

EDUCATION IS A *new* BEGINNING



YOUTH EDUCATION PACK (YEP)

BUSINESS TRAINING MANUAL

NRC

NORWEGIAN
REFUGEE COUNCIL

AUTHORS:

Ina Torp	inatorp@hotmail.com
Miresi Busana	miresi.busana@gmail.com

DESIGN:

Anna Lewerth	www.annalewerth.com
--------------	---------------------

THIS RESOURCE MATERIAL MAY BE REPRODUCED WITH PERMISSION AND APPROPRIATE ACKNOWLEDGEMENT.

The Norwegian Refugee Council aim to make the YEP Business Training Manual available for others. The following conditions apply:

Reprints, translations and possible changes must only be done by agreement with the Norwegian Refugee Council and knowledge of the NRC Education Advisers.

The Norwegian Refugee Council is to receive translations and adaptations for review prior to the printing to ensure that original intentions and methods have been honoured.

The Norwegian Refugee Council is given the right to use translated or adapted versions in its own work if so desired.

No one can use or produce the material with the intent for financial gain.

The persons involved in the development, adaptation and translation of this manual will be acknowledged.

Please contact NRC Education Advisers

Silje Sjovaag Skeie	SiljeSjovaag.Skeie@nrc.no
Helge Brochmann	helge.brochmann@nrc.no

PUBLISHED BY THE NORWEGIAN REFUGEE COUNCIL
DECEMBER 2011

Norwegian Refugee Council
POB 6758 St. Olavs Plass
N-0130 Oslo
Norway
Tel no + 47 2310 9800
Fax no + 47 2310 9801
www.nrc.no

PREFACE

A SECOND CHANCE FOR YOUTH

In many conflict-affected countries more than 60 percent of the population is under the age of 25. Many of these young people are not in school and some have never had access to education. Without education, there are few opportunities for youth to learn marketable, productive skills that will enable them to make a living. Left with few opportunities many become idle and frustrated and at risk of getting involved in harmful activities that may put themselves and their communities at risk.

Recognizing the special needs of conflict-affected youth, the Norwegian Refugee Council (NRC) puts youth at the forefront of its education assistance. NRC has developed the Youth Education Pack (YEP), a training program which equips youth with necessary skills and knowledge to enhance protection, improve their livelihoods and help them become active members of their communities.

YEP is designed to address the needs of conflict-affected youth (aged 15- 24) with little or no education background. The one-year training program provides youth with basic literacy and numeracy skills, basic vocational skills and life skills.

Since employment opportunities are often limited in conflict affected countries, the chances of YEP graduates finding salaried employment can be scarce. Self-employment or establishment of cooperatives together with other YEP graduates are often more likely options. Equipping youth with business skills and entrepreneurial thinking is therefore essential for their small businesses to be sustainable.

To enhance the business training provided through YEP, NRC has developed this YEP Business Training manual for use across all YEP programs. The manual is designed for YEP instructors who teach business skills, and rests on an interactive methodology. The Modules in the manual teach YEP learners basic business principles and how to plan and manage a business successfully.

By enhancing the training in business skills, we hope that youth graduating from NRC's YEP centres will be better equipped to run successful businesses, find self-employment and achieve greater self-reliance.

Oslo December 2011

Helge Brochmann
Education advisor

Silje Sjøvaag Skeie
Education advisor

For more information about NRC see www.nrc.no

CONTENTS

PREFACE	1
CONTENTS	2
ACKNOWLEDGEMENTS	4
BACKGROUND	4
OVERVIEW OF THE YEP BUSINESS TRAINING MANUAL	5
HOW TO USE THIS MANUAL	6
SCOPE AND SEQUENCE OF THE SIMULATIONS	10
METHODOLOGY	15

MODULE 1 16

UNIT 1.1	SIMULATION 1	18
ACTIVITY 1.1.1	FACILITATOR'S PRACTICAL PREPARATIONS	18
ACTIVITY 1.1.2	EXPLAIN THE RUNNING OF THE SIMULATION	20
ACTIVITY 1.1.3	PLAY THE SIMULATION	23
ACTIVITY 1.1.4	DISCUSSIONS	28
UNIT 1.2	INTRODUCTION TO BUSINESS	30
ACTIVITY 1.2.1	DIFFERENT TYPES OF BUSINESS AND ACTIVITIES OF BUSINESS	30
UNIT 1.3	UNDERSTANDING BUSINESS QUALITIES	34
ACTIVITY 1.3.1	WHICH QUALITIES SHOULD A BUSINESS OWNER DEVELOP AND WHY?	34
ACTIVITY 1.3.2	HOW CAN I IMPROVE MY NEGOTIATION SKILLS AND WHY SHOULD I DO IT?	36
ACTIVITY 1.3.3	HOW CAN I WORK SUCCESSFULLY IN A TEAM AND WHY SHOULD I DO IT?	38
ACTIVITY 1.3.4	HOW CAN I WORK WITH MY COMMUNITY AND WHY SHOULD I DO IT?	41
UNIT 1.4	UNDERSTANDING FAMILY AND FRIENDS DEMANDS	43
ACTIVITY 1.4.1	HOW CAN I DEAL WITH THE DEMANDS OF MY FAMILY AND FRIENDS AND WHY SHOULD I DO IT?	43

MODULE 2 45

UNIT 2.1	SIMULATION 2	47
ACTIVITY 2.1.1	FACILITATOR'S PRACTICAL PREPARATIONS	47
ACTIVITY 2.1.2	EXPLAIN THE RUNNING OF THE SIMULATION	49
ACTIVITY 2.1.3	PLAY THE SIMULATION	52
ACTIVITY 2.1.4	DISCUSSIONS	55
UNIT 2.2	SITUATE YOUR BUSINESS IN YOUR LOCAL MARKET	57
ACTIVITY 2.2.1	HOW CAN I IDENTIFY A SUITABLE LOCATION FOR MY BUSINESS AND HOW CAN I FORM A YEP COOPERATIVE OR BUSINESS GROUP?	57
UNIT 2.3	UNDERSTANDING HOW TO PLAN FOR MY BUSINESS	60
ACTIVITY 2.3.1	HOW CAN I PLAN FOR MY BUSINESS AND WHY SHOULD I DO IT?	60
ACTIVITY 2.3.2	WHERE CAN I FIND THE RESOURCES FOR MY BUSINESS?	63
UNIT 2.4	UNDERSTANDING HOW MY LOCAL MARKET WORKS	67
ACTIVITY 2.4.1	HOW DOES MY LOCAL MARKET WORK AND WHY SHOULD I KNOW IT?	67
ACTIVITY 2.4.2	HOW CAN I ASSESS MY LOCAL MARKET AND WHY SHOULD I ASSESS IT?	69
ACTIVITY 2.4.3	HOW CAN I CARRY OUT THE MARKET SURVEY IN MY LOCAL MARKET?	73
ACTIVITY 2.4.4	HOW CAN I DEVELOP MY PRODUCT OR SERVICE AND WHY SHOULD I DO IT?	76
UNIT 2.5	UNDERSTANDING THE COSTS OF MY BUSINESS	80
ACTIVITY 2.5.1	HOW MUCH DOES IT COST TO SET UP AND RUN A BUSINESS AND WHY IS IT IMPORTANT TO KNOW IT?	80
ACTIVITY 2.5.2	HOW CAN I SET THE PRICES OF MY PRODUCTS AND SERVICES AND WHY SHOULD I DO IT?	84
ACTIVITY 2.5.3	HOW CAN I CALCULATE MY PERSONAL INCOME AND WHY SHOULD I DO IT?	88

MODULE 3

90

UNIT 3.1	SIMULATION 3	92
ACTIVITY 3.1.1	FACILITATOR'S PRACTICAL PREPARATIONS	92
ACTIVITY 3.1.2	EXPLAIN THE RUNNING OF THE SIMULATION	95
ACTIVITY 3.1.3	PLAY THE SIMULATION	98
ACTIVITY 3.1.4	DISCUSSIONS	104
UNIT 3.2	UNDERSTANDING HOW TO MARKET YOUR BUSINESS	106
ACTIVITY 3.2.1	HOW CAN I MARKET MY PRODUCTS OR SERVICES AND WHY SHOULD I DO IT?	106
ACTIVITY 3.2.2	HOW SHOULD I MANAGE MY CUSTOMERS AND WHY SHOULD I DO IT?	109
ACTIVITY 3.2.3	HOW CAN I IMPROVE MY SALE-SKILLS AND WHY SHOULD I DO IT?	111
UNIT 3.3	UNDERSTANDING HOW TO MANAGE MONEY	113
ACTIVITY 3.3.1	HOW CAN I KEEP RECORD OF MY MONEY AND WHY SHOULD I DO IT?	113
UNIT 3.4	UNDERSTANDING HOW TO MANAGE TIME	117
ACTIVITY 3.4.1	HOW CAN I MANAGE MY TIME AND WHY SHOULD I DO IT?	117
UNIT 3.5	UNDERSTANDING HOW TO MANAGE THE WORK PLACE	120
ACTIVITY 3.5.1	HOW CAN I IMPLEMENT HEALTH AND SAFETY MEASURES AND GOOD PRACTICES IN MY WORKPLACE AND WHY SHOULD I DO IT?	120
UNIT 3.6	UNDERSTANDING HOW TO MANAGE RULES AND REGULATIONS OF BUSINESS	123
ACTIVITY 3.6.1	HOW CAN I DEAL WITH RULES AND REGULATIONS OF BUSINESS AND WHY SHOULD I DO IT?	123
REFERENCES		126

ACKNOWLEDGEMENTS

A special thank you goes to our colleagues in Uganda; to the NRC YEP Team, the YEP instructors and teachers and to the YEP learners from the YEP Vocational Centre in Pajule, for their invaluable contributions to the development of this manual.

