



## **TRAINING OF OPIT-KIC WIDOWS GROUP BASED IN SIRIBA BWEYALE DISTRICT**



# **TRAINING REPORT**

OCTOBER 2017

## **Training of OPIT-KIC Widows' Group**

Location: Siriba Primary School in Bweyale District North-Western Uganda

Date: 4<sup>th</sup> to 6<sup>th</sup> October 2017

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### **Introduction**

Salama SHIELD Foundation at the beginning of this year (January 2017) entered into an agreement (refer to MOU signed on 10 January 2017) with the Rotary Club of Kampala North and the Rotary Club of Cataraqui-Kingston USA where Salama SHIELD Foundation (SSF) was to: a) provide training in micro-finance and personal financial management b) provide support to the M& E programme c) prepare and submit training reports d) guide the Rotarians in aspects to focus on while providing general oversight e) join the Rotarians in periodic monitoring visits as required. This training was by organized and supported by the Rotary Club of Kampala North coordinated by Rotarian Eric Byenkya. At the beginning of September 2017, SSF was contacted to organize the training for OPIT-KIC widows group based in Siriba in Bweyale district, north western Uganda. The major objective of the training was to build the capacity of OPIT-KIC widows' group clients and management in the operation and management of micro-credit as a tool of poverty alleviation and the training took place in the first week of October 2017.

This report is a summary of the trainings conducted by Salama SHIELD Foundation (SSF) team of three over five days for OPIT-KIC widows group management team and clients. The report is divided into two i.e. Training Management team and Training Clients. It outlines the background of Opit-Kic Widows groups, the different sessions handled, the challenges and also includes a recommendation section that can be used by the Rotary Club, Opit-Kic Widows group and SSF for future.

The total number of OPIT-KIC Widows group management members trained was twenty three (23) (Female 16, Male 11) and the total number of OPIT-KIC widows group clients trained was forty seven (47) (Female 37, Male 10).

### **Background of OPIT-KIC Widows Group**

OPIT-KIC literally meaning 'Let us Feed the Orphans', a coverall statement that captures all their efforts that were primarily motivated by the huge displacement of populations from Northern Uganda due to the over two decade insurgence that was between Lord's Resistance Army (LRA) and the Government of Uganda (GoU). The Salama SHIELD Foundation learnt that the OPIT-KIC Group was already operating a revolving fund where members borrow money for their various businesses at a low interest rate using the ask-banking approach and they operate in four different saving sub-groups with each managing its VSLA (Village Saving and Loan Association) finances separately.

One of the objectives of the Siriba Adopt Community Project was to select and training 100 Change Agents in managing money in the home and business, borrowing, and operation of microcredit using group guarantees. The training was to address both management and utilization and would focus on equipping the OPTI-KIC group with skills on how to use money while managing their own enterprises and identifying opportunities to start new ones so as to improve the general welfare of their families and the community at large. The components of the training would include financial

management, record keeping and how to raise money for microcredit scheme to ensure it keeps running. The recipients of the training would be selected through the already existing OPIT-KIC structures. The major objective of the training was to build the capacity of the OPIT-KIC so that they are able to train other similar organized groups within the community to replicate some of the best practices learned.

Salama SHIELD Foundation (SSF) conducted the training in two bits namely training the management team over two days and also training the clients for three days respectively. The training was conducted at Siriba Primary School, which is about 1 km way from Bweyale town.

The Salama SHIELD Foundation training team included staff with expertise in micro-finance operations and trainings and these were Hajat Sarah Matovu, Peter Kayima and Elizabeth Nakayiki. All trainings were conducted in the afternoons starting from at 02:00 pm to 06:00pm to enable participants do their own work in the mornings and come for training after lunch because there was no provision for lunch.

This report gives the highlights of the training of both the management and clients, the challenges encountered and it also gives recommendations. All trainings (for management and clients) always started by singing the National Anthem, prayer and then followed by a self-introduction by the participants and the facilitators.

**The objective of the training of Siriba Adopt Community Management team was:**

- To train and build the capacity of Siriba Adopt Community Project Management Team in managing and operating the microcredit project.

**The Specific Objectives were:**

- Expose participants to the design, management and the operations of the microcredit program
- Enhance participants capacity to handle Microcredit products
- Enhance the human and operational skills of the program staff
- Development of appropriate, effective and functional small groups of economically empowered households
- Enable clients make the best utilization of their loans
- Develop of appropriate, effective and functional small of economically empowered households
- Promote greater awareness on economic, and social constraints and empower communities

## Training of OPIT-KIC Widows Group Management Team

### Day One 2/10/2017

The day started with the SSF team welcoming the members to the training session. Thereafter there was prayer led by one of the Opit-Kic group members and the national anthem. The team leader Jenifer welcomed the SSF team to Siriba Adopt Community project and to Bweyale primary school.

She informed the participants the purpose of the SSF team and encouraged them to pay attention to the facilitators. She also informed them that since some of the members did not know English, she would do her best to translate during the sessions whatever was said from English to Acholi so that everyone understands well and be able to meet the training objectives. She also informed and urged them as leaders to take it as their role to pass on the information to their fellow group members.



Self-introduction was done by SSF team followed by the management team. One of SSF team gave a brief history of the organization (SSF) and its activities especially the micro-credit project, saying it has done very well since 2008 and had come to share experiences and successes with the management team and clients.



On the first day, the SSF Team welcomed the participants to the training. They requested the Chairperson of OPIT- KIC Agnes Auma to talk about her group because SSF staff wanted to know more about the group and clients they were going to train. She welcomed the facilitators to the training. She then gave a brief background of the project and how it started. She mentioned the group was formed by widows who were affected by the war from Northern Uganda. The group started with the main objective of working together to help their orphaned children go to school and acquire land because they had run away from their homes in Northern Uganda and settled in Bweyale Sub-County,

now Bweyale district. They knew that once they formed a group it would be easy to get any assistance from either the government or any other organization and therefore decided to come together and formed the group.

