



interweave
SOLUTIONS

Version 1.0



MBS Jr.

MASTER OF BUSINESS IN THE STREETS Jr.
SELF-RELIANCE PROGRAM

FACILITATOR'S MANUAL

MOVING PEOPLE FROM POVERTY TO PROSPERITY



*“The MBS Jr. course
really helped me and
my soap business!”*

– KAREN, COLOMBIA

At Interweave Solutions we respect everyone who has worked with us to fight poverty — and especially those who are working on self-reliance in their own lives. So while the stories in this manual are true, names and images may have been altered, characters combined and details changed to protect privacy and better illustrate the self-reliance principles.

MBS Jr.

Master of Business in the Streets Jr. Self-Reliance Program

FACILITATOR'S MANUAL — EN_MBSJr_FMv1.0

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MISSION

We move people from poverty to prosperity through neighborhood self-reliance groups.

VISION

Self-reliance groups transform the way the world fights poverty. Through these groups, millions of people will achieve higher incomes, better homes and improved communities.

VALUES

We believe in:

- Mutual Respect for All
- Always Improving
- The Power of Groups
- Integrity
- Creating & Sharing Success Stories
- Do It Now!



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SOLUTIONS

HOW TO FACILITATE THE COURSE *MASTER OF BUSINESS IN THE STREETS Jr.*

Facilitators using this manual — who are often referred to as “Success Ambassadors” — usually teach this Master of Business in the Streets Jr. (MBS Jr.) course once a week for four months or twice a week for two months.

Your group should usually meet at least 16 times. This manual is divided into 12 units. The four other class periods should be used to help participants better understand any difficult principles or work on their MBS Jr. requirements. You may add extra classes whenever you would like.

Some of the units and unit principles can be complicated. You know both the maturity and capability of your participants best. Please review all unit material before teaching and adjust your teachings in a way that the students will best understand.

HOW TO USE THE FACILITATOR MANUAL

Each unit in the manual is organized by principles. There are three steps we follow to teach each principle: present a “CODE”, DISCUSS, and ACT.

PRESENT CODE

A *code* is any event that will engage the participants attention while introducing and teaching a principle. A code can be a picture, video, story, skit, song, activity or in some cases an explanation.

DISCUSS

- The code should stimulate plenty of questions and discussion. We want a lot of involvement from the participants.
- The suggested *discuss* questions are formatted in a bullet list for each principle.

ACT

After the discussion we want the participants to act. They can *act* by writing in their workbooks, committing to do something before the next meeting, or meditating on the principle being taught.

The first time you teach MBS Jr. we encourage you to use the codes provided. Eventually, you will think of stories, skits, and examples from your country and experiences to which your group can relate. Please feel free to substitute your own code. However, always teach the principle, and make sure to have plenty of discussion and an action step at the end of each principle.

PRINCIPLE 4: SAVE REGULARLY

PRESENT CODE — SHOW

(Show a piggy bank, envelope, small box and/or a water bottle with a taped on title called “New Stove Savings”)

What are these? (*places to save money*).

People save money when the security and freedom of extra money is more important to them than the thrill of spending. For example, people save money by eating less, walking more, turning off lights, savings coins in a jar or sharing tools.

DISCUSS

- What have you done so far to save?
- How can you make it a habit to save?

ACT

In your workbook on page 14, write or draw the things you will do to make a habit to save. Decide where you will keep your savings.

Present Code, Discuss and Act

HOW TO DEVELOP A CODE

A code will introduce and often explain the principle.

For example, in **UNIT 3: PLAN, Principle 2: Plan for Home** we use a picture of two bicycles, one with two good wheels and one with a broken wheel. This is a code for introducing a balance in your life by setting goals in different roles and areas.



Finding Balance

Some people have used the **picture** of the frustrated boy on a tricycle on page 9 of the manual to teach this principle. Others have brought in a broken bicycle and discussed it.

Other code ideas to teach balance in life include:

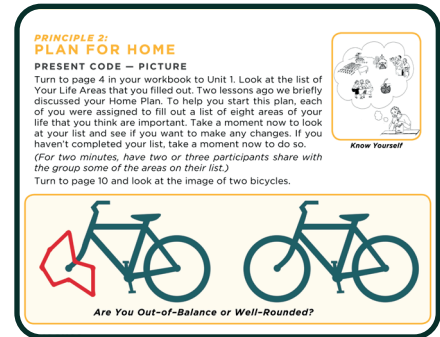
Other code ideas to teach balance in life include:

- A **skit** of a father always working and then having health problems
- A short **video** of a parent who never has time for his children or a mother who never has time for herself.
- A short video of your participants talking about how they don't spend enough time with the family, or never have time to exercise (You would need to prepare these in advance).

Skits and **activities** are excellent codes, especially if you are facilitating a group with limited resources or you don't have access to the pictures and videos in the manual.

As you facilitate, think of codes from your culture and experience that will illustrate the principle. With plenty of questions and discussion many experiences in our lives and the lives of our participants and graduates can be excellent codes that teach the principles of self-reliance.

Make sure that if you change the code, it is still relatable to the maturity, understanding and age level of your group.



Are You Out-of-Balance?



HOW TO CREATE A GOOD DISCUSSION

Questions are used to get the participants involved. Sometimes questions are used during the code but they are usually at the end. Questions can usually be asked in a pattern that we refer to as **FAMA**.

FACTS

Ask facts about the code (skit, activity, picture, story) they just saw.

- What do you see in the picture or what did you see in the skit?
- What happened? Who were the people? What did they do?

ASSOCIATION

Ask questions that help them relate to the code.

- How do the people feel?
- Has this happened in your life?
- Have you ever felt this way?
- Why did this happen?

Let the participants share their feelings and experiences.

MEANING

Ask why the principle is important and what significance it has in our lives.

- What should they do?
- How did you handle this in your life?
- Why is this principle so important?

ACTION

We will then lead them to the final step in the process. They will now do something or commit to do something to act on the principle.

As you use the manual you will see how code, discuss and act will guide you in facilitating the MBS training so it is informative, motivating and fun.

HOW TO HELP PEOPLE TO ACT

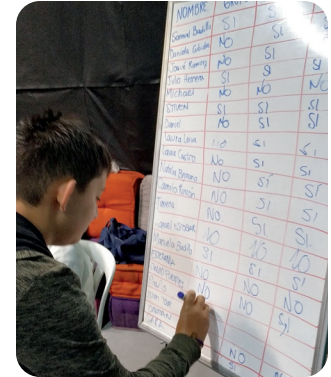
At the end of each principle in the unit there is a small action step called ACT. Encourage and enable the participants to do the action steps. They may be asked to write an idea, meditate on a concept or make a choice.

Also, at the end of each unit are three major commitments that the participants should do before the next meeting. We want them to act on those commitments and return and report on their progress in the next meeting. At the beginning of every meeting, be sure that each participants reports on how they accomplished or failed to accomplish their commitments. Discuss what they learned by trying to complete their commitments. Encourage the group to discuss ways to overcome problems and help each other be successful. Recognize efforts and celebrate accomplishments.

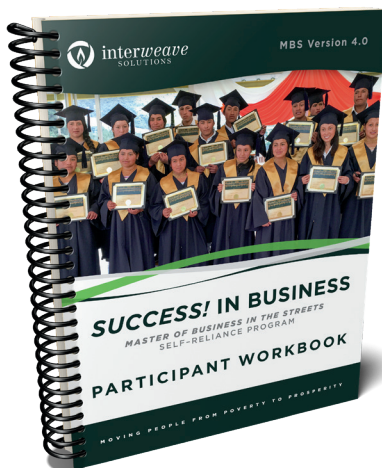
TOOLS FOR MEETINGS

When facilitating a group, you will be able to communicate with the participants using a number of tools. Here is a list of tools you can use:

- 1. Facilitator Manual:** This Facilitator Manual is your most important tool. By printing or downloading this manual on a large device such as a tablet, you will be able to use the visual aids to teach the principles to your participants.
- 2. Whiteboards and Posters:** You should have a portable whiteboard and markers to explain ideas and/or posters prepared to illustrate an idea. For example, when teaching the units in which **Paperwork** is discussed, it's especially helpful when participants can see the financial tables.
- 3. Participant Workbooks:** Each participant will learn best if they have their own copy of the **Participant Workbook**. It can be downloaded at www.interweavesolutions.org/manuals. We encourage you to charge the participants to pay for the manual.
- 4. Notebooks:** If the participants can't afford a **Participant Workbook** you can require that each person bring a notebook for the MBS JR course. At the beginning of each unit, share the unit principles and have the participants write them in the notebook, leaving at least a third of a page after each principle. Then, have the participants write notes and their action steps for each principle in that space. At the end of each unit have them write their group commitments, their home quality of life commitments and their savings goal. On paperwork units, during the activities, have them draw the financial tables in their notebook.
- 5. Slide Presentations:** Slide presentations of all the lessons in MBS Jr. will soon be available on our website. These slides will help provide visual codes and show the principles of each unit.



Using a Whiteboard



The Participant Workbook

The most professional approach of teaching this course is to show the image with the Facilitator Manual or slide presentation and have a Participant Workbook for each group member. If you are facilitating with limited funds, the best option is to have the participants provide a notebook and you use a whiteboard. Your decision on how to present the material will depend on what you can afford and how you charge the groups members for the materials.

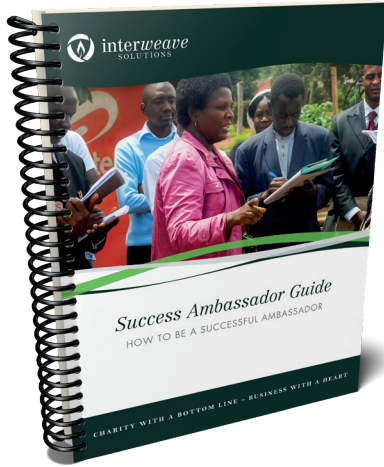
To download manuals or evaluations, please visit www.interweavesolutions.org/manuals

THE 8 GOLDEN RULES OF SUCCESS AMBASSADORS

To ensure that the principles and practices of the Interweave MBS program have the same high quality around the world, we have created the **8 Golden Rules of Success Ambassadors**. Study these frequently and do your best to keep following them. Carefully and successfully following these rules will help you remain an active approved Ambassador for Interweave.

- 1. TEACH EVERY PRINCIPLE IN THE MANUAL** — Adapt to the culture of your group without eliminating the principles. Optimize your time. Remember the three components of the manual: Present code, discuss, and act, but make sure to teach all the principles.
- 2. FACILITATE, DON'T DOMINATE** — Allow the class to be interactive. The participants should talk more than the facilitator. Choose leaders in order to help lead the class.
- 3. ORGANIZE THE ROOM IN A CIRCLE OR SEMI-CIRCLE** — Avoid arranging seats into lines like a traditional classroom. Explain the purpose of the circle or semi-circle to the participants: this way they will be able to see and support each other.
- 4. CARE ABOUT YOUR PARTICIPANTS** — Learn their names and their businesses. Be interested in their individual progress and not just in finishing the class each week. Challenge each other.
- 5. HOLD YOUR PARTICIPANTS ACCOUNTABLE** — Make sure that your participants set goals, save, use action partners and return and report each week. Encourage them to be honest in their reports.
- 6. HAVE FUN!** — Use icebreakers, sing and dance, applaud and stand up and shout. Energize the group. Reward their accomplishments with recognition.
- 7. MAINTAIN PAPERWORK** — Help participants complete the pre and post evaluations, as well as their plans and financial records. We recommend that you ask your participants to pay before the course starts, or at the very latest by the Unit 3. If you don't do this, you risk the chance of not being paid by the participant.
- 8. RETURN AND REPORT** — Register all your groups and participants on myplatform.interweavesolutions.org as soon as you begin classes. Plan the graduation ceremony at least 15 days after the last day of classes. Submit all required paperwork from your participants on myPlatform at least 8 days prior to graduation.

THE SUCCESS AMBASSADOR GUIDE



The Success Ambassador Guide

The *Success Ambassador Guide* is an excellent companion to this Facilitator Manual. It will guide you as you generate, facilitate, graduate and maintain your groups and grow as an Ambassador.

The *Success Ambassador Guide* has the pre and post evaluations that help measure the success of the participants throughout the course. It also contains instructions on how to manage myPlatform and enter all the necessary requirements into myPlatform.

Please make sure that you have a recent copy of the *Success Ambassador Guide* downloaded and that you study it often as a companion to this manual. The download is located in the Success Ambassador Resources section of our website at <https://www.interweavesolutions.org/manuals/>.

SUCCESS AMBASSADORS



Mauricio Gomez, from Colombia, successful trained over 50 youth in a pilot MBS Jr program. He also makes MBS Jr marketing content for all ambassadors.



Yazmin Bonilla and Success Ambassadors from Soacha, Colombia has trained hundreds of people in schools, municipalities and neighborhoods in the MBS program.



The Interweave Solutions Benin Presidency is unique because each of them took the course online and now work

together helping hundreds of people to achieve self-reliance.



Ruth Vidaurre is not only a member of our Board of Directors, but a Success Ambassador. She works with our literacy programs, and has helped people in

Uganda, Paraguay, and Portugal find success in business.

SAMPLE COURSE SCHEDULE

We anticipate the group meeting about 16 times. That allows you to finish the course in 4 months if you meet once a week (or in 2 months if you meet twice a week). Here is a sample agenda adapted by the success ambassador for the needs of a particular group. The Success Ambassador inserted four additional lessons along with the core 12 units:

Meeting 1	Unit 1	You Can Become Self-Reliant
Meeting 2	Unit 2	Product
Meeting 3	Unit 3	Plan
Meeting 4	Unit 4	Paperwork-Personal Budgeting
Meeting 5	Unit 5	Paperwork-Business
Meeting 6	Review	Go over Unit 4 & 5 Paperwork Principles
Meeting 7	Unit 6	Price
Meeting 8	Unit 7	Process
Meeting 9	Unit 8	Promotion
Meeting 10	Unit 9	Paperwork-Productivity
Meeting 11	Unit 10	Paperwork-Cash Projection
Meeting 12	Review	Go over Unit 9 & 10 Paperwork Principles
Meeting 13	Unit 11	Plan-Make it Legal
Meeting 14	Spotlights	Presentation of businesses by everyone in the group
Meeting 15	Unit 12	Plan- You did it!
Meeting 16	Review	Prepare and submit all MBS requirements

During Unit 5 the Success Ambassador noticed many participants didn't grasp some of the paperwork principles. Participants in the group were new to the idea of separating their business and personal finances and logging all transactions at the point of sale. So they decided that for the next meeting they would review the principles in Units 4 and 5. This clarified the concepts and seemed to help everyone. The Success Ambassador was ready after the next set of Paperwork Units. They added a review lesson after Unit 10 to cover principles from Units 9 & 10.

As the group got near the end of the course, the Success Ambassador wanted to give everyone a chance to present their business and product or service to the group for questions and feedback. So after Unit 11 they set aside one whole meeting and had every group member present and answer questions about their business.

In the last meeting the Success Ambassador had everyone finish up their 3 plans and all the paperwork for the MBS requirements and upload them onto the Success Platform. Some participants didn't need that much help, but some really did need assistance getting everything entered properly.

You can add four (or even more) additional classes to help your participants understand all the principles and complete the MBS training.

	Introduction for Facilitators.....	ii
Unit 1	You Can Become Self-Reliant	2
Unit 2	Product	14
Unit 3	Plan.....	24
Unit 4	Paperwork—Personal Budgeting	34
Unit 5	Paperwork—Business.....	44
Unit 6	Price	54
Unit 7	Process.....	64
Unit 8	Promotion.....	72
Unit 9	Paperwork—Productivity.....	82
Unit 10	Paperwork—Cash Projection	92
Unit 11	Plan—Make It Legal.....	106
Unit 12	You Did It!.....	112

REMEMBER TO ADD MORE MEETINGS AS NECESSARY

UNIT 1: YOU CAN BECOME SELF-RELIANT



- 1. Groups Build Self-Reliance.**
- 2. Make Three Plans for Success.**
- 3. Apply the 6P's of Business.**
- 4. Improve Your Quality of Life.**
- 5. Serve Your Community.**
- 6. Make & Keep Commitments.**

BEFORE YOU BEGIN: THE PURPOSE OF THIS COURSE

The purpose of this course is to help you to achieve self-reliance, even at a young age. We hope that throughout this course you learn that you are in control of your future and you can change your life, your community, and even the world!

PARTICIPANT PRE-ASSESSMENT

(Hand out the student manuals to each of your participants. Have the participants fill out the pre-assessment. It's located in the front of the participant manual. You can also download it from the resource section of the website. Have all the participants fill out the form, then collect them before moving onto the first principle.)

PARTICIPANT PRE-ASSESSMENT			
FILL OUT & HAND IN NOW			
	Yes	No	
1. I have my own business.	Disagree	Sometimes	Agree
2. I have a plan to improve my home and myself.	Disagree	Sometimes	Agree
3. I serve my community.	Disagree	Sometimes	Agree
4. I save money regularly.	Disagree	Sometimes	Agree
5. My family supports me when we work.	Disagree	Sometimes	Agree
6. My family can afford the basic necessities of life.	Disagree	Sometimes	Agree
7. I keep business records.	Disagree	Sometimes	Agree

Participant Name _____ Date _____

Each participant should complete the following pre-assessment during the first meeting. At the end of the meeting, participants should also complete the pre-assessment form. When you hand in the form, please give it to the group facilitator.

PRINCIPLE 1:

GROUPS BUILD SELF-RELIANCE

PRESENT CODE — ACTIVITY

(Show the picture on page 2, then read aloud together the 6 principles in this unit. If you aren't in a circle or semi-circle, please rearrange the class that way.)



- 1. Groups build self-reliance.**
- 2. Make three plans for success.**
- 3. Apply the 6P's of Business.**
- 4. Improve your quality of life.**
- 5. Serve your community.**
- 6. Make and keep commitments.**

We will have each person introduce themselves. Share your name and a goal that you have. *(Hand out several small pieces of paper to each member with a pen/pencil.)* As each person shares their goal, if you know of a resource that could help them reach their goal, have advice, or simply want to give encouragement, write it down on a piece of paper. When all have finished sharing their goals, we will distribute the pieces of paper accordingly.

DISCUSS:

- How did you feel as we shared our goals?
- How did you feel as you received or gave advice/encouragement? Why?
- How do you think being in this group will bring you success?
- How can we achieve self-reliance as a group?

ACT:

On page 2 of your participant workbook, write down the goal you have and the advice or support that was given to you.

PRINCIPLE 2:
MAKE THREE PLANS FOR SUCCESS

PRESENT CODE – PICTURE

*(Show the **Three Circles of Success** on the back cover of the Facilitator manual.)*

In this program you will develop plans to become self-reliant in three areas. These three areas are Business, Personal Life, and Community. These are the three components to self-reliance.



DISCUSS

- How do these three areas of our lives relate to each other?
- How do problems at home or in the community, such as sickness, abuse or crime affect our businesses?
- How does a successful business help our families and communities?
- Why do your plans for self-reliance need to include more than just earning money?

