the work you have done and the specific skills you needed to do this work. Be sure to include all work/activities you have done.

Work	Skills
<u>Example:</u> 1. Cashier at drugstore	1. -ringing up sales -balancing the cash register -handling money -preparing deposit slips -greeting customers
2. Gardening at home	2. -knowledge of plants and plant cycles -use of garden tools -planning ahead

ABOUT COOPERATIVES....

What is a coop?

A coop is a for-profit or non-profit business owned and controlled by its workers/members. It is a group of people forming an enterprise to accomplish a common purpose, and materially sharing the benefits as well as the risks.

What is a producer-owned coop?

Producer coops are owned by farmers, producers or small businesses. Agricultural producers or crafts people organize cooperatives to process and market their goods, and to provide themselves with credit, equipment and production supplies. Similarly, retail stores or small businesses organize cooperatives to provide supplies or common services.

What is a consumer-owned coop?

Consumer coops enable consumers to secure a wide array of goods and services. For example, they may offer health care, utilities, insurance or housing. They may buy and sell food, heating fuel, hardware and other consumer goods. Or, they may operate credit unions or child care facilities. Almost all consumer needs can be met by a cooperative.

What is a worker-owned coop?

Worker coops are businesses owned and controlled by their employees. Worker coops may be found in almost any industry. Examples include employee-owned food stores, processing companies, restaurants, taxi cab companies, timber processors, print shops, and light and heavy industry.

Principles of Cooperation*

1) Open and Voluntary Membership:

Co-ops do not restrict membership for any social, political or religious reasons. They are open to all persons who can make use of their services and are willing to accept the responsibilities and commitment involved.

2) Democratic Control:

Co-op members are all individually equal co-owners in the cooperative business. Each member has equal voting and decision-making power in the operation of the business on a one member, one vote basis.

3) Return of Profits to Members:

Surplus or savings (profits), if any, arising out of the operations of the co-op, belongs to the members and is distributed in such a way as to avoid one member gaining at the expense of others. This is usually based upon "patronage," which is the amount of business that members conduct with the co-op. Co-ops can return approximately 20% back to their members in cash and retain the other 80% in the business in the members' names.

4) Limited Rate of Return on Share Capital:

"Share capital," which is the money invested by member-owners in the co-op, earns a limited rate of interest. This keeps people from investing solely in the cooperative to make money and keeps the co-op in the hands of those who really want to use its services. The usual rate of return is generally no higher than 8%.

5) Constant Education:

Co-ops encourage member participation in the co-op by educating members in the principles and techniques of cooperation, as well as in skills that members need to actively participate in decision-making about the business. Co-ops also work to educate the general public about the individual and social benefits to be gained through cooperation. In addition, many co-ops conduct member education in their service area (i.e: nutrition, or the environment).

6) Cooperation among Cooperatives:

To complete the cycle of cooperation and in order to best serve the interests of their members and general public, co-ops work with other local, regional, national and international co-op organizations. Co-ops try to help each other and to strengthen their positions as cooperatives in general through these efforts -- as well as participate in the movement to build a more just and equal economy and society.

* Adapted from the Michigan Alliance of Cooperatives, and the Rochdale Principles.

ASSESSMENT OF ENTREPRENEURIAL TRAITS*

Name: _____

Date: _____

Before you start any business activity, it's important to think about the personal challenges that business development involves. Below is a list of traits that are often required when you are starting a business. Go through the list and mark off whether you think you have or don't have each trait. (**Remember:** If you don't have a particular trait it doesn't mean you can't learn it!).

Activity	Yes	No
1. Can you work long hours with little sleep?	[]	[]
2. Can you tolerate uncertainty?	[]	[]
3. Do you take risks?	[]	[]
4. Do you enjoy taking risks?	[]	[]
5. Do you have a lot of self-confidence?	[]	[]
6. Do you know how to set goals for yourself?	[]	[]
7. Have you met goals that you have set for yourself?	[]	[]
8. Are you persistent?	[]	[]
9. Do you enjoy facing problems to see what it will take to get past them?	[]	[]
10. Do you know how to use failure as a learning experience? []		[]
11. Do you ask for help and advice when you need it?	[]	[]
12. Can you accept responsibility for important decisions?	[]	[]
13. Do you have the ability to get totally involved in working with your business?	[]	[]
14. Do you have high ethical standards?	[]	[]
15. Do you like to "take charge"?	[]	[]
16. Are you always reliable?	[]	[]
17. Do you always deal honestly with people?	[]	[]

* From Monika Hudson, the MGT Group, Oakland, California.