We also wish to thank the reference group; Carina Vedvik Hansen, Therese Curran, Benjamin Marty, Lawrence Odong, Eka Zhvania and Camille Sanchez for their valuable and essential contributions throughout the process.

BACKGROUND

Since the start-up of YEP in 2003 a variety of different business training manuals have been developed by the different YEP programmes. NRC decided to compile the various experiences and develop a common training manual.

This YEP Business Training Manual was developed during the autumn of 2011. A reference group consisting of NRC field staff from various YEP field contexts was established in September and has been consulted throughout the process. A first draft of the material was tested on YEP teachers and YEP learners in Kitgum, Uganda during an eight days workshop in October. The feedback from the testing and the reference group has guided the authors throughout the process.

OVERVIEW OF THE YEP BUSINESS TRAINING MANUAL

The main components of the YEP Business Training Module include the following three Modules:

Module 1: Introduction to Business - the Qualities of a Successful Business Owner

Module 2: How to Plan for a Successful Business

Module 3: How to Manage a Successful Business

The Modules are organized around a simulation Activity which aims to develop a practical understanding on the themes addressed within each Module.

Module 1 focuses on a general introduction to basic concepts of business and personal qualities of business owners. This Module intends to build the capacity of the learners to reflect on basic business activities and on the personal qualities needed in business.

Module 2 is the core Module of the training. The focus of this Module is twofold: the response to the local market demand and general business planning. The response to the demands of the local market is developed through the market survey, the location of the business and the manufacturing of marketable products and services, while the business planning is developed through the first basic business plan, the calculation of costs and the set-up of profitable prices. It involves the set-up of the YEP cooperatives or of business groups that potentially will run their own business at the end of the YEP training.

Module 3 focuses on the principles of good management and it recaps some of the business qualities developed in Module 1. It reinforces the concept of the strict division between business expenses and personal needs through the development of ad hoc business records and the calculation of business profit and personal income, which is also developed in all business simulations.

Each Module is subdivided in Units and activities. Each Unit forms a complete learning Unit and is intended to stand-alone. Sometimes learning Units are subdivided into activities, which divide the learning Unit into smaller learning steps.

The duration of the YEP business training is estimated to be 48 hours. However the duration should be adapted to the level of learners.

HOW TO USE THIS MANUAL

It is advisable to start the YEP business training around the fourth month of the YEP year in order to slowly build the understanding of business topics and prepare the learners to consolidate the YEP cooperatives or business groups. The forming of cooperatives or groups happens in Activity 2.2.1 in the manual.

It is advisable to mainstream some of the topics developed in the business training in the YEP vocational and literacy and numeracy classes. For example, business plans can be used as reference for the development of literacy competences, record books can be examples in numeracy classes to enhance mathematical operations. It is up to the judgement of YEP instructors to determine the relevant business topics that will be included in the YEP curriculum. It is also advisable that YEP instructors collaborate to coordinate YEP vocational, literacy, numeracy and business skills taught in each YEP centre.

The target group of the YEP Business Training Manual are the YEP instructors while the target group of the YEP Business Training Curriculum are the YEP learners. The manual can also be used by other NRC programmes like livelihood projects with Income Generating Activities (IGA) or other groups that wish to start up a small scale business.

The YEP Business Training Manual aims at being self-explanatory, however it is recommended that the YEP instructors receive an orientation on how to use the YEP Business Training Manual. It is also recommended that the NRC Education Programme and Project Managers become familiar with the training and make sure that the NRC YEP Country teams are able to impart the training to the YEP instructors in order to guide and support them when necessary.

The language of instruction of the Business Training Manual should be the language used by the YEP instructors and the YEP learners. This implies translating the YEP Business Training Manual into the local language prior to the lessons taking place. The entire manual can be translated in one, or unit by unit on ad hoc necessity. The BUSINESS GLOSSARY LIST in ANNEX 1 also helps the standard translation of basic business concepts.

The visual materials needed to run the business simulation are all listed in ANNEX 2 and regular visual and verbal reference is made in the manual, while the materials needed in the rest of the units and activities is listed in ANNEX 1.

The three Modules and the ANNEX is divided in two separate documents to ease the printing. The Modules should be printed two-sided and can be printed in black and white. The ANNEX needs to be printed on one side only and should be printed in colors. The buy shop - and surprise cards in ANNEX 2 should be printed with front and back cover. The back cover of the cards are located at the beginning of the respective cards. Print the number of back cover pages needed for each set of cards, turn the pages upside down in the printing machine and print the front pages of the cards. The posters for the simulation should be printed in A3 size.

The first simulation starts by dividing the learners in teams. It is advisable to keep the same teams throughout the first Module to challenge the learners in making the teams function well. It is recommended to divide the trainees in new teams at the beginning of simulation two to give learners a chance to work in a different team dynamic before the forming of YEP cooperatives or working groups in Activity 2.2.1. Once the working groups have been established, these groups should be kept throughout the rest of the training.

Do not start the training until you are fully prepared and have understood the running of the training and have all material available. Note the four steps below when implementing a session:

- READ the material thoroughly in advance.
- ORGANIZE the training session and identify potential challenges.
- PRACTICE prior to delivering the session to learners.
- EVALUATE the session afterwards and make a list of what you can improve to next session.

Use the table below to plan for the training. A compiled overview of the training activities and learning outcomes (scope and sequence of the manual) is listed in ANNEX 1 to supplement the planning process.

**UNIT 1.1 SIMULATION 1****240 min**

- Activity 1.1.1 Facilitator's practical preparations 30 min
 Activity 1.1.2 Explain the running of the simulation 30 min
 Activity 1.1.3 Play the simulation 120 min
 Activity 1.1.4 Discussions 60 min

UNIT 1.2 INTRODUCTION TO BUSINESS**60 min**

- Activity 1.2.1 The different types of business and business activities 60 min

UNIT 1.3 UNDERSTANDING BUSINESS QUALITIES**240 min**

- Activity 1.3.1 Which qualities should a successful business owner develop and why? 60 min
 Activity 1.3.2 How can I improve my negotiation skills and why should I do it? 60 min
 Activity 1.3.3 How can I work successfully in a team and why should I do it? 60 min
 Activity 1.3.4 How can I work with my community and why should I do it? 60 min

UNIT 1.4 UNDERSTANDING FAMILY AND FRIENDS DEMANDS**60 min**

- Activity 1.4.1 How can I deal with the demands of my family and friends and why should I do it? 60 min

UNIT 2.1 SIMULATION 2**240 min**

- Activity 2.1.1 Facilitator's practical preparations 30 min
 Activity 2.1.2 Explain the running of the simulation 30 min
 Activity 2.1.3 Play the simulation 120 min
 Activity 2.1.4 Discussions 60 min

UNIT 2.2 SITUATE YOUR BUSINESS IN YOUR LOCAL MARKET**120 min**

- Activity 2.2.1 How can I identify a suitable location for my business and how can I form a YEP cooperative or business group? 120 min

UNIT 2.3 UNDERSTANDING HOW TO PLAN FOR MY BUSINESS**180 min**

- Activity 2.3.1 How can I plan for my business and why should I do it? 60 min
 Activity 2.3.2 Where can I find the resources for my business? 120 min

UNIT 2.4 UNDERSTANDING HOW MY LOCAL MARKET WORKS**420 min**

- Activity 2.4.1 How does my local market work and why should I know it? 60 min
 Activity 2.4.2 How can I assess my local market and why should I do it? 120 min
 Activity 2.4.3 How can I carry out the market survey in my local market? 120 min - 1 week
 Activity 2.4.4 How can I develop my product or service and why should I do it? 120 min

UNIT 2.5 UNDERSTANDING THE COST OF MY BUSINESS**440 min**

- Activity 2.5.1 How much does it cost to set-up and run a business and why is it important to know it? 120 min
 Activity 2.5.2 How can I set the price of my products and services and why should I do it? 120 min
 Activity 2.5.3 How can I calculate my weekly income from the business and why should I know it? 180 min

UNIT 3.1 SIMULATION 3**270 min**

- Activity 3.1.1 Facilitator's practical preparations 30 min
 Activity 3.1.2 Explain the running of the simulation 30 min
 Activity 3.1.3 Play the simulation 150 min
 Activity 3.1.4 Discussions 60 min

UNIT 3.2 UNDERSTANDING HOW TO MARKET YOUR BUSINESS**240 min**

- Activity 3.2.1 How can I market my products or services and why should I do it? 120 min
 Activity 3.2.2 How should I manage my customers and why should I do it? 60 min
 Activity 3.2.3 How can I improve my sale-skills and why should I do it? 60 min

UNIT 3.3 UNDERSTANDING HOW TO MANAGE MONEY**120 min**

- Activity 3.3.1 How can I keep record of my money and why should I do it? 120 min

UNIT 3.4 UNDERSTANDING HOW TO MANAGE TIME**60 min**

- Activity 3.4.1 How can I manage my time and why should I do it? 60 min

UNIT 3.5 UNDERSTANDING HOW TO MANAGE THE WORK PLACE**60 min**







- Activity 3.5.1 How can I implement health and safety measures and good practices in my workplace and why should I do it? 60 min

