



## ASSOCIATION OF ASIAN CONFEDERATION OF CREDIT UNIONS

### Trainers Training on **Business Development Services for Credit Unions**

Start, Grow and Sustain Business of Members

March 31 to April 6, 2019 – Bangkok, Thailand

#### **1. Introduction**

Women and children account for 65% of Asia's total population, totaling approximately 1.6 billion. The United Nations predicts urbanization will rise from current levels to nearly 70% by 2030.

Women and youth face distinct challenges in participating in the productive sectors of the economy. Although women and youth are not a homogeneous group and their circumstances vary according to age, class, education, ethnicity, location and other cultural- and socio-economic characteristics, it is widely acknowledged that women and youth bear a disproportionate burden of global poverty. Large and growing youth unemployment threatens sustainable development and social stability, and women continue to experience barriers in almost every aspect of economic life. Women suffer from persistent social and cultural discrimination and unequal access to and control over assets and services.<sup>1</sup>

Women and youth are strategic areas for developing new leaders, as well as new credit union products, particularly in countries with aging populations. It follows that credit unions must foster young members as leaders who integrate modern skills and youthful aspirations with credit union traditions to achieve positive social, cultural and economic outcomes.

Credit unions and co-operatives that understand the value of women and youth membership will benefit from the emerging cohort of leaders and their inspired management skills.

ACCUC initiated its women and youth focused programs in 1992, implementing courses focused on preparing women and young people to actively participate in credit unions for the benefit of future generations. ACCUC recognizes that adolescents and women have important role to play in the society.

#### **Responding to 2030 Agenda for Sustainable Development**

During the United Nations General Assembly in September 2015, world leaders committed to the 2030 Agenda for Sustainable Development, outlining an ambitious vision for a better world. They agreed on the 17 Sustainable Development Goals (SDGs)

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<sup>1</sup> According to UNIDO (United Nations Industrial Development Organization): <https://www.unido.org/our-focus/creating-shared-prosperity/women-and-youth-productive-activities>

to wipe out poverty, fight inequality and injustice and tackle climate change around the world over the next fifteen years.

Subsequently, the Intentional Co-operative Alliance (ICA) adopted a theme for the 2016 International Co-operative Day that occurred on July 2 that year: Co-operatives Supporting the Sustainable Development Goals. ICA recognizes that co-operatives have a unique role to play in realizing the UN's goals, as they contribute to sustainable growth, social development and environmental responsibility.

The workshop attempts to address action initiatives to help achieve the SDGs related to youth and women:

- No Poverty
- Gender Equality
- Decent Work and Economic Growth
- Partnership for the Goals

This year's training will introduce an action initiative identified by the 2016 Youth and Women workshop – promotion of small business to unemployed youth and women.

Small businesses play an important role in community development and poverty elimination. Credit unions can assist by investing into lagging areas and spread the benefits of economic growth to people and places too often left behind. Through their capital investments, small businesses and micro-enterprises create jobs for the owners and others. It can also create new opportunities that promote community building and social activities in the rural and small towns.

The workshop also will raise awareness among credit unions on the connection between small businesses, economic growth and the incidence of poverty, all of which is of vital importance. Credit unions can then appreciate the significance and embrace the need to promote and support businesses of members, particularly those who are unemployed women and youth.



*Women and youth are major victims of poverty caused by deprivation. Both groups lack access to land, physical capital assets, human capital and participation in decision-making processes at the family and community levels. Their engagement in MSSEs as a means of escaping from the trap of poverty can be empowered by access to improved services of GSM and supply of financial capital through membership in cooperative societies. One pilot survey demonstrated that GSM has provided savings in transportation costs and that members of cooperative societies have used them to source business finances. Nevertheless, these admirable opportunities are hindered by inadequate information, awareness and access to MSSEs for women and adolescents.*

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## **2. Objectives**

The objective of the training is to institutionalize Business Development Services at the national federations and credit unions to advise unemployed women and youth members on starting and growing their businesses by planning, operational improvement, and product or market development.