3. From the above list, categorize your roles by finding all the roles that pertain to family and listing them in the appropriate box along with adding up all the time spent for those particular roles. Do the same for the other categories listed.

<u>Category</u>	<u>Time</u>	<u>%</u>
-----------------	-------------	----------

A. FAMILY

Family Total:	_____	_____
---------------	-------	-------

B. WORK

Work Total:	_____	_____
-------------	-------	-------

C. SOCIAL

Social Total:	_____	_____
---------------	-------	-------

D. PERSONAL

Personal Total:	_____	_____
-----------------	-------	-------

<u>TOTAL ALL CATEGORIES:</u>	_____	_____
------------------------------	-------	-------

Are there too many or not enough hours in the day???

4. Now, we will transfer the above information to our super, duper, delicious pie chart! (Chocolate pie of course!).
Make a slice of pie for each of your four categories. How big the slice is depends on how many hours and the percentage of your time you spend in that role category:

For example:

NOW

WITH A BUSINESS

ASSESSMENT OF PERSONAL INCOME NEEDS

When starting a business it is important to be aware of how much money you need to live on and to compare this with what you are likely to make in the first few years as a business owner. Later on in the training we will explore the income that your business may generate. For right now, we want you to think about your typical monthly income needs:

a) Make a budget of your monthly expenses for yourself and your family. This budget should reflect what you actually spend money on in a typical month.

Rent	\$ _____
Food	\$ _____
Household items	\$ _____
Gas bill	\$ _____
Telephone bill	\$ _____
Transportation	\$ _____
Clothes/shoes	\$ _____
Childcare	\$ _____
Other:	
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
Total Expenses	\$ _____

b) Now, calculate your total family income. List separately all the sources of income that go toward supporting you and your family, and then total them:

My income:	\$ _____
My partner's income:	\$ _____
Other income:	
_____	\$ _____
Total Income	\$ _____

c) Look at your income compared to your expenses. Are you meeting your expenses? If yes, go on to d). If no, figure out how much more you and/or your family needs to earn in order to meet expenses.

d) Figure out your income needs:

- what is the minimum income you need to earn per month? \$ _____
- how much does this work out to per hour?* \$ _____
- what is the ideal income you would like to earn per month? \$ _____
- how much does this work out to per hour? \$ _____

* To figure out the hourly amount, you need to:

- a) Divide your monthly income by 4 to figure out the weekly amount (because there are four weeks in a month).
- b) Divide the weekly amount by 40 to figure out the hourly amount (because there are 40 hours in a work-week).

PLANNING FOR SITE VISITS & INTERVIEWS

The task of your group is to:

1. Identify a business to visit, either using the Yellow Pages or one of the resource person's contacts; or, if a site visit is difficult, either the group or a program representative should contact someone who works in the business who can be contacted to speak to your group.
2. Set up a time that the group members can make for a site visit or meeting.
3. Decide who will be responsible for taking notes, and who will be responsible for reporting back to the large group.
4. Conduct the visit or interview and make sure the following questions are answered:
 - a) Name and location of the business visited.
 - b) What does the business look like? (Physical description and description of what the typical day involves).
 - c) What kind of work is involved? (List all obvious job types, and describe the skills involved in each job)
 - d) How many people are employed?
 - e) What excites you about the business?
 - f) What turns you off about the business?
 - g) Do you think this would be a good business to do a feasibility study on? Why or why not?
5. Report back to the large group.

Giving & Receiving Feedback*

What is Feedback?

Feedback is telling another person how you perceive what she or he did or said. Feedback may also involve telling the other person what you want to be different and why. Feedback is about being honest with people and improving relationships through increased, mutual understanding.