UNIT 3.6 UNDERSTANDING RULES AND REGULATIONS OF BUSINESS**60 min**

- Activity 3.6.1 How can I deal with rules and regulations of business and why should I do it? 60 min

LIST OF SYMBOLS

Visual symbols appear throughout the manual. They aim at facilitating the understanding of the learning steps that the facilitator should deliver and also at making the manual more self-explanatory. Following is a list of the symbols used in the manual

GRAPHIC SYMBOL	NAME	USE
	Note	The note is a reminder for the facilitator that explains something that needs to be done or perhaps stated.
	Energizer	Energizers are activities the facilitator uses to encourage learners involvement and interaction. These activities may be used at the beginning of each day to bring the group together and begin work on a positive note. They may also be used during the day to recharge the group (e.g., after lunch, after a long presentation). The energizer symbol appears in the manual where the group needs to split into small teams. Suggested energizers is listed in ANNEX 1.
	Role-play, pair work and group work	These are activities that engage the learners in different ways. In group settings learners are able to brainstorm ideas, learn from their peers, and have the chance to voice their thoughts and knowledge in a supporting and enriching setting. The symbol helps the facilitator to identify when such activities take place so that the facilitator can prepare the Activity in advance.
	Case-study and real life stories	Case-studies are either made-up or real life stories illustrating a problem. The case gives us insight into the topic and it aims at encouraging the learners to think of possible scenarios, or solutions to the problems. Case studies are stories that aim at inspiring the learners. Real life stories refer to real life events.
	Learning point	Learning points help the facilitator to focus on key points that should be highlighted.
	The eye	This symbol refers to a visual aid that can support the learning of the Activity. The visual aid materials are listed in ANNEX 1.
<i>For example:</i>	For example	For example indicate samples of expected answers.

SCOPE AND SEQUENCE OF THE SIMULATIONS

THE BUSINESS SIMULATIONS ARE THE FIRST UNIT OF EACH OF THE THREE MODULES AND ARE ORGANIZED IN THE SAME WAY, CONSISTING OF FOUR ACTIVITIES:

- 'Facilitators practical preparations' – the facilitator prepares the classroom.
- 'Explaining the running of the simulation' – the facilitator explains the simulation to the learners.
- 'Play the simulation' – the simulation takes place with the learners.
- 'Discussions' - the learners discuss and reflect on their actions during the simulation.

The four activities consist of numbered steps explaining what you as the facilitator need to do. However, it is important that you do not start the simulation until you are fully prepared and have understood the running of the simulation. Make sure you have all the material for the simulation available.

The simulation is divided into three similar cycles of five cycle steps. All together the simulation has 15 steps. On each of the five steps the teams will have to do a business activity, and this forms the basis of the simulation. In addition to the five basic steps, there are variations in the three different simulations, that reflect the key learning points of each module and increase the complexity of skills that the learners need to engage in. The level of the simulation should be adjusted to the level of learners and their ability to follow the simulation. You will find a recommended progression in the matrix below.

VARIATIONS IN THE THREE DIFFERENT SIMULATIONS

The first simulation is the most basic one and focuses on the personal qualities of a successful business owner. Learners will be challenged to work in teams, negotiate and deal with business ethics. Surprise cards will be introduced in simulation one.

The second simulation reflects module two, on how to plan for a successful business. The key focus is on assessing and responding to the market and price products according to the quality of the raw material.

The third simulation reflects module three on managing a successful business, and the key focus is on record keeping. In addition, learners will learn how to deal with a loan and gain an understanding of risk management through a credit shop.

OVERVIEW OF BUSINESS CYCLES, KEY LEARNING POINTS AND RULES FOR SIMULATION 1-3

STEPS IN SIMULATION	KEY LEARNING/ DISCUSSION POINTS	RULES IN SIMULATION
SIMULATION 1: INTRODUCTION TO BUSINESS: THE QUALITIES OF A SUCCESSFUL BUSINESS OWNER		
BUSINESS CYCLE ONE: <ul style="list-style-type: none"> Negotiation skills. Efficiently work in a team. Allocating money between personal and business expenses. BUSINESS CYCLE TWO: <ul style="list-style-type: none"> Continuation of step one. Introduce 'surprise cards' on the production step. BUSINESS CYCLE THREE: <ul style="list-style-type: none"> Continuation of step two. Introduce 'business ethics'. 	<p>At the end of simulation one, the learners will:</p> <ol style="list-style-type: none"> Demonstrate teamwork skills. Demonstrate negotiation skills. Understand how ethical behaviour affects the business. Understand how to make profit. Understand how to allocate money between personal and business expenses. 	<ul style="list-style-type: none"> Write receipts if learners ask for it. The five different activities or steps in the business cycle should only be done one at a time. Buy most of the products, however start questioning the quality if some of the teams manufacture products of low quality. Announce that white raw material costs 40 YEP money and products can be sold for 80 YEP money, however allow for some negotiation. Each unit of raw material can only be turned into one product. Unused raw material can be sold to the selling shop for 20 YEP money for each piece. Each team must pay 50 YEP money for rent at the last selling step of cycle three. Bankruptcy: encourage teams to find a solution, or give a loan of two pieces of white raw material to be paid back at the end of the simulation.
SIMULATION 2: HOW TO PLAN FOR A SUCCESSFUL BUSINESS (only two business cycles)		
BUSINESS CYCLE TWO: <ul style="list-style-type: none"> Continuation of negotiation skills, allocating money between personal and business expenses and surprise cards from simulation one. Define business type and product and business name. Allocate tasks between team members. Introduce orange raw material. Introduce local market expert office. BUSINESS CYCLE THREE: <ul style="list-style-type: none"> Continuation of cycle two. 	<p>At the end of simulation two, the learners will:</p> <ol style="list-style-type: none"> Understand how to deal with the demands of the market. Understand the relation between the quality of raw material and the price of the final product or service. Understand team dynamics. 	<ul style="list-style-type: none"> Write receipts if learners ask for it. Learners can perform the different business activities throughout the planning, buying, production and selling step. White raw material continue to costs 40 YEP money and products can be sold for 80 YEP money, however allow for some negotiation. Orange raw material are of high quality and learners can negotiate on the price. Ensure products are of high quality. Each unit of raw material can only be turned into one product. Unused raw material can be sold to the selling shop for 20 YEP money for each piece. Each team must pay 50 YEP money for rent at the last selling step of cycle three. Bankruptcy: encourage teams to find a solution, or give a loan of two pieces of white raw material to be paid back at the end of the simulation. Business teams should assess the market, and products must respond to the market. Refuse buying products that do not correspond to the directions of the local market expert.

SIMULATION 3: HOW TO MANAGE A SUCCESSFUL BUSINESS

BUSINESS CYCLE ONE:

- Continuation of negotiation skills, allocating money between personal and business expenses and surprise cards, orange raw material and the local market expert office from simulation one and two.
- Develop YEP vocational skill product, and come up with business name for YEP cooperative.
- Encourage business teams to deal with one another.
- Encourage business teams to market their products.
- Allocate tasks between team members.
- Introduce Orange Development Cooperation, teams can take a loan of 200 YEP money.
- Introduce 'Credit Shop'.
- Introduce the new record keeping template.

BUSINESS CYCLE TWO:

- Continuation of cycle one

BUSINESS CYCLE THREE:









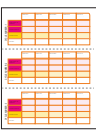


- Continuation of cycle two
- Credit shop no longer open for business





At the end of simulation three, the learners will:

1. Understand how to keep records of personal and business expenses.
2. Be able to manage a business loan.
3. Understand the risks of selling on credit.
4. Demonstrate time management skills.

- Learners can perform the different business activities throughout the planning, buying, production and selling step.
- Business teams should make deals with one another.
- Business teams should market their business.
- Business teams may take a loan of 200 YEP money. The interest is 50 YEP money, adapt it to your local context. 250 needs to be repaid at the end of the simulation.
- Write receipts if learners ask for it.
- White raw material continue to cost 40 YEP money and products can be sold for 80 YEP money, however allow for some negotiation.
- Orange raw material are of high quality and learners can negotiate on the price. Ensure products are of high quality.
- Each unit of raw material can only be turned into one product.
- Unused raw material can be sold to the selling shop for 20 YEP money for each piece.
- Each team must pay 50 YEP money for rent at the last selling step of cycle three.
- Bankruptcy: encourage teams to find a solution, or give a loan of two pieces of white raw material to be paid back at the end of the simulation.
- Business teams should assess the market, and products must respond to the market. Refuse buying products accordingly.

VISUAL AIDS USED IN THE BUSINESS SIMULATION 1-3 (LISTED IN ANNEX 2)

GRAPHIC SYMBOL	NAME
	Board Game
	Local market
	Local market expert office
	Selling Shop
	Credit Shop
	Buying Shop
	Buying shop cards
	Surprise cards
	Facilitator's record keeping
	Learner's record keeping
	YEP vocational skills cards

	Planning step
	Buying step
	Production step
	Selling step
	Reflection step
	Rule

METHODOLOGY

In line with the YEP curriculum, this training manual rests on a participatory and interactive methodology. Participatory methodology means that the learners, rather than the teachers or instructors, do most of the talking. It means that the input from the learners is not just about getting the right answer but about exploring the subject. This is based on the belief that the extent to which we support and motivate the YEP learners will largely determine how successfully they learn.

