

Tanzania - Arusha

MICRO-FINANCE





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Summary of Current Developments

General Development

We continue to record the business figures and conduct business interviews for all the groups in order to advise each member during the weekly meetings. This month we had enough volunteers to provide the women with training. We used English training as a way to loosen the women up, followed by cost calculating training. In some groups we did very basic marketing training. Next month we will focus more on marketing, especially on customer care.

Group meetings

At every group meeting one person checks the books whilst another person does the interviews while Elisabeth helps with the translation. Meanwhile a third person will start basic English training to keep the women occupied. According to the time it took us to check and interview the women we decided to add marketing training or did some business visits.

Training

We used English training to keep the women occupied and to warm them up. The English training includes how to introduce yourself and how to express your feelings. Other training that we provided is cost calculating. We did this with all the groups and helped them using cost calculation on their own products. We also provided bookkeeping training, most of them were refreshment courses. Within a month we expect 80% of the women can do their own bookkeeping.

Business visits

We didn't do lots of business visits this month because we invested a lot of time in training and we visited most businesses last month. We spent time painting English signs on shop doors of some businesses.



Volunteer Information

Weekly visits and individual business visits have been made to all of the groups during this Month. In October the team started with Yanna (Netherlands), Wiebke (Germany) and Casey (USA). Yanna will leave on the 29th of October. Casey is extending his stay till the end of November. The project is going to be run in November by Elizabeth, Casey and Wiebke.



Loan Portfolio

Group	No. Women	Issue Date	Total Loan Value (TSH)	Repayment 31.08.2014	Defaults	Outstanding Balance @ 01.09.2014
Chemchem	10	10loans,15 th September	1,000,000	510,000	0	490,000
Tupendane	7	7loans,21th October	2,700,000	117,000	0	2,583,000
Ikusura	8	8 loans, 21th October	4,000,000	200,000	0	3,800,000
CHE	10	6 loans, 20 th August 3 loans, 23 July	3,600,000	1977,500	0	1,622,500
Amani	10	5 loans, 15 th August 4 loan 5th September	4,200,000	1,588,000	0	2,612,000
Mshikamano	8	3 loans, 17 October	700,000	80,000	0	620,000
TOTAL	53	46 Active Loans	16,200,000	4,472,500	0	11,727,500
Available Cash						[4,472,500]
Next Capital Required						0

Monthly Achievements

Achievements to improve the quality of the micro finance team now and in future

Internally we discussed some improvement tools to gain more transparency on the business women and their performance as well increase volunteers' efficiency. The ideas were discussed jointly in the team and implemented right away:

- a) Adding a page for loan planning (transparency in business planning)
When applying for a new loan, the women have to fill in a loan application form of four pages. The questions can be answered in text form. We realized that the women are not planning to only buy one item with the loan. They rather have a list of up to ten items. Thus we developed a template to list all the items including the amount, costs and selling price. This will help the women to develop business planning skills and it helps Projects Abroad to track the business performance of the women.
- b) Updating layout of data collection (efficiency of volunteers)
We found that the layout could be improved by using more columns guiding the interviewees to discuss the following aspects: what went well in the business? What went wrong? What training do the women request for next week? And if there are any additional comments and ideas on how Project's Abroad volunteers can help the ladies. After the first two weeks we think this reduced the time we need for documentation and increased the valuable time with the women.
- c) Introducing individual quiz on bookkeeping
Bookkeeping is an essential skill for all the women. To identify individual skill levels we developed a quiz which the women fill in during the training section. We realize that this tool is very helpful and identified lots of different knowledge gaps to be filled in the upcoming month.

1st Loan for Chemchem group with good progress

The first loan was given to the women last month. Their bookkeeping and interviewing went well. All the ladies are eager to learn and to further improve their skills. We further improved their language skills using different English classes. In addition, their business judgment was challenged by evaluating business models which are losing money. Improvement measures have been jointly discussed and evaluated in terms of implementation. In addition, the women know how to calculate bottom-up costs of a product with ingredients, such as baking.