OPIT-KIC group is now six (6) years old after registering it as a CBO. The group started with a few people, but they were later joined by others and today they are more than 500 (five hundred) members. The chairperson informed the members that because of the big number the group, they had split the group into 4 (four) sub-groups and these are Lubanga Lakica meaning (God is Merciful), Watiyo Kacel meaning (working together), Opit Kic Matidi (meaning minor) and Bulu meaning (youth).

All the four groups have VSLA (Village Savings and Loan Associations), they also have a loan revolving fund that was donated to them by the Pie in the Sky through Rotary Kampala North which

they have used for 8 months. She added the VSLA members save and borrow loans and the repayment period is 3 months where all the interest and principle are paid once and the interest for the VSLA is 10% while for the Pie revolving loan fund the loan period is 3 months and the interest rate is 5% per month.

The Facilitators then outlined the topics to be covered over the two days of training and these were:

- Business/Strategic Plan
- Financial Management
- Model / Group Approach
- Resource Mobilization
- Human resource Development
- Monitoring, Supervision and Evaluation
- Evaluation and closure.

Having outlined the topics to be covered the facilitators then asked the participants their expectations and fears, which were:

- To acquire knowledge on book keeping.
- To get to know how to handle members who refuse to pay the loan
- To make new friends.
- To get allowance.
- To get more knowledge on agriculture.
- To acquire knowledge on financial management.

### **Fears**

- Members not keeping time
- Translation may take a lot of time.
- The time for the workshop may not be enough.

### **Business / Strategic Planning**

After getting their expectations and fears the participants set the norms to be followed during the trainings. Then the facilitators took over the sessions by beginning with the first session which was Business/Strategic Planning

The facilitator informed the participants that it was very important for any organization or a project like Siriba Adopt Community project to have a business plan, which is carefully drawn after doing a feasibility study on what the community needs are. He gave an example of OPIT– KIC Widows group project for the first year, the business plan for its micro credit operation would include familiarizing the Board of Directors with micro credit best practices, conducting a market assessment about loan product, hiring and training all staff necessary to start and expand operations, conducting extensive community and stakeholders meetings develop required policies and operational systems.

During the training the facilitator advised the management team that the organization should always be committed to responding to community needs, therefore customer satisfaction would be considered as an important factor.





He also informed the participants that during the implementation of the business strategy there **risks** and assumptions which include, delays in implementation due to slow progress with start-up activities, lack of qualified personnel in micro-financing, which could lead to weak implementation of the project, and sustainability of the services provided under the project.

He also mentioned about the expansion strategy that it should be at a small scale (6 -12 months), then gradual expansion by covering the new areas within the same district. This would allow the project maintain a low cost structure and close supervision for the project and be expanded to cover a greater coverage.

The facilitator also talked about public relations, defined it as the practice of managing communication between an organization and its publics. He gave various tools that could be used to practice public relations namely; brochures newsletters, annual reports. He said direct mail, advertising, and public speaking are also commonly used depending upon intended audience and the message conveyed. He also mentioned that the organization must always have good working relations with other stakeholders/ development partners both at the local and national level, which includes local leaders, public offices, local NGOs and institutions.

The facilitator also talked about self-sufficiency and sustainability. He informed the participants that the proposed revolving loan fund would achieve operational sustainability by the end of a certain period and full financial sustainability at a stated time. This would depend on many inter-related factors such as on time recovery, availability of funds for on-lending and to cover capital and operating expenditure, project expansion at a target pace and operation efficiency.

He concluded by advising participants to design a business plan for the OPIT – KIC project for 3 -5 years and ensure that all that was mentioned in making business/strategic plan is put into consideration by the participants themselves, as this would ensure sustainability of their project.

### **Financial Management**

During the second session, the facilitators handled the financial management topic. The facilitator informed the participants that as management it had to maintain proper books of accounts in respect to all the sums of money received and the expenditure of the project. She said this was necessary to give a true and fair view of the state of the project. The books of accounts should be kept at office for inspection by directors and statutory bodies like Uganda Revenue Authority (URA). At the end of year Annual financial statements such as receipts and payments accounts, balance sheet, cash flow statements are to be prepared and presented to the directors by the Project Manager who would be assisted by a qualified accounting officer.

In respect to financial management, financial control must be in place for the Accounts Officer to have clear guidelines in the running of the organization's finances such as the authorization procedure, bank signatories, procurement procedures, audits etc. she went on to inform them that before commencement of each year, the Accounts Officer shall prepare a draft budget for the organization. She also mentioned that no amounts should be expended unless there was provision in the budget estimates for such items. She went on and informed them that the Auditors would audit all accounts and statements of expenditure and revenues related to the project. While giving out loans the group should also have a policy stating the regulations followed while lending out money

and in this, things like insurance on loans, age limit, minimum and maximum loan amount, and model approach should be stated be it for either individual loans or group loans or both.

## **Day Two**

The Second day started with a recap of the previous day's topics. After a phone discussion with Rotarian Byenkya the facilitators asked the participants for more clarification on their programs / activities. The participants mentioned they had a VSLA and a revolving loan fund, which are both operating very well. They said the Micro-credit revolving loan procedure for Salama SHIELD Foundation would be applied to the Pie and Rotary revolving loan fund they are yet to receive. They agreed to be trained and the SSF Team proceeded with the course outline as planned.