At the end of the training participants will be able to:

- a) Understand the importance of promoting and supporting small businesses to create employment for members, consequently helping in uplifting members from poverty;
- b) Identify the gaps in lending that hinder the economic upliftment of youth and women
- c) Define the mission or purpose of the Business Development Services of the credit union network
- d) Suggest tools for BDS in transforming business ideas into reality: Startups, Launching, Managing and Growing
- e) Define the role at every level: ACCU, Federation/Leagues/Chapters and Credit Unions
- f) Prepare an action plan to institutionalize Business Development Center

## **3. Workshop Topics**

- a) The Role of Small Enterprise in Poverty Reduction of Unemployed Youth and Women in Credit Unions
- b) Gap Analysis: Impacts of Credit Unions' Services to Create Employment for Women and Youth through Business Enterprises
- c) Business Development Services: Why is it needed and what they do?
- d) BDS: Tools for Transforming Business Ideas into Reality
  - Tools in Planning the Business: Turning Idea into a Great Business
  - Tools in Launching the Business
  - Tools in Managing the Business
  - Tools in Growing the Business
- e) Role of ACCU, Federation, and Credit Unions in the Institutionalized Business Development Services
- f) Recommendations – Action Initiatives

## **4. Participants**

The training is intended for the person in charge of Business Development Services of ACCU member organization and the credit union to be piloted after the training. Each member organization is entitled to send two participants.

Participants should have a thorough understanding of credit union operations and women and youth issues in their country. The program is delivered in English; thus, participants must also have good language and communication skills.

## 5. Investment

The National Credit Union Federation of Korea (NACUFOK) provided grant funding to carry out the training. The following is the cost sharing:

Particulars	Federation or Credit Union	ACCU	NACUFOK
Local Airfare and in-country transportation	100%		
Visa to Thailand, if necessary	100%		
Transfers – Airport to Hotel and return	100%		
International Airfare	50%		50%
Twin Sharing room from March 31 to April 5	-		100%
Meals from dinner of March 31 to breakfast of April 6			100%
Material Development		100%	
Training Materials and Tools			100%
Resources Persons		100%	

## 5. Organization of the Workshop

The workshop will be organized in Bangkok, Thailand from March 31 to April 6, 2018 (including arrival and departure). The venue of the workshop will be announced later.

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**PROVISIONAL SCHEDULE**

Time	Activity Topic	Resource Person
<b>Day 0 – Sunday, March 31</b>		
12:00 onwards	Arrivals and Registration	
19:00	Dinner	
<b>Day 1 – Monday, April 1</b>		
8:30 - 09:00	Welcome and Logistics	
09:00 – 10:00	<ul style="list-style-type: none"> <li>• Introductions</li> <li>• Leveling of Expectations</li> <li>• Agreed upon Training Norms</li> </ul>	
10:00 – 10:30	Morning Break	
10:30 – 12:00	<p>The Role of Small Enterprise in Poverty Reduction of Unemployed Youth and Women in Credit Unions</p> <p><i>Note:</i> Small business is critical to economic development and to building members future, particularly for the economically active disadvantaged sector of the community. Credit unions investment is needed in lagging areas and spread the benefits of economic growth to people and places too often left behind. Through capital investments by credit unions, small businesses and micro-enterprises create jobs for members and to at least 5 other members. Small businesses are new opportunities that promote community-building and social activities in the rural and small towns.</p>	
12:00 – 13:00	Lunch Break	
13:00 – 15:00	<p>Gap Analysis: Impacts of Credit Unions’ Services to Create Employment for Women and Youth through Business Enterprises</p> <p><i>Note:</i> Credit unions in Asia claim to being involved in poverty alleviation, however, no data can prove the achievements on how many members have gained financial independence. The provision of financial services to the poor is commendable, but there is a need to review the service to ensure that members implement viable</p>	<p>The session can validate the gaps by participants sharing their experiences in their credit unions.</p> <p>This could be presentation by credit unions looking at:</p>