ACT

Think about issues in your personal life, or community that could affect you if you started a business today. Then go to **page 2** in your participant workbook and write down some of your thoughts. In the MBS Jr. course, we will be making plans in these three areas.

PRINCIPLE 3: APPLY THE 6P'S OF BUSINESS

PRESENT CODE — EXPLANATION

The first of your three plans will be a plan for your business. In this plan you will write the steps you need to start and grow your business. Your plan will be based on what we call the **6P's of Business**. These are six concepts that describe everything you need to know to start and run your business. These words all start with the letter "P" so we call them the **6P's**. The lessons in this course and the business or business idea you develop will be based on these **6P's of Business**.

PRESENT CODE — ACTIVITY

Guess the 6P's of Business. *(Prepare six sheets of paper with one of the 6P's written on each. Be prepared to hand these out for the activity.)*

Let's see if you can guess the 6P's of Business. Remember these are words that begin with the letter P that are important in a business. They do not need to be in a particular order. Can everyone guess what the 6P's are?



(You may need to give hints. As each person successfully names one of the 6P's give them that paper, and enthusiastically invite them to stand up in front and display the word named. When all the 6P's holders have come up front, lead a loud rousing cheer and applause for the people who named them. Have fun.)

Look on page 3 of your workbook for *Apply the 6P's of Business*. We will learn the meaning of the 6P's and how to build a successful business. Let's read together what each of the 6P's means:

PLAN—The steps you need to make your business succeed

PRODUCT—The item or service you sell

PAPERWORK—Your income, expenses, and goals in writing

PROMOTION—How you sell your product or service

PRICE—What you charge for your product or service

PROCESS—How you create your product and get it to customers

PRESENT CODE – PICTURE & STORY

(Show the participants the picture **Ghia's Story** on page 7.)

This is Ghia. Her mother is a Success Ambassador for Interweave Solutions. Ghia was curious about the classes her mother taught, but she was told she was too young to join. One day, her mother agreed to let her join one of her self-reliance groups. Ghia was nervous, but she wanted to succeed. She didn't think she could make a product or start a business on her own. However, she soon realized that the pillows that she made for her own room could be sold to other children and even parents that wanted to decorate a child's room.

She promoted her business by telling the kids in her school about her business and asking her parents to tell their friends. Soon she started selling her products! She considered her process to see how she could add value. She learned more sewing skills from her grandma so that she could make different kinds of products. She started to sell stuffed animals in addition to her pillows. Her sales keep growing steadily.



Ghia's Story

Ghia learned how to keep records of expenses and sales. It was difficult, but she worked hard. She made goals that she can reach within the next five years. With her paperwork and plan, she is setting herself up for success and is increasing her income.

DISCUSS

- How did Ghia join a self-reliance class?
- How did joining a self-reliance group help Ghia?
- How did she apply the 6P's to her business?
- How do you think applying the 6P's might help your business?

During the coming weeks in each session you'll learn about each of the 6P's and how it relates to your business.

ACT

At the end of this unit, for your Business Commitment you are going to visit two businesses. Observe and write down how they apply the 6P's. You can do this face to face or online. Make sure to ask them questions to learn more about their business.

Turn in your workbook to page 42 to the resource section and note *The 6P's Business Checklist*. You will use this form to fill out what you learned by visiting the two businesses.

GHIA'S STORY



**PRINCIPLE 4:
IMPROVE YOUR QUALITY OF LIFE**

PRESENT CODE – PICTURE

(Show the participants the picture **Finding Balance** on page 9.)

DISCUSS

- What do you see in the photo?
- How is the boy feeling?

Sometimes life can feel bumpy and frustrating; like you are trying to get somewhere on a square-wheeled tricycle. During Unit 3, we will create a Personal Improvement Plan, to help smooth out and improve the quality of our lives.

ACT

Turn to page 4 in your Participant Workbook. This is a **Sample Quality of Life Wheel** to help create your **Personal Improvement Plan**. To start your plan, choose eight areas of life that are important to you and write them in your manual.

To help select life areas for your plan, consider the eight examples around the **Sample Quality of Life Wheel** and also the **Important Areas of Life** list of ideas on the same page. The categories you choose will be areas that are important to you and don't need to match any other examples. **Write your choices in the Your Life Areas blank list.** You'll have a chance to explore these eight areas again in Unit 3.

SAMPLE QUALITY OF LIFE WHEEL

YOUR LIFE AREAS:

- 1) _____
- 2) _____
- 3) _____
- 4) _____
- 5) _____
- 6) _____
- 7) _____
- 8) _____

IMPORTANT AREAS OF LIFE – EXAMPLES

Education —school, MBS Jr.	Social Life —friends, activities	Sports —soccer, basketball
Money —budget, spending money	Media —video games, movies	Health —exercise, mental health
Family —siblings, parents	Work —job, sales, business	Spiritual —prayer, scriptures
Relationships —boy or girlfriend	Community —service, events	Music —guitar, flute, DJs

FINDING BALANCE



PRINCIPLE 5:
SERVE YOUR COMMUNITY

PRESENT CODE – PICTURE

(Remember, you may use your own code to teach the principle. For example, you could make a skit showing the need to work together to identify and solve community problems.)

Turn to page 5 in your workbook and look at the two images.



DISCUSS

- The picture on the left shows a problem in the community. What problem do you see?
- How could the girl in this scene be feeling?
- What do you see in the picture on the right?
- How are these people feeling?
- How can people working together solve tough problems?
- Do we have problems like crime, sickness, garbage or abuse in our neighborhood that could hurt our businesses?
- How could our group work together to solve problems like these?

ACT

As a group we'll develop our own community service plan to help others in need, reduce problems in the community and strengthen our group.

Brainstorm ideas of what you will do as your community service project later in this course. Then write these ideas on **page 5** of your participant manual.

**PRINCIPLE 6:
MAKE AND KEEP COMMITMENTS**

PRESENT CODE – PICTURE

(You may also perform a skit that shows the value of making small but steady progress to eventually reach your goals.)

Turn to page 5 in your workbook to principle 6.

Like climbing this rock wall, big goals like self-reliance, a successful business or a better personal life can't be reached in one jump. You reach success one step (or foothole) at a time. We refer to successes at the top of the rock wall as long-term goals and individual steps to reach these bigger goals as short-term commitments.



Steps to Your Success

DISCUSS

- Have you ever climbed a rock wall or climbed a long staircase? Where? How?
- Would it be possible to go from the bottom to the top in one step or jump?
- Can you reach your long-term goals without short-term commitments?
- Why is each step important?

ACT

At every session we'll introduce three short-term commitments:

An assigned **Business Plan Commitment** found in the workbook based on the content of the lesson, to help advance your business or business idea.

A **Personal Plan Commitment** that reflects your individual priorities and goals.

A **Savings Commitment** that helps you identify how to save money in different ways.

How do you think that making and keeping these three commitments will help you succeed?

COMMITMENTS CHART			
Name	Business	Personal	Savings
Jean C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

Each meeting we will draw a commitment chart on the board, paper or flipchart. As each person enters the room next week they will write "yes" or "no" under each of the commitments to report whether they completed their commitments or not. This reporting activity will be done at the beginning of every meeting.

BUSINESS SPOTLIGHT

Turn to page 43 in your workbook to the resource section. This is *The 6P's Business Checklist*. Each week one of you will take a few minutes to show your product or service and talk about your business idea.

Tell us your product idea, how you will make your product (your process), what you think your price will be, your promotion ideas and efforts and if you have paperwork. This will be a fun way to get to know each other. Everyone will want to present to get your MBS Jr. Certificate. This checklist will make it easy to prepare.

Who will do our spotlight presentation next week?

(Facilitators, if you have no volunteers, ask someone who has participated during the class, seems confident or has a product or business already. Recognize and cheer the first spotlight presenter!)

ACTION PARTNERS

At the end of each class you will pair up with someone from the group. Choose someone who is not a family member. You will take a few minutes to talk with them at the end of each meeting and report on your business progress. This will help you stay accountable. Choose your action partner now.

MBS JR. REQUIREMENTS

You can earn a Master of Business in the Street Jr. (MBS Jr.) Certificate in this course. Your certificate shows you, your family and friends you can succeed.

Turn to page 66 in the resource section of your workbook. These are the certificate requirements. Look them over and see what you need to do. Set the goal to start your business, home and community plans and earn your MBS Jr. certificate. You can do it!

PROCESS PRINCIPLES SUMMARY

The 6P's of Business are Plan, Product, Price, Process, Promotion and Paperwork. **Turn to page 2** of your workbook. Read together the six principles of Becoming Self-Reliant we discussed today:

- 1. Groups build self-reliance.**
- 2. Make three plans for success.**
- 3. Apply the 6P's of Business.**
- 4. Improve your quality of life.**
- 5. Serve your community.**
- 6. Make & keep commitments.**

PRESENT CODE – ACTIVITY

Make your commitments for the next meeting.

(This would be a great time to have a brief discussion with your participants about what a commitment is and why it's important to have integrity while making commitments. This may be the first time that your student is making a life changing commitment. Help them realize the importance of making and keeping commitments.)

COMMIT TO ACTION FOR NEXT TIME:

BUSINESS PLAN COMMITMENT

- I will visit or search online two businesses and observe or ask how they use the 6P's of Business.
- I will use the 6P's Business Checklist and record what I learn through these visits.

PERSONAL PLAN COMMITMENT

- I will brainstorm the eight areas of my life that I'd like to improve the most.

SAVINGS COMMITMENT

- I will add to my savings — even if it's just a coin or two, and encourage my family to do the same.

DISCUSS:

- Who would like to share their Personal Plan Commitment for this week?
- Which commitment will be the easiest to keep for you this week?
- Which commitment will be the hardest?

ACT:

Choose your Action Partner for this week. Try to choose someone that you don't know. Discuss your business ideas how you will keep your commitments. Then say each commitment aloud to your action partner.

Pledge to keep your commitments by signing your workbook.

(Thank everyone for coming and participating. Encourage them to keep their commitments and attend next time. Close the meeting.)

UNIT 2: PRODUCT



- 1. You deserve success.**
- 2. Get to know yourself.**
- 3. Decide what sells.**
- 4. Know your competition.**
- 5. Know and value your clients.**

PRESENT CODE – ACTIVITY

(Draw a table of commitments. As each person arrives to the class, ask them to write their name on the chart and indicate “yes” for each commitment they completed and “no” for those which they didn’t, like the example on the right. Don’t take more than 10 minutes to do this.)

COMMITMENTS CHART			
Name	Business	Home	Savings
John C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

Business Plan: Visit or search online for at least two businesses and write down in your workbook how they use the 6P’s of Business.

Personal Plan: Choose the eight areas of your life you’d like to improve the most.

Savings Plan: Save some money, even if it’s just a couple of coins.

(Make sure to recognize your participants’ efforts and encourage those who weren’t able to complete their commitments.)

DISCUSS

- What did you learn as you completed the commitments you made?
- What difficulties did you encounter while trying to complete commitments?
- What can we do to help everyone complete their commitments?

ACT

Have a pre-assigned participant present their Business Plan in front of the class.

PRESENTATION OF PRODUCT

PRESENT CODE- PICTURE AND STORY

(Show the picture on page 20, read aloud the 5 principles of this unit.)



1. **You deserve success.**
2. **Get to know yourself.**
3. **Decide what sells.**
4. **Know your competition.**
5. **Know and value your clients.**

Kevin is a young man who lives in a rural part of Ecuador. He likes business and his brother likes to fish and hunt. Kevin knew that his community needed more food to be sustainable and that there wasn’t enough fresh fish in the area. So, Kevin and his brother learned all they could from the internet and their self-reliance classes so that they could establish a trout farm. In little time and with much effort, they established their own trout farm in their local community. Now they have many regular clients who regularly come to the trout farm for fresh fish.

DISCUSS

- How did Kevin apply the 5 principles of **Product**?

ACT

After completing the commitments and analyzing the five principles of this unit, you will decide on a product or service of your own.

**PRINCIPLE 1:
YOU DESERVE SUCCESS****PRESENT CODE — IMAGE**

Go to **page 7** of your participant manual. Find the image of all of the babies.



(As we said in the Introduction of this manual, you can use whatever code that works for you in order to best teach this principle. Show the image above of the babies, or present dolls that represent babies. You could also take turns sitting in a circle and telling each participant that they are valued members of humanity. Make sure to adjust the questions in the DISCUSS section in order to reflect the code that you use.)

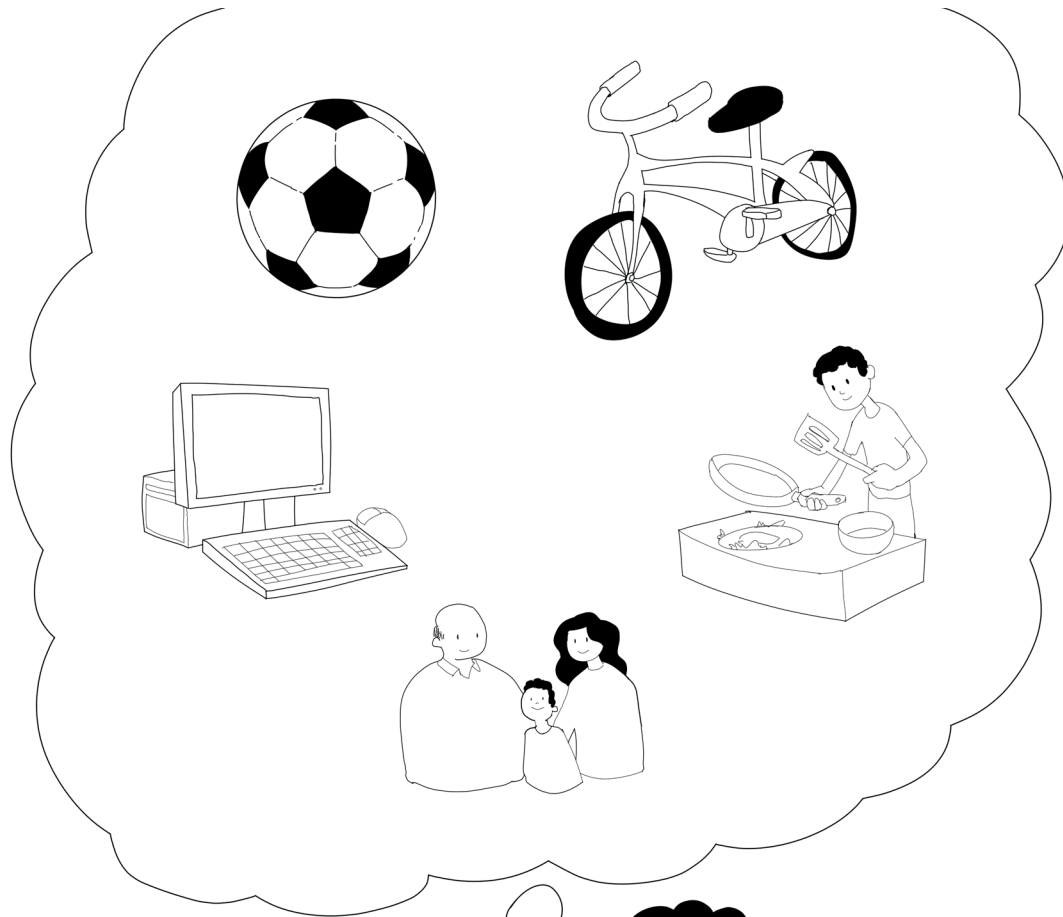
DISCUSS

- How many babies do you see in the image?
- Does one of these babies NOT deserve attention, love, or success?
- Which of these babies will be the most successful or happy?
- Are we born to be less successful than others in our life?
- In what way do the differences in our past or in our family situations determine our success or failure in life?

ACT

Remember, each one of us deserve success in business and in life itself.

GET TO KNOW YOURSELF



WHAT
RESOURCES
DO **YOU**
HAVE?



**PRINCIPLE 2:
GET TO KNOW YOURSELF**

PRESENT CODE – IMAGE

(Present the picture **Get to Know Yourself** on page 23.)

This boy is thinking of his future. He is thinking of what talents and resources he has available to him.

DISCUSS

- What talents or resources do you see in the image?
- What businesses could the boy create with the talents and resources he has?
- How could your talents and resources help you start a business?

PRESENT CODE – VIDEO

(Watch the video **Jacqueline** www.interweavesolutions.org/video-codes. If you can't see the video, **go to page 7** of the student manual and read the summary out loud.)

JACQUELINE



Jacqueline was desperate. She had very little education or experience and her job barely kept her family from starving.



She joined an MBS self-reliance group. They told her to use her talents in music and dance to start her business. She was unsure. Her son encouraged her to listen to them.

VIDEO SUMMARY



Jacqueline started her workout routine in the park. Others joined her exercise dance class. Now she is doing well in her new exercise dance class business.

DISCUSS

- What are some of the resources Jacqueline used to start her business?
- What are some talents or resources that could be used in your own business?

ACT

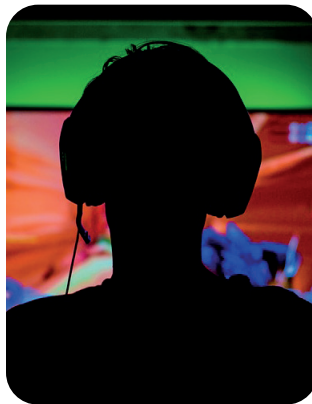
Turn to page 7 in your Participant Manual or in a notebook and write some talents or resources that you have. Be creative!

PRINCIPLE 3: DECIDE WHAT SELLS

PRESENT CODE – IMAGE

Go to page 7 of your participant manual. Find the image **Decide what sells**.

(You can use the different images of the products provided, or you can use examples of businesses or products of your students. You can also ask your group to perform a skit of trying to sell something silly, such as ice in Antarctica or heaters in the desert. Have fun and be creative!)



Know What Sells

DISCUSS

- Could you sell lemonade, video game training, ice cream, or photography services in your area?
- Yes or no? (*Discuss each idea*)
- What type of products or services would be purchased in your area?
- How can you verify which products or services would sell better in your area?

ACT

Go to page 8 in your participant manual and find the list **Ideas of Products or Services**. You can also do a brainstorm of ideas and think about the products or services that are offered in your area. If you do not have a business or business idea already, choose a product or service you may like to sell. (*Divide the group into pairs*). Take turns explaining your business (or business idea).

Ask each other the following questions:

1. How often would you buy my product or service?
2. How would you improve my product or service?
3. How much would you pay for my product or service?

KNOW THE COMPETITION



PRINCIPLE 5: KNOW THE COMPETITION

PRESENT CODE – IMAGE AND STORY

(If you would like, you can also use a local story or skit in order to teach this principle)

*(Show the image **Know the competition**, pg 26).*

Joyce is a business owner. In this story, we will learn about her experience visiting her competitors and how it helped her with her own business.

Joyce noticed that many people in her area were making house repairs or building larger homes. Joyce has experience building with cement mix. She visited three different businesses. Each business sold 80 lbs bags of cement. The cement her competition sold was a lower quality than the brand Joyce liked to use. None of the businesses sold cement in smaller bags. They also didn't sell tools such as measuring tapes, trowels, string or gloves to use when working with cement.