## **Delinquency Management**

The next topic handled was delinquency management which is very important when implementing a micro-credit project. The facilitations gave a definition of delinquency management and went on and informed the participants this involved clients failure to pay on agreed upon time, saying a delinquent loan is persistent failure to pay ones loan and this is caused by external factors like death of clients, catastrophe, economic recession, change of government, laws, etc. the management was also affected by external factors that can lead to failure to pay and these are controllable. They include; poor monitoring, poor appraisal, bad screening, overfunding, illness of a credit officer, which leads to poor monitoring.

The facilitator also talked about the measurement of delinquency which include; before giving out loans determine repayment capacity, one should graduate after payment of 100% on time, clients have to be oriented from the beginning, and field officers must attend group meetings. Before giving out loans if there are loans not paid they would use the following method to see the percentage before disbursing new loans. They also talked about the amount of principle due / loan portfolio\* 100% if the percentage is below 5% it is acceptable, but if it is above, the organization should not lend out any more money to clients. They mentioned that to avoid this, management had to tighten credit methods, charge penalty, instill savings culture in clients, insure loans, analytical skill must be applied when screening clients, need for effective follow up procedure.

## **Loan Monitoring and Tracking**

The facilitator also handled loan monitoring and tracking pointing out the importance of these two, by saying loans had to be monitored, which meant the observation of the loan account performance to ensure that all installments repayments are made, regularly visiting of clients, their businesses to get acquainted with their performance. They pointed out this was because clients with problems could be assisted with advice by management and defaulters would be advised in the early stages and the problem would be addressed before the situation worsened.

Management team members were also informed of the importance of loan tracking, which they said should be done to maintain a health portfolio and document information on outstanding loan balances, arrears and Portfolio at Risk. Management was advised to put in place the loan tracking system to track client's files showing client profile information including savings and loan files, application for the loan, the loan agreement, and the repayment schedule. The groups should also have a group meeting file showing sensitization and group meeting reports, the credit officer shall prepare monthly reports indicating progress made in any area, post disbursement training shall be part of the monitoring and tracking.

The facilitator introduced to management various documents required in implementation of the micro-credit project. They talked about every document explaining when and how to use it. She emphasized the management team should have them all in place for the micro-credit revolving loan operation to go on well and these included; the requisition form, loan application, group loan agreement with all individuals in the group, disbursement form, cash remittance form, group savings ledger card, individual savings ledger card, savings withdraw advice form, daily loan and savings tracking sheet, and loan ledger card.

### **The Model Approach**

The objective of this topic to the management team was to enable them understand the different models and approaches to use in implementing the project effectively. The facilitator explained the different approaches in revolving loan, which include group approach, Individual approach, village banking approach, financial services association approach and cooperative approach.



The group approach seemed the best approach according to the expression by clients and given the fact that Salama SHIELD Foundation (SSF) also uses the same for its revolving loan program. The facilitators talked about the advantages that include; development of business leadership, local employment and job creation, members competence are built at social economic levels, trust is built among members on credit, skill sharing among members, social solidarity and security of poor, backward members learn to educate their children from others etc. The weaknesses of the group model were shared including; poorest members might be excluded by other members who are better off, loans of dropped out members may be headaches for other members, members may be limited to do higher level of business, wrong tendencies of individual members may not be watched by group etc.

### **Resource Mobilization**

The objective of this session was that participants should be able to identify common funding and resource mobilization issues. Here emphasis was put on the role the team leaders have to play in identifying common funding and resource mobilization areas. The trainer defined resource mobilization as giving people the opportunity to give. She added that resource mobilizing is asking people who are willing to give to obvious and needy causes. Sources of funds include; friends, loan capital, savings, grant and donations.

### **Monitoring, Supervision and Evaluation**

The facilitator emphasized that any organization has to ensure intensive monitoring and assessment of outcomes of the programs, there is continuous feedback to improve the quality of the programs performance and help to find out the weakness of the programs. They also pointed out that project performance monitoring and evaluations is done to ensure that the project activities and facilities are managed efficiently and that the benefits reach the target group. The management team in the organization would design an appropriate monitoring and evaluation system to do the following;



facilitate the monitoring of impact and performance based on indicators and milestones as per the projection, work plan and schedule of activities, enhance result based management of the project, monitor the trend of existing and emerging risks, facilitate and ensure timely activity, accurate, adequate, and reliable reporting, facilitate periodic annual reviews bringing together project staff, stakeholders and donors.

The facilitators also noted that project review has to be done because of the large number of clients and components to be covered under the project and regular reviews are to be conducted by the executing agency at least two times a year. The organization would also provide to the executing agency a quarterly progress report on project implementation. The reports would also include other information on the progress of the projects of the clients.

Lastly the facilitators conducted the evaluation of the training using the questionnaire and the responses from the evaluation are combined with those from clients (refer to Appendix on course evaluation).

## **TRAINING OF OPIT-KIC WIDOWS GROUP CLIENTS**

**Day One – Wednesday October 4, 2017**

### **Objectives of the Training:**

The major objective of training OPIT-KIC Widows groups clients was to build the capacity of OPIT-KIC widow's group clients in the operation and management of micro-credit as a tool of poverty alleviation.

### **Specific Objectives:**

- To expose participants to the design, management and operations of micro-credit program
- To enhance participants capacity to handle micro-credit product
- To enhance the human and operational skills of the program participants and the staff
- To develop appropriate, effective and functional small groups of economically empowered households
- To promote greater awareness on economic, and social constraints and empower community
- To enable clients make the best utilization of their loans

### **Training Methodology:**

OPIT-KIC widows group participants came to the course with their own particular set of skills, experiences and interests. The major responsibility of the SSF team was to help them build on their past experience and add new information and skills. The SSF Team were not only lecturers but they also engaged participants in solving problems, making decisions, sharing experiences, and thinking about how they would apply what they learnt to their work. The curriculum included an inter-play of several methods such as warm up exercises, group discussions and lectures. These varied depending on the topic.