Giving Feedback

1. Make sure it is the right time to give feedback. Be sensitive to the other person's needs, for example, by talking to the person when the two of you are alone.
2. Check it out. Sometime we respond to a perception that may or may not be concrete or observable (for example, someone's tone of voice, or attitude). In these cases, before moving on to step 3, it's important to check the perception out. Share your assumption with the person and find out if it is valid, explaining why you are doing so. For example: "Since last week, when I criticized you at the meeting, I have noticed that you are avoiding me. Is that true?"
3. Describe the specific behaviour you are responding to. For example: "Bill, I noticed that you left all the lids of the jars."
 - Don't evaluate or place judgement on the behaviour (ex: "You're lazy").
 - Don't generalize (ex: "You always leave all the lids off the jars").
4. Identify how you feel about the behaviour. For example: "When you take time off during working hours to chat with your friends, I have to cover for you and then I get angry because I think I'm being taken advantage of."
5. State what you want the other person to do differently. Make sure you talk about what you want him or her to do, not feel, think or be, and be as specific as possible. For example: "I want you to cut down on the amount of time you spend talking to friends. Could you limit it to two calls a day?"
 - Don't place judgement on who they are as a person or make vague, general statements (ex: "I want you to be more considerate").
6. Explain why you want the change. This usually requires a statement about your own values. For example: "I really like to work in a clean office." Explaining why you want the change lets the other person understand something about you that he/she may not have known before, and increases the likelihood of an agreeable solution.
7. Brainstorm & work with the other person to find a solution that is agreeable to both parties.

* Adapted from: "Building United Judgement: A Handbook for Consensus Decision-Making," published by the Center for Conflict Resolution, Madison Wisconsin.

Receiving Feedback

1. Listen carefully to what the person is saying. Refrain initially from expressing your agreement or disagreement. Active listening involves paying close attention to the speaker and using signals like nodding and maintaining eye contact, which reassure the speaker that you are involved and that you are making an effort to understand.
2. Paraphrase to make sure you understand clearly what the speaker is saying. Paraphrasing consists of summarizing or re-stating what you have heard, in your own words, and asking the speaker if that is what was really meant. For example: "The problem then, as you see it, is..." or, "If I understand you correctly, you feel we should..."
3. Ask supportive questions if you don't understand or if you think there may be an unstated message behind what the speaker is saying. Often it is up to the listener to ask questions because the speaker doesn't know what parts of the message are unclear, or that he or she has wrongly assumed shared information. Supportive questions are tentative and probing. For example: "Is there anything else that's bothering you?"
4. Respond with your own perceptions and feelings, but do so only once you understand what the speaker has said, and you have checked that understanding by paraphrasing or some other technique.
5. Brainstorm & work with the other person to find a solution that is agreeable to both parties.

Remember!

Throughout this process of giving and receiving conflict, be empathetic about the other person's feelings of hurt, being misunderstood etc. Most misunderstandings and conflicts can be resolved if you can understand someone's anger or pain. Keep in mind that even if you didn't intend to hurt someone, you may have done so.

GUIDE FOR THE PROCESS OBSERVER:

Group Dynamics to Observe

Your "tasks" during this meeting are:

- 1) To make sure participants respect the group's groundrules.
- 2) To watch how participants communicate in the group.
- 3) To stop the process and give feedback when you see someone breaking the group's groundrules or practicing "bad" communication skills.

Look to see if people are following the group's groundrules:

[fill in groundrules developed by the group here]

Some other things to look for:

- Who talks? Who doesn't talk? Do certain people talk too much, not allowing others to talk?
- Who listens well? How do you know if someone is listening well?
- Did anyone disagree with someone and challenge them in a friendly, non-threatening way? How did they do it?
- Who in the group helps promotes good communication? For example, did anyone help someone else to understand something, or try to keep the discussion on track, or introduce humor into the discussion, or ask someone who hasn't spoken for their opinion?

(Guide for the Process Observer, continued)

Giving Feedback as a Process Observer

1. Describe the specific behaviour you observed (either a violation of the group's groundrules or a statement or behaviour that undermines good communication).

For example: "Juana, I noticed that you have interrupted other participants four times so far."

For example: "Alice, I noticed that you responded very defensively to Janet's suggestion that you try to contact some other persons. Is my observation correct?"

2. Identify how the statement or behaviour impacts the group's process:

For example: "When you interrupt other people they can't finish expressing their ideas or opinions."

For example: "When you responded defensively, everyone became quiet. This stopped our goal of brainstorming ideas during this section."