After this unit, for your business commitment, you are also going to be visiting competitors, just like Joyce. A competitor is anyone who sells to the same customers as you do. A good way to ask competitors questions is to introduce yourself and explain that you are in a business class. Then ask, "Would you answer a few questions about your business for an assignment I am doing?"



Know the competition

DISCUSS

- What did Joyce learn by visiting the three businesses?
- How could Joyce use what she learned in her own business?
- How can you learn from your competitors?

ACT

Go to page 8 of the student manual and read the list **Questions for the Competition** or brainstorm ideas of what questions you can ask your competitors. This list could include:

- What are your best-selling items?
- Which hours do you sell the most items?
- How did you set your price?
- How do you promote your business?
- What are your greatest challenges as a business owner?

Write the questions that you will ask your competitors in your area in your participant manual or in a notebook.

PRINCIPLE 5: KNOW AND VALUE YOUR CLIENTS

PRESENT CODE – STORY

(You also can use a different story or skit to teach this principle.)

Karen is a photographer. She started taking pictures because she wanted a hobby, but soon realized that she could turn it into a career. She started taking professional photos for families, individuals, marriages, and even funerals. She values her clients and knows each of them by name. Karen edits the pictures and returns them to her clients faster than her competition. She also sends small gifts to her clients for their birthdays, anniversaries, and other holidays. She makes her clients feel cared about, and is very friendly.

As a result of her kindness and care, Karen maintains many clients and contracts with more every month. Now she has a profitable career, because she knows and values her clients.



Know and value your clients

DISCUSS

- In what ways does Karen help her clients feel valued?
- Have you ever felt like a valued client? How?
- Why is “*Who are my clients going to be?*” such an important question?

ACT

Write your product or service **on page 9** of your participant manual or notebook. If you have not chosen a product yet, choose one just for now. We want you to have a product in mind by the time you start the next unit.

Make a list of all the potential clients for this product.

Also consider the following questions:

- How frequently will your clients buy your product?
- What can you do to encourage them to buy your product or service more often?

PRODUCT PRINCIPLE REVIEW

The 6P’s of Business are: Plan, Product, Price, Process, Promotion, and Paperwork. Today we learned about Product. **Go to page 7** in your participant manual. Read together the five principles of Product that we discussed today:

1. **You deserve success.**
2. **Get to know yourself.**
3. **Decide what sells.**
4. **Know the competition.**
5. **Know and value your clients.**

BUSINESS PLAN COMMITMENT

The purpose of your Business Plan Commitment this unit is to help you decide what your product or service will be. For a list of ideas, you can look at **page 8** of your participant manual.

- 1. Talk to at least three competitors this week. Use some of the questions for competitors and/or clients that we discussed.**
- 2. Decide what your product or service will be after considering the 5 principles of this unit.**

PRESENT CODE – ACTIVITY

Complete the commitments you make by next unit. .

COMMIT TO ACTION

BUSINESS PLAN COMMITMENT

- I will talk with at least three competitors before our next class.
- I will choose my product or service after analyzing the Unit 2 principles.

PERSONAL PLAN COMMITMENT

- I will choose an area of my Quality of Life Wheel (Personal Improvement Plan) to improve and work to improve that area of my life this week.

SAVINGS COMMITMENT

- Save money, even if it's a couple coins.

DISCUSS

- Who wants to share their specific personal commitment with the group?
- What commitment do you think will be easiest to keep?
- What commitment will be hardest to keep?

ACT

Meet with your action partner. Discuss your business ideas and how you can stay motivated this week. If you don't have an action partner, look for one in the group right now. Both of you should pledge to fulfill the commitments for this unit by signing your participant manuals.

(Thank the students for attending and participating. Encourage them to complete their commitments and attend next time. End the class.)

UNIT 3: PLAN



CIRCLES OF SUCCESS

- 1. Create a Business Plan.**
- 2. Create a Personal Improvement Plan.**
- 3. Create a Community Service Plan.**

PRESENT CODE – ACTIVITY

(Draw a commitment chart on the board or paper. Have each person write their name & then write **yes** under each commitment they kept & **no** for those they did not.)

Business Plan: Talk to at least three competitors before the next class. Choose your product or service idea.

Personal Plan: Choose to improve a specific area from your Personal Plan.

Savings Plan: Save money, even just a coin or two.

(Recognize those who kept their commitment and encourage those who did not.)

COMMITMENTS CHART			
Name	Business	Personal	Savings
Jean C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

DISCUSS:

- What did you learn last week as you kept your commitments?
- What problems did you have as you tried to keep your commitments?
- How can we help everyone keep their commitments?

ACT:

Have the pre-assigned participant present their business idea. Take 10 minutes.

PLAN INTRODUCTION

PRESENT CODE – QUOTE

(Write or show the following statement on the board, or have people turn to page 10 of the workbook and read it or write it down in their notebook.)

“When We Fail to Plan, We Plan to Fail.”

DISCUSS:

- What do think this statement means?
- Why are plans necessary to achieve self-reliance?

(Show the picture **Circles of Success** on page 24. Please don't change this code.)

- Who remembers what the three circles represent?
- How can failing in one of these areas prevent us from achieving self-reliance?
- What is self-reliance?

ACT:

Remember, plans are incredibly important. During this course, as you create the following plans, you will be working toward self-reliance and preparing to take control of your future.



Learn how to implement the 3 plans for the MBS requirements.

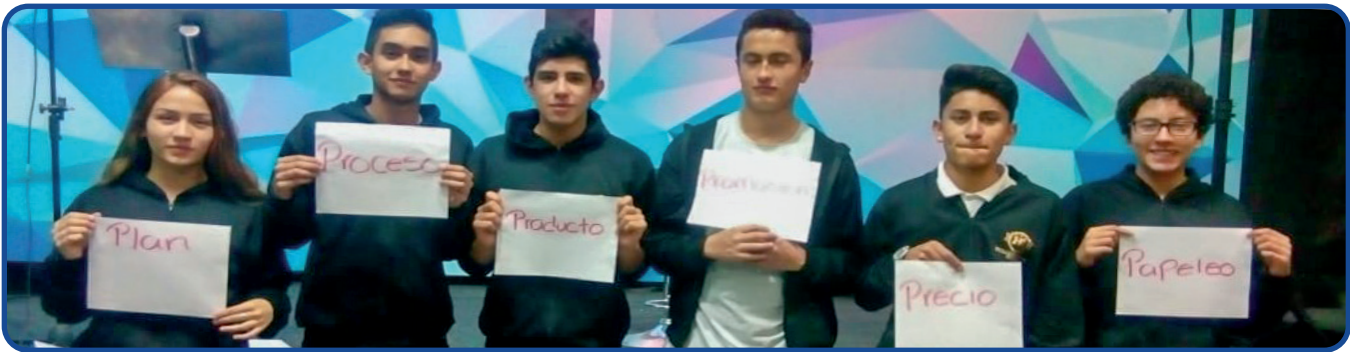
The Three Plans:

1. **Plan for Business.**
2. **Plan for Home.**
3. **Plan to Serve the Community.**

PRINCIPLE 1: CREATE A BUSINESS PLAN

PRESENT CODE – WORKBOOK

In Unit 1 we talked about creating or improving our businesses by applying the 6P's of Business—Plan, Product, Price, Process, Promotion and Paperwork. Last session we learned about one of these principles, Product. In the weeks ahead we'll learn about the other P's.



Turn to page 52-54 in the resource section of your workbook. This is a sample business plan based on the 6P's. In order to certify or earn an MBS Jr Certificate, you will need to complete a similar plan for your own business idea. This plan will be based on your use of the 6P's.

Turn to pages 57-59 in the resource section of your workbook. This is a blank Business Plan form where you can fill in ideas for your plan. As you learn about each of the 6P's and complete the commitments for each unit, you can use this form as a guide to improve your plan and implement your business. You will need to complete this Business Plan and submit it on the Success Platform. You can complete it online if you are turning in your project that way, or your Success Ambassador can take pictures of your manual pages and upload them to the Success Platform.

DISCUSS

- How could these questions help to develop your business?
- What are some ways applying the 6P's of Business will help your business grow?

ACT

Set a time before next class to work on your blank business plan on **pages 57-59**. After this unit, we will ask you to fill out the *Product* section of your Business Plan, using the knowledge or ideas that you gained from last class' session.

 A blank business plan form with a yellow border. At the top, it says 'BLANK BUSINESS, HOME & COMMUNITY PLANS' and 'BLANK BUSINESS PLAN'. Below that, there are several sections: 'PLAN' with a sub-section 'Short Term', 'Long Term', 'PRODUCT' with the question 'What is your product? Why is it better than others?', 'Describe your competitors', and 'Describe your customers'.

Blank Business Plan

**PRINCIPLE 2:
CREATE A PERSONAL
IMPROVEMENT PLAN**

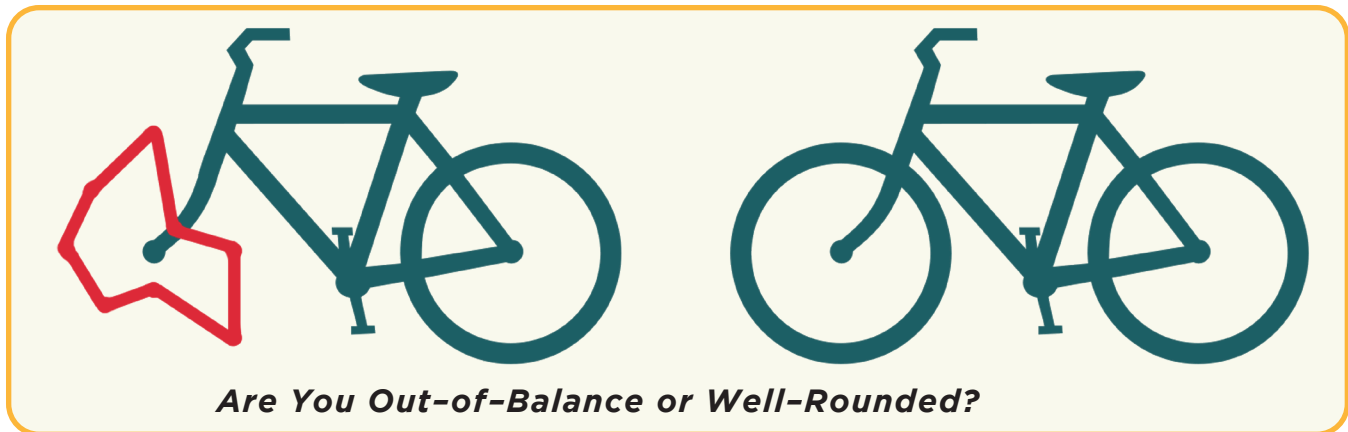
PRESENT CODE – WORKBOOK

Turn to page 4 in your workbook to Unit 1. Look at the list of Your Life Areas that you filled out. Two lessons ago we briefly discussed your Personal Plan. To help you start this plan, each of you were assigned to fill out a list of eight areas of your life that you would like to improve. Take a moment now to look at your list and see if you want to make any changes. If you haven't completed your list, take a moment now to do so.



Your Life Areas

(For two minutes, have two or three participants share with the group some of the areas on their list.)



Turn to page 10 in your participant workbook and look at the image of two bicycles.

DISCUSS

- What do you see?
- If you tried to ride the bicycle on the left what would happen?
- If a wheel isn't round and balanced, can it roll forward?
- Either wheel above could represent your life. What kind of wheel do you think you would like?

Today you will create a Personal Improvement Plan to help you find a more balanced life. This will be a companion to your Business and Community plans. To start your Personal Improvement Plan, each of you will use your list of eight life areas to create and score what we call a Quality of Life Wheel.

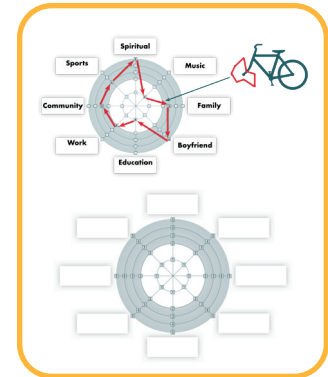
PRESENT CODE – PICTURE

(Show the picture **Your Quality of Life Wheel** on page 29.)

This is a sample **Quality of Life Wheel** where a person has scored herself in eight “spokes” or areas of life. As you follow the connecting red line inside the wheel you’ll see she has scored some areas low with a mark near the center of the wheel and other areas high with a mark on the outer edge. Low scores near the center mean she is unhappy with these areas, and like the bicycle wheel, her quality of life is not as round and balanced as she would like.

Turn to page 11 in your workbook. You’ll see a blank life wheel like the one at the bottom of this image. Use this blank wheel to list your eight life areas in the rectangles outside the circle. Continue filling out your wheel by evaluating how you are doing in each of your important life areas. A mark in the:

- 5 box = I am very happy with this area of my life.
- 4 box = I am usually happy with this area in my life.
- 3 box = I am occasionally happy with this area in my life.
- 2 box = Sometimes I am unhappy with this area in my life.
- 1 box = I am unhappy with this area in my life.



Quality of Life Wheel

Look again at the sample life wheel **on page 10** of your workbook. The person is happy with family relationships and therefore marked “5,” but is unhappy with money (finances) and classified that section as “1.” Also notice the dark line connecting the marks. Once you score all of your areas, connect the marked numbers with a line.

DISCUSS

- What shape do your connected lines make?
- If the wheel of your bicycle was the shape of your connected line, would you be smiling and having fun?

ACT

After you write and score the eight important areas in your **Quality of Life Plan**, choose an area you want to work on first and think of an action step to improve that area.

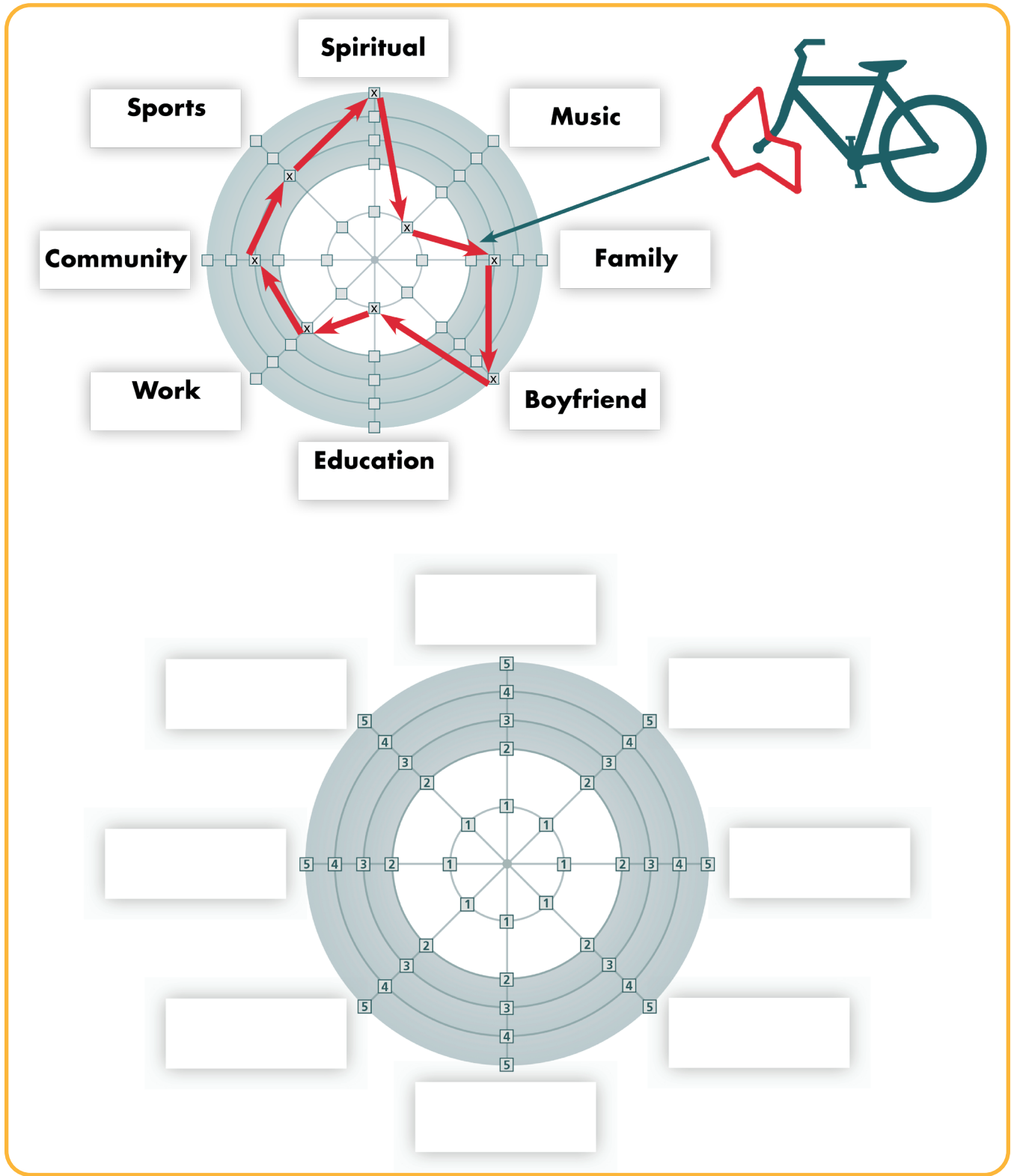
In the workbook box titled **Your Life Areas**, write action step goals for each area. Here’s a sample:

Life Area #1: Money—Action Step: Find a jar or piggy bank to save money in.

Right now, write action steps for each of these eight areas. These action steps are goals for you to achieve balance and improve your quality of life. These personal long-term life goals will be your **Personal Improvement Plan**. We sometimes also call this a **Quality of Life Plan**.

(Invite two or three people to share their action steps with the group.)

YOUR QUALITY OF LIFE WHEEL



COMMUNITY SERVICE PLAN



Cleaning up the Lake—Benin



Park Cleanup —Ecuador



Dancing at the Center for the Elderly—Colombia

PRINCIPLE 3: CREATE A COMMUNITY SERVICE PLAN

PRESENT CODE – IMAGES

*(Show the participants the image **Community Service Plan** on page 30.)*

DISCUSS

- What do you see in these images?
- *(Point to the top image.)* This group in Benin chose to clean up their local lake so people could enjoy a cleaner environment and travel easier by boat or canoe.
- How long would it have taken one person to clear all the weeds and trash?
- *(Point to the lower left image.)* This group is cleaning up the streets their local park from debris.
- How do you think the group members are feeling?
- *(Point to the lower right image.)* This group entertained at the local care center for the elderly by dancing and singing for the residents.
- Why do you think they chose to do service when they could have been doing something else?
- How do you think these group service projects helped their community, home and businesses?
- How could giving service help our group and help others?

Each community has its own problems and needs. Meeting these needs and problems takes more time, planning, and resources than one person has. But as a group we can accomplish much more as we work together.

So far today we've discussed two plans: Business and Home. These are plans we each complete by ourselves, but to create a plan to serve our community, we will need to work with each other. Together we can help each other and solve the community problems that affect our homes and businesses.