The facilitators thanked the clients for having accepted to attend the training and requested each participant to introduce themselves, which was done. The facilitators also managed to go through the course outline, which they explained to the participants in detail. This was before the training because it could help the participants to reflect on at the end of the training to see whether they were achieved or not, as outlined below:

### *Course Outline*

- Introduction to the training
- Overview of the organization
- Individual awakening
- Poverty Reduction
- Subsistence production Vs Commercial production
- Entrepreneurship managing an enterprise for profitability
- Saving and resource mobilization
- Group dynamics and management
- Micro-credit operations and management
- Course Evaluation & Closing

However, at the end of the final day these were the topics covered; Individual Awakening, Poverty Reduction, Subsistence production Vs Commercial production, Savings and Resource Mobilization

The next item on the agenda was having the expectations and fears of the participants, these were outlined by the participants and we managed to go through them one by one and we came to an agreement on all the issues of the training. This was handled by the Hajat Sarah Matovu and these were:

#### *Participant's Expectations*

- Knowledge and skills for development
- Future plans for development.
- Knowledge and skills in book keeping and financial management.
- Siting allowance.
- Meals and refreshments.

#### *Participants Fears*

- How to write when some participants did not know how to read and write
- Time keeping by both participants and trainers

The training schedule had been changed when the management team requested they start their trainings in the afternoon for the first two days and the clients would start their training later i.e. this was the reason why the clients trainings started on Wednesday than on Monday as had been scheduled. This meant more topics had to be squeezed in the three days than the original five days.

### **Overview of OPIT-KIC Widows Group by Chairperson of the Group**

On the first day, the SSF Team welcomed the participants to the training. They requested the Chairperson of OPIT- KIC Agnes Auma to again talk about her group in presence of SSF staff and clients, which she did informing them how the group was started. Salama SHIELD Foundation (SSF) team also talked about their organization.

### **Background of Salama SHIELD Foundation (SSF) by Hajat Sarah Matovu**

Hajat Sarah Matovu a staff member of SSF on behalf of the other two members gave a brief background of Salama SHIELD Foundation (SSF). This was done to enable the participants learn about SSF and how other organizations operate, especially with the micro-finance program.

### **Individual Awakening**

The first topic of the day was individual awakening. The objective of this topic was to acquaint participants, understand, and contextualize their values and attitudes to realize their potential, hidden worth, values and capacities in order to engage in economic enterprises to improve the quality of their life. The facilitator explained what individual awakening was all about, saying it was people having different views, practices, values, beliefs and attitudes which affect the way they behave in making decisions, and the way they interact with other community members. She also defined attitudes, as being one's position, feelings, mindset over something e.g. the ability and inability to carry out something due to some established belief such as an example that was given by a member who said she fears loans because she is always sick. This very example was used to explain that person's attitude towards borrowing which was negative leading to inability of that person.

Here we explained that attitude is what one felt at anything and it can be positive or negative feeling. The Bad attitudes were discussed which included looking at the future negatively, doubtfulness, being dependent for example women being dependent to their husbands or children, being jealousy and suspecting evil to others. These will all lead to a negative attitude in a person. Here clients were encouraged to change their attitude towards situations in order to develop and encouraged to have good attitudes which include; to be positive and realistic, self-confident and independent, willingness to take risks, to be hard working and determined to succeed, to be trustworthy, have the ability to plan and solve problems and one should have leadership skills. A person with all the above would be able to realize their potential to engage in economic enterprises to improve the quality of their life.

### **Poverty Reduction**

The objective of this topic was for participants to understand the causes and effects of poverty, how to utilize the knowledge and skills to reduce these causes and effects. Poverty was defined as lack of basic utilities like shelter, food, clothing, water and medical care and it could be caused by bad attitudes or circumstances beyond control of person /community. Four questions were given to the participants to discuss and these included; why are some people poor, why do some people succeed, Why do some people fail to succeed? And what are the effects of poverty? And here below were some of the responses:

#### **1) Why are some people poor?**

Participants gave different answers which included; God's making is different, being lazy, bad luck, working without a plan, lack of land, giving up always, not being cooperative, sickness, lack of knowledge and skills. The facilitator then said all the above were true apart from the first one (God's making is different) she said God created people with same values and abilities so each one of us can get out of poverty. The facilitator also added that some people are poor because; they are not willing to learn new things, they are not innovative (not thinking of new ideas), not fully utilizing available resources, having limited means of production, lack of markets, do not save, fear challenges, not being honest, not accountable to themselves, do subsistence production for survival, lack of equipment to increase the production capacity, having large families, failure to identify own abilities, feeling satisfied with the current situation, lack of commitment to implement plans if made at all, circumstances beyond control of the individual or community e.g. drought and war.

#### **2) Why do some people succeed?**

The facilitators mentioned that some people are determined to achieve one's life e.g. some people work hard because they want to have better life in future. One participant by the name Richard gave his experience on his determination to succeed. He informed participants that he started with a pair of chicken and a pair of pigeon. They laid eggs and hatched and started selling the chicks. He bought a pair of ducks and they also laid eggs and hatched and people started coming to him wanting the ducks and he told them that for a pair of ducks he wanted 1000 bricks and because the people were in need of the ducks they made bricks for him. He raised 30,000 bricks which he sold at 2,000,000 (two million shillings) and bought a motorcycle which he put on a bodaboda. The money he raised from the bodaboda was used to construct a two roomed house. He later sold motorcycle and bought a new motorcycle and is used on bodaboda business. He said that he is saving to buy a big piece of land and also pay school fees for his children. His dream is to buy a car for himself. The story was impressive and motivating and people thanked him very much for sharing his determination to succeed. Other answers given by participants were: Some want to be on

top of the society, some do things to be recognized, some people want to acquire assets/properties and some get motivated by their friends.

3) Why do some people fail to succeed?