3. If necessary, state what the other person should do differently:

For example: "Our groundrules say 'no interruptions.' Please don't interrupt. Let others finish their thoughts."

For example: "Our guidelines about 'Receiving Feedback' state that we should listen actively to someone else's feedback, make sure we understand it, and only then respond. Do you want to try the interaction again?"

Step 2: Will People Buy What We Plan to Sell?
Exploring the Market & the Competition

To answer the question of whether people will buy what you plan to sell, you need to answer and research the following questions:

a) What product/service do you plan to provide?

- Define the product or service, even if it is only a general idea at this time.

b) What do we know about customer demand?

- Who will buy this product/service? What does a typical customer look like as far as age, gender, class and income level, ethnicity etc.
- What does the typical customer look for in this product/service?
- What could we do to make customers buy from us instead of the competition? For example, we could:

a) Improve our marketing strategy (better quality, service, lower price, good promotion, personal relationship/trust etc.).

b) Find a market niche that will make our business unique.

c) Where will the business be located, or what area will it serve?

d) What is the competition like in this area?

- How many competitors are there?
 - Who is in direct competition?
 - Who is in indirect competition?
- Is the competition increasing or decreasing?
- How do the competition's sizes and resources compare?
 - How many employees do the businesses have?
 - How many product/service lines?
 - What size facilities do the businesses occupy?
- What services/products does the competition offer?
 - How do the businesses differentiate themselves?

After you have researched and answered these questions, think about ways to redefine your business idea to make it more unique. Is there a specialization or niche that your business could fill?

HOW TO PLAN, CONDUCT & EVALUATE RESEARCH

STEPS IN RESEARCH

- 1) Identify the information you need to obtain or the questions you need to answer.
- 2) Identify what you already know.
- 3) Brainstorm sources of information.
- 4) Divide up the work and make a research plan (see below).
- 5) Conduct the research.
- 6) Pool research results, draw conclusions and make recommendations.

STEPS FOR CREATING A PLAN OF ACTION

The five "fingers" of planning are:

Who

What

When

Where

How

For every issue or question that needs to be researched, you should decide:

WHO: Review your list of questions and sources of information. Who will be responsible for taking on which questions and/or sources of information?

WHAT: Ask each person responsible for a task if they are clear on what questions they need to ask and which sources they need to consult.
Remember: Plan the questions you will ask a resource person before going to see him or her. Not all questions are always relevant! A helpful tip for identifying key questions is either to highlight them or write them up on a separate piece of paper.

WHEN: Ask each person responsible for a task when they will carry it out. Ask each person to define a back-up strategy, in case something happens that prevents them from making it to their interview or meeting.

WHERE: Is each person clear about where to contact/meet their resource person?

HOW: Ask each person how they will do the research. What steps will they take to set their interviews or meetings up, what will they say on the phone, how will they record information etc.

STEPS IN DATA SORTING & ANALYSIS

There are five main steps involved in data reduction and analysis:

1. Sort & Classify:

- Look at all the information collected, and compare it to the questions you set out to answer. Lump together related pieces of information, and write them down.

2. Synthesize:

- Synthesize by looking at all of the information under each question. Is any information duplicative? Could it be summarized to be clearer or more persuasive? For example, "Our research of the three stores indicated that the main product lines are dolls, trucks and stuffed animals."

3. Quantify:

- Some information lends itself to quantification. Looking at the information collected, is there any that you think would be clearer or more persuasive if we could see it in a graph or chart? What information? What could be done with it? For example, on the customer surveys, you might be able to say something like: "6 out of ten customers, or 60%, said they would buy from us if our location was more accessible; 2 out of ten, or 20%, said they would buy from us if our prices were lower".

4. Analyze & Draw Conclusions:

- Analyzing involves drawing out or interpreting the meaning of the information we have collected. Analysis involves asking, "So what?" "What do all of these 10 pieces of information mean?" In our case, analysis involves looking at our research results to evaluate whether or not the business we are studying is feasible.

For example, looking at your research into the competition, you might say: "Currently there are only twenty competitors in the field but some statistics show that that number will be increasing. It appears that the competition is becoming more intense, and therefore that it will be very hard for us to enter this market."

- Drawing conclusions is just one small step beyond analysis. For example, in the above example, your conclusion might be "There is too much competition currently and planned in the future for us to consider going into this business."
 - Summarize your conclusions by writing them down.