ACT

Let's start creating our community service plan.

- What are some problems or needs in our community? *(List out all the group responses on the board or a piece of paper.)*
- Is there a problem or need our group could help solve?
- What is something we could do as a group service project that might help solve this problem?
- Would each of you be willing to support a service project?

As a group answer the following questions and list the answers **on page 12** of your workbook.

- What do we want to do for a group service project?
- When? Where? What's your part?
- Have fun and get it done!

PLAN PRINCIPLES SUMMARY

The 6P's of Business are Plan, Product, Price, Process, Promotion and Paperwork. Today we learned about **Plan**. Turn to page 10 of your workbook. Read together the three principles of **Plan** we discussed today:

1. **Create a Business Plan.**
2. **Create a Personal Improvement Plan.**
3. **Create a Community Service Plan.**

BUSINESS PLAN COMMITMENTS

This week's Business Plan Commitment or homework assignment is to start developing your Business Plan.

I will complete the Product Section of my 6P's Business Plan.

BUSINESS SPOTLIGHT FOR NEXT WEEK

*(Choose someone to present their business idea to the group at the beginning of the meeting next time. Remember to use the Spotlight 6P's Business Checklist on **page 43** of your workbook.)*

ACTION PARTNERS

Remember to meet with your Action Partner at the end of class in order to discuss the commitments you've made and find motivation. For variety you can pick a new Action Partner each time, or keep pairing up with someone you work with well.

MBS JR REQUIREMENTS

Remember that to certify in the MBS JR course, you must prepare a Business Plan, a Personal Plan, and a Community Service Plan. Fill out the blank Business Plan on **pages 57-59** of your workbook as you discuss each principle each class, or fill it out online by going to myplatform.interweavesolutions.org.

PRESENT CODE – ACTIVITY

Make your commitments for the next meeting.

COMMIT TO ACTION FOR NEXT TIME:

BUSINESS PLAN COMMITMENT

- I will complete the Product Section of my Business Plan with the knowledge and ideas I gained in Unit 2.

PERSONAL PLAN COMMITMENT

- I will complete my Quality of Life Wheel.
- I will plan a community service project with my group.

SAVINGS COMMITMENT

- I will add to my savings – even if it's just a coin or two.

DISCUSS:?

- Which commitment will be the easiest to keep for you this week?
- Which commitment will be the hardest?

ACT:

Meet now with your Action Partner for this week. Discuss your business and motivation ideas for how to complete your commitments this week. If you do not have an action partner, take this time to find one among your group members. Then say each commitment aloud to your action partner.

Pledge to keep your commitments by signing your workbook.

(Thank everyone for coming and participating. Encourage them to keep their commitments and attend next time. Close the meeting.)

UNIT 4: PAPERWORK-BUDGETING



- 1. Separate business & personal money.**
- 2. Pay yourself a salary or commission.**
- 3. Don't steal from your business.**
- 4. Save regularly.**
- 5. Make & follow a personal budget.**

PRESENT CODE — ACTIVITY

(Have the participants fill out the commitment chart and report on their progress.)

Business Plan: Fill out the Product section of your Business Plan.

Personal Plan: Complete your Quality of Life Wheel and start planning your Community Service Plan with your group.

Savings Plan: Save money, even just a coin or two.

(Recognize those who kept their commitment and encourage those who did not.)

COMMITMENTS CHART			
Name	Business	Personal	Savings
Jean C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

DISCUSS:

- What did you learn last week as you kept your commitments?
- What problems did you have as you tried to keep your commitments?
- How can we help everyone keep the weekly commitments?

ACT:

Have the pre-assigned participant present their business idea. Take 10 minutes.

PAPERWORK—PERSONAL BUDGETING INTRODUCTION

PRESENT CODE — PICTURE & STORY

(Show the picture on page 34, then read aloud together the 5 principles in this unit.)



1. **Separate business & personal money.**
2. **Pay yourself a salary or commission.**
3. **Don't steal from your business.**
4. **Save regularly.**
5. **Make & follow a personal budget.**

Aesop, the ancient Greek author of fables, told the story of the Goose with the Golden Egg. “One day, a poor farmer found a glittering yellow egg in his goose’s nest. It was heavy like a stone and he was tempted to throw it away, thinking that someone had played a trick on him. But instead, he took it home and discovered that the egg was pure gold. The next day, he found another golden egg, and the same was true every day.

He became rich from selling the golden eggs, but then he grew greedy. One day, he wanted more than just one egg. So, he killed the goose and cut it open to find more, but of course, he discovered no eggs inside the goose.”

DISCUSS:

- What happened when the farmer wanted more than the goose could give?
- If your business were the goose, what are some of the things you could do to kill your business?

ACT:

Pay attention today to learn how you can avoid “killing” your business and learn how to budget!

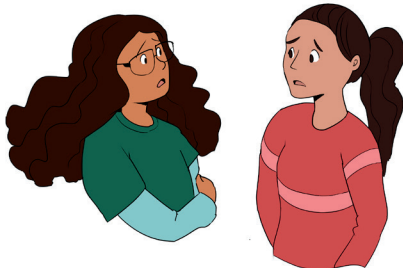
PRINCIPLE 1: SEPARATE BUSINESS & PERSONAL MONEY

PRESENT CODE — STORYBOARD


Remember Ghia from Unit 1? She has been reaching her financial goals and having real success in her business. One day, her best friend Isabel approached Ghia and told her that she wouldn't be in their dance classes next year. Her single mother hadn't made enough to pay the entire dance tuition. Isabel asked if there was any way Ghia could pay for her dance tuition.

Turn to page 13 and read along with the storyboard.


SEPARATE BUSINESS AND PERSONAL MONEY PART I ? STORYBOARD



ISABEL: I won't be able to make it to dance classes next year. My mom and I weren't able to make enough money.
GHIA: I am so sorry to hear that, Isabel!



ISABEL: I feel bad for asking, but I know your business has been successful lately. Do you think you could help me pay dance tuition next year?



GHIA: Oh! Well, I'm not sure. I would have to sell my sewing machine in order to pay for it.
What should Ghia do?

Ghia was sad for her friend because she knew how much they both loved to dance together. She wanted to help her friend, but in order to get enough money to pay for Isabel's tuition, Ghia would have to sell her sewing machine. Ghia didn't know what to do.

DISCUSS

- Have friends or family ever asked for money from your business?
- Isabel wants money, but if Ghia gives it to her it will hurt Ghia's business. What should Ghia do?
- What would you do?

PRESENT CODE — STORYBOARD

SEPARATE BUSINESS AND PERSONAL MONEY PART II		STORYBOARD
 <p>If you work at a restaurant, can you take money from it any time you want? Could your brother take money when he needs it?</p>	 <p>Someone might end up in jail, because that's not right. So, don't do this in your own business.</p>	 <p>Here is the key. You and your business are different. There must be separate places to keep business money and personal money.</p>
 <p>Separate places and separate records. But how do you get money out of your business for your own personal use or to help others?</p>	 <p>Pay yourself a wage, salary, or commission, just as if you worked for someone else. This becomes your personal income.</p>	 <p>This simple step will protect both you and your business. Separate your business and personal money.</p>

Decide what you will do to separate you business and personal money.

DISCUSS

- When friends or family need money, like Ghia's friend, Isabel did, what should we do?
- Why is it important to separate your business and personal money?
- How can you separate your business and personal money?

ACT

Decide what you will do to separate you business and personal money.

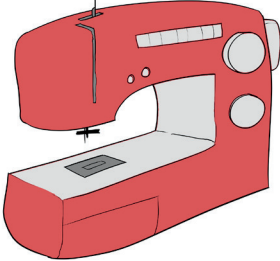
**PRINCIPLE 2:
PAY YOURSELF A SALARY OR COMMISSION**

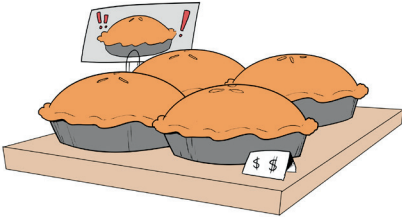
PRESENT CODE — STORYBOARD


Turn to page __ to read along with the story board and see what Ghia decides to do to help her friend..

SEPARATE BUSINESS AND PERSONAL MONEY PART III

STORYBOARD







GHIA: Isabel, if I sell my sewing machine I can't continue my business.
ISABEL: I understand, Ghia. I will think of a way to come up with the funds.

GHIA: But, I do have 50 in my savings that I could contribute to your funds!
ISABEL: Thank you! I will add that to my savings. And maybe we can have a bake sale!

ISBAEL: Thank you so much, Ghia.
GHIA: You're welcome, Isabel. I'm glad I could help you.

DISCUSS

- Why is sharing from her personal savings better for Ghia than taking from her business?

A salary is a set amount we take from the business regardless of how well the business is doing. A commission is a percentage of the sales we make in a day or week. For example, if we have a lemonade stand, and we know that our commission that we pay ourselves will be a commission of 50%, for every 10 we make through the lemonade stand, we will pay ourselves 5.

We need to pay ourselves a salary or commission so we have a personal income. We help others using money from our personal income and not from what the business earns.

ACT

On **page 14** of your participant workbook, write or draw in your workbook how you will pay yourself a salary or a commission if you have a business. If you don't currently have a business, use your business idea and brainstorm how you will pay yourself a salary or commission.

PRINCIPLE 3: DON'T STEAL FROM YOUR BUSINESS

PRESENT CODE — SKIT

(Invite two people to the front of the group. Give one person a piece of paper with the word "OWNER" written on it. Give the second person two pieces of paper, one with the words "Sweets and Treats CANDY BUSINESS" on it and the other piece of paper with a drawing of an actual piece of candy. See picture below.

Point out that the owner is different than the business. They are two separate entities. Now ask a third person to pretend to be the child of the owner and ask for candy. Have them act out "Yes" first and then "No." Which is better?)

If the owner takes candy from the business without paying for it, he or she is "stealing" from the business.



DISCUSS

- Why is it so important not to give away your product even to family?
- What can the owner do if they let their child have some candy?

When we take product (sometimes called inventory) from our store and don't pay for it we are robbing from our own business. We won't have the money to buy new product or pay ourselves a salary or commission. If you give something from your store to someone, you need to pay back your business with your own personal money.

ACT

In your workbook **on page 14** write or draw how you will avoid stealing from your business.

PRINCIPLE 4:
SAVE REGULARLY

PRESENT CODE — SHOW

(Show a piggy bank, envelope, small box or a water bottle with a label called **Savings**.)

Which of these would you like to use the most to save your money? (*there is no right answer!*)

People save money when the security and freedom of extra money is more important to them than the thrill of spending. There are multiple ways to save money. People save money by eating less, walking more, turning off lights, savings coins in a jar, sharing assets, or putting money in a bank account.

When you pay yourself a salary or commission, you are going to have to manage the money that you give yourself. This is called **budgeting**.

It could be that you do not currently have a business or job, and you are not making any income. Do you receive any money from your parents for completing chores around the house or helping out in other ways? This money that your parents give you can be counted as income within your budget. Any money that you make should be accounted for in your budget as *income*, whether it come as your salary, your allowance, job wages, or money gifts.



Save Regularly

DISCUSS

- What have you done in the past to save?
- How can you make it a habit to save?
- Why is it important to save?

ACT

In your workbook **on page 14**, write or draw the things you will do to make a habit of saving. Decide where you will keep your savings.

**PRINCIPLE 5:
MAKE & FOLLOW A PERSONAL BUDGET**

PRESENT CODE — WORKBOOK ACTIVITY

Turn to page 15 in your workbook and follow along as you read aloud about Ghia’s budget.

Notice that Ghia’s budget has one column for what she *plans* to spend and one column for what she *actually* spent. Ghia pays herself 200 a month from her business even if she earns more. This 200 serves as her monthly income.

This is her budget for January. Before the month starts she fills out what she plans to spend. Then she writes what she actually spent after the month is over. With a partner, read the budget to see how did.

<i>Ghia’s Budget</i>	<i>PLAN</i>	<i>ACTUAL</i>	<i>Your Budget</i>	<i>PLAN</i>	<i>ACTUAL</i>
<i>Income</i>	200	200	<i>Income</i>		
<i>Expenses</i>			<i>Expenses</i>		
<i>Savings</i>	50	50	<i>Savings</i>		
<i>Transportation</i>	20	20	<i>Transportation</i>		
<i>Clothes</i>	40	20	<i>Clothes</i>		
<i>Snacks</i>	25	30	<i>Snacks</i>		
<i>School Supplies</i>	15	5	<i>School Supplies</i>		
<i>Movies</i>	25	25	<i>Movies</i>		
<i>Gifts for Friends & Family</i>	25	50	<i>Gifts for Friends & Family</i>		
<i>Other:</i>			<i>Other:</i>		
<i>Total Expenses</i>	200	200	<i>Total Expenses</i>		
<i>Total Income</i>	200	200	<i>Total Income</i>		

DISCUSS

- How did Ghia do in the month of January?
- How did she adjust her plan?
- Why is it important to have a personal budget?

ACT

Write your planned budget for next month. **Turn to page 15** in your workbook and take time now to write down what you plan to spend next month. Then, during the month, keep track of what you earn and spend, and see how well you did.

PAPERWORK—PERSONAL BUDGETING PRINCIPLES SUMMARY

The 6P's of Business are Plan, Product, Price, Process, Promotion and Paperwork. Today we learned about **Paperwork**. Turn to page 13 of your workbook. Read together the five principles of **Paperwork—Personal Budgeting** we discussed today:

1. **Separate business & personal money.**
2. **Pay yourself a salary or commission.**
3. **Don't steal from your business.**
4. **Save regularly.**
5. **Make & follow a personal budget.**

BUSINESS PLAN COMMITMENTS

1. *I will brainstorm ways to separate my personal and business money.*
2. *I will write a personal budget and follow it. I will adjust when needed.*

BUSINESS SPOTLIGHT FOR NEXT WEEK

*(Choose someone to present their business to the group at the beginning of the meeting next time. Remember to use the Spotlight 6P's Business Checklist **on page 43** of your workbook.)*

ACTION PARTNERS

Remember to meet with your Action Partner at the end of class in order to discuss the commitments you've made and find motivation. For variety, you can pick a new Action Partner each time, or keep pairing up with someone you work with well.

MBS JR. REQUIREMENTS

Remember that to certify you must prepare a business plan, a home plan, and a community plan. Fill out the blank business plan **on pages 57-59** of your workbook as you discuss each principle each class. If completing your MBS Jr. project online, begin to write your plan into the myPlatform to qualify for your MBS Jr Certificate

PRESENT CODE — ACTIVITY

Make your commitments for the next meeting.

COMMIT TO ACTION FOR NEXT TIME:

BUSINESS PLAN COMMITMENT

- I will brainstorm ways to separate my personal and business money.
- I will write and follow a personal budget.

PERSONAL PLAN COMMITMENT

- I will choose a specific area of my Personal Improvement Plan to improve.

SAVINGS COMMITMENT

- I will find a place to save my money.

DISCUSS:

- How will you create your budget? Where will you keep it?
- Will anyone share their Personal Plan commitment?
- Which commitment will be the easiest to keep for you this week?
- Which commitment will be the hardest?

ACT:

Meet now with your Action Partner for this week. Discuss your business and motivation ideas to help you to keep your commitments. If you do not have an action partner, take this time to find one among your group members. Then say each commitment aloud to your action partner.

Promise to keep your commitments by signing your workbook.

(Thank everyone for coming and participating. Encourage them to keep their commitments and attend next time. Close the meeting.)

UNIT 5: PAPERWORK-BUSINESS



- 1. Keep records.**
- 2. Record income & expenses at the point of sale.**
- 3. Make an Income & Expense Log.**
- 4. Create an Income Statement.**
- 5. Avoid selling on credit.**

PRESENT CODE — ACTIVITY

(Have the participants fill out the commitment chart and report on their progress.)

Business Plan: I will brainstorm ways to separate my personal and business money. I will write and follow a personal budget.

Personal Plan: I will choose a specific area of my Personal Improvement Plan to work on this week.

Savings Plan: I will find a place to save my money.

(Recognize those who kept their commitment and encourage those who did not.)

COMMITMENTS CHART			
Name	Business	Personal	Savings
Jean C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

DISCUSS:

- What did you learn last week as you kept your commitments?
- What problems did you have as you tried to keep your commitments?
- What can we do to help everyone keep our weekly commitments?

ACT:

Have the pre-assigned participant present their business idea. Take 10 minutes.

PAPERWORK INTRODUCTION

PRESENT CODE — PICTURE & STORY

(Show the picture on page 44, then read aloud together the 5 principles in this unit.)



1. **Keep records.**
2. **Record income & expenses at the point of sale.**
3. **Make an Income & Expense Log.**
4. **Create an Income Statement.**
5. **Avoid selling on credit.**

DISCUSS:

- What do you see in this picture?
- Would you feel comfortable with this boat in the middle of the ocean?
- What would you need to know before taking this boat on a long journey?

This boat could be compared to your business. You need to know some things about the boat before you take it into deep water. Similarly, you need to know some things about your business before you invest money, take out a loan or create a lot of fixed costs. Just as getting a boat license or boat training would help you feel confident sailing in the ocean, paperwork provides tools and confidence you can use to make sure your business will be sustainable.

ACT:

Learn the five principles of Paperwork for Business.

**PRINCIPLE 1:
KEEP RECORDS**

PRESENT CODE — VIDEO

(Show the video **I Don't Know** <https://www.interweavesolutions.org/videocodes/>. If you cannot show the video, **turn to page 16** in the workbook and read aloud the video summary.)

I DON'T KNOW

VIDEO SUMMARY



MAX: Daniel, I need to be paid for the job I did last week.
DANIEL: I'm sure I paid you.



MAX: The other guy I work for writes everything down. Do you have any records to show you paid me?
DANIEL: No.



JAMES: Good to see you, Daniel. You look busy. Have you made any profit?
DANIEL: Yes, I think so.



JAMES: You think so? What do you mean?
DANIEL: Well, I haven't kept any records. I'm busy making furniture.



JAMES: You don't write down your expenses or income to calculate profit and loss?
DANIEL: James, I'm a carpenter, not an accountant.



JAMES: Daniel, going forward, you must keep records of everything so you will know if your business is successful or not.

DISCUSS

- How could records help Daniel know if he had paid Max or not?
- What are some records that would be helpful for a carpenter to keep?
- What are some records your business (or future business) should keep?

ACT

Turn to page 21 and write or draw at least three things your business should record. Brainstorm how you could keep track of those three things and where you could keep those records. Feel free to ask your Ambassador or your classmates if you need help.

PRINCIPLE 2:
**RECORD INCOME & EXPENSES AT THE
 POINT OF SALE**

PRESENT CODE — SKIT

(The purpose of this skit is to show the importance of recording the income and expenses each day, especially at the point of sale.

Have one person be the store owner. They should set up a pretend store with a small box representing a cash register. Choose about five or six other students to be customers, if possible. Have one or two enter the pretend store and stand in a line in order to 'buy' their products. Then have the rest of the students enter and act like wild customers. Have them crowd the store owner and the cash register, demanding to buy their products right away. Tell the store owner to finish processing all of their requests. When all 'purchases' have been made, thank them and have them sit back down.)