	<p>business plans leading them to financial independence operating sustainable businesses. In general, credit unions and national federations do not provide support to help members start, build and grow business. Based on observation, a significant percentage of members are 1) not accessing business loans because they do not have idea how to invest 2) members accessing business loans operate unsustainable businesses; they are not for self-employment 3) credit union unions experience high liquidity with a tendency of investing outside the sphere of financial business.</p>	<ul style="list-style-type: none"> <li>• Loan portfolio analysis</li> <li>• Number of youth and women in membership</li> <li>• Services provided to youth and women</li> <li>• Potential membership on the youth and women sector</li> </ul>
15:00 – 15:30	Afternoon Break	
15:30– 17:00	<p>Business Development Services: Why is it needed and what they do?</p> <p>Note: BD services motivates entrepreneurial-minded individuals to develop their business plans and to effectively start up their small business. As a support unit at the federation and the credit unions, it provides advisory support to entrepreneurs to start, build and grow their businesses. The session is aimed to introduce a framework of business development support at the federation and credit union level. The service attempt to fill the gap identified in the previous session. It is anticipated that with the business development support the credit union network would be able to 1) create an opportunity for credit unions to make uses of its liquidity to invest to members and the community 2) enabling members to start, build and grow their business and achieve financial independence 3) institutionalize a business development system for members rather than the credit union running a business enterprise.</p>	
18:00	Dinner	

<b>Day 2 – April 2, Tuesday</b>		
08:30 – 09:00	Management Team Report – recap, icebreakers and announcements	
<b>Start Up</b>		
09:00 – 12:00	<p>Best Businesses Opportunities for Members for 2019</p> <p>The session intends to create a list of the best small businesses opportunities for 2019, chosen from across a variety of industries. This could also include businesses members are already engaged in. To make a list, the businesses must:</p> <ol style="list-style-type: none"> <li>1. Have the potential to be profitable now and for many years in the future</li> <li>2. Be able to do well even in uncertain economic times</li> <li>3. Not require a PhD or decades of experience. Some require trade school training, a university degree or a prior apprenticeship, while others need only some prior experience and a passion for the industry</li> <li>4. Not require large amounts of startup capital, but only what every startup business requires: dedication, hard work, perseverance and a desire to succeed</li> </ol> <p>Most of these opportunities can be operated as home-based businesses at start-up and has potential to grow into a larger enterprise.</p>	
12:00 – 13:00	Lunch	
13:00 – 15:00	<p>Tools in Planning the Business: Turning Idea into a Great Business</p> <p>Note: Members apply loan from the credit union to start a business. No doubt, they have business idea, the BDS needs to guide them on how the great idea could be turn into great business. The session will identify the tools needed in planning a business.</p> <p>The following are some examples:</p> <ul style="list-style-type: none"> <li>• Market research and competitive analysis</li> <li>• Business plans or feasibility study on market, technical, finance, organization/management,</li> <li>• Startup costs</li> <li>• Funding the business</li> </ul> <p>The session is anticipated to prepare the tools that will form part of the BDS resources.</p>	

15:00 – 15:30	Coffee/Tea Break	
15:30 – 17:00	Exercise – Preparing Business Plan	
18:00	Dinner	
<b>Day 3 – April 3, Wednesday</b>		
08:30 – 09:00	Management Team Report – recap, icebreakers and announcements	
09:00 – 12:00	Presentation of Business Plans	
12:00 – 13:00	Lunch	
13:00 – 15:00	Continuation – Presentation of Business Plans	
15:00 – 15:30	Afternoon Break	
15:30 – 17:00	<p>Tools in Launching the Business</p> <p>Note: The BDS should create a business mindset to its members since it is focusing on scaling up entrepreneurs; whereas the enterprises create employment for members and for others. The following are the advice they should provide to members when they launch their business:</p> <ul style="list-style-type: none"> <li>• Picking the business location</li> <li>• Choosing a business structure – sole proprietorship, partnership, or corporation</li> <li>• Choosing a business name</li> <li>• Registration of the business</li> <li>• Getting business permits, tax licenses, Food &amp; Drug Administration license, patent</li> <li>• Registration with the Social Security System</li> <li>• Opening bank accounts</li> <li>• Payment platforms for digital payments of sales, purchases and utilities</li> </ul>	
18:00	Dinner	