5. Report Findings and Make a Recommendations:

- Reports to the other members of the group involve five main steps:
 1. Describe briefly the topic of your research.
 2. Summarize what you did/how you did your research.
 3. Summarize your findings.
 4. Report your conclusions.
 5. Make a recommendation:

For example, a recommendation might be: "We recommend pursuing this idea further because it looks promising."

PREPARING COMMITTEE REPORTS

Your committee's homework assignment is to prepare a report on your research to date and present a recommendation.

Your reportback needs to have the following components:

- Describe your business idea.
- Summarize how research was done (where did you go, whom did you interview etc.)
- Summarize the key findings.
- Summarize your conclusions (by discussing
- Make your recommendation. Your recommendation can be to:
 - a) Continue with the current idea.
 - b) Drop the current idea, replace it with an alternate one.
 - c) Focus in on a niche or specialization.

Rights and Responsibilities of Individuals in the Consensus Process

Your RIGHTS in the Consensus Process:

- You have the right to express your opinions and participate freely in the discussion.
- You have the right to block a decision that you cannot support under any conditions. Alternately, you have the right to stand aside and let the decision pass without your support, or you can choose not to be involved with the implementation of the decision.

Your RESPONSIBILITIES in the Consensus Process:

- You have the responsibility to participate fully in the discussion....you cannot exercise your right to block decisions with integrity unless you have participated in the earlier discussion.
- You have the responsibility to help others participate in the discussion. You can promote participation by remaining silent, drawing others' opinions out, etc. etc.
- You have the responsibility to participate and help others participate in accordance with the group's groundrules or process rules.
- You have the responsibility to practice and help others practice attitudes that promote consensus. These attitudes include:

cooperation...unlike competition, which makes one person a loser and the other a winner, consensus strives to make everyone a winner. A cooperative attitude encourages the acceptance of diverse viewpoints, and appreciates individual differences.

common ownership of ideas...in our society, people often feel ownership over their ideas. They become identified personally with their ideas, and so feel offended when their ideas are criticised. Consensus believes that ideas belong to everyone, because they are developed through the process of listening and responding to others.

valuing conflict...often, we are taught to see conflict as negative, the result of a clash of one personal interest against another. In the consensus process, conflict is seen as neither good nor bad, but simply as a tool to bring out all perspectives. Diverse viewpoints are welcomed as a means of becoming aware of the strengths and weaknesses of all ideas so a strong and workable solution can emerge.

valuing the contributions of all members...Every person has unique knowledge, perspectives, experiences and abilities to contribute. The contribution may be a feeling of calmness which helps the group perform its task more efficiently. Or it may be a practical

solution to a vexing problem. Or it may be a fresh perspective that comes from being naive in a particular area. Everyone has something to contribute.

What is BLOCKING?

Blocking is the act of opposing an otherwise agreed-upon decision that has been developed through full group participation. After serious attempts to understand the issues have resulted in agreement by almost all of the group, then a hold-out can be called "blocking."

Blocking is not disagreement.

Disagreement is at the heart of the consensus process. When an individual disagrees with an emerging group position, it is his/her responsibility to air the disagreement, explain the reasons clearly, and try to persuade the other group members to understand. Blocking occurs after the process of airing disagreement and building agreement has taken place, when one or more persons still are opposed to an agreement reached by the majority of the group.

Deciding Whether to Block a Decision

Blocking is a very serious statement. Before deciding to block a decision, you should ask yourself some key questions:

- What are your reasons for objecting?
 - Are you thinking about what is best for the group, or are you objecting because of something **personal**, or a need to express your power in the group?
 - Is there **information** the group does not have that might change people's minds?
 - Has the group fully discussed the issues? Do those who support the decision do so on the basis of **informed consideration**?
- Have your objections been heard and considered by the group? Do you need more assurance that your objections have been understood by the group?
- What are the effects of delaying the decision? Is it something that can wait?
- What kind of pressure does the group perceive itself to be under? Time? Forces from outside the group? Are these legitimate pressures? Can they be addressed?
- How important is the decision? Does it have far-reaching implications, or is it a minor matter that you can let go by, even if you don't like it?