DISCUSS

- How do you think the store owner felt when all the customers came rushing in?
- Do you think that could ever happen in a real business?
- How can the store owner keep track of all that is being sold?

Here are some ways to record income at the point of sale:

1. Make a product list and make tally marks during every sale and expense.
2. If you don't sell a lot of items quickly during the day, keep your Income and Expense log at the point of sale and record all sales.
3. Have an app or cash register that tracks all sales and expenses.
4. Keep paper receipts of all sales and purchases. Total them up at the end of the day and enter them into your Income and Expense log.

You need to always keep a record of income & expense at the moment of the sale.

DISCUSS

- What is the advantage of knowing what you sold and spent each day?
- What is the best way for you to keep records at the point of sale? *(there is no right answer)*

ACT

On page 17 in your workbook write how you could keep records at the point of sale.

PRINCIPLE 3:
MAKE AN INCOME & EXPENSE LOG

PRESENT CODE — WORKBOOK

Turn to page 17 in your workbook to the example of Natasha’s Ice Cream Business and look at the Income & Expense Log for the month of March.

The purposes of the Income and Expense log are to a) keep track of what comes in and out of the business, and b) help you stay constantly aware of how much money you have. Another term for how much money you have is your current Cash Balance.

NATASHA’S ICE CREAM BUSINESS				
Income & Expense Log (March 1–31)				
1 Date	2 Description	3 Expense	4 Income	5 Balance
Starting Cash Balance				+1500
3/2	Ice Cream Sales		+200	+1700
3/10	Machine Repair	-100		+1600
3/16	Salary (2/30-3/15)	-500		+1100
3/19	Ice Cream Sales		+400	+1500
3/22	Catering Party		+1000	+2500
3/29	Ice Cream Ingredients	-1500		+1000
3/30	Ice Cream Sales		+400	+1400
Ending Cash Balance				+1400

An Income & Expense log records ALL of your business transactions, and should have the following columns: Date, Description, Expense, Income, and Balance. Point to them in Natasha’s Income & Expense log as we read them:

- 1 **Date**—The date we received or spent the money
- 2 **Description**—How we earned money or to whom we paid money
- 3 **Expense**—The amount we spent

Putting a minus sign in front of the number helps us remember to subtract that amount from the cash balance.

- 4 **Income**—The amount we received

We add this to the cash balance. It should be reflected as a positive transaction.

- 5 **Balance**—The amount we have in our cash box or business bank account.

Note where Natasha put the date, the description, expenses, income, and her cash balance.

DISCUSS

- How much cash did Natasha start with? (*Starting Cash Balance: 1500*)
- On March 2 Natasha earned 200.00 through her ice cream sales.
- How did that affect Natasha’s Cash Balance? (*Up from 1500 to 1700*)
 - On March 16 how much did Natasha pay herself for a salary? (*500*)
- On March 22 Natasha started out with 1500 in her cash balance then she catered a Birthday Party for 4 hours. (*Point to how much she earned.*) In the income column she wrote 1000. Then she added the 1000 to her cash balance.
- What is her cash balance at the end of the day? (*1500+1000=2500*)
 - What day did Natasha buy more ice cream ingredients? (*3/29*)
 - How much did it cost? (*1500*)
 - Natasha wrote -1500 in the expense column. What was her cash balance before she bought the ingredients? (*2500*)
 - What was her balance after she bought the ingredients? (*2500-1500=1000.*)

An Income & Expense log is a common business form. We should use it every day to record the money coming in and the money going out of our businesses. We also should use it to determine how much cash balance we have. Plan to keep an Income & Expense Log for your business.

Income & Expense Log (March 1-31)				
1 Date	2 Description	3 Expense	4 Income	5 Balance
Starting Cash Balance				+1500
3/2	Ice Cream Sales		+200	+1700
3/10	Machine Repair	-100		+1600
3/16	Salary (2/30-3/15)	-500		+1100
3/19	Ice Cream Sales		+400	+1500
3/22	Catering Party		+1000	+2500
3/29	Ice Cream Ingredients	-1500		+1000
3/30	Ice Cream Sales		+400	+1400
Ending Cash Balance				+1400

- How much was Natasha’s beginning cash balance?
- What is Natasha’s cash balance at the end of March?
- Remember our sailboat analogy? From what we have discussed so far, would you say Natasha is ready to sail her business boat into deeper water?
- Why or why not? If you aren’t sure, look at her ending cash balance. Is it negative, or positive? A positive cash balance means that her business is becoming sustainable, and she would be able to sail the boat into ‘deeper water’.
- How will you keep your Income & Expense log?

ACT

Write in your workbook how you will keep your Income and Expense Log. Look in your workbook **on page 46** at the blank Income and Expense log. You can use this blank form to start keeping records. Creating a practice log will be one of the commitments you make at the end of this class.

**PRINCIPLE 4:
CREATE AN INCOME STATEMENT**

PRESENT CODE — WORKBOOK

Using Natasha’s Income and Expense Log we can make an Income Statement. An Income Statement is another important business tool. It takes all of the income and expense from a month, quarter or year to determine if you made a profit during that time period. An Income Statement shows Income, Expenses, and Profit or Loss. **Turn to page 18** in your workbook and look at the Income Statement for Natasha’s Ice Cream Business.

Income & Expense Log (March 1–31)					Income Statement (March 1–31)	
Date	Description	Expense	Income	Balance	Starting Cash Balance	+1500
Starting Cash Balance				+1500	Income	
3/2	Ice Cream Sales		+200	+1700	Ice Cream Sales	+1000
3/10	Machine Repair	-100		+1600	Catering Party	+1000
3/16	Salary (2/30-3/15)	-500		+1100	Total Income	+2000
3/19	Ice Cream Sales		+400	+1500	Expenses	
3/22	Catering Party		+1000	+2500	Machine Repair	-100
3/29	Ice Cream Ingredients	-1500		+1000	Salary	-500
3/30	Ice Cream Sales		+400	+1400	Ingredients	-1500
					Total Expenses	-2100
					Profit (or Loss)	-100
Ending Cash Balance				+1400	Ending Cash Balance	+1400

The purpose of the Income Statement is to determine whether your business experienced a profit or a loss. An Income Statement puts similar entries into categories so you know how much you are spending or receiving in specific areas. Notice how all of the “Ice Cream Sales” income listed in Natasha’s Income and Expense Log are grouped together on her Income Statement.

DISCUSS

- How much did Natasha pay to get her ice cream machine fixed this month? (100)
- How much did Natasha earn selling ice cream this month? (1000)
- What was the total income Natasha earned from March 1 to March 31 (2000)?
- What were Natasha’s total expenses? (-2100)
- How much more did Natasha spend than she earned? (-100)

ACT

Make a Practice Income & Expense Log and Income Statement. **Turn to page 18** in your workbook to the blank practice Income & Expense Log and Income Statement. Think of the expenses and income you have, or would have, in your business. Put them in the expense log below. Put the amounts into the Expense or Income categories. If you need to, guess or make up some numbers. Be sure to put in a starting and ending balance. Remember, this is only a practice.

PRACTICE INCOME & EXPENSE LOG AND INCOME STATEMENT

Income & Expense Log (March 1-31)					Income Statement (March 1-31)	
Date	Description	Expense	Income	Balance		
Starting Cash Balance					Starting Cash Balance	
					Income	
					<i>Total Income</i>	
					Expenses	
					<i>Total Expenses</i>	
					Profit (or Loss)	
Ending Cash Balance					Ending Cash Balance	

To make your Income Statement, look at your Income & Expense Log and determine which transactions are of the same type. For example, you may have several entries for food sales, or for contracting services. Group together the expenses or income of the same category and put them on one line of the Income Statement. Make sure all of the log entries are included in your Income Statement.

- Did you make a profit on your practice Income Statement?
- Why would it be helpful to have an income statement each month?
- What will be your greatest challenge in keeping an Income and Expense Log and making an Income Statement monthly?
- How can we help each other keep these records in our own businesses?

**PRINCIPLE 5:
AVOID SELLING ON CREDIT**

PRESENT CODE — EXPLANATION

(Have the person who acted as the store owner in the previous skit come up. Have her offer her items to sell again, but this time have several students that haven't participated come up asking for credit. "I'll pay you later." "Put it on my tab." etc. Then explain the following:)

When you give a person your product and they say they will pay you later, you are selling on credit. This is dangerous to your business. Read the following reasons to avoid credit:

PEOPLE DON'T PAY	HARD TO KEEP RECORDS	COSTS YOU MONEY
		
<p>People don't pay you like they promise to do. You lose time and money trying to collect the debt they owe you.</p>	<p>Credit is harder to record because no money goes into your cash box. You need to keep a separate record of money you are owed.</p>	<p>If you have taken out a loan for your business and then start giving credit without charging interest, then you are losing money.</p>

DISCUSS

- What is credit?
- Are there times we should offer credit? When and why?

ACT

On page 19 of your workbook write or draw your policy on credit for your business.

PAPERWORK—BUSINESS PRINCIPLES SUMMARY

The 6P's of Business are Plan, Product, Price, Process, Promotion and Paperwork. Today we learned about **Paperwork**. **Turn to page 16** of your workbook. Read together the five principles of **Paperwork** we discussed today:

1. **Keep records.**
2. **Record income & expenses at the point of sale.**
3. **Make an Income & Expense Log.**
4. **Create an Income Statement.**
5. **Avoid selling on credit.**

PRESENT CODE — ACTIVITY

Make your commitments for the next meeting.

COMMIT TO ACTION FOR NEXT TIME:

BUSINESS PLAN COMMITMENT

- I will develop a plan to record sales at the point of sale.
- I will create a practice Income and Expense Log for my business.
- I will create a practice Income Statement for my business.

PERSONAL PLAN COMMITMENT

- I will choose a specific area from my Personal Improvement Plan to work on.

SAVINGS COMMITMENT

- I will try to save in a creative way (walk instead of ride the bus, turn off the lights, share a meal instead of buy my own.)

DISCUSS:

- Who would like to share their Savings Commitment for this week?
- Which commitment will be the easiest to keep for you this week?
- Which commitment will be the hardest?

ACT:

Meet now with your Action Partner for this week. Discuss your motivation ideas in order to keep your commitments. If you do not have an action partner, take this time to find one among your group members. Then say each commitment aloud to your action partner.

Promise to keep your commitments by signing your workbook.

(Thank everyone for coming and participating. Encourage them to keep their commitments and attend next time. Close the meeting.)

UNIT 6: PRICE



- 1. Know the cost of your product.**
- 2. Reduce costs.**
- 3. Increase prices or sales by adding value.**
- 4. Have more than one supplier.**

PRESENT CODE – ACTIVITY

(Have the participants fill out the commitment chart and report on their progress.)

Business Plan: I will develop a plan to record sales at the point of sales. I will create a practice Income & Expense Log for my business. I will create an Income Statement for my business.

Personal Plan: I will choose a specific area from my Personal Improvement Plan to work on.

Savings Plan: I will try to save in a creative way.

(Recognize those who kept their commitment and encourage those who did not.)

COMMITMENTS CHART			
Name	Business	Personal	Savings
Jean C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

DISCUSS:

- What did you learn last week as you kept your commitments?
- What problems did you have as you tried to keep your commitments?
- What can we do to help everyone keep our weekly commitments?

ACT:

Have the pre-assigned participant present their business idea. Take 10 minutes.

PRICE INTRODUCTION

PRESENT CODE – PICTURE & STORY

(Show the picture on page 54, then read aloud together the 4 principles in this unit.)



1. Know the cost of your product.
2. Reduce costs.
3. Increase prices or sales by adding value.
4. Have more than one supplier.

Eric sells cinnamon sugar roasted almonds. He buys raw almonds from a local market for 10/kg. He roasts the almonds in his kitchen and sells them for 10/kg. He rents a food cart in order to sell his almonds around the town center. Everyone loves Eric's almonds. He sells all of his almonds every day. However, Eric is having a hard time making a living. He doesn't have enough money this month to rent his food cart. In order to try to make more money, Eric decides to buy more raw almonds next time he goes to the market in order to sell more almonds each day.

DISCUSS:

- Would buying more raw almonds at the market help Eric make more money?
- Why should we find out the full cost of our product or service before we set the price?

ACT:

This unit we will learn the four principles of Price.

**PRINCIPLE 1:
KNOW THE COST OF YOUR PRODUCT**

PRESENT CODE – WORKBOOK

Knowing the true cost of producing and selling Eric’s product will help him make a profit. What are some other costs Eric has besides the cost of raw almonds?

Turn to page 20 in your workbook to discuss the following four tables. Let’s look at the **Current Almond Business** box and answer some questions.

Income & Expense Log					Income Statement	
Date	Description	Expense	Income	Balance	Starting Cash Balance	+500
Starting Cash Balance						+500
	30 kg Raw Almonds	-300		+200	Income	
	Food Cart Rent	-35		+165	Roasted Almonds Sold	+300
	Ingredients, Paper	-5		+160		
	Fuel	-10		+150	Total Income	+300
	Salary	-50		+100	Expenses	
					Raw Almonds	-300
	30 kg Almonds Sold		+300	+400	Supplies and Fuel	-15
					Rent	-35
					Salary	-50
Ending Cash Balance						+400
					Total Expenses	-400
					Profit (or Loss)	-100
					Ending Cash Balance	+400

DISCUSS

- How much income does Eric earn if he sells 30 kg roasted almonds?
- How much do 30 kg raw almonds cost Eric?
- What are Eric’s other costs or expenses?
- Is Eric making a profit or losing money?

ACT

To make a profit, you need to know all of your costs before you set the price of your product or service. Turn in your workbook **to page 20** and take a few moments and write down as many of your own business costs as you can think of. If you don’t currently have a business/service, use the idea that you have been developing during this course and make your best guesses.

Share with the group some of the costs you wrote down. After hearing others’ costs can you think of any more costs you should write down?

**PRINCIPLE 2:
REDUCE COSTS**

PRESENT CODE – WORKBOOK

As a group choose three of the costs you discussed. Let’s learn how can we reduce these costs.

Read aloud the warning **on page 21** in your workbook.

WARNING!

Many people think that to start a business they need a loan, an office, or employees. Expenses like these are called Fixed Costs. You must pay fixed costs whether you make money in your business or not. Fixed costs are hard to reduce. Successful small businesses have as few fixed costs as possible.

DISCUSS

- What are some fixed costs that business owners can have? (*employees, rent*)
- How can you avoid or reduce these fixed costs?

Eric decides to reduce his costs. He finds another market in which they sell him raw almonds for 5/kg each instead of 10/kg. Look at the **Reduced Costs** table in your manual **on page 21**. Notice how reducing his costs allowed Eric to stop experiencing a loss and start making a small profit.

ERIC’S ALMOND BUSINESS REDUCED COSTS

Income & Expense Log					Income Statement	
Date	Description	Expense	Income	Balance		
Starting Cash Balance				+500	Starting Cash Balance	+500
	30 kg Raw Almonds	-150		+350	Income	
	Food Cart Rent	-35		+315	Roasted Almonds Sold	+300
	Ingredients, Paper	-5		+310		
	Fuel for Oven	-10		+300	Total Income	+300
	Salary	-50		+250	Expenses	
					Raw Almonds	-150
	30 kg Almonds Sold		+300	+550	Supplies + Fuel	-15
					Rent	-35
					Salary	-50
					Total Expenses	-250
Ending Cash Balance				+550	Profit (or Loss)	+50
					Ending Cash Balance	+550

ACT

On page 21 of your workbook, list ways you could reduce your own business costs.

**PRINCIPLE 3:
INCREASE PRICES OR SALES BY ADDING VALUE**

PRESENT CODE – WORKBOOK

After two months, the supplier that Eric was getting his raw almonds from became very ill and couldn't sell him almonds for 5/kg. In order to stay in business, Eric went back to buying his almonds from the other market for 10/kg again. To make a profit, Eric decided to increase his price for his roasted almonds to 15. He still sold all of his roasted almonds.

Turn to page 22 in your workbook and look at the **Increased Price** table.

Income & Expense Log					Income Statement	
Date	Description	Expense	Income	Balance		
Starting Cash Balance				+500	Starting Cash Balance +500	
	30 kg Raw Almonds	-300		+200	Income	
	Food Cart Rent	-35		+165	Roasted Almonds Sold	+450
	Ingredients, Paper	-5		+160	Total Income +450	
	Fuel for Oven	-10		+150	Expenses	
	Salary	-50		+100	Raw Almonds	-300
					Supplies and Fuel	-15
	30 kg Almonds Sold		+450	+550	Rent	-35
					Salary	-50
Ending Cash Balance				+550	Total Expenses	-400
					Profit (or Loss)	+50
					Ending Cash Balance	+550

DISCUSS

- Looking at the **Increased Price** box in your workbook, how much did Eric increase the price of his roasted almonds?
- How much income does Eric make when he sells 30 kg roasted almonds?
- Is Eric losing money or making a profit?

After a week, the son of the supplier who fell ill came to Eric and offered to sell Eric raw almonds for 5 per kg again.

ERIC'S ALMOND BUSINESS REDUCED COSTS & INCREASED PRICE

Income & Expense Log				
Date	Description	Expense	Income	Balance
Starting Cash Balance				+500
	30 kg Raw Almonds	-150		+350
	Food Cart Rent	-35		+315
	Ingredients and Paper	-5		+310
	Fuel for Oven	-10		+300
	Salary	-50		+250
	30 kg Almonds Sold		+450	+700
Ending Cash Balance				+700

Income Statement	
Starting Cash Balance	+500
Income	
Roasted Almonds Sold	+450
Total Income	+450
Expenses	
Raw Almonds	-150
Supplies and Fuel	-15
Rent	-35
Salary	-50
Total Expenses	-250
Profit (or Loss)	+200
Ending Cash Balance	+700

DISCUSS

- Looking on page 22 at the last table **Reduced Cost & Increased Price** what is Eric's cost for 30 kg of roasted almonds?
- How much do all of Eric's costs/expenses total now?
- Should Eric accept the supplier's son's offer? Why or why not?

ACT

Turn to page 23 in your workbook. Write or draw different ways you can increase prices or reduce costs for your business.

PRESENT CODE – PICTURE & STORY

(Show the students the picture Eric's Roasted Delights on pg 61.)

This is a picture of how Eric sells his roasted nuts today. He calls his business "Eric's Roasted Delights".

Eric always kept his food cart area clean and attractive. He bought the food cart he was previously renting so he didn't have to rent anymore. He decided to add roasted salted peanuts and roasted salted cashews as part of the products his business offers. He sells each kg of nuts (almonds, peanuts and walnuts) for 20/kg. Eric always sold all of his nuts but he became so busy that it was hard to cook and wait on the



Eric's Roasted Delights

customers himself. So, Eric decided to hire a helper to wait on customers. In order to keep making a profit, Eric had to raise the price of his nuts to 25/kg. Some of his customers complained, but he still sold out of all his product.