5th Loan: Tupendane group

Last month Tupendane group finished their fourth loan. In October we handed out the new loans of between 200.000 and 500.000 TSH per person, a total of 2.7 million TZS (\$1,500). The first week went well and the women know how to do bookkeeping. Thus, the next step is to educate the women on more advanced business skills and next month the ladies can be taught something about marketing.

5th loan: Ikusura Group

The Ikusura group has already finished their repayment for the 4th loan and past loan interviews went very well. In the middle of the month, each member of the group got a fifth loan of about 500.000 TZS. The first week with the new loan went well and we visited some women to see what they bought with the loan. The overall development of the group is in line with Ikusura.

5th loan: the CHE group

CHE group can be hard to motivate but we have made good progress in English language

training and bookkeeping. We are building lessons for advanced English and are sitting with women individually in order to assist in growing their business.

5th loan for Amani group

Amani group has a lot of good character and ambition. We feel that they are willing to learn and can learn quickly. They have progressed well on English introduction training which will allow us to move to advanced English. Also, our interviews with this team always bring to light good marketing ideas and stresses business planning.

We are planning to do more business visits with this group to begin making more progress on an individual basis.

5th loan for Mshikamano Group

This group still struggles with bookkeeping and doing math (especially negative numbers.)

Three members of the group got a fifth loan of about 100,000 to 350,000. The first week with the new loan went well and we visited some women to see what they bought with the loan. Once we feel that this group becomes consistent with bookkeeping we will move to training in marketing.

There is a slight concern that one of the women's only business is selling charcoal. We plan to let her know the risks involved in this business and allow her to make her own decision.

Twaweza Group

Twaweza is still a relatively new group, but we believe they are progressing. We are still committing much time to provide bookkeeping training and at this point we feel that nearly 50% of the women are advanced. We have also begun providing English training at a very early stage (introductions and key words).

Working with a few of these women one-on-one, we have been able to provide extra assistance, such as helping repair one woman's computer and set-up her email, and also setting up a business proposal where a woman would sell fabrics to a lodge.

We believe that these women are committed and have shown enough aptitude where they shall receive their first loan. We are waiting to hear from Projects Abroad for our proposal. .

Education

Again, we focused on bookkeeping training, negative numbers, as well as English training. Also some groups have been trained over a long time; the knowledge levels within the groups are very different. We try to have everyone on the same level before moving on to more advanced training. However, some of the groups received some marketing training. We will continue with the marketing training in the upcoming months to ensure that all the ladies can benefit and improve their business skills accordingly.

In addition, some of the ladies are not able to read and write. We continued reading and writing training by splitting the groups.

Bookkeeping Training and Negative Numbers

We implemented a book keeping quiz to identify individual strength and weaknesses. Using this quiz we realized that some of them have really good knowledge while others are behind. To speed up the development of skills, we gave a lot of homework. All the women are eager to learn and did the homework. We think that by the end of the coming month everyone should be able to fill out a quiz correctly.

Marketing Training

Marketing classes were stopped when we realized that the bookkeeping was not as good as expected. We slowly started again using the four P method: Product, Price, Place, and Promotion. To teach marketing skills, we used real life examples. One woman describes her business and together we discuss options to improve one of the “P”s. The women seemed to appreciate this training and it made them think about their business.

Business visits

Individual business visits have been done in nearly all the groups this month. We visited most of the business which got new loans, to see their progress. Every woman tries to improve her business with the loan and invest in stocks or buying a machine or other useful things. But that is still far away from strategic thinking and business planning. All are very keen on learning bookkeeping, marketing and English. There is only a need for a few to learn reading and writing.

Future Developments

We are hoping to help out further on an individual basis As we did by fixing a computer and setting up email for a member in the Twaweza group. Also, we have sent samples of products out to different hospitals and orphanages in order to start new business for a member. Another example is helping a woman that sells fabrics to get new business through a local lodge.

We will continue to develop our marketing training and assign adequate homework.

We will train and assign business plans to the teams, depending on how their normal work is progressing.

We are thinking of setting up a conference where we will bring the women in all of the groups together to share ideas.