In many cases, answering these questions can help you to find alternatives to blocking. You many find that the problem is actually a lack of information, or a lack of agreement that can continue to be explored. If, after careful consideration, you still believe strongly that the decision would be a wrong one for the group, then it is your right and responsibility to block consensus.

STEPS FOR MAKING A DECISION USING CONSENSUS*

1. Review the agenda.
2. Clarify the issue to be resolved.
3. Agree upon timeframe for the discussion, and a fall-back position (if appropriate).
4. Provide relevant background information.
5. Begin discussion:
 - One person proposes an idea.
 - Others respond.
6. The facilitator probes for agreement when it appears that all viewpoints have been expressed:
 - States the proposal toward which the group appears to be moving.
 - Tests for consensus.
7. Group members voice their response:
 - Members voice agreement.
 - Members voice disagreement.
 - 6a. Concerns are explored.
 - 6b. New solutions are discussed/proposed.

Repeat Steps 5 & 6 until agreement is reached.
8. A decision is made.

* Adapted from "Building United Judgement: A Handbook for Consensus Decision-Making," Center for Conflict Resolution, Madison, WI, 1981.

GROUP CONDITIONS THAT SUPPORT CONSENSUS*

1. Unity of Purpose

There should be a basic core of agreement within and about the group. Of course there will be many areas where group members have varying opinions about what is best. But there must be a unifying base that is recognized and accepted as a common starting place by all members.

2. Equal Access to Power

There should be no formal hierarchy which gives any member more authority than other members. Additionally, there should be an effort to share informal distribution of power, despite differences in seniority, assertiveness and other personal qualities.

3. Time

Developing an effective consensus group requires time spent on group process and relations between members as well as time spent making decisions. Consensus groups can often work very smoothly and efficiently to make decisions, but a difficult consensus decision cannot be rushed. If your group does not have the time or patience needed, consensus will be thwarted.

4. A Willingness in the Group to Attend to Process

The way group members work together to reach decisions is important and needs attention. Members of a consensus group must be willing and able to spend group time discussing process and working towards necessary changes in the process, as well as attending to tasks and decisions.

5. A Willingness in the Group to Attend to Attitudes

Consensus works well when group members are willing to work cooperatively and when members feel they can trust each other. This requires a commitment by individual members to examine their own attitudes and to be open to change. Trust and cooperation also require a caring group community which supports the development of these attitudes.

6. A Willingness in the Group to Learn & Practice Skills

The group must encourage and assist all of its members to develop skills in meeting participation, facilitation and communication.

* Adapted from "Building United Judgement: A Handbook for Consensus Decision-Making," Center for Conflict Resolution, Madison, WI, 1981.

In Order for Me To Commit to Working with this Group to Start a Business...

a. I need to....

Instructions:

What do you personally need to do or have in order to continue working with the group to start a business? Fill in your responses on the chart below, thinking about the top three concrete changes you feel need to take place.

For example: "I need to find more time in my life."

"I need to speak honestly to group members about what I am feeling."

The changes you need to make:	Do you think you can make the necessary change?	How will you make the change?
1.		
2.		
3.		

In Order for Me To Commit to Working with this Group to Start a Business...

b. I need the group (and/or committee) to....

Instructions:

What do you need from members of the group or your committee in order to continue working on your business idea? Fill in your responses on the chart below, thinking about the top three concrete changes you feel need to take place.

For example: "I need the committee to get motivated."
"I need every person to take responsibility and participate fully."

Three things you need from your committee or the group:	Do you think the group can make the necessary change?	How?
1.		
2.		
3.		

In Order for Me To Commit to Working with this Group to Start a Business...

c. I need the program to....

Instructions:

What do you need from the program in order to continue working on this project? Fill in your responses on the chart below, thinking about the top three concrete changes you feel need to take place.

For example: "I need the pace of trainings to slow down."
"I need the program to provide our group with a training on conflict resolution."

The changes you would like to see the program make:	Do you think the program can make the necessary change?	How?
1.		
2.		
3.		

BUSINESS FINANCIAL TERMS

Accounts payable: Payment for goods or services that a business owes.

Accounts receivable: Payments for goods or services that are owed to a business.

Asset: What a business owns - its financial, physical and, sometimes, intangible properties.

Budget: A listing of planned income and expenses in a given period.

Breakeven: The point at which sales or revenues are equal to expenses.