Eric added a table and chairs so that his customers could sit down and eat their nuts if they wanted to. Eric’s stand was near a historical museum that tourists came to see. Sometimes tourists would want to sit on Eric’s chairs and rest. They often asked Eric about his almonds and other products, but they wanted to pay with a credit card.

Eric’s cousin offered to work with Eric and get more tables and chairs. Eric downloaded an app for his phone that made it possible for tourists to pay with a credit card. He also started using specially designed boxes to serve his nuts and introduced drinks to sell along with the roasted nuts.

Eric continues to charge 25/kg for his nuts but also offers a deluxe nut package that sells for 50/kg. Because Eric added value to his product, he was able to raise the price from 10/kg when he started to up to 50/kg now.

DISCUSS

- How did Eric add value?
- How can you add value to your product or service?

ACT

Turn to **page 23** in your workbook. Write or draw what you can do to add value to your business.

**PRINCIPLE 4:
HAVE MORE THAN ONE SUPPLIER**

PRESENT CODE – VIDEO

(Show the video **Don’t Close Your Business: Part 1** <https://www.interweavesolutions.org/videocodes/>. If you cannot show the video, **turn to page 23** in the workbook and read aloud the video summary.)

DON’T CLOSE YOUR BUSINESS: PART I

VIDEO SUMMARY



JOSEPHINE: Hey Grace. What’s the matter?
 GRACE: I have to close my business.
 PRISCILLA: Oh Grace, I am so sorry. But why?



GRACE: The man I buy pure water from just raised his prices. I used to buy for 7 and sell for 10. But now he’s raised his price to 10.



PRISCILLA: Grace, Have you talked to him?
 GRACE: I haven’t. Why? His prices are his prices.

ERIC'S ROASTED DELIGHTS



Let's find out what Grace can do so that she doesn't have to close her business **on page 23** of your participant manual.

DON'T CLOSE YOUR BUSINESS: PART II

VIDEO SUMMARY



PRISCILLA: You need to talk to him and tell him you are one of his most important customers. Always talk to your suppliers and ask for the lowest price.



JOSEPHINE: And remember you have other options. I know somebody that can sell water to you for 5. I will introduce you to them, okay?



GRACE: Please do! And I will talk to my supplier. Thank you, girls. I will see you later.
PRISCILLA: See you later. Bye now.

A supplier is the person/people that provide us with the materials for our products.

DISCUSS

Important Things to Ask Suppliers:

- How much do you charge?
- Do you offer any discounts?
- Do you sell on credit or cash?
- Who are your competitors?
- Why are you better?
- How much can you supply?

ACT

Who are your suppliers? **Turn to page 24** in your workbook. Write down your current and potential suppliers and choose some of the questions you will ask them. Get with a partner and tell each other what your business ideas are. Now, one of you pretend to be the supplier of the other. Take turns practicing asking these questions.

PRICE PRINCIPLES SUMMARY

The 6P's of Business are Plan, Product, Price, Process, Promotion and Paperwork. Today we learned about **Price**. Turn to **page 20** of your workbook. Read together the five principles of **Price** we discussed today:

1. **Know the cost of your product.**
2. **Reduce costs.**
3. **Increase prices or sales by adding value.**
4. **Have more than one supplier.**

BUSINESS PLAN COMMITMENTS

1. ***Before the next meeting calculate the true cost of your product or service.***
2. ***Think of two ways you can add value or reduce costs to increase your profit.***

PRESENT CODE – ACTIVITY

Make your commitments for the next meeting.

COMMIT TO ACTION FOR NEXT TIME:

BUSINESS PLAN COMMITMENT

- I will calculate the true cost of my product or service.
- I will find at least two ways to add value or reduce costs to increase my profit.

PERSONAL PLAN COMMITMENT

- I will choose a specific area from my Personal Improvement Plan to work on.

SAVINGS COMMITMENT

- I will try to save in a creative way (walk instead of ride the bus, turn off the lights, share a meal instead of buy my own.)

DISCUSS:

- Who would like to share their Personal Plan Commitment for this week?
- Which commitment will be the easiest to keep for you this week?
- Which commitment will be the hardest?

ACT:

Meet now with your Action Partner for this week. Encourage each other to keep your commitments. If you do not have an action partner, take this time to find one among your group members. Then say each commitment aloud to your action partner.

Pledge to keep your commitments by signing your workbook.

(Thank everyone for coming and participating. Encourage them to keep their commitments and attend next time. Close the meeting.)

UNIT 7: PROCESS



- 1. Know your process.**
- 2. Constantly improve your process.**
- 3. Hire slow & fire when necessary.**
- 4. Use time wisely.**

PRESENT CODE – ACTIVITY

(Draw a commitment chart on the board or paper. Have the participants fill out the chart and report on their progress.)

Business Plan: I will calculate the true cost of my product or service. I will find at least two ways to add value or reduce costs to increase my profit.

Personal Plan: I will choose a specific area from my Personal Improvement Plan to work on.

Savings Plan: I will save in a creative way.

(Recognize those who kept their commitment and encourage those who did not.)

COMMITMENTS CHART			
Name	Business	Personal	Savings
Jean C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

DISCUSS:

- What did you learn last week as you kept your commitments?
- What problems did you have as you tried to keep your commitments?
- How can we help everyone keep the weekly commitments?

ACT:

Have the pre-assigned participant present their business idea. Take 10 minutes.

PROCESS INTRODUCTION

PRESENT CODE – PICTURE & STORY

(Show the picture on page 64, then read aloud together the 4 principles in this unit.)



- 1. Know your process.**
- 2. Constantly improve your process.**
- 3. Hire slow & fire when necessary.**
- 4. Use time wisely.**

Katrina from Colombia wanted to start her own business. The summers were long and hot in her area, but the markets were always full of fresh fruit. Katrina decided to open her own juice stand and sell to passerbys in her neighborhood.

Katrina took an MBS class and learned about Process. She thought about her business process. She created partnerships with local farmers to purchase the fruit directly from them. “Ever since I analyzed and improved my process of getting my inventory, I have been able to save money each month. My business is growing!”

When she analyzed and then improved her business processes, her profits went up.

DISCUSS:

- What is a business process?
- How can knowing and improving our business process help us grow our business?

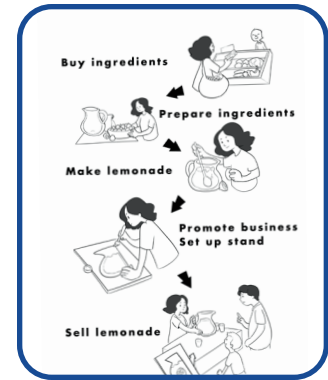
ACT:

Learn to improve your business process.

**PRINCIPLE 1:
KNOW YOUR PROCESS**

PRESENT CODE – PICTURE

(Show the picture **A Business Process** on page 67.)



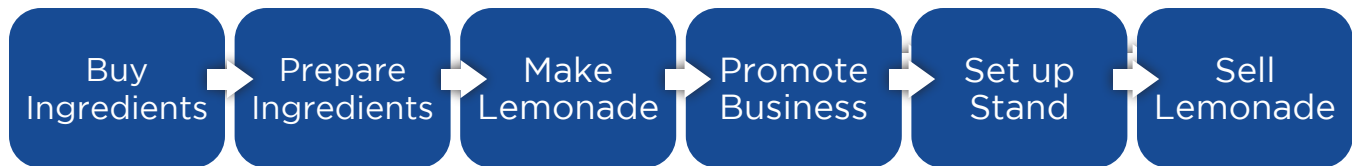
A Business Process

DISCUSS

- What do you see in this picture?
- What product does this girl sell?
- What are the steps she takes to make and sell her product?

ACT

(On the board or paper, draw the basic process of the lemonade business of the child in the picture.)



PRESENT CODE – WORKBOOK

Turn to page 25 in your workbook to see another example of a business process.



DISCUSS

- What are the steps in the banana chips business shown?

ACT

On page 25 of your workbook, write or draw your current process for getting your product or service from raw material to the market.

A BUSINESS PROCESS

BUY INGREDIENTS



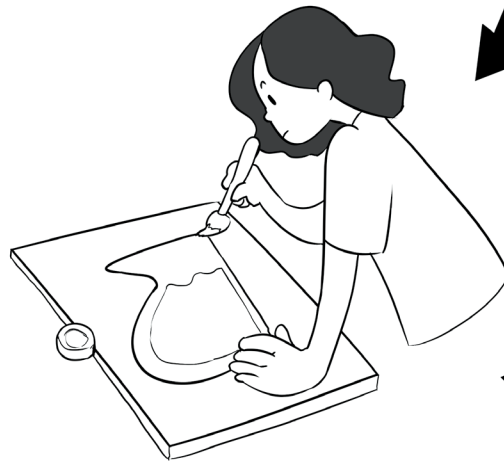
PREPARE INGREDIENTS



MAKE LEMONADE



PROMOTE BUSINESS



**SET UP STAND
SELL LEMONADE**



PRINCIPLE 2:
CONSTANTLY IMPROVE YOUR PROCESS

PRESENT CODE — EXPLANATION

If we are constantly trying to improve our processes, we will improve our products, get more customers and earn more money.

DISCUSS

Here is a list of questions that we should ask ourselves in order to constantly try to improve our process:

For obtaining our product or service:

- Do we have several suppliers?
- Where do we get our raw materials?
- Can we improve transportation or delivery?

For making or improving our product or service:

- How do we add value?
- Are we closer, cleaner or faster for the customer?

For promoting or marketing our product or service:

- Could we package it better?
- Could we sell in bulk?
- Could we clean our area?

For how customers pay for our product or service:

- Can customers use credit cards?
- Can they get legal receipts?

ACT

Turn to page 25 of your workbook. Pick one or two of the steps on your process and write down a way you could improve that step.

Sometimes it is difficult for us to see ways to improve our processes. Listening to customers, visiting other businesses and asking friends are all ways to improve your processes. In groups of two or three, take turns sharing your process and some ways you can improve. Ask for feedback and ideas from each other.

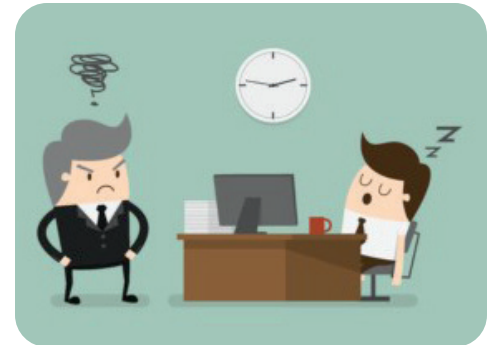


PRINCIPLE 3: HIRE SLOW & FIRE WHEN NECESSARY

PRESENT CODE — SKIT

Employees are a *fixed cost*. That means you will have to pay them whether your business is making a profit or experiencing a loss. Make sure you really need an employee before hiring one. Often we can get a one-time contract, pay a commission or have family members volunteer when needed.

(Ask two students to come to the front of the room. Quietly tell one of the students that they are the owner of the business. Tell the other student that they are the employee. This employee is lazy and unhelpful. Have the owner set up their store. The lazy employee should come in late, sit around, not help, and not respond when the owner asks them to help. The lazy employee should fall asleep on the job. The skit should end.)



When can we fire family or friends?

DISCUSS

- What can you do as an employer when you have a lazy or uncompliant employee?
- What if the employer and the lazy employee are related? Can you fire relatives and friends?
- When should you hire an employee? Should it be a quick process?
- Why is it important to hire slow and fire when necessary?

ACT

As a group make a list of things we should do or ask before hiring an employee. Then **turn to page 26** in your workbook and write or draw your process ideas for hiring, training and firing employees.

PRINCIPLE 4: USE TIME WISELY

PRESENT CODE — STORY

Once there was a man who claimed to be an expert in time management. He approached a major company in the USA and offered to teach the president three steps to make him successful in the use of his time. If the president implemented them and thought the steps useful, he should pay the man what he thought it was worth. The man returned thirty days later. The president said that he had implemented the steps and had made a huge impact on his productivity. He wrote the consultant a check for \$10,000.

These are the three steps:

- 1. List Tasks**—Each morning make a list of things that need to be done.
- 2. Set Priorities**—Put a 1, 2, 3, 4, etc. after each task with the 1 being the most important. If you have more than one high priority, choose the order of the most important things to get done that day.
- 3. Act**—Do the highest priority first. Complete it or finish as much as you can. Then keep working down the list.

Don't worry if you don't complete your list. You will always be working on the most important tasks of the day.

DISCUSS

- Why is managing your time so important?
- How can you decide what is most important each day?

ACT

Turn to page 26 of the workbook. Make a list of things that need to be done tomorrow. Put a 1, 2, 3, etc. beside each item with the 1 being the most important. Make a commitment to follow the list tomorrow.



Make a list and put a 1, 2, 3, etc. in order of most importance.

PROCESS PRINCIPLES SUMMARY

The 6P's of Business are Plan, Product, Price, Process, Promotion and Paperwork. Today we learned about **Process**. **Turn to page 25** of your workbook. Read together the four principles of **Process** we discussed today:

- 1. Know your process.**
- 2. Constantly improve your process.**
- 3. Hire slow & fire when necessary.**
- 4. Use time wisely.**

BUSINESS PLAN COMMITMENTS

- 1. Brainstorm three things you can do to improve your business process.**
- 2. Make and use a to-do list.**

MBS JR. REQUIREMENTS

Remember to add all your process improvements to your business plan. You will need to turn in your Business Plan before you can receive your MBS Jr. Certificate.

PRESENT CODE – ACTIVITY

Make your commitments for the next meeting.

COMMIT TO ACTION FOR NEXT TIME:

BUSINESS PLAN COMMITMENT

- I will brainstorm three things I can do to improve my business process.
- I will make and use a to-do list.

PERSONAL PLAN COMMITMENT

- I will choose a specific area from my Personal Improvement Plan to work on.

SAVINGS COMMITMENT

- I will add to my savings or save in another creative way.

DISCUSS:

- Who would like to share their Personal Plan Commitment for this week?
- Which commitment will be the easiest to keep for you this week?
- Which commitment will be the hardest?

ACT:

Meet now with your Action Partner for this week. Motivate and encourage each other to keep your commitments. If you do not have an action partner, take this time to find one among your group members. Then say each commitment aloud to your action partner.

Pledge to keep your commitments by signing your workbook.

(Thank everyone for coming and participating. Encourage them to keep their commitments and attend next time. Close the meeting.)

UNIT 8: PROMOTION



- 1. State your business idea in 30 Seconds.**
- 2. Brand your business.**
- 3. Put your customers first.**
- 4. Keep it clean & organized.**
- 5. Constantly improve sales.**

PRESENT CODE – ACTIVITY

(Have the participants fill out the commitment chart and report on their progress.)

Business Plan: I will brainstorm three things I can do to improve my business process. I will make and use a to-do list.

Personal Improvement Plan: Choose a specific area from your Plan to work on.

Savings Plan: Add to your savings or save in another creative way.

(Recognize those who kept their commitments and encourage those who did not.)

COMMITMENTS CHART			
Name	Business	Home	Savings
Jean C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

DISCUSS:

- What did you learn last week as you kept your commitments?
- What problems did you have as you tried to keep your commitments?
- How can we help everyone keep the weekly commitments?

ACT:

Have the pre-assigned participant present their business idea.

PROMOTION INTRODUCTION

PRESENT CODE – PICTURE & STORY

(Show the picture on page 72, then read aloud together the 5 principles in this unit.)



1. **State your business in 30 Seconds.**
2. **Brand your business.**
3. **Put your customers first.**
4. **Keep it clean & organized.**
5. **Constantly improve sales.**

Violet opened a small sewing business. Many of her friends don't know about it. When they finally see that she sews clothing, they often say, "Many people sew. How is your business different?" Others ask, "When are you open? What's your business name?" She often replies, "I just like sewing at home. Knock on my door if you want something."

When customers come, they wait because she's busy on her phone or sewing. She loves making clothes and spends hours on new items. She doesn't think about what customers need and can't afford to keep making products she doesn't sell.

DISCUSS:

- What suggestions would you give to Violet to improve her sales?
- Read the five Promotion principles one more time. How could Violet apply the five principle of Promotion to improve sales?

ACT:

At the end of this unit, you will implement two ways to promote your business as you learn the five principles of Promotion.

PRINCIPLE 1: STATE YOUR BUSINESS IN 30 SECONDS

PRESENT CODE – PICTURE

(Show the picture **A 30-Second Business Statement** on page 75.)

A 30-second business statement allows you to quickly promote your business and should include three key parts:

1. State the name of your business.
2. Identify your product or service.
3. Tell why your product or service is better than others.

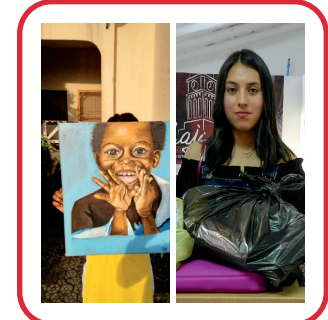
We have 30-Second Business Statements from two businesses.

Turn to page 27 in your workbook.

This is Chidimma. Let's read her 30-second business statement and look for the three key parts.

"Hi, I'm Chidimma of Chidimma's Art. I specialize in short stories and artwork. I make my artwork by request and make sure that each piece is special. My short stories have won competitions and been featured in magazines. I work hard to make sure each piece is perfect."

- 1 **State the name of the business**
- 2 **Identify the product or service**
- 3 **Tell why it is better**



Your 30-Second Business Statement

This is María Jose. Let's read her 30-second business statement to see how she implements the three parts.

"I am María Jose; owner of OH MY DOG. This is a small business dedicated to the manufacture of clothing for our canine children (pets). Each garment is made with great dedication, glamour and love, so that our dogs are comfortable and always dress in fashion.

The sale and distribution will be by website and Whatsapp, selling our products by unit and wholesale."

DISCUSS

- What is the name of Chidimma's business? What is María Jose's business name?
- What is Chidimma's product? What is María Jose's product?
- Why are their products better than their competitors?

ACT

Using the three key parts, **on page 27** of your participant workbook, write your own 30-Second Business Statement. Practice Your 30-Second Business Statement. Stand in groups of three and share your 30-second statement with each other. Listen and give each other feedback.

Now, take a few minutes to consider the feedback you got and rewrite your 30-second business statement.

A 30 SECOND BUSINESS STATEMENT



CHIDIMMA'S ART



OH MY DOG

PRINCIPLE 2:
BRAND YOUR BUSINESS

PRESENT CODE – EXPLANATION

Branding includes logos and colors, but it is also much more. How you present your product, your smile, how you treat customers and the first impressions they receive are all part of your brand. You can also use T-shirts, colors, labels, and signs to help make a brand and image.

Remember Chidimma and María Jose? (*Show their image again.*) María Jose’s brand is dedication, glamour and comfort. Chidimma’s brand for her business is her specialized art and strive for perfection. She also has a logo, a sign, business cards and a partnership with a local gift shop in which she can sell her artwork and stories.

DISCUSS

- What is branding?
- How can you brand your company using these ideas we just read?

ACT

Turn in your workbook **to page 27**. Write or draw some branding ideas down and share them with the person next to you.

WHAT IS YOUR BRAND?