Participants said that some fail to succeed because they fear taking risks, they don't want to try new things, they don't stick on their plans, and they don't save.

4) What are the effects of poverty?

Participants said that this is due to laziness, getting sick often, lack of knowledge on different projects and not having plans for the future. Participants were encouraged to wake up and know their abilities and change their attitudes towards work because this can lead them production and this in turn helps to generate wealth and reduce poverty.

The facilitator also talked about another way of conquering fear and doubt towards work like having a long term plan for life, deciding what one wants to do achieve his/her life plan, identifying available resources required for one's plan and resource gaps and cherishing one's in-born and natural desire of good things e.g. wishing to have a car, house good clothing etc. because it encourages one to work hard in order to achieve what one wants. This statement fitted into the story that Richard shared with the rest of the participants because it was impressive and motivating.

### **Savings and Resource Mobilization**

The objective of this topic was to make participants understand the benefits of savings, acquiring the saving culture and how to get resources for their group and individual projects. Participants described savings as money, which one can put aside to accumulate because one may want to buy something in future e.g. buying land, paying school fees, buying materials for constructing a house etc.

The facilitator emphasized that savings may not need to be too much, but even little savings could accumulate with time and this is the best way to alleviate poverty without much pressure. He gave them a saying; `` **THINK BIG START SMALL, BUT START NOW.** `Here the facilitator informed the participants that even with 10,000/= (ten thousand Ugandan shillings ) one could think of starting a business, but due to the little capital he/she could start with a small business for example cassava and sweet potatoes roasting, which is one of the profitable and easy business to start at Bweyale trading Centre.

The facilitator went ahead to talk about the demand and supply of cassava and sweet potatoes in their area. For example the people in the area have land where they grow cassava and sweet potatoes, the market where to sell them is there at Bweyale Trading Centre so if one of the participants started such a business, he /she would be able to get cassava and sweet potatoes at a lower price in the village and when roasted in the trading Centre because the demand for roasted cassava and sweet potatoes is high, he or she can get more profits out of such a business, so the facilitator encouraged the participants to start now with whatever capital they had as long as they is the demand for such product. There might be a delay in implementation because the startup might be slow. He gave an example of a farmer who wants to agriculture as a business and might take long to plant maize because the tractor he was supposed to clear the land had mechanical.



The facilitator also informed the participants about the benefits of savings, which included saving to invest in opportunities like buying land, starting up a business among others, to cater for emergencies such as illness, retrenchments among others, for future use for example during old age, to meet social needs like paying school fees for the children, building a house for the family among others. to easily access loans after saving some money. He also mentioned that others save to lend others for profits for example in VSLA, members save and at the end of the period they share the profits.

The participants also mentioned why people do not save and these included; lack of enough money to save, low incomes, differences in incomes, and some people do not know about saving culture, too much expenditure, being dependent among others. The facilitator gave other reasons why people do not save such as; people do not have income generating activities like retail shop that can bring incomes for their families and enable them to save some money, low incomes also limit people to save, some people do not know where to save from especially where there are few or no banking institutions or when they are not trusted, some people have a tendency of depending on others to survive and they don't think of savings for example people in camp depend on support from United Nations and they do not think of saving since any time they will receive support from UN.

The participants were sensitized about how they could save and come out of poverty like encouraging them to only spend when they must but not to spend anyhow, to only move the money that is on budget and not to move with a lot of money when travelling as this will tempt them to spend unnecessarily, to avoid some luxuries and wastefulness, to pay the bills immediately but not to wait for them to accumulate like debts, school fees, electricity and others.

The day ended by the participant thanking the facilitators for being friendly and the promised to mobilize more members to come and also get the new knowledge.

## **DAY TWO**

### **Introduction**

The training started with the opening prayer, and national anthem. There was a recap of the previous day sessions which included topic covered like individual awakening, poverty, and saving and resource mobilization. The topics for the second day were subsistence production vs commercial production, entrepreneurship, group dynamics and management

### **Subsistence Production Vs Commercial Production**

The objective of the above session was for participants to understand the difference between subsistence and commercial production and to be able to describe the characteristics of subsistence and commercial production thus engage in any enterprise knowing the benefits and weaknesses. The facilitators described subsistence production, as farming done on a small scale and used for home consumption only. They also talked about the characteristics of subsistence production namely less or no income earned, uses local primitive tools, uses family who are at times not paid, at times the quality is poor, and usually they produce food crops.

Participants were asked the types of crops grown in the area and these include; Maize, beans, cassava, sweet potatoes, sunflower, sim-sim, Groundnuts, sunflower, soybeans, cotton, tobacco etc. The facilitator informed the participants that most of these food crops are grown on a small scale

and the cash crops like sim-sim coffee, etc. mentioned are grown on a small scale which yields are not enough when sold to cater for all the family problems.

The facilitator also gave advantages of subsistence production such as use of simple tools that may not need training e.g. hoes, spades, etc, one being able to use available resources for production e.g. planting using seeds of the previous season, using cow dung and ash as manure etc, labor used is usually family members who are not paid. They also talked about the disadvantages such as production is mainly for consumption, too much effort in terms of inputs and less benefits (output) because products are sometimes of poor quality e.g. producing beans with different colors and types, which cannot attract buyers, the products have no cash value attached and unpaid family members lose morale to work.

The facilitators described commercial production as farming done on a large scale and the products are for sale to make profits. They also mentioned the characteristics of commercial production, as bulk production, products are what buyers want, the quality must be good, skilled labor is required to carry out such production, for example use of a tractor, inputs to production e.g. time labor, materials are valued and paid for, and workers should be paid for the production. They also mentioned the advantages of commercial production being; it is income generating, profits gained motivate the farmer, changing from one type of production to another is possible depending on the demand for example if this time the market demand is high for yellow beans the next season one can change to growing that. A producer makes sure there is no wastage or giving out products for free surplus income is saved. Disadvantages of commercial production were also mentioned and these were; one can produce what they do not want, at times costs are higher than the benefits, demand for products or prices may change, and there is always competition on common markets, storage costs may incur due to lack of market.