In accordance with the participative methodology, a variety of different ways for encouraging YEP learner's participation is suggested in this manual; like brainstorming, pair work, group work, case studies, role play, real life stories and simulations. We often use the term facilitator when referring to YEP instructors and teachers, this is due to the belief that teaching is more than just talking and asking learners to copy down what was said. We believe YEP teachers and instructors should utilize a participatory, learner-centered approach which implies supporting learners to explore different subjects through a variety of teaching methods. The facilitator should at all times involve the YEP learners and encourage them to participate actively and creatively in the learning process and guide them to come up with answers, decisions and actions. Each YEP learner should feel that they can make a crucial contribution to the learning process.

The simulations are the first Unit of each Module. This is to give the YEP learners practical learning on the learning points and topics that will follow in the Module, and for the facilitator to have practical experiences to refer to when going through the Module. The goal of the simulations is to develop a practical understanding of business activities and challenges related to the learning points in the specific Modules. The business world is re-created inside the training room. By starting each module with a simulation, learners will have time to reflect on their actions in the subsequent units as they learn more about the topics. They will also have the possibility to change their actions in the succeeding simulations.

The manual suggests the use of a flip chart in introducing or explaining some concepts. As the facilitator, you will need to adapt the training to the level of your YEP learners, and you may decide not to use a flip chart, or use symbols or sketches instead of writing. In any circumstances, it is advisable to keep the writing to a minimum and instead focus on the participation of the learners. Be aware that some activities are more complex (e.g. record keeping) and they need some literacy and numeracy skills. Therefore, whenever possible, try to include at least one literate YEP learner in each group.

MODULE 1

INTRODUCTION TO BUSINESS: THE QUALITIES OF A SUCCESSFUL BUSINESS OWNER

OBJECTIVE OF THE MODULE:

At the end of this module the learners will:

1. Understand the different types of businesses and activities that define a business.
2. Demonstrate teamwork skills.
3. Demonstrate negotiation skills.
4. Understand the importance of networking and linkages and how to engage with the community.
5. Understand how community values and attitudes can affect a business.
6. Problem solve on how to deal with the demands and pressures that may be faced when starting a new business

IN THIS MODULE:

UNIT 1.1 SIMULATION 1

Activity 1.1.1	Facilitator's practical preparations	30 min
Activity 1.1.2	Explain the running of the simulation	30 min
Activity 1.1.3	Play the simulation	120 min
Activity 1.1.4	Discussions	60 min

UNIT 1.2 INTRODUCTION TO BUSINESS

Activity 1.2.1	The different types of business and business activities	60 min
----------------	---	--------

UNIT 1.3 UNDERSTANDING BUSINESS QUALITIES

Activity 1.3.1	Which qualities should a successful business owner develop and why?	60 min
Activity 1.3.2	How can I improve my negotiation skills and why should I do it?	60 min
Activity 1.3.3	How can I work successfully in a team and why should I do it?	60 min
Activity 1.3.4	How can I work with my community and why should I do it?	60 min

UNIT 1.4 UNDERSTANDING FAMILY AND FRIENDS DEMANDS

Activity 1.4.1	How can I deal with the demands of my family and friends and why should I do it?	60 min
----------------	--	--------

UNIT 1.1

SIMULATION 1



MATERIALS:
the manual
the simulation materials
flip chart
markers

ACTIVITY 1.1.1

FACILITATOR'S PRACTICAL PREPARATIONS



NOTE

Buy shop cards can be replaced by real items to tempt learners to spend more money on food and other items.

SEE ANNEX 2

NOTE

You as the facilitator will run the simulation and the two different shops. Consider asking a colleague to assist you to run the shops.

STEP 1:

Do not start the simulation until you are fully prepared and have understood the running of the simulation. Make sure you have all the material for the simulation available:

- One large game board with movable YEP logo (for attaching on the wall) - A3 size
- Smaller game boards with record keeping design (one for each group) - A4 size
- Poster: local market (for attaching on the wall) - A3 size
- Poster: buy shop with buy shop cards (for attaching on the wall) - A3 size
- Poster: sell shop (for attaching on the wall) - A3 size
- YEP money (Currency denominations: 1, 5, 10, 20, 50, 100)
- YEP vocational skill pictures: chose one for each team among the pictures in **ANNEX 2**. Make sure that all business types are represented (retailer, service, manufacturer and agriculture) - A5 size
- White raw materials (minimum 200 pieces) - A6 size
- Record keeping template for facilitator - A4 size
- Surprise cards
- Two money boxes for each team, one for business expenses and one for personal expenses - A4 size
- Blu-Tack, tape (preferably two-sided) or other material to attach posters on the wall
- Markers, pens, flip chart

NOTE

You can make the shops more context specific by writing local names on pieces of white paper and use the Blue-Tack or tape to stick them on the different shop posters.

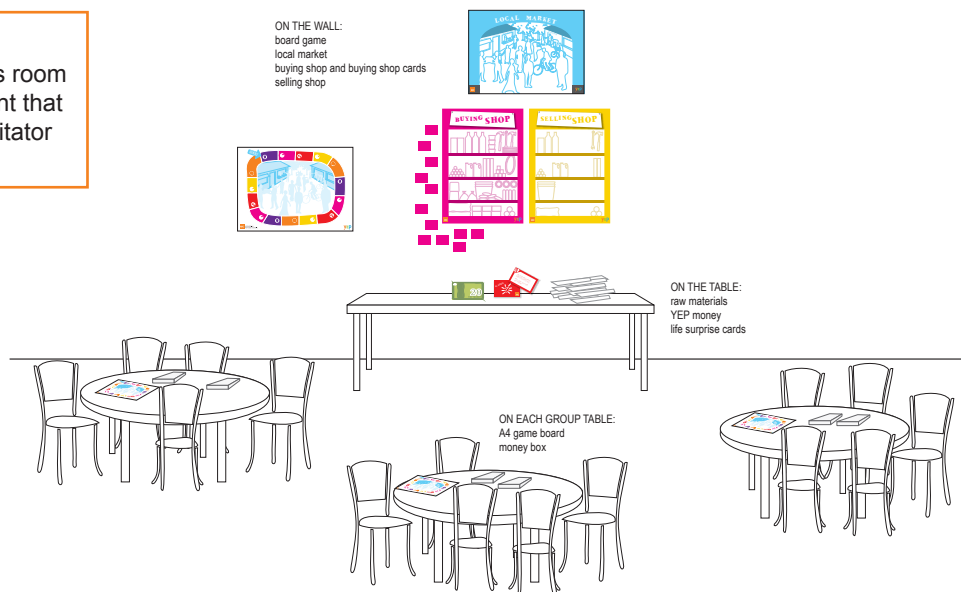
NOTE

Adapt the set-up of the class room to your context. It is important that all learners can see the facilitator and the posters clearly.

STEP 2:

Facilitator: Create the community where the business simulation takes place by attaching the following posters on the wall or somewhere all the learners can easily see it.

1. Large board game
2. Local market poster
3. Buy-shop poster
4. Buy-shop cards
5. Sell-shop poster



NOTE

Some of the surprise cards are without text, so you can add your own context specific relevant ideas. Make sure to prepare this before the simulation starts.

NOTE

Make sure to prepare two money boxes per team, one for personal expenses and one for business expenses.

STEP 3:

Facilitator: Prepare the materials you need to run the simulation by:

1. Print and cut out the YEP money. If it is difficult to print the money, make sure you prepare an alternative by for example using scrap paper.
2. Cut out the money boxes, fold them and stick them together following the directions printed on paper.
3. Prepare the surprise cards.

STEP 4:

Facilitator: Arrange between three and five tables into a half-circle/ semi-circle in front of you. The number of tables depends on the number of learners participating in the simulation. Each team should consist of 4-5 learners around one table. There should be a maximum of five teams taking part in the simulation and a maximum of five participants per team. Arrange chairs so all can see the front wall.

STEP 5:

Facilitator: Hand out the material to each team; markers and pens, small game board, 200 in YEP money and two money boxes (one for business expenses and one for personal expenses).

STEP 6:

It is advisable for the facilitator in charge of the shops to record all transactions during the simulation to make sure all transactions and calculations are done correctly (template in ANNEX 2). Make sure you understand how to use the template before you start the simulation.

COLUMN 1	200 YEP	100 YEP	50 YEP	20 YEP	10 YEP
COLUMN 2	200 YEP	100 YEP	50 YEP	20 YEP	10 YEP
COLUMN 3	200 YEP	100 YEP	50 YEP	20 YEP	10 YEP

ACTIVITY 1.1.2

EXPLAIN THE RUNNING OF THE SIMULATION



LEARNING POINTS:

At the end of this simulation the learners will:

1. Demonstrate teamwork skills.
2. Demonstrate negotiation skills.
3. Understand how ethical behaviour affects the business.
4. Understand how to make profit.
5. Understand how to allocate money between personal and business expenses.


NOTE

Make sure that each team only has the materials to be used for the simulation on their table.

NOTE

Don't spend too much time explaining the running of the simulation. Encourage the learners to act. Mistakes are part of the learning process.

STEP 1:

Facilitator: Use an **energizer**  to divide the group in teams. See **ANNEX 1** for energizers. Remember that there should be between three and five teams, and each team should ideally consist of 4-5 learners. Place each team around one table.

STEP 2:

Facilitator: Ask the learners:

Q: What comes to your mind when I say simulation?

Q: Have you done a simulation before?

Facilitator: Explain what a simulation is, tell learners that in this simulation they will pretend to be business owners.

For example:

"Simulation is learning by doing."