- Company name
- A smile and friendly greeting
- Colors
- How the telephone is answered
- Banners and uniforms
- Business cards
- All customer interactions



PRINCIPLE 3: **PUT YOUR CUSTOMERS FIRST**

PRESENT CODE – ACTIVITY

(Talk with the group about what it means to be “friendly”. What does it look like? Sound like? What about “unfriendly”? What does that look and sound like? Why is it important to be friendly to our customers and clients?)

Your business depends on customers. You will have more sales if you treat customers with respect and offer products and services that help them meet their needs. If your customers know you like them and consider them important, they will regard your business as better than other businesses that don’t care about them personally.

DISCUSS

- Why is it important to be friendly to your customers?
- How does being friendly to your customers help them feel like they are your first priority?
- Why is it important to make customers your first priority?

ACT

On a board, or a piece of paper, develop and discuss a list of ways to have positive customer interactions. Generate the list by asking, “What are some ways you can help your customers feel good about you and your business?” You may want to include:

- Listen to their needs & interests
- Kindness and respect
- Treat as an individual and friend
- Great customer service
- Discounts for regulars
- Offer additional services
- Offer ideas using your product
- Greet your customers

Make a list of how you can put the customer first.

Turn to page 27 in your workbook and write or draw ways to put your customers first.

KEEP IT CLEAN AND ORGANIZED



PRINCIPLE 4:
KEEP IT CLEAN AND ORGANIZED

PRESENT CODE – PICTURE

(Show the participants the image **Keep it Clean and Organized** on page 78.)

Two stalls have the same price for clothes. One is messy, dirty and unfriendly. The other is not.



A sure way to drive away customers is with dirty or unsanitary products, surroundings or employees. Keeping things clean and organized is an essential part of your brand. If you prepare or sell food, you have a special need for good hygiene, fresh healthy products and sanitary conditions.

Employees, especially those who deal with customers or food, should bathe regularly and keep their hands, hair, clothing and appearance clean and neat.

Clutter, poor lighting, worn-out displays, damaged products, dirty surroundings, and unkempt staff can all decrease the value of your business.

DISCUSS

- Which of the two shops would you buy from?
- Would you pay more to get clothes at the cleaner shop? How much more?
- Is your business clean and attractive?

ACT

Turn to page 28 in your workbook. Write or draw what you can do to make your product look newer, cleaner or more organized. If you don't have a current business, envision your product idea that you have been developing. How could you organize the product? How would you keep it clean? Then, share your ideas with the group.

**PRINCIPLE 5:
CONSTANTLY IMPROVE SALES**

PRESENT CODE – BRAINSTORM ACTIVITY

It is important to constantly improve sales.

(Have the group do a brainstorm activity in which they answer the question “How could we increase sales if we had a business?” In a brainstorm activity all ideas should be written down and no ideas should be criticized.)

The goal is to get as many ideas as possible. These ideas could include the following:

1. Social media
2. Customer loyalty cards (9 purchases, the 10th is free)
3. Relocation
4. Selling old inventory at discounts
5. Placing best product at eye level
6. Offer different or additional products or services

(There should be a lot of ideas. Write all of the ideas on a paper or whiteboard.)

DISCUSS

- Which of these ideas would you use to promote your business?
- Have you ever seen these ideas used in the business world? Where?
- Would you market your product online?

ACT

Turn to page 28 in your workbook. Review the Promotion principles and write or draw at least two new ideas you could help more customers find your business and buy what you sell. This will be the beginning of your Promotion plan to increase sales.

PROMOTION PRINCIPLES SUMMARY

The 6P’s of Business are Plan, Product, Price, Process, Promotion and Paperwork. Today we learned about Promotion. **Turn to page 27** of your workbook. Read together the five principles of *Promotion* we discussed today:

- 1. State your business in 30 Seconds.**
- 2. Brand your business.**
- 3. Put your customers first.**
- 4. Keep it clean & organized.**
- 5. Constantly improve sales.**

BUSINESS PLAN COMMITMENT

I will identify at least two new ways to increase sales.

PRESENT CODE – ACTIVITY

Make your commitments for the next meeting.

COMMIT TO ACTION FOR NEXT TIME:

BUSINESS PLAN COMMITMENT

- I will identify at least two new ways to increase sales.

PERSONAL PLAN COMMITMENT

- I will choose a specific area from my Personal Improvement Plan to work on.

SAVINGS COMMITMENT

- I will add to my savings — even if it's just a coin or two.

DISCUSS:

- Who would like to share their Personal Plan Commitment for this week?
- Which commitment will be the easiest to keep for you this week?
- Which commitment will be the hardest?

ACT:

Meet now with your Action Partner for this week. Motivate and encourage each other to keep your commitments. If you do not have an action partner, take this time to find one among your group members. Then say each commitment aloud to your action partner.

Pledge to keep your commitments by signing your workbook.

(Thank everyone for coming and participating. Encourage them to keep their commitments and attend next time. Close the meeting.)



- 1. Build productive assets.**
- 2. Put your skin in the game.**
- 3. Beware of bad debt.**

PRESENT CODE — ACTIVITY

(Have people report on their commitments.)

Business Plan: Identify at least two new ways to increase sales.

Personal Plan: Choose to improve a specific area from your Personal Improvement Plan.

Savings Plan: Save money, even just a coin or two.

(Recognize those who kept their commitments and encourage those who did not.)

COMMITMENTS CHART			
Name	Business	Home	Savings
Jean C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

DISCUSS:

- What did you learn last week as you kept your commitments?
- What problems did you have as you tried to keep your commitments?
- How can we help everyone keep the weekly commitments?

ACT:

Have the person assigned last time present their business idea.

PAPERWORK—PRODUCTIVITY INTRODUCTION

PRESENT CODE — PICTURE

(Show the picture on page 82, then read aloud together the 3 principles in this unit.)



1. **Build productive assets.**
2. **Put your skin in the game.**
3. **Beware of bad debt.**

DISCUSS:

- What do you see in this picture?
- If your business was this boat, what would you do?
- What are some ways that your business could sink?

If we don't keep track of our finances, we could end up in debt. The words debt means that something, typically money, is owed or due to someone else. Having bad debt can cause our business to sink.

Today we will talk about productive assets, our commitment to succeed, and how bad debt can affect our business.

ACT:

Keep in mind that at the end of the unit you should be able to implement the three principles discussed.

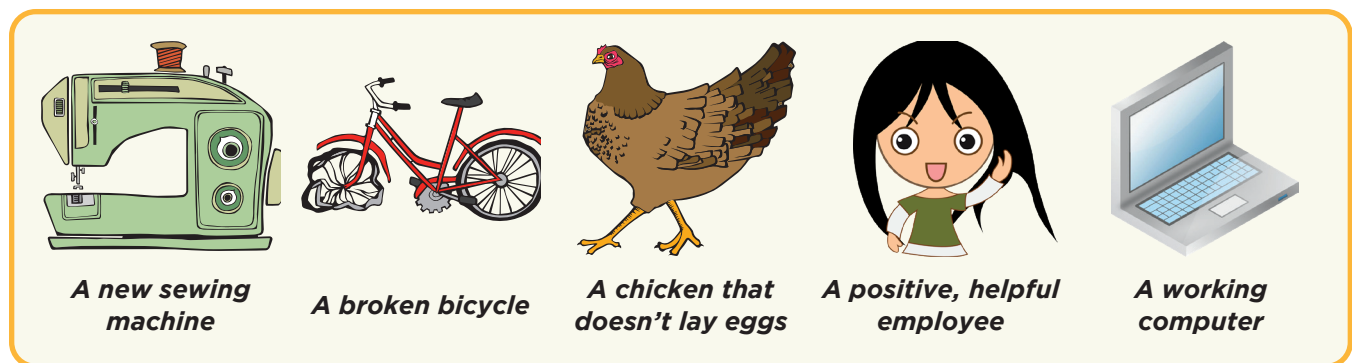
PRINCIPLE 1: BUILD PRODUCTIVE ASSETS

PRESENT CODE — IMAGE

A productive asset is something a business owns that can help it make money. A food cart, a bicycle or a refrigerator are all productive assets. We must take care of our assets so they continue to be productive.

Often productive assets don't cost much. A well-maintained tool or a work area that is kept clean are examples of productive assets.

Turn to page 29 in your workbook. Look at the assets in the box and determine if they are productive or not.



DISCUSS

- What are some of the assets that you have in your business?
- What is the difference between an asset and a productive asset?

We must learn to use our assets wisely. We should always be thinking of how we can care for our assets and make them more productive.

PRESENT CODE — STORY

Several youth in Cambodia have created a business using productive assets. They collect used cement bags and with these materials they create backpacks, laptop bags, wallets and much more. By using repurposed materials, they are able to save money and make money at the same time. Their used cement bags turned out to be incredibly productive assets!



Cement Bag Wallet

(Thank you, Cambodia Job Foundation for this story!)

DISCUSS

- In what ways do the children in Cambodia avoid sinking their business by getting the most out of their assets?
- How could you make your assets more productive?

ACT

In your workbook **turn to page 29** and write or draw a few assets your business could benefit from.

In groups of two or three, share how you could make your assets more productive. What additional assets could your business need?

We often think that we need to borrow money to buy business assets. There are other ways we can obtain assets. We can borrow an asset, get a partner that has an asset, rent an asset or save up for an asset. Each method has its advantages and disadvantages.

WAYS TO GET ASSETS:	DISADVANTAGES:	ADVANTAGES:
Save to buy an asset		
Partner with someone who has an asset		
Rent an asset		
Borrow an asset		
Get a loan to buy an asset:		
Other:		

Now look again in your workbook **on page 29** at your list of assets. Use the **Ways to Get Assets** box to discuss in your small group the advantages and disadvantages of the various ways you can obtain those assets. What are the advantages and disadvantages of each of the methods suggested by your group?

Remember, don't sink your boat!

PUT YOUR SKIN IN THE GAME



PRINCIPLE 2:
PUT YOUR SKIN IN THE GAME

PRESENT CODE — PICTURE

*(Show the participants the picture **Put Your Skin in the Game** on page 86.)*

DISCUSS

- What do you see in this picture?
- If they play hard, do you think some of the players may get skinned, scratched or hurt in the game?
- Why do they play if they can get skinned or hurt?

There is a saying that when a person plays hard and gives their all to succeed, that they put their “Skin in the Game.” They sacrifice and work hard to succeed. Our businesses are like a football game in which we are playing hard. We need to put our skin in the game.

(This saying is different all over the world. It might be “Put on your t-shirt” or “Get all the meat on the grill.” You can use many different sayings and codes to teach this principle.)

You must commit your time and your money to start and grow your business.



Put Your Skin in the Game

PRESENT CODE — STORY

Once an investor visited a group that wanted money to start businesses. One wanted to start a taxi business, another a restaurant and another wanted to open a small store. When the investor asked them what they had done to start their businesses, they replied that they hadn’t done anything because they wanted money first. No one had saved, invested, or attempted to get started to show they could run a business.

The investor said if they didn’t have any “**skin in the game**” then he wouldn’t invest in their businesses.

DISCUSS

- Why is it important to have skin in the game?
- What would this mean for you and your business?

ACT

Turn to page 30 in your workbook. Write or draw what you can do to “**put skin in the game**” for your business.

PRINCIPLE 3: BEWARE OF BAD DEBT

PRESENT CODE — ACTIVITY

(Invite two participants to come to the front of the room. In this activity, they are going to represent business owners. Give them each something to carry, such as a few heavy books or a full cup of water. These books or cup of water represent the business. Ask the two participants to “run their business” around the room carrying their item. Ask them to hold their books or cup of water as high as they can. It should be fairly easy.

After they complete one round around the room, ask each of the business owners to choose someone from the group to help them. Those whom they ask will represent debt. Add another book or cup of water and have the new participants hold all the items. Ask the business owners to carry the invited participants on their back as they travel one more time around the room. The invited participants should hold the items as high as they can. The business represented can go higher because of the debt, but it will be very hard for the business owner to keep their friend on their back and the business safe.)

Ask the business owners how they felt the first time around the room. What about the second time that they traveled around the room?

DISCUSS

- During the activity, how did the burden of debt affect the business owner? How did it affect the business?
- Was it harder to run the business with or without debt?

PRESENT CODE — EXPLANATION

Remember, the word debt means that something, typically money, is owed or due to someone else. You can collect debt by borrowing money for a loan (otherwise known as asking a bank, a person, or a microfinance institution for money.)

We always have to pay back the money that we borrow. Most loans and other forms of borrowing make you pay back the money you borrowed with *interest*. Interest means extra money that you have to pay the person or organization you borrowed the money from, in addition to the total amount that you borrowed.

Most loans and other forms of borrowing also come with *terms*. These terms tell you the amount that you have to repay each month, the amount of interest (or extra money) that you will have to pay in addition to the total of what you borrowed, and how much time you have to repay it. These terms can make it very difficult to pay back what you borrowed.



You will have to pay back the debt no matter what, so you need to make sure that you understand the terms of the loan before you agree to borrowing money.

If we can't pay back the loan, or meet the terms of the loan, people won't give us loans in the future for a house or for a business. Not paying back a loan can even affect your ability to keep the possessions that you already own. It can also affect the way you are seen in the community. That is why it is very important to not go into debt unless it is for a very good reason.

DISCUSS

- What is debt?
- What do the terms of a loan tell us?
- Do you know anyone who has used debt? How has it affected them?
- Why do people get into debt?

PRESENT CODE- EXPLANATION

Debt doesn't always have to be a bad thing. Debt can be good when it is used to buy productive assets. Remember our activity at the beginning of the unit where we described productive assets? A productive asset can be a bicycle that allows you to transport your business or make deliveries.

A sewing machine or a computer are also great examples of productive assets. If the asset helps grow your business and allows you to make more money in your business, it can be worth financing through borrowed money. Getting a productive asset to grow your business could be worth going into debt for if you can use it to increase income, or save time.

Debt is bad when it is used to buy items that don't help you to be productive in your business, or when it is used for personal items. Debt to buy clothes, video games, TVs or other fun items will become a financial burden that you will have to carry around after the joy of the new clothes or video game is gone.

DISCUSS

- Would you go into debt?
- Why?
- When?

ACT

Write in your workbook **on page 30** your definition of good debt and bad debt. Make a list in your workbook of a few things that are worth going into debt for if all the terms of the loan are good. Then make a list of things that are not good uses of your loan money.



PAPERWORK—PRODUCTIVITY PRINCIPLES SUMMARY

The 6P's of Business are Plan, Product, Price, Process, Promotion and Paperwork. Today we learned about Paperwork. **Turn to page 29** of your workbook. Read together the three principles of *Paperwork—Productivity* we discussed today:

1. **Build productive assets.**
2. **Put your skin in the game.**
3. **Beware of bad debt.**

BUSINESS PLAN COMMITMENTS

1. *I will write down what good and bad debt mean to me.*
2. *I will make a list of productive assets for my business idea (things that could be worth going into debt for) and a list of things i should not pay for with borrowed money.*

BUSINESS SPOTLIGHT FOR NEXT WEEK

*(Choose someone to present their business to the group at the beginning of the meeting next time. Remember to use the 6P's Business Checklist **on page 43** of your workbook.)*

ACTION PARTNERS

You can pick a new Action Partner each time, or keep pairing up with someone you work well with.

MBS JR. REQUIREMENTS

Remember that to certify you must prepare a business plan, a home plan, and a community plan. Fill out the blank plans **on pages 57-61** of your workbook or on myPlatform as you discuss each principle each class.

PRESENT CODE — ACTIVITY

Make your commitments for the next meeting.

COMMIT TO ACTION FOR NEXT TIME:

BUSINESS PLAN COMMITMENT

- I will write down what good and bad debt mean to me.
- I will make a list of productive assets for my business idea and things that I will not pay for with borrowed money.

PERSONAL PLAN COMMITMENT

- I will choose one area of my Personal Improvement Plan to improve this week.

SAVINGS COMMITMENT

- Save this week in a creative way.

DISCUSS:

- Who would like to share their Personal Plan Commitment for this week?
- Which commitment will be the easiest to keep for you this week?
- Which commitment will be the hardest?

ACT:

Meet now with your Action Partner for this week. Discuss your business ideas and decide how you will contact and encourage each other during the week to keep your commitments. If you do not have an action partner, take this time to find one among your group members. Then say each commitment aloud to your action partner.

Plan to keep your commitments by signing in your workbook.

(Thank everyone for coming and participating. Encourage them to keep their commitments and attend next time. Close the meeting.)

UNIT 10: PAPERWORK-CASH PROJECTION



- 1. Know your available cash.**
- 2. Use your Income Statements.**
- 3. Understand a Cash Flow Projection.**
- 4. Make a Cash Flow Projection.**

PRESENT CODE — ACTIVITY

(Have the participants fill out the commitment chart and report on their progress.)

Business Plan: Write down what good and bad debt mean to me. I will make a list of productive assets for my business idea.

Personal Plan: Choose to improve a specific area from your Personal Improvement Plan.

Savings Plan: Save this week by turning off lights you aren't using, walking more, or using less waste.

(Recognize those who kept their commitments and encourage those who did not.)

COMMITMENTS CHART			
Name	Business	Home	Savings
Jean C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

DISCUSS:

- What did you learn last week as you kept your commitments?
- What problems did you have as you tried to keep your commitments?
- What can we do to help everyone keep our weekly commitments?

ACT:

Have the person assigned last time present their business idea.

PAPERWORK-CASH PROJECTION INTRODUCTION

PRESENT CODE — PICTURE

(Show the picture on page 92, then read aloud together the 4 principles in this unit.)



1. Know your available cash.
2. Use your Income Statements.
3. Understand a Cash Flow Projection.
4. Make a Cash Flow Projection.

DISCUSS:

- What do you see in this picture?
- Have any of you ever been lost? How does it feel to be lost?
- How could a map or a compass help?
- How helpful is it to get a forecast of dangerous weather, especially when you're on your own?
- How would it be helpful to forecast what will happen with your business?