Therefore the clients were advised to change from subsistence to commercial production to make profits as opposed to production of consumption only. They could do commercial farming as a group in order to realize high production and income.

### **Entrepreneurship Managing an Enterprise for Profitability**

The objective of this session was for participants to be creative, innovative and able to identify and utilize available opportunities to start new enterprises. The facilitator defined an entrepreneur as a person who is able to identify a need in an area and ways to satisfy his needs using locally available resources to make profits. He also said entrepreneurship is all about being creative and able to make profits using available resources.

The facilitator emphasized that the entrepreneur should be creativity, careful in spending, risk taking, optimistic, motivated, able to make decisions, quick at identifying and tapping business opportunities, persevere when times are hard, skillfulness, able to know human needs, etc.

The facilitator also described 'Business idea; as a short and precise of the basic activities of an intended business. They brought up some of the questions which can describe a business idea, e.g. *'WHAT product or service the business will sell?, To WHOM will your business sell?, HOW will your business sell its products or services?, WHICH needs will fulfill your customers?*

Participants were also informed about the 4 Ps, which can also lead them to develop a good business idea and these were- **Product** (type of the product one wants to produce for his/her customers) **Price** (of the product), **Place** (location where the product is found) **Promotion** (how to market the product).

They also mentioned the four types of businesses, which are manufacturing (production of products sold to wholesalers), wholesaling (selling of products to retailers), retailing (selling of products to final consumers), and service (provision of labor). These are the types of business that one can decide to start according to one's ability.

Participants were informed about how to find good business ideas and how to think creatively, be positive, to look for information concerning the business they want. Such as information on product one wants to offer, prices to sell the product, market where to sell the product, and how to transport and store the product.

The facilitator also advised the trainees on how to get business ideas saying one can use existing business to find out what business to start, one can get a business idea from his or her interests and hobbies for example is one is to start a drama group has also to have an interest or a drama talent. The facilitator added that local activities or problems can lead to a business idea for example if a place has no electricity one can think of a solar business to solve the community problem of lack of power, also from travelling one can generate a business idea because some businesses are done in different area while they may not be at your community so after travelling one can get an idea.

The participants were also informed that a business idea becomes good when one has the necessary knowledge and skills to do such business. Also a business idea is good if one has money or resources to invest in it. Still a business idea is good when the products or services are needed by customers and the customers can afford the prices.

## **GROUP DYNAMICS AND MANAGEMENT**

The objective of this session was to enable participants be able to understand the benefits of being in a group, and how to manage groups effectively especially the micro credit groups. During this training the participants were taught about group dynamics which included topic like group formation, team work in groups, building a strong team, characteristics of a good group, and guideline for working as a group. The facilitator encouraged participants to always work as a team in their groups so as to achieve their goals. He gave an example of a football game, the common objective is to score goals .but in order to achieve this various players ``forwards' 'and ``full backs`` must work together that the passing of the ball is smooth and coordinated and ensuring that they are moving with the ball towards the competitors`goal.in this situation everyone is aware of their specific goals from the beginning. Likewise team work is an essential element for the success of micro credit groups.



The facilitator also taught about group management saying this was intended to provide the participants with the fundamental principles of group management in the implementation of the micro finance operations by identifying the types of internal policies required to manage a group. During the training members were taught about the group constitution and what constitutes it like name of the group, year the group established ,objective of the group, a list of the members in the group, key group activities ,group meetings, office bearers, election of the office bearers ,discipline of members (lateness, absenteeism),bank account and signatories withdraw of membership(resignation and expulsion).the facilitator encouraged members to have a group constitution developed by the members themselves and should respect it as this would guide them during their operations as micro credit groups.

The facilitator also taught group leadership to enable participants know the different leadership roles. He taught about characteristics of a good leader, roles and responsibilities of group leaders (Chairperson, Secretary, treasurer, among others.)

The facilitator concluded the session with record keeping at group level saying this was intended to enable participants be able to list out the importance and purpose of each record and group leader in charge of its maintenance. He encouraged participants to check whether all the records talked about were in their groups and if not to try to put them in place and keep them properly.

## **DAY THREE**

### **Introduction**

The training started with the opening prayer followed by the National anthem. There was a recap of the previous day's topics, which included *subsistence production vs commercial production, Entrepreneurship, Group Dynamics and Management*. Thereafter the new topics were introduced to the participants and these were *Micro-credit operation and management, diversity and conflict resolution, and course evaluation*.

### **Micro-credit Operations and Management**

The main objective of this topic was to enable participants conduct a comprehensive business appraisal, list all the aspects of assessments in group lending and to demonstrate probing and investigative skills required to determine a group's, individuals, businesses, market's ability to repay the loan.

During the training the participants were taught about the micro-credit processing, which included the credit preparation, eligibility for a loan, group membership, loan application, loan assessment, factors considered when appraising a loan applicant, loan approval, loan agreement, training of the beneficiaries, and loan disbursement.



The facilitators showed the participants each document used in micro- credit operations and showed them how each is used practically. Here the emphasis was put on loan assessment /appraisal of the clients before being given loans since this was to be used during their micro-credit operations. The

facilitator showed them how they should do appraisal in their group, like appraising all loans, carrying out appraisal independent of each other members ,carrying out appraisal at the business site, the group to visit the client to verify the information given in the application form (about the existence of the project). He also mentioned that during the visit the group members establish ,what the applicant does, and the type of business he/she is seeking to undertake, to check on the spouse`s support to the loan applicant, meet the Local Council I officials to confirm the integrity of the member.