"Simulation involves imitating or acting out something that looks, feels or sounds like a real life situation."

STEP 3:

Facilitator: Introduce the simulation by reading the learning points.

STEP 4:

Facilitator: Hand out one YEP vocational skill picture (**ANNEX 2**) to each team. Make sure that you distribute a different type of business (retailer, service, manufacturer and agriculture) to the teams.

STEP 5:

Facilitator: Ask each team to identify what kind of business they see on their picture and some examples of products their business could produce.

STEP 6:

Facilitator: Explain to the learners that the picture represents the business they are going to run in simulation one.

STEP 7:

Facilitator: Read or explain the following introduction to all learners;

"This business simulation takes place in _____ (use the name of a location that everyone knows of). You have all just graduated from YEP and are now running your own businesses. You have received 200 YEP money as start-up capital. You will have to use this in a creative and well planned way to get your businesses up and running. The aim of the simulation is that all of you in your business teams cover all costs and receive a healthy profit."

“Each team has received two money boxes, one for business expenses and one for personal expenses. Out of the 200 YEP money you have received, you should allocate 150 for the business money box and 50 for the personal money box. The money for your business should be spent on materials and costs related to your business, like buying raw material and business tools. The money for your personal expenses should cover food and other items for you and your family.”

“Each team has a board game on their table. Point to it. A larger version of the board game is posted on the wall. Point to it. The larger board game will keep track of the different steps during the simulation and the YEP logo will indicate the step that is taking place. Use the smaller board game to keep track of your expenditures and plan and record all actions taken in your business.”

“The simulation is divided into three similar cycles of five steps. All together the simulation has 15 steps. On each of the five steps the teams will have to conduct a business Activity. The five steps and the three cycles are the basic structure of the business simulation.”



NOTE

If you have decided to write local names on the buying shop and selling shop posters, make sure to also refer to these names.



Each Unit of raw material costs 40 YEP money, and the shop only accepts cash.



Each Unit of raw material can only be turned into one product. Even if you rip it into pieces or add other creative solutions, it will only be considered as one finished product.



THE FIRST STEP IN EACH CYCLE IS THE PLANNING STEP:

Facilitator: Tell the learners, “You should use this step to plan for both this cycle and the ones to come. Make sure that you plan how you want to spend your money, both for your business and your personal expenses. During the planning step you should plan the kind of products or services you want to develop in your business.”



THE SECOND STEP IN EACH CYCLE IS THE BUYING STEP:

Facilitator: Tell the learners, “In this step the buying shop in the local market is open for business. At this shop you can buy raw materials, business tools, food, drinks, clothes, and other necessary equipment.”

THE THIRD STEP IN EACH CYCLE IS THE PRODUCTION STEP:

Facilitator: Tell the learners, “During this step all business teams need to manufacture the raw material into finished products that are ready for sale. You may manufacture your product by drawing, folding or adding any other creative idea that you have to the raw material. It is important that the materials are produced in a high quality through careful drawing.”



The selling shop pays 80 YEP money for each product, but this is open to negotiation according to the quality and response to the market demand.



THE FOURTH STEP IN THE CYCLE IS THE SELLING STEP:

Facilitator: Tell the learners, “During this step you may sell your products to the selling shop in the local market.”



THE FIFTH AND LAST STEP IN THE CYCLE IS THE REFLECTION STEP:

Facilitator: Tell the learners, “During this step you will have time to reflect on your actions, and the actions of the other groups to learn from each other and see how your business can improve. In this step each team will report on the profit made during the business cycle.”

IN ADDITION:



You can at any step in the cycle return unused raw material to the raw material shop for a refund, but then you will only get half of the selling price; 20 YEP money for each piece.



All teams also rent space for their businesses. The rent is 50 YEP money monthly and will be collected during the last selling step in the simulation.



BANKRUPTCY:
If one team bankrupts, teams should be creative and come up with a solution such as borrowing money from the other teams or perhaps making a deal with one of the shops. If teams are not able to manage this situation on their own, then they can take a loan consisting of a maximum of two pieces of white raw material.

Remember to always keep good records of all actions taken during the simulation.

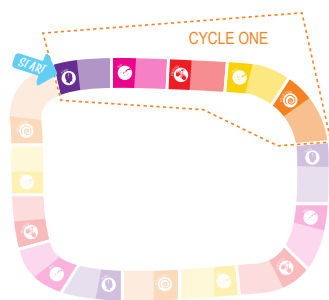
STEP 8:

Facilitator: Ask if the learners have any questions.

Q: Do you have any questions? Are you ready to play the simulation?

ACTIVITY 1.1.3

PLAY THE SIMULATION



NOTE

Adjust the timing to the needs of your learners.

RULE

In simulation one, the five different activities or steps in the business cycle should only be done one at the time. E.g. do not allow learners to manufacture their raw material before the production step has started. This rule is valid only in simulation one.

NOTE

Negotiation skills are key learning points in simulation one. Make sure all teams get to try to negotiate both at the buying and selling step.

RULE

Business teams may ask for receipts. This initiative should be encouraged, however avoid having to give receipts for everything as it will be too time consuming.

NOTE

If some learners dominate the team work, try to make them rotate roles and encourage everyone to participate.

CYCLE ONE

STEP 1:

Facilitator: (move the YEP logo sticker to the first planning step). Tell the learners, "We will start the simulation at the first planning step in the first business cycle. At this step you should plan how you want to spend your money, both for your business and your personal life. Make sure to always keep the money safe in the money boxes. At this step you should also plan for what kind of products you want to develop based on the type of business you are running."



STEP 2:

Facilitator: Tell the learners, "You have 10 minutes to plan for your business."

STEP 3:

Facilitator: Walk around in the classroom and make sure all teams have understood what they should do and ask each team if they have any questions. You should also encourage all learners to participate and ensure that the teams are working well.

STEP 4:

Facilitator: Tell the teams when they have one minute left to finish planning for their business. Give a signal when time is out.

STEP 5:

Facilitator: (move the YEP logo sticker to the next step). Tell the learners, "Now is the buying step, and the buying shop is open for business. You are not allowed to start manufacturing the raw materials until next step."



STEP 6:

Facilitator: Tell the learners that they have 10 minutes to buy from the local market. A signal such as a clap of hand will indicate that the buying time is finished.

STEP 7:

Facilitator: Tell the teams when they have one minute left to finish buying. Give a signal when time is out.

STEP 8:

Facilitator: (move the YEP logo sticker to the next step). Tell the learners, "Now is the production step. Each business team needs to manufacture their raw material by drawing or folding or adding any other creative ideas you may have on each piece of raw material, so it looks like a final product."



NOTE

Buy most of the products provided by the business teams in the first simulation. However start questioning the quality if some of the teams manufacture products of low quality.

STEP 9:

Facilitator: Tell the learners that they have 10 minutes to produce the products or services. A signal such as a clap of hand will indicate that the manufacturing time is finished.

STEP 10:

Facilitator: Walk around in the classroom and make sure all teams have understood what they should do and ask each team if they have any questions.

STEP 11:

Facilitator: Tell the teams that they have one minute left to finish planning for their business.

STEP 12:

Facilitator: (move the YEP logo sticker to the next step). Tell the learners, "Now is the selling step. Sell your products at the selling shop in the local market."



STEP 13:

Facilitator: Tell the learners that they have 10 minutes to sell their products or services to the local market. Tell the learners that a signal will indicate that the selling time is finished.

STEP 14:

Facilitator: Tell the teams that they have one minute left to finish selling their products and services to the local market. Remember to give a signal when time is out.

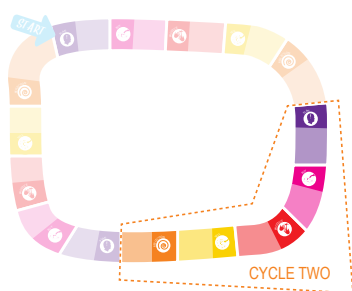
STEP 15:

Facilitator: (move the YEP logo sticker to the next step). Tell the learners, "We have reached the reflection step which is at the end of the first business cycle. Ask teams to count the money in their personal money box and business money box."



STEP 16:

Facilitator: Ask each business team to say the amount present in the two money boxes. Write the name (business type) of each team on a flip chart, and underneath it the amount in the two money boxes. Subtract the business start-up capital (200 YEP money) from the amount in the business money box to find the profit for each team. Compare the profits among teams and discuss the results.



NOTE

Remember to note teams when they have one minute left and give a signal such as clapping your hands when time is out.

RULE

SURPRISE CARDS

The surprise cards are a representation of the unexpected and unforeseen realities that happen in life and businesses.

As the facilitator you have two options when you hand out these types of cards:

- 1) Let the learners choose themselves which card they want (all cards written text pointing away from them) or;
- 2) You can "target" a team handing them a specific card that will teach them a specific lesson. This is especially relevant if you notice that one team is not performing accordingly.

As you will see there are different types of surprise cards for different learning points. You as the facilitator need to think about what type of surprise card the teams can 'handle'. For surprise cards in cycle two it is suggested to avoid the cards with the highest punishments, to ensure that business teams do not go bankrupt in the beginning.



CYCLE TWO

STEP 17:

Facilitator: (move the YEP logo sticker to the next step, the planning step in the second business cycle). Tell the teams to plan how they want to spend their money in cycle two. Remind them to plan for business and personal expenses. Tell the teams that they have 10 minutes to plan for their business and that they have to stop at the signal such as a clap of hands.