<b>Day 4 – April 4, Thursday</b>		
08:30 – 17:00	Field Study Visit Entrepreneurs in Thailand	
<b>Day 5 – April 5, Friday</b>		
08:30 – 09:00	Management Team Report – recap, icebreakers and announcements	
9:00 – 10:00	<p>Tools in Managing the Business (based on field study)</p> <p>Note: The following are some examples of the support needed by entrepreneurs:</p> <ul style="list-style-type: none"> <li>• Managing business finances – picking up accounting system, cash flow management, credit management, financial reporting</li> <li>• Hiring employees – labor laws, security system</li> <li>• Tax payments</li> <li>• Buying assets and equipment</li> <li>• Marketing and sales</li> <li>• Preparing for emergencies</li> </ul> <p>The session would identify the tools needed.</p>	
10:00 – 10:30	Morning Break	
	<b>Growing and Sustainability of the Business</b>	
10:30 – 12:00	<p>Tools in Growing the Business (based on the field study)</p> <p>Note: The following are some examples of the support needed by entrepreneurs:</p> <ul style="list-style-type: none"> <li>• Securing additional capital</li> <li>• Expanding to new locations</li> <li>• Franchising</li> <li>• Exporting</li> <li>• Meeting the requirements by the government on business</li> </ul>	
12:00 – 13:00	Lunch Break	
13:00 – 15:00	Structure and Function of the Business Development Services	
15:00 – 15:30	Afternoon Break	
15:30 – 16:30	ACTION PLAN: Role of ACCU, Federation, and Credit Unions in the Institutionalized Business Development Services	
16:30 – 17:00	Closing	
19:00	Graduation and Dinner	

**SWOT Analysis Template** State what you are assessing here. Please note that these criteria examples relate to assessing enterprise development outreach proposal. Many listed criteria can apply to other quadrants, and the examples are not exhaustive. You should identify and use any other criteria that are appropriate to your situation.

<p style="text-align: center;"><b>criteria examples</b></p> <p>Advantages of proposition?          Capabilities?          Competitive advantages?          USP's (unique selling points)?          Resources, Assets, People?          Experience, knowledge, data?          Financial reserves, likely returns?          Marketing - reach, distribution, awareness?          Innovative aspects?          Location and geographical?          Price, value, quality?          Accreditations, qualifications, certifications?          Processes, systems, IT, communications?          Cultural, attitudinal, behavioral?          Management cover, succession?          Philosophy and values?</p>	<p style="text-align: center;"><b>strengths</b></p>	<p style="text-align: center;"><b>weaknesses</b></p>	<p style="text-align: center;"><b>criteria examples</b></p> <p>Disadvantages of proposition?          Gaps in capabilities?          Lack of competitive strength?          Reputation, presence and reach?          Financials?          Own known vulnerabilities?          Timescales, deadlines and pressures?          Cashflow, start-up cash-drain?          Effects on core activities, distraction?          Reliability of data, plan predictability?          Morale, commitment, leadership?          Accreditations, etc?          Processes and systems, etc?          Management cover, succession?</p>
<p style="text-align: center;"><b>criteria examples</b></p> <p>Market developments?          Competitors' vulnerabilities?          Industry or lifestyle trends?          Technology development and innovation?          Global influences?          New markets, vertical, horizontal?          Niche target markets?          New USP's?          Tactics: eg, surprise, major contracts?          Business and product development?          Information and research?          Partnerships, agencies, distribution?</p>	<p style="text-align: center;"><b>opportunities</b></p>	<p style="text-align: center;"><b>threats</b></p>	<p style="text-align: center;"><b>criteria examples</b></p> <p>Political effects?          Legislative effects?          Environmental effects?          IT developments?          Competitor intentions - various?          Market demand?          New technologies, services, ideas?          Sustaining internal capabilities?          Obstacles faced?          Insurmountable weaknesses?          Loss of key staff?          Sustainable financial backing?          Economy - home, abroad?</p>