The facilitator advised the participant to consider these factors 4 Cs (*Capacity, Character, Condition and Collateral*) as very important in money lending business namely capacity of the clients, character of the clients, condition of the business, and the collateral security of the clients during appraisal.

The participants were also advised to record the approved loans in the loan register, which should show, date of approval, name of the beneficiary, loan amount, loan account number, saving account and balance, interest expected, installments, date of disbursement.

### **Diversity and Conflict Resolution**

The participants were also sensitized about how to manage diversity by treating others as they want to be treated, recognizing and acknowledgement of differences, forgoing commitment in accommodating, valuing and supporting diversity, inculcating an organizational culture that all groups, cultures, beliefs etc. Conflict is the disagreement between individuals or groups having incompatible goals, thoughts, or emotions. In case of conflicts in the groups, the following questions have to be asked; *What are the causes of conflict?, what are the different kinds of conflict that exist in the community? and how can conflict be avoided or resolved?.* He emphasized that knowing all that would help them in solving conflicts that exist. The facilitator informed the participants the different ways of conflict management and resolution, which included; withdrawing and avoiding, accommodating by use of agreements, forcing/ competing which is to solve conflict temporarily, compromising or bargaining for solutions, collaborating, negotiating/ problem solving.



### **End of Training**

The training came to an end on Friday October 6, 2017 having covered most of the topic with the exception of the human resource topic meant for the management team. This was not covered due to the limited time given the fact the management team was supposed to be trained in the mornings, which was not possible..

### **Course Evaluation**

At the end of both trainings an evaluation was conducted. The evaluation of the training was done by giving the participants questions to evaluate the effectiveness of the training and finding out if participants learnt what was taught throughout the training. There were eight (8) questions given out and in the appendix are the questions and responses given by the participants from both groups



However it was noted that the training had equipped them with knowledge and skills being that for some it was a new topic, especially in financial management and micro-credit operations. Most participants requested for a refresher course especially in loan processing, many had learnt about saving, having positive attitudes, relationships with others in a group, team work, the importance of training members before giving them loans, importance of documents, conflict resolution and management among others. However what was not well understood was human resource development since it was not handled, using the books of account because for some it was the first of its kind, Business strategic planning, insuring loans, recovering non-profit loans e.g. school fees or agricultural loans and most requested for refresher trainings. When asked what they would like to learn more about in concerning microcredit operations, most pointed out, accountability and financial control, loan procedures and how to manage loans and groups/ new members, leadership skills and empowering members to sustain their groups, and other training they would want include HIV/AIDS awareness, gender based violence, parenting, counselling, agriculture, project planning and management, water, sanitation and hygiene, computer literacy about what should be improved upon they indicated trainings should start in the morning, meals and transport allowance should be provided (refer to appendix).

### **Facilitators Observation:**

These were the observations noted by the facilitators during the trainings:

1. Most clients arrived for sessions tired having worked in their homes / businesses in the mornings. Also time for attending the trainings was not well observed by some clients.
2. The turn up was also poor due to poor mobilization. According to the members they informed the SSF team that the OPIT-KIC coordinator had not been informed about the training by the organizers yet he has always been the one coordinating all their activities. When he was contacted, he informed the clients that he had not received any communication from the Rotarians with whom he has always been in contact. As an influential person in this project this made some people stay away since he had not mobilized them.
3. Some clients stayed away saying there was no sitting allowance and food for them as expected, which also affected the turn up for the trainings.
4. The interesting topic during the training for clients was micro-credit operations whereby the participants showed interest in adapting Salama Shield way of operating the revolving fund project and were very impressed by the 2% interest charged per month which the clients said was fair and the 100% loan repayment by the clients.
5. Though the management team were supposed to have their training for two days, they came back and attended the three days trainings for the clients and they showed much interest and enjoyed those trainings and said that the contents were very useful to them.
6. Surprisingly there were some people in the management and the clients who knew English and we hope they can also help in training their fellow members in future.
7. The interest that was being charged on revolving fund and in VSLA was a bit high which was scaring some members to borrow and could not enable them develop and pay back in time. The interest was 5% for revolving and 10% for VSLA.
8. During discussions , when members heard the suggestion about the age limit for members accessing loans not exceeding 65, members who are above 70s were worried this could eliminate them
9. The savings culture was not new to them because all of them were in the VSLA where saving is the main objective.

10. The number of clients and management who turned up for the training comprised mostly of women since they are the ones who started it. It was also observed that in this group most of the clients both men and women were between 50 to 80 years of age. However, we were informed that the youth who are in the Bull group could not attend the trainings because most were in school.
11. The founder members of OPIT- KIC are so dedicated, committed and love their group. According to the members this is why their group has been in existence for six years.

### **Challenges Encountered During the Trainings**

- The period was not enough because trainings were always conducted in the afternoon. This meant many topics had to be delivered in the short period which was not sufficient enough.
- Time management as most clients arrived late saying they had to first prepare lunch and for their children who had to go back for lunch and there was no provision for lunch for participants. One of the days the group had a VSLA meeting which caused late coming of the participants.
- The language barrier where the clients spoke Luo and translations had to be done which took time as they waited for the translations.
- The topic that was not covered during the training for the management team was Human Resource Development. This was because the time was not enough to cover all the topics that were to be covered by the management since the schedules were changed to afternoon.

### **Recommendations**

- There is need for adequate mobilization of the clients by the implementing agency to the management team
- The trainings should be planned in the morning session for participants to be more attentive and alert.
- There is also need to provide lunch to participants to enable them attend trainings and in time.
- There is need to have more training for both the management team and clients about micro-credit operations in future.
- OPIT – KIC Widows group to draw up a 3 – 5 year business / strategic plan
- There is need of forming small and manageable groups to benefit from the micro-credit revolving fund (not exceeding 25 members).
- There is need to get staff to manage and follow up on the groups once the micro credit program starts.
- OPTIC –KIC Widows group to ensure that all groups formed get constant training, monitoring and supervision.
- If funds are available there is need to have exchange visits to Salama SHIELD Foundation (SSF) offices by some members from OPIT-KIC Widows group to get more acquainted with the operation of Micro-credit.