STEP 18:

Facilitator: (move the YEP logo sticker to the next step). Tell the learners, "Now is the buying step, and the buying shop is open for business." Remind the learners that they are not allowed to start manufacturing the raw materials until the production step starts. Remind the teams that they have 10 minutes for buying.



STEP 19:

Facilitator: (move the YEP logo sticker to the next step). Tell the learners, "Now is the production step. Each business team needs to manufacture their raw material to final products." Tell the learners that the time dedicated to manufacturing is 10 minutes. Reinforce that they should stop all activities at a signal such as a clap of hands.



STEP 20:

Facilitator: Introduce the **surprise cards** as the teams manufacture their products and services. Decide if it is better to give a surprise card to the team or if it is better to let them choose a surprise card from the stack of cards.

STEP 21:

Facilitator: Hand out a surprise card to each team and ask teams to read their surprise card loudly so that all the learners can hear it. This will help everyone to learn from the different scenarios taking place. Make sure that all teams fulfil what is written on their surprise card immediately.

STEP 22:

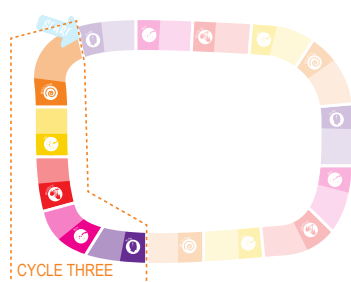
Facilitator: (move the YEP logo sticker to the next step). Tell the learners, "Now is the selling step. Tell the teams to sell their products to the local market." Remind the teams that they have 10 minutes to sell their products or services and that a signal such as a clap of hands will stop the selling time.



STEP 23:

Facilitator: (move the YEP logo sticker to the next step). Tell the learners, "We have reached the reflection step of the second business cycle." Ask teams to count the money in their two money boxes.





BUSINESS ETHICS

You as the facilitator should try to trick the learners by tearing on one side of the pieces of raw material and refuse to buy the manufactured products for full price due to low quality. You can also give less change back when business teams are buying or selling their products. In general, come up with all sorts of bad tricks to show the learners bad business behaviour. Make sure to discuss the behaviour afterwards at the following reflection step and at the end of the simulation.

STEP 24:

Facilitator: Ask each business team to say the amount present in the two money boxes. Write it on the flip chart underneath the results from cycle one. Subtract the business start-up capital (200 YEP money) from the amount in the business money box to find the profit for cycle one and two. Subtract the profit result from cycle one to find the profit for cycle two. Compare the profits among teams and discuss the results.

CYCLE THREE:

STEP 25:

Facilitator: (move the YEP logo sticker to the next step at the beginning of the third business cycle, the last planning step in the simulation). Ask the teams to plan the last cycle of simulation one. Remind them to plan for business and personal expenses. Tell the teams that they have 10 minutes to plan for cycle three and that they have to stop at your signal.



STEP 26:

Facilitator: (move the YEP logo sticker to the next step). Tell the learners: "now is the buying step, and the buying shop is open for business". Remind the learners that they are not allowed to start manufacturing the raw materials until the production step starts. Remind the teams that they have 10 minutes for buying and that the signal will stop the buying period.



STEP 27:

Facilitator: Introduce **business ethics** on this buying step.

STEP 28:

Facilitator: (move the YEP logo sticker to the next step). Tell the learners, "Now is the production step. Each business team needs to manufacture their raw material to final products." Tell the learners that the time dedicated to manufacturing is 10 minutes. Reinforce that they should stop all activities at your signal.



STEP 29:

Facilitator: As business teams produce their products and services, give each team a **surprise card**. Ask each team to read their surprise card aloud so that all the learners can hear it. This will help everyone to learn from the different scenarios taking place. Make sure that all teams fulfil what is written on their surprise card immediately.

STEP 30:

Facilitator: (move the YEP logo sticker to the next step). Tell the learners, "Now is the selling step". Tell the teams to sell their products and services to the sell shop. Ask each team to pay 50 YEP money for rent.





Each team must pay 50 YEP money for rent.

STEP 31:

Facilitator: Collect 50 YEP money for rent from each team

STEP 32:

Facilitator: (move the YEP logo sticker to the last step). Tell the learners, "This is the last reflection step of simulation one". Ask teams to count the money in their personal money box and business money box.

**STEP 33:**

Facilitator: Ask each team to say the amount of money present in the two money boxes. Write the personal and business expenses present in their boxes. Underneath the results from cycle two on the flip chart subtract the business start-up capital (200 YEP money) from the amount in the business money box to find the overall profit. Subtract the profit result from cycle two to find the profit for cycle three. Compare the profits among teams and discuss the results.

ACTIVITY 1.1.4

DISCUSSIONS



NOTE

Always make sure to follow-up on unclear issues and discuss answers that can be interpreted as incorrect.

STEP 1:

Facilitator: Ask each team to discuss their performance among themselves while providing guiding questions such as the following:

Q: What went well? Which good decisions did you make? Why?

Q: What was difficult? Did you make any decisions that you would change?

Q: Were you surprised by the consequences of your decisions?

Q: What would you do differently in the next simulation? And why?

Ask teams to share their viewpoints and learning in the larger group and find common learning points. These overall questions can also be posed in relation to the questions below.

STEP 2:

Facilitator: Ask the learners:

Q: What else did you learn during this simulation?

Use the most relevant examples below for further discussion, unless other relevant learning points were reflected during the simulation or were brought up by the learners.

BE ABLE TO MANAGE YOUR MONEY AND MAKE PROFIT

Q: Why is this skill important?

Q: How do you manage and maximize money wisely?

Q: How did you manage your money during this simulation?

Q: How did you manage to separate the money between business and personal expenses? Were there any items that you did not know where to place?

Q: Did some team members take charge of managing the money?

EXAMPLES:

- *You have to be able to invest money for your business to grow.*
- *Make sure to know the system for generating income – how much can be made, with what investment, in what timeframe and with what process.*
- *Anticipate the money that goes out – understand the financial needs of your business and family, the 'must haves' of items like food, inventory, salaries, etc.*
- *Make a plan of action that keeps in mind your personal and business goals to allocate resources appropriately.*
- *Ensure that you save enough to create a back-up savings pool for unexpected expenses.*

BE ABLE TO NEGOTIATE

- Q:** Why is it important to negotiate well?
- Q:** How do you negotiate effectively?
- Q:** Did you make any good deals during the simulation? How?
- Q:** How can you improve your negotiation skills?

EXAMPLES:

- *To get the best price while maintaining business contacts.*
- *To get a good negotiation deal, define your conditions including minimum and maximum price, and consider priorities.*
- *While negotiating you should listen carefully to the other person's conditions while you stay clear on what you want.*
- *Always stay positive.*
- *Recognize that people often ask for more than they expect to get.*
- *The person with the most information usually does better.*
- *Practice at every opportunity!*

BE ABLE TO UNDERSTAND BUSINESS ETHICS

- Q:** Why is it important to treat your business relations well?
- Q:** How can you best treat your business partners?
- Q:** Who did you do business with during this simulation – and how did it go?

EXAMPLES:

- *To maintain customers*
- *To foster good relations with the community.*

BE ABLE TO WORK EFFICIENTLY IN A TEAM

- Q:** Why is it important to work well in teams?
- Q:** What do you need to think about to make a team work well?
- Q:** What was your contribution to your team during this simulation?
- Q:** Any suggestions for how your team can improve?

EXAMPLES:

- *You can accomplish more in an efficient team than alone.*
- *You can inspire each other in teams.*
- *You all have different skills and strengths and weaknesses needed in teams and you can allocate tasks between each other accordingly.*
- *It is important to have regular and open communication when working in teams.*
- *It is important to talk about problems as soon as they arise.*
- *Teams should consider appointing a leader or manager if this feels natural.*

UNIT 1.2

INTRODUCTION TO BUSINESS

ACTIVITY 1.2.1

DIFFERENT TYPES OF BUSINESS AND ACTIVITIES OF BUSINESS



LEARNING POINTS:

At the end of this activity the learners will:

1. Know the four main types of business: manufacturing, service, retail and agriculture.
2. Know the different activities of business.

MATERIALS:

flip chart
markers of different colours
YEP vocational skills cards

METHOD:

brainstorm
group work

STEP 1:


Facilitator: Introduce Activity 1.2.1 one by reading the title of the activity and the learning points.

STEP 2:

Facilitator: Ask learners to sit in the same teams as during simulation one.

NOTE

The learners are grouped in the same teams of simulation one throughout this module.

Distribute the  'YEP vocational skills cards' and ask each team to describe the business they developed in simulation one.

Q: Which business did you develop in simulation one?



STEP 3:

Facilitator: Explain that there are four main types of business. Write the words: manufacturing, service, retail and agriculture on the flip chart.

LEARNING POINTS!

- 1. MANUFACTURING:** transforming raw materials into finished products, for example a bakery transforms flour, sugar, eggs and butter into cakes.
- 2. SERVICE:** providing a service to customers, for example hairdressing.
- 3. RETAIL:** selling of goods to costumers, for example the kiosk that sells pencils and sweets nearby the village school.
- 4. AGRICULTURE:** producing goods by working the land.

STEP 4:

Facilitator: Explain that there are businesses that combine more than one type of business.

For example:

"A baker (manufacturer) can produce cakes and bread and sell them directly at the market or in a coffee shop (retailer)."

STEP 5:

Facilitator: Ask each team to put the YEP vocational skills they performed during simulation one in each category and discuss the reasons why.