Cash flow projection: An estimate of when cash will be received or expended over a given period, and how much cash will be on hand at any given point over this period.

Collateral: Assets that are pledged as security on a loan.

Cost of Sales (COS) or Cost of Goods Sold (COGS): The costs directly connected with making or buying the products or services that a business sells. These expenses increase when sales increase or decrease when sales decrease. These are also known as variable costs.

Depreciation: The portion of a piece of equipment's value which is "used up" over time.

Earnings/Profit: When a business's revenues or income are greater than its expenses.

Equity: The portion of a business that its owners own without any other obligations.

Expenses: The costs of running a business.

Fixed Costs/Overhead: Expenses that are not directly affected by sales volume (they don't increase when sales increase or decrease when sales decrease).

Gross Profit: Profit left-over when variable costs are deducted from sales income. Gross profit is calculated before expenses are deducted.

Inventory: The items a company has made or purchased in order to sell.

Liability: What a business owes - its debts and other financial obligations.

Line of Credit: The maximum amount of money a company or bank will allow a customer to owe it at any one time.

Liquidity: A business' ability to earn enough money to pay its bills on time.

Loss: When a business' expenses are greater than its revenues or income.

Operating Costs: The month to month costs that a business incurs. Operating costs can usually be divided into two kinds: fixed and variable.

Net Profit: The profit left over once all costs of the business have been deducted. Net profit shows the actual earnings of the business.

Revenue/Sales Income: The money a business receives from (or is owed by) its customers.

Start-Up Costs: Costs that a business incurs to start.

1 MONTH INCOME STATEMENT
Bertha's Tamale Factory

<u>INCOME (Sales)</u>	<u>Explanation:</u>
Chicken Tamales _____	(#__ of tamales (x) Price/ea)
Total Income: _____	
<u>VARIABLE COSTS:</u>	(Cost of ingredients/month)
Total Variable Costs: _____	
GROSS PROFIT: _____	(Income (-) Variable Costs)
<u>EXPENSES (Fixed Costs):</u>	
1. Salary _____ \$400	
2. Gas/Luz _____ \$ 8	
3. Loan _____ \$ 10	
4. Transportation _____ \$ 40	
Total Fixed Costs: _____ \$448	
NET PROFIT: _____	(Gross Profit (-) Expenses)

Footnotes:

- 1) Income:
- 2) Variable Costs:
- 3) Salary:
- 4) Gas:
- 5) Loan:
- 6) Transportation:

CALCULATING THE BREAK-EVEN POINT

Explanation for Bertha's Tamale Factory

What is the Break-Even Point?

Break-even is the point when a company's total costs are equal to its total sales income. Calculating the break-even point allows a company to figure out the minimum price it can charge for a product or service, and also allows the company to see how changes in price will affect its income and profits.

In order to calculate the break-even point for your business, you need to know the following three things:

1. The Fixed Costs for the Business for one month.

Let's assume we own a company called Bertha's Tamale Factory. We add together our fixed costs, and find out they come to \$448.00 a month.

2. The Variable Costs for the Business for one month.

Estimate the cost of supplies or materials used to produce one product (ex: a tamale) or provide one service (ex: a housecleaning). Then multiply that number by the number of products or services you think you can sell per month.

For example:

a) Estimate the cost of tamale supplies:

1 lb. maza	=	\$5.00
1 lb. chicken	=	\$5.00
<u>1 can salsa</u>	=	<u>\$2.00</u>
<u>Total</u>	=	<u>\$12.00</u>

b) Figure out how many tamales you can make with \$12.00 of maza, chicken and salsa. (Assume you can make 48).

c) Figure out the cost to make each tamale: Divide \$12.00 by 48:

$$\frac{\$12.00}{48} = \$0.25 \quad \text{Each tamale costs } 0.25 \text{ to make.}$$

d) Estimate how many tamales you can sell each month by surveying community members, potential customers, talking to other vendors etc. (Assume you can sell 1000).

e) Calculate monthly variable costs by multiplying the unit price (0.25) by the number of tamales you can sell each month:

$$\text{Variable Costs} = 0.25 \times 1,000 = 125$$

$$\text{Monthly variable costs are } \underline{\$125.00}$$

3. The number of products/services that can be sold per month:
Already estimated as part of estimating variable costs.

Calculating the Break-Even Point

To find the break even price, add together your monthly fixed and variable expenses, and then divide this number by the number of products/services you think you can sell:

$$\text{Break-even Price} = \frac{\text{Variable costs} + \text{Fixed costs}}{\text{\# products/services sold}}$$

For example:

$$\frac{\text{Fixed costs } (\$448.00) + \text{Variable costs } (\$125.00)}{1000} = \frac{573}{1000} = 0.57$$

Bertha has to charge \$0.57 per tamale in order to break-even. \$0.57 is her break-even price.