## Appendix 1: Course Evaluation Questions and Responses

The following are the evaluation questions and answers given by the participants:

1. What can you say about the Micro-credit training workshop?

- It was good because it added our knowledge
- It was about maintaining proper use of accounts
- It was encouraging
- It was fairly good though some topics are still new, so it needs to be repeated after six months
- It was wonderful because it gave us skills to enable us run our groups well.
- It opened our minds and if taken seriously it can develop our people
- It trained us how to give and pay loans
- It was successfully operated
- It will improve our groups to stand up
- It showed us all the documents of micro-credit
- It taught us how to be in a group
- Time management was poor by the clients
- It taught how to save, do commercial farming and stop poverty
- It helps us the poor
- It was good but the issue of loan processing was not clear
- It was fantastic and one day we shall call you back here
- It taught us how to socialized and have unite in the group
- It showed us the loan processing
- It taught me how start with small amount of the money and gain a lot
- It taught me how to give out loans and the interest which comes out of the loans

2. Mention three things you have learnt from this training

- How to bank and save money and why we need to save
- How control money among members
- Relationship among members
- How keep documents for reference
- To open accounts to avoid safety
- To be creative
- Business strategic planning
- The risk assumption when carrying out a business
- To evaluate and monitor clients and their businesses as well as personal issues
- Drawing work plan at least for a year and budgeting
- How to give follow up the loan and loan in installment
- Incorporating Sanitation and hygiene ideas in loan revolving fund
- Training of clients before giving them loan
- How to manage delinquencies
- Insurance of loans
- The importance of paying the loan
- Loan management

- Micro-credit operations
- The importance of the group
- How to manage my business
- Difference between commercial and subsistence farming
- How to apply for a loan
- How to start a business
- The skills that can help me achieve my goal
- Calculating the loan interest
- Qualities of a good leader and skills
- Group diversity and how to manage conflict in the group
- Book keeping
- The importance of team work
- Low interest is good in uplifting the poor
- Changing attitudes to positive
- Salama SHIELD Foundation and its operations

3. What was most interesting to you during the training?

- How to use in our businesses and pay loans
- Good and detailed explanation by the facilitators and giving time for questions
- The way facilitators were handling the participants and the commitment
- Financial management
- How to make the budget before using the funds and balancing books
- Budget and work plan
- Recordings in the ledgers and the triplicate receipts used in loan recovery
- It has added to my knowledge
- The interest rate being paid together with the loan
- Being strict with the clients not using the money anyhow
- Poverty reduction which says why one poor because of being lazy
- The method used and guidelines for loan given out, the period and the loan interest rate
- Changing attitudes to positive attitudes
- The benefits of being in a group and its management
- Following up clients who have loans and how they should pay back the loan
- Practical calculations on loan repayment especially the interest calculations
- Conflict resolution and diversity
- How I can save money and make use of it

4. What topic was not well understood?

- The loan process, monthly loan repayment, saving ledger card and how to add and deduct
- How to insure loans
- Monitoring sanitation and hygiene and smaller groups
- Human resource development because it not touched
- Business strategic planning because I was interested in financial management in order to manage the group
- Using the books of account because it was the first of its kind
- How to handle non-profitable loan like school fees loan and agriculture loan

- Loan appraisal and advantages and disadvantages of subsistence farming and commercial farming
- Group dynamics and management
- Loan procedure and disbursement because according to loan forms they need calculations
- The topic of recovering loan even when you are sick
- We shall need refresher training
- Financial management because it will be difficult for us to explain those who did not attend

5. What you do like to learn more about in concerning microcredit operations?

- Bank reconciliation
- Business skills and how to calculate interest rate and book keeping issues and business idea
- Accountability and financial control, and budget and work plan
- Strategic planning
- HIV/AIDS awareness and gender based violent
- Changing of signatures
- Loan procedures and how to manage loans and groups
- Group dynamics and, and recruiting of new members
- Transaction of loans, weekly ledger entrance per person per a group, commission and interest
- We would like the facilitators to come back some time in future
- Revolving fund
- Starting up new projects to cater for school fees and agriculture loans and computerizing micro-credit documents
- Leadership skills and empowering members to sustain their groups
- Benefits of microcredit
- Record keeping

6. Apart from the workshop, what other trainings would you like to have in future?

- Gender based violence and sanitation and hygiene, and HIV/AIDS awareness
- Knowledge on economics
- Project planning and management
- Agriculture, medical and water services
- Office management
- Exchange visits to see how other groups perform so that we compare and learn new things from them
- Computer literacy,
- Parenting skills and counselling
- How to make liquid soap, candles and mats

7. What can you say about the:

- Organization: Good
- Meals: Not served
- Time: Good timing
- Venue for the workshop: Fair
- Facilitators: Very good so and free they have managed well, very active, they explained



very well, marvelous indeed, the speed was to high

8. What do you think needs to be improved upon or changed?

- We need to improve in collection of loan from clients
- There should be at least some refreshments since most of us are farmers and sometimes rush to come when we are hungry and meals
- Improve on the time frame for trainings so that participants can get the whole training well
- We should increase the payment period from 3 months to six month with lower interest rate
- Improve the meals and facilitation
- Change the venue
- Trainings should start in the morning
- We need to be with the coordinator and also give our report to the Rotary people
- The time should be given to the translator to explain full what has been said
- We should be given allowance to take something home
- We should improve on time management