Q: Which type of business did you run in simulation one?

Q: Which category does it belong to?

STEP 6:


Facilitator: **Brainstorm**. Ask the learners to list the YEP vocational skills taught in the YEP centre.

Q: Which YEP vocational skills are taught in this YEP centre?

STEP 7:

Facilitator: Ask the learners to indicate which business types the YEP skills can be categorized as and discuss the reasons why.

STEP 8:

Facilitator:  **Group work**. Ask each team to think of the activities they performed to run their business during simulation one

Q: What did you do to run your business during simulation one?

For example:

“Bought raw materials, allocated resources, manufactured products, etc.”

STEP 9:

Facilitator: Ask one team to list what they did during simulation one, and ask the other teams to supplement.

STEP 10:

Facilitator: Explain that not all business activities were performed in simulation one. Use the definitions below to introduce the extra activities and to support the explanation.

NOTE

The sample of business activities may be printed and handed out to the learners.

LEARNING POINTS!

SAMPLE OF BUSINESS ACTIVITIES

Planning.

It is the single most important Activity in business. It involves other business activities like allocating resources, estimating costs and calculating prices. Planning in a business should take place regularly. In simulation one you planned for your business when you set up the business and also after each reflection step. New planning takes place after assessing the performance of the business.

Allocating resources.

Paying taxes, paying utilities, paying rent and paying salaries are examples of allocating resources in a business. During simulation one you allocated resources for personal and business expenses.

Estimate the costs of your business.

A business owner needs to estimate the costs of her/his business in order to understand if the business is profitable. Business costs should be estimated before the set up of the business and also regularly throughout the life of the business. If the costs of the business are higher than the profit, it is very likely that the business will fail.

Calculate your profit:

In simulation one you calculated the profit of your business by counting the money in your money box at each reflection step.

Buy raw materials.

In simulation one you bought raw materials to manufacture products and services. In business it is important to buy good quality raw materials to manufacture quality products that are sold at a higher price. In simulation one the piece of white paper represented your raw materials.

Add value to your products and services.

In business you add value to your products and services when you make them more attractive for your customers. The market survey helps you understanding how to improve your products and services according to the market demand. Developing a product and assessing the market will be introduced in simulation two.

Selling your products.

It is the most important Activity of your business because a good sale means a good profit. During simulation one you had to use good negotiation skills to sell your products to the local market.

Marketing your products.

It involves good communication skills to promote your products and services. During simulation one you had to promote your products in order to sell them at a good price. Marketing implies that your prices are properly set, your products respond to the market demand and that your business is located in a convenient place.

Keeping records.

A good business owner keeps good records of the business expenditures and sales in order to calculate the profit of the business. Good record keeping helps good planning. During simulation one you were asked to keep records on your board games.

NOTE

Record keeping is important in each step of the business cycle.

NOTE

In reality business activities overlap, for example very often in a business manufacturing and selling products happen at the same time.

STEP 11:

Facilitator: Ask the teams to think about the different business activities and identify if they are performed according to an order. Discuss with the teams the following:

Q: Do you think that business activities should follow an order? Can you give some examples?

For example:

"A business owner must plan what to buy before buying it, marketing is possible only after the prices are set and selling is possible only after manufacturing."

STEP 12:

Facilitator: Recap the learning points of Activity 1.2.1.

Q: What did you learn?

Q: Do you have any questions?

UNIT 1.3

UNDERSTANDING BUSINESS QUALITIES

ACTIVITY 1.3.1

WHICH QUALITIES SHOULD A BUSINESS OWNER DEVELOP AND WHY?



LEARNING POINTS:

At the end of this activity the learners will:

1. Identify the qualities of a successful business owner.
2. Identify which personal qualities they will need to improve as a business owner.

MATERIALS:
none

METHOD:
pair work
role-play

NOTE

Adapt the role-play to your context.

STEP 1:

Facilitator: Introduce Activity 1.3.1 by reading the title of the activity and the learning points

STEP 2:

Facilitator: Ask each team to think about simulation one and identify the personal qualities that they found useful in running their business

Q: Which qualities helped you to run your business during simulation one?

STEP 3:

Facilitator: Explain that a business owner needs different qualities in order to be 'successful' in her/his business. Ask the learners to identify the qualities of a business owner and give some examples.

Q: Which qualities do you think that a business owner should have? Please give an example and explain why this is an important quality.

For example:

"Being patient, flexible, innovative, open to challenges, ethical, a good communicator, etc."

STEP 4:


Facilitator: **Role play:** Ask for two volunteers, possibly a male and a female, to perform the following role-play. Allow 10 minutes for the role-play.

THE CUSTOMER	You want to buy a new mobile phone, but you have a limited budget. Be very specific about what you want and give as many details as possible. You are tired and you do not have much time before your bus leaves.
THE BUSINESS OWNER	You have an old mobile phone that you want to sell. It has limited features but it is functional.

NOTE

You can repeat the role play with two other learners and another product or service to broaden the reflection discussion.

NOTE

Use an energizer  to divide the groups in pairs, look in **ANNEX 1** if you need suggestions.

STEP 5:

Facilitator: Ask the learners to comment on the role-play.

Q: Was the business owner able to sell the old mobile? Why?

For example:


“The business owner listened to the demands of the customer, and was able to give good suggestions to match the needs of the customer and the product.”

STEP 6:

Facilitator: Use the role-play as an example and discuss again which qualities a good business owner should develop.

Q: Which qualities do you think a good business owner should develop?

STEP 7:

Facilitator:  **Pair work.** Divide the learners in pairs. Ask each learner to reflect on their own business qualities and identify two qualities that they need to improve in their future.

Q: Which personal qualities do you feel you have to improve to become a better business owner? Why?

Ask the learners to discuss how they can improve their qualities as business owners with their partner. Allow 10 minutes for the discussion.

STEP 8:

Facilitator: Ask for two volunteers who want to share their discussion points with the rest of the class and discuss.

STEP 9:

Facilitator: Recap the learning points of Activity 1.3.1.

Q: What did you learn?

Q: Do you have any questions?

ACTIVITY 1.3.2

HOW CAN I IMPROVE MY NEGOTIATION SKILLS AND WHY SHOULD I DO IT?



LEARNING POINTS:

At the end of this activity the learners will:

1. Know the qualities of a good negotiator.
2. Demonstrate negotiation skills.
3. Understand how to make a good deal.

MATERIALS:
none

METHOD:
role-play

NOTE

You find energizers in **ANNEX 1**.

NOTE

Adapt the role-play to your context.

STEP 1:

Facilitator: Introduce Activity 1.3.2 by reading the title of the activity and the learning points.

STEP 2:

Facilitator: Ask the learners to think on simulation one and to give an example of a good deal they were able to make.

Q: Can you give an example of a 'good deal' you made during simulation one?

Discuss with the teams and highlight what worked and what did not work during the selling and buying steps of simulation one.

STEP 3:

Facilitator: Ask the learners to define a 'good deal' and what qualities are involved in making good deals in business.

Q: What is a good deal in business and why is it important? Please give some examples



For example:

"In business you make a good deal when you gain a good profit from your sales or from the purchase of raw materials or services."

"A good deal should be of mutual benefit for the business owner and the customer."

"A good deal can refer to the exchange of money, goods or services."

STEP 4:

Facilitator:  **Role-play**. Use an **energizer**  to divide the class in three teams. Explain that team one and three will be the sales teams and team two will be the customer. The objective is to make a good deal. Explain the roles that each team should perform using the table below.

Seller	You are the owner of the market place and have one stall for rent. You need to make a good deal because you need money for the wedding of your eldest son/ daughter.
Customer 1	You are interested in scaling up your business and start selling at the marketplace. You lack money but have made a great business deal that will get you money by the end of the month. You represent an important family in the village, and your family are friends with the market owners family.

Customer 2	You have discovered that many of your target customers are frequently visiting the market so you are very eager to get a stall in the market place. Your business is gaining a lot of money and you have money to pay for the stall in cash.
------------	--

STEP 5:

Facilitator: A good negotiator makes good deals. Good negotiators prepare their strategy in advance. A strategy can include defining your conditions, like your minimum and maximum price and considering priorities. Discuss with your team the strategy to make a good deal.

Q: How are you going to make a good deal?

Give a few minutes to each team to discuss and plan their strategy to make a good deal.

STEP 6: .

Facilitator: Divide the learners into teams of three. Each team should consist of someone from each sales team and one from the customer team. Start the role play. Allow for 10 minutes.

STEP 7:

Facilitator: Ask the learners to discuss the role-play.

Q: Who made a good deal? Why?

Q: Did you get what you planned? How?

STEP 8:

Facilitator: Ask the learners to discuss the qualities of a good negotiator.

Q: Who is a good negotiator? Why?

For example:

"A good negotiator is able to make a good deal that is beneficial for both parties. This could lead to more business in the future."

"A good negotiator is able to explain the benefits of a deal to customers."

"A good negotiator has good manners and behaves professionally."

STEP 9:

Facilitator: Recap the learning of Activity 1.3.2.

Q: What did you learn?

Q: Do you have any questions?

ACTIVITY 1.3.3

HOW CAN I WORK SUCCESSFULLY IN A TEAM AND WHY SHOULD I DO IT?



LEARNING POINTS:

At the end of this activity the learners will:

1. know the qualities of a good team player.