About the Businesses, About Myself: Where Do I Stand?

About the Businesses.....

My Top Choice

- which of the businesses am I favoring?

- why?

My Second Choice

- which business is my second choice?

- what do I like about this business?

- what is it about this business that makes me hesitate?

- could these issues be rectified? how?

-
-
- if they were rectified, would I be happy working in this business?

My Third Choice

- which business is my third choice?

-
- what, if anything, do I like about this business?

-
-
-
-
- what is it about this business that makes me hesitate?

-
-
-
-
- could these issues be rectified? how?

-
-
-
-
- if they were rectified, would I be happy working in this business?

About Myself & the Group.....

- how do I feel about the group as a whole?

- can I realistically see myself working with this group of people in one year? in 5 years?

- what things scare me as I think about going into business with this group of people?

- what things excite me?

- is this group important enough to me that I would work with them even if the business chosen is not my top choice?

Post-Test Questionnaire

Mother's birthdate _____

A. Please answer the following questions.*(Please circle)*

1. Do you feel like you could run a business cooperative with other women now? yes no
(Please circle)
2. I feel like I can learn new skills to start a business. yes no
3. I can do the following things to start and run a business:

(Circle the words that you feel describe your skill level).

- research *really well well so-so not at all*
- planning *really well well so-so not at all*
- making decisions *really well well so-so not at all*
- financial management *really well well so-so not at all*
- facilitating meetings *really well well so-so not at all*
- resolving conflicts *really well well so-so not at all*

B. Circle the words best describe how you feel about the following statements.

4. I shy away from trying new things for fear of failure or looking dumb.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

5. I feel good about myself.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

6. I feel that I am a very competent person.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

7. When I have problems I feel like I can deal with them well.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

8. I have control over the decisions that affect my life.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

9. I am satisfied with the amount of control I have over decisions that affect my life.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

10. I was able to influence the decisions that this training class made.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

11. The program had more influence over the decisions affecting this training class than the members of the group did.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

12. I feel like I have a lot of choice about where I work.

Do you...agree strongly agree somewhat disagree somewhat disagree strongly?

13a. Do you belong to any community organizations? yes no

If yes, which ones?

Neighborhood association

Economic development group

Women's organization

Church group (in addition to attending services)

Other_____

13b. What is your role in these groups: *(Please circle)*

I attend meetings

I help in the office, typing, sending mail

I help to organize meetings

I organize meetings

I lead meetings

I organize activities

C. Please answer these questions about the training program:

14. After participating in the program, do you plan to start your own business? yes no

- What did you learn that can help you to start your own business?

- What fears do you have about starting your own business?

(Please circle)

15. Do you feel like you have learned skills to work with teams or groups? yes no

- If yes, what team skills have you learned?_____

16. What kinds of personal (and family goals) have you achieved through participating in this program, if any?

17. Has the training program impacted other parts of your life? Yes No

- If yes, how?

D. About the Facilitators/Teachers

18. The facilitators/teachers were knowledgeable about the subject.

Agree strongly Agree somewhat Disagree somewhat Disagree strongly

19. The facilitators/teachers were sensitive to the needs of class members.

Agree strongly Agree somewhat Disagree somewhat Disagree strongly

20. I was able to apply the information that I learned.

Agree strongly Agree somewhat Disagree somewhat Disagree strongly

21. The pace of this class was right for me.

Agree strongly Agree somewhat Disagree somewhat Disagree strongly

E. Monthly Income:

22a. What is your monthly income? _____

22b. What are the sources and amounts of this income (for example, work, partner's job, etc.)?

<u>Source</u>	<u>Amount (gross)</u>
1. _____	_____
2. _____	_____

3. _____

Thank you for your time and participation!