MATERIALS:

Exercise option one: none
Exercise option two: A4 papers and pens, sheet with geometrical patterns (ANNEX 2)

METHOD:

group work:

NOTE

Make sure that the people are close enough by gently pushing them towards the centre of the circle.

NOTE

If the exercise is successful the learners should be able to sit without the help of a chair and form a sited circle.

NOTE

In order to sit on each other's laps, the learners should trust their partners. It is not a question of weight, but a question of working together, as a team, to make the activity successful.


COMMUNICATION SKILLS EXERCISE OPTION ONE:

This exercise can be used if your context allow for physical contact among learners of same sex.

STEP 1:

Facilitator: Introduce Activity 1.3.3 by reading the title of the activity and the learning points.

STEP 2:

Facilitator:  **Group work:** the Circle of Trust. Introduce the Circle of Trust. Ask the learners to stand up in the middle of the classroom and form two groups according to sex (male and female). Make sure that each group has not less than six people.

STEP 3:

Facilitator: Ask each group to form a circle by holding hands.

STEP 4:

Facilitator: Ask the members of each group to turn left and face the back of the person on her/his left.

STEP 5:

Facilitator: Ask each group member to put both hands on the shoulder of the person in front.

STEP 6:

Facilitator: Ask the group to slowly try to sit down.

STEP 7:

Facilitator: Ask the learners to return to their teams and sit down. Ask the learners to think about how they felt during the exercise.

Q: How did you feel while performing this exercise?

For example:

"I felt scared; I did not think that it was possible to succeed; I did not trust my companion."

STEP 8:

Facilitator: Ask the learners to think about the exercise and define the qualities of a good 'team player' and discuss with the learners.

Q: Who is a good team player? Why?

For example:

"A good team player is trustful, honest, and a good listener."

STEP 9:

Facilitator: If the game did not succeed it means that the learners did not trust each other while performing the task. Ask them to try a second time.

STEP 10:

Facilitator: Recap the learning of Activity 1.3.3.

Q: What did you learn?

Q: Do you have any questions?

COMMUNICATION SKILLS EXERCISE OPTION TWO

This exercise may be used in contexts where physical contact among learners of same sex is rare or impossible.

STEP 1:

Facilitator: Introduce Activity 1.3.3 by reading the title of the activity and the learning points.


STEP 2:

Facilitator:  **Group work:** Divide the learners into teams of five.

NOTE

Adapt the sheet of geometrical patterns to the level of your learners.

STEP 3:

Facilitator: Ask each team to select a leader among themselves. Give a sheet of paper with a  **geometrical pattern or drawing** to the leader. Give a blank sheet of paper to each of the other team members.

STEP 4:

Facilitator: Take the leaders of all teams aside and instruct them that they have to sit facing away from their team members (with their backs to their teams) in such a way that they can neither see the paper in their hands nor his or her expressions. Team leaders have to explain the pattern on their paper to their group in such a way that they should be able to draw it on their papers. The leader is not allowed to use his or her hands.

NOTE

Do not give instructions about whether the team members can ask him or her questions or not during the activity. Observe what is happening in the teams and note how they are working together to solve the challenges.

STEP 5:

Facilitator: Instruct all team members that they have to reproduce whatever their leader tells them to draw.

STEP 6:

Facilitator: Start the activity. Tell learners that they have 10 minutes for the activity.

NOTE

Observe the leader and the team members and the interaction taking place.

STEP 7:

Facilitator: Stop the activity at the end of 10 minutes.

NOTE

This is a good exercise to focus learning on barriers to communication and assumptions we make about communication.

STEP 8:

Facilitator: Ask the learners how the exercise went. Discuss.

Q: What went well?

Q: What was difficult?

Q: If it did not go well, what could have worked better and have helped you to achieve the target?

To guide the discussion, ask the learners what kinds of questions they could have asked of the leader. Ask the learners to reflect on what they could have done differently to have helped the process.

STEP 9:

Facilitator: Ask the learners to think about the exercise and define the qualities of a good “team player” and to discuss among themselves these characteristics.

Q: What makes a good team player? Why?

STEP 10:

Facilitator: Recap the learning of Activity 1.3.3.

Q: What did you learn?

Q: Do you have any questions?

ACTIVITY 1.3.4

HOW CAN I WORK WITH MY COMMUNITY AND WHY SHOULD I DO IT?



LEARNING POINTS:

At the end of this activity the learners will:

1. Understand the role that ethics play in business.
2. Understand the business relationships in their communities.

MATERIALS:

flip chart
markers

METHOD:

brainstorm
group work

NOTE

In some contexts there are very precise norms that regulate business, make sure that they are mentioned.

STEP 1:

Facilitator: Introduce Activity 1.3.4 by reading the title of the activity and the learning points.

STEP 2:

Facilitator: **Brainstorm**. Share the term “business ethics” with the learners and ask them for a definition.

Q: What comes to mind when “business ethics” is mentioned?

LEARNING POINTS!

Business ethics are related to the way we do business. Ethics mean ‘principles’ that regulate the behaviour of a business owner.

STEP 3:

Facilitator: Ask the learners if they can give some examples of good and bad business ethics.

Q: Can you give some examples of good and bad business ethics?

For example:

“A business owner should say the truth about a product and not ‘overprice’ products.

A business owner should not give the wrong change nor should she or he sell damaged goods without informing the customer.”

STEP 4:

Facilitator: Ask the learners to think about simulation one or about an experience in the past and share an example of a bad experience with a business owner.

Q: Have you ever been treated badly by a business owner? Can you give some examples?

STEP 5:

Facilitator: Ethics relate to the way a business owner builds her/his business in relation to others. Draw a figure of a business owner in the middle of a flip chart and ask the learners to identify the people a business owner relates to.

Q: Who are the people a business owner relates to in her/his business?

For example:

“Customers (i.e., selling shop), suppliers (i.e., buying shop), business partners (i.e. team members), and competitors.”

NOTE

Here you can use the poster of the 'local market' if you think necessary.



STEP 6:

Facilitator: Write the relevant answers around the figure of the business owner and link the different business relationships present in a community with an arrow.

For example:

"The business owner is connected to customers, competitors and business partners."

STEP 7:

Facilitator: Ask the learners to think about simulation one and identify the reasons why ethics play an important role in business.

Q: Do you think that ethics play an important role in business? Why?

Q: Why are ethics important for a business owner?

Discuss with the learners and bring examples from simulation one.

LEARNING POINTS!

Highlight that a business owner is connected with different people and together they are part of the community. Business relationships are very important for a business to survive. Business ethics help to build healthy business relationships and to become a well-respected business owner in your community.

STEP 8:

Facilitator: Recap the learning of Activity 1.3.4.

Q: What did you learn?

Q: Do you have any questions?

UNIT 1.4

UNDERSTANDING FAMILY AND FRIENDS DEMANDS

ACTIVITY 1.4.1

HOW CAN I DEAL WITH THE DEMANDS OF MY FAMILY AND FRIENDS AND WHY SHOULD I DO IT?



LEARNING POINTS:

At the end of this activity the learners will:

1. Know how to manage the demands of their family and friends.

MATERIALS:

goods for a store; table, chairs, YEP money, soda and other relevant items

METHOD:

role-play

NOTE

In this activity, you will need to set up a business store with real goods (i.e., soda, flour, sugar, biscuits, etc.) Adjust the contents to fit your context and use the YEP money as currency.

STEP 1:

Facilitator: Introduce Activity 1.4.1 by reading the title of the activity and the learning points.


STEP 2:

Facilitator: Business owners have to take care of different people and deal with many responsibilities.

Q: In your opinion, what are the challenges that business owners have to face when dealing with family and friends?

Discuss.

STEP 3:

Facilitator:  **Role-play.** Ask for five volunteers and explain to them their roles as following:

FRIEND	You want to be hired in your friend's business. You are thirsty and want a soda.
WIFE/HUSBAND	You want money to buy a new armchair.
CHILD	You want money to pay the school fees.
POOR AUNT	You need two kilograms of flour for free.
BUSINESS OWNER	You have to deal with all these demands.

STEP 4:

Facilitator: Encourage the volunteers to be as real as possible. Start the role-play with the business owner and the husband or wife. Later introduce the child, the friend and the poor aunt.

NOTE

Discuss with the NRC YEP team how parents or communities can be involved to support the learners in starting up a business. Consider asking the parents if any of them have started a small scale business themselves, and if so ask one of them to be a guest speaker in a common meeting.

STEP 5:

Facilitator: Ask the learners to comment on the role-play and identify how the business owner reacted to the pressures of family and friends.

Q: How did the business owner react to the pressures of family and friends?

Q: Do you think that the business owner should respond to all the demands received? Why?

Discuss with the teams and highlight the relevant answers.

STEP 6:

Facilitator: Ask the learners to identify the possible consequences for the business if the business owner responds to all the pressures of family and friends.

Q: What are the consequences for your business if you respond to all the demands received?

For example:

"It might be that there is not enough money to continue the business."

STEP 7:

Facilitator: Ask the learners to give suggestions to the business owner.

Q: What should the business owner have done?

STEP 8:

Facilitator: Ask the volunteers to act out the role-play a second time and incorporate suggestions given during the discussion.

STEP 9:

Facilitator: Explain to the learners that it is necessary that they begin to talk with their parents, friends and the community about the type of pressure a business owner faces. They can explain that a business owner needs to invest and reinvest in the business. Learners can be a support to each other in how this could best be communicated.

STEP 10:

Facilitator: Recap the learning of Activity 1.4.1.

Q: What did you learn?

Q: Do you have any questions?