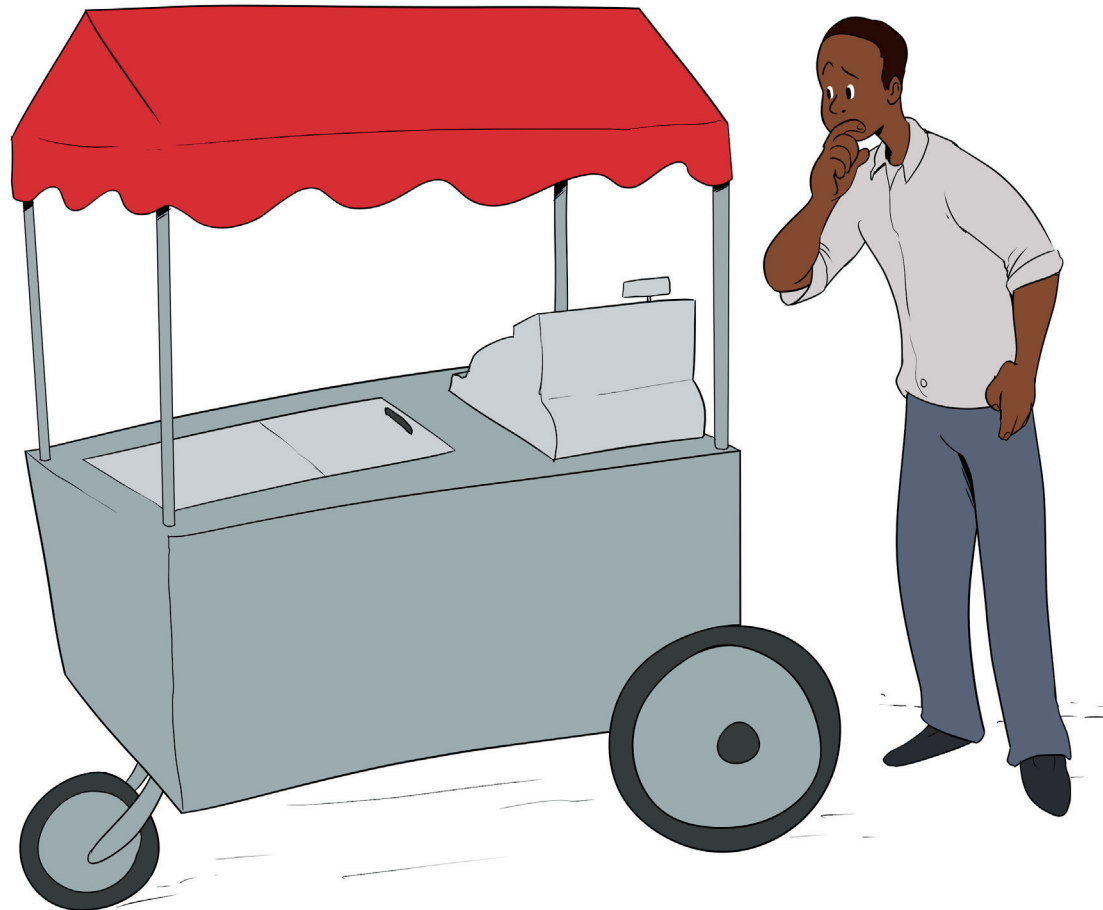
Today we are going to discuss a powerful business tool called the **Cash Flow Projection**. It is your map and navigation tool, and it is based upon your forecast of your business conditions.

ACT:

Apply the four principles in this unit to your business or business idea.

**PRINCIPLE 1:
KNOW YOUR AVAILABLE CASH**

PRESENT CODE — IMAGE AND STORY



Remember Eric from Unit 6? Eric had to make a hard decision when deciding whether or not to buy his cart. His neighbor was selling a bigger food cart for 350. This food cart also had the capacity to keep his almonds warm, unlike his current food cart. He felt that buying this new cart would increase his productive assets to grow his business, but he wasn't sure he could afford it.

DISCUSS

- How could Eric know whether renting or buying a cart would be best for his business?
- How can Eric know whether he can afford the food cart or not?

Eric can figure out if it is wise to invest money in a productive asset. He should start by looking at his cash balance on his *Income & Expense Log* to know his current available cash.

Remember, the purpose of an Income & Expense Log is to record all the income and expenses of your business so you can determine your cash balance.

PRESENT CODE — WORKBOOK

Turn to page 31 in your workbook and look at the cash balance (how much money he has) on *Eric's Income & Expense Log Example*.

ERIC'S INCOME & EXPENSE LOG EXAMPLE

Income & Expense Log (October 1–31)				
Date	Description	Expense	Income	Balance
Starting Cash Balance				+500
Oct-1	Almond Sales		+90	+590
Oct-7	Food Cart Rent	-35		+555
Oct-8	Almond Sales		+90	+645
Oct-12	Fuel	-10		+635
Oct-15	Almond Sales		+90	+725
Oct-15	Salary	-50		+675
Oct-17	Ingredients and Paper	-5		+670
Oct-20	Raw Almonds	-150		520
Oct-22	Almond Sales		+90	+610
Oct-28	Almond Sales		+90	+700
Ending Cash Balance				+700

DISCUSS

- Look at Eric's Income & Expense Log Example. How much available cash does Eric have before the month started?
- What is his available cash at the end of October?
- How much available cash did Eric have at the end of the day October 15?
- How can you always know how much available cash you have?
- What does this month of records tell Eric about his business?

ACT

(Facilitators, make sure everyone has filled out a practice **Income and Expense Log**. If not, take the time to resolve concerns now with your participants. Review the **Income and Expense log process** from Unit 5 if you need to.)

Turn to the top of page 32 in your workbook and answer the questions.

**PRINCIPLE 2:
USE YOUR INCOME STATEMENTS**

PRESENT CODE — WORKBOOK

Income & Expense logs help us know our cash balance each month. They also help us create Income Statements.

An Income Statement is made by categorizing and totaling the information on your Income & Expense Log. Once completed, you subtract the total expenses from the total income to find out if you made a **profit** or experienced a **loss**. **Turn to page 32** in your workbook. On the right is an Income Statement that was created from Eric’s Income & Expense Log from October.

ERIC’S INCOME STATEMENT EXAMPLE

Income & Expense Log (Oct 1-31)					Income Statement (Oct 1-31)	
Date	Description	Expense	Income	Balance	Starting Cash Balance	+500
Starting Cash Balance				+500	Income	
Oct-1	Almond Sales		+90	+590	Almond Sales	+450
Oct-7	Food Cart Rent	-35		+555		
Oct-8	Almond Sales		+90	+645	Total Income	+450
Oct-12	Fuel	-10		+635	Expenses	
Oct-15	Almond Sales		+90	+725	Raw Almonds	-150
Oct-15	Salary	-50		+675	Supplies and Fuel	-15
Oct-17	Ingredients and Paper	-5		+670	Rent	-35
Oct-20	Raw Almonds	-150		+520	Salary	-50
Oct-22	Almond Sales		+90	+610	Total Expenses	-250
Oct-28	Almond Sales		+90	+700	Profit (or Loss)	+200
Ending Cash Balance				+700	Ending Cash Balance	+700

Notice, Eric made five almond sales (Oct-1, Oct-8 Oct-15, Oct-22, Oct-28) for +90 each. He adds his almond sales together and writes Almond Sales +450 on his income statement under **Income**. On the income statement, circle where Eric totaled his almond sales from his Income & Expense Log.

DISCUSS

- How many times did Eric buy supplies (*ingredients, paper*) and fuel for his business?
- How much does the income statement show Eric spent for Supplies and Fuel?
- Did Eric make a profit in October?
- What is the difference between an Income & Expense Log and an Income Statement?

**PRINCIPLE 3:
UNDERSTAND A CASH FLOW PROJECTION**

PRESENT CODE — WORKBOOK

Now that you understand how to combine your Income & Expense Logs into an Income Statement, let’s look again at Eric’s records. Turn in your workbook to **page 33**. Here are three Income Statements for October, November, and December.

3 MONTHS OF ERIC’S INCOME STATEMENTS

October		November		December	
Starting Cash Balance	+500	Starting Cash Balance	+700	Starting Cash Balance	+840
Income		Income		Income	
Almond Sales	+450	Almond Sales	+450	Almond Sales	+550
Total Income	+450	Total Income	+450	Total Income	+550
Expenses		Expenses		Expenses	
Raw Almonds	-150	Raw Almonds	-200	Raw Almonds	-150
Supplies and Fuel	-15	Supplies and Fuel	-25	Supplies and Fuel	-25
Rent	-35	Rent	-35	Rent	-35
Salary	-50	Salary	-50	Salary	-50
Total Expenses	-250	Total Expenses	-310	Total Expenses	-250
Profit (or Loss)	+200	Profit (or Loss)	+140	Profit (or Loss)	+300
Ending Cash Balance	+700	Ending Cash Balance	+840	Ending Cash Balance	+1140

Income and Expense categories usually remain the same month to month, so business owners can put the income statements next to each other to compare the numbers.

Notice that in the month of November, Eric’s expenses increased. Eric burnt badly a batch of almonds, and needed to buy extra raw almonds and ingredients in order to still supply the same amount of almonds to his customers that month. In December, Eric was able to increase his sales because his roasted almonds are a popular snack during Christmas time. He had extra product left over from the month before so no extra expenses were incurred.

DISCUSS

- Is there a season that your product will be more popular? How can you predict this in your cash flow projection?
- How much does Eric pay himself each month as a salary?
- Is it ok our business process doesn’t go smoothly all the time?

ERIC'S CASH FLOW PROJECTION EXAMPLE

	October	November	December	January	February	March	April	May	June
Starting Cash Balance	+500	+700	+840						
Income									
Almond Sales	+450	+450	+550						
Total Income	+450	+450	+550						
Expenses									
Raw Almonds	-150	-200	-150						
Supplies and Fuel	-15	-25	-15						
Rent	-35	-35	-35						
Salary	-50	-50	-50						
Total Expenses	-250	-310	-250						
Profit (or Loss)	+200	-140	+200						
Ending Cash Balance	+700	+840	+1140						

Let's take Eric's Income Statements and line them up in columns next to each other in one graph. Look at *Eric's Cash Flow Projection Example on page 34* in your workbook.

The purpose of a Cash Flow Projection is to predict future income & expenses and calculate future Profit & Loss as well as cash balances.

Eric can now see how much he made and spent based on his past experience. Using a cash flow projection he can predict how much he will make and spend into the future. Let's look at his 9 month projection flow to see how well his business would do. Remember, the cash flow statement includes predictions or estimates based on past experience.

ERIC'S CASH FLOW PROJECTION TO RENT CART

	October	November	December	January	February	March	April	May	June
Starting Cash Balance	+500	+700	+840	+1140	+1340	+1540	+1730	+1930	+2130
Income									
Almond Sales	+450	+450	+550	+450	+450	+550	+450	+450	+400
Total Income	+450	+450	+550	+450	+450	+550	+450	+450	+400
Expenses									
Raw Almonds	-150	-200	-150	-150	-150	-250	-150	-150	-200
Supplies and Fuel	-15	-25	-15	-15	-15	-25	-15	-15	-25
Rent	-35	-35	-35	-35	-35	-35	-35	-35	-35
Salary	-50	-50	-50	-50	-50	-50	-50	-50	-50
Total Expenses	-250	-310	-250	-250	-250	-360	-250	-250	-310
Profit (or Loss)	+200	+140	+200	+200	+200	+190	+200	+200	+90
Ending Cash Balance	+700	+840	+1040	+1340	+1540	+1730	+1930	+2130	+2220

Turn to page 34 in your workbook. Here is Eric's cash flow if he does NOT buy the cart and keeps renting the cart to use in her business.

- What would happen to Eric's cash flow if he continues to rent the food cart?
- Is this a bad option?

PRESENT CODE — WORKBOOK

Now let's see what happens to Eric's cash flow if Eric decides to buy the food cart. He will have to invest more each month in order to pay for the cart. However, after the cart is bought he won't have to include it in his monthly expenses. Look at the bottom of page 35 in your workbook.

ERIC'S CASH FLOW PROJECTION TO BUY THE CART

	October	November	December	January	February	March	April	May	June
Starting Cash Balance	+500	+685	+810	+1095	+1280	+1465	+1640	+1825	+2100
Income									
Almond Sales	+450	+450	+550	+450	+450	+550	+450	+550	+550
Total Income	+450	+450	+550	+450	+450	+550	+450	+550	+550
Expenses									
Raw Almonds	-150	-200	-150	-150	-150	-250	-150	-200	-200
Supplies and Fuel	-15	-25	-15	-15	-15	-25	-15	-25	-30
Cart Cost	-50	-50	-50	-50	-50	-50	-50	-0	-0
Salary	-50	-50	-50	-50	-50	-50	-50	-50	-50
Total Expenses	-265	-325	-265	-265	-265	-375	-265	-275	-280
Profit (or Loss)	+185	+125	+285	+185	+185	+175	+185	+275	+270
Ending Cash Balance	+685	+810	+1095	+1280	+1465	+1640	+1825	+2100	+2370

DISCUSS

- How much can Eric afford to pay for the cart each month?
- How much will he pay for the cart?
- How much does he think his almond sales will go up while using the new cart?
- Should Eric buy the cart to help his business?
- Would a bigger cart with more features help Eric in his business?

In this example, Eric used his cash flow projection to see if he could afford to buy the food cart and if it would help him sustain a profitable business. He could also use the cash flow projection to decide on different changes to his business, such as getting a new employee, introducing another product, or investing in a permanent stand.

A cash flow projection for your business will help you plan for the future. You can predict how much income and expenses you will have. You can also predict the future and then compare it with what you really earned and spent. This will help you find problems and opportunities in your business.

DISCUSS

- What is a cash flow projection?
- How will it help your business?

ACT

Take time to make a cash flow projection with your business ideas and reports.

PRINCIPLE 4:
MAKE A CASH FLOW PROJECTION

PRESENT CODE — WORKBOOK

On the Blank Cash Flow Projection graph **on page 36**, practice making a cash projection for your business. Fill in the categories for your business under the income and the expenses headers in the first column. Refer to your practice Income Statement on page 33 in your workbook. Predict or guess what you think some of the income and expenses will be for the next six months.

This is just a practice. Have fun and do the best you can.

BLANK CASH FLOW PROJECTION									
	Month #1	Month #2	Month #3	Month #4	Month #5	Month #6	Month #7	Month #8	Month #9
Starting Balance									
Income									
Total Income									
Expenses									
Total Expenses									
Profit (or Loss)									
Ending Balance									

Share with a partner or the group some of your projections. What will you need to do to make them happen?

Turn to page 50 in the resource section your workbook. This is a blank cash flow projection for the future. Now that you have practiced making a cash flow projection, go and look at your real income statements and paperwork. If you are just working with a business idea, use your best predictions of what the business idea’s financial statements would look like! You will make a real cash projection for your business or business idea this week using this form.

DISCUSS

- How does knowing your available cash help you make decisions about your business?

ACT

Turn to page 36 in your workbook and read along the following statements:

CASH FLOW PROJECTIONS

1. Cash flow projections help me compare my actual expenses with my budget expenses at the end of each month.
2. Cash flow projections help me know if my business is reaching its goals.
3. Cash flow projections help me plan for the future.

Make a six month Cash Flow Projection for your business before the next meeting.



PAPERWORK PRINCIPLES SUMMARY

The 6P's of Business are Plan, Product, Price, Process, Promotion and Paperwork. Today we learned about Paperwork. **Turn to page 31** of your workbook. Read together the five principles of *Paperwork-Cash Projection* we discussed today:

1. **Know your available cash.**
2. **Use your Income Statements.**
3. **Understand a Cash Flow Projection.**
4. **Make a Cash Flow Projection.**

BUSINESS PLAN COMMITMENTS

- *Before the next meeting, I will use my business paperwork to make a six month Cash Flow Projection for my business.*

BUSINESS SPOTLIGHT FOR NEXT WEEK

*(Choose someone to present their business to the group during the Spotlight time at the beginning of the meeting next time. Remember to use the Spotlight 6P's Business Checklist **on page 43** of your workbook.)*

ACTION PARTNERS

Are you contacting your Action Partner during the week? Although it's optional, a text, call or visit help each of us keep our commitments. For variety you can pick a new Action Partner each time, or keep pairing up with someone you work well with.

MBS JR. REQUIREMENTS

Remember that to certify you must prepare a business plan, a home plan, and a community plan. Fill out the blank plans **on page 57-61** of your workbook as you discuss each principle each class. If completing your MBS Jr. project online, begin to write your plan into the Success Platform to qualify for your MBS Jr. Certificate.

PRESENT CODE — ACTIVITY

Make your commitments for the next meeting.

COMMIT TO ACTION FOR NEXT TIME:

BUSINESS PLAN COMMITMENT

- I will use my business paperwork (both my Income & Expense Logs and my Income Statements) to make a six month Cash Flow Projection for my business or business idea.

PERSONAL PLAN COMMITMENT

- I will improve one area of my Personal Improvement Plan.

SAVINGS COMMITMENT

- I will add to my savings — even if it's just a coin or two.

DISCUSS:

- Who would like to share their Personal Plan Commitment for this week?
- Which commitment will be the easiest to keep for you this week?
- Which commitment will be the hardest?

ACT:

Meet now with your Action Partner for this week. Discuss your business ideas and decide how you will encourage each other during the week to keep your commitments. If you do not have an action partner, take this time to find one among your group members. Then say each commitment aloud to your action partner.

Plan to keep your commitments by signing your workbook.

(Thank everyone for coming and participating. Encourage them to keep their commitments and attend next time. Close the meeting.)

UNIT 11: PLAN—MAKE IT LEGAL



- 1. Know your legal requirements.**
- 2. Decide when to make your business legal.**

PRESENT CODE — ACTIVITY

(Have the participants fill out the commitment chart and report on their progress.)

Business Plan: Use my practice business records to make a six month cash flow projection for my business or business idea.

Personal Improvement Plan: Choose to improve a specific area from your Personal Plan.

Savings Plan: Save money, even just a coin or two.

(Recognize those who kept their commitments and encourage those who did not.)

COMMITMENTS CHART			
Name	Business	Home	Savings
Jean C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

DISCUSS:

- What did you learn last week as you kept your commitments?
- What problems did you have as you tried to keep your commitments?

ACT:

Have the person assigned last time present their business idea.

PLAN-MAKE IT LEGAL INTRODUCTION

PRESENT CODE — PICTURE & STORY

(Show the picture on page 106, then read aloud together the 2 principles in this unit.)



1. Know your legal requirements.
2. Decide when to make your business legal.

Dario's favorite food is pizza. He wanted to open his own pizza business. He heard that it was a good idea to legalize a business, so before selling any pizza, he decided to work with the government to legalize his business. He spent hundreds of dollars and months of time to get the paperwork done. When he started selling pizza, no one bought any. He was losing money. He decided to quit the business but now he has to pay the government to close the business.

DISCUSS:

- Why did Dario decide to legalize his business?
- Could it have been beneficial for Dario to try selling his pizza before legalizing his business? What are some things Dario could have done differently?
- What were some negative consequences of legalizing his business too early?

ACT:

If you are starting a small business in your youth, it might not be necessary to legalize your own business. Decide if, how and when you will make your business legal during this unit.

Facilitators:

Youth often don't have their own established businesses that are ready to be legalized. It is up to you to determine what to teach and how much to teach during this unit to your group.

To be prepared for this unit you must know the laws of your area. Are there age limits in order to legalize a business? Will the youth be able to cover these costs? How operable could their businesses be without legalization?

Here are some things you might want to research:

- *How tolerant are the local authorities of informal businesses?*
- *Which government departments do you need to know about?*
- *What is the official process?*
- *What forms are needed to formalize a business?*
- *Will there be any fees?*

It really is your choice to decide how much and what to teach during this unit.

PRINCIPLE 1:**KNOW YOUR LEGAL REQUIREMENTS****PRESENT CODE — WORKBOOK**

Did you know? Each country has its own legal requirements for running a business. Most countries have national, state, district and local government agencies with different regulations.

There are many different ways you can learn about your legal requirements. Even if you don't plan on legalizing your business soon, even knowing the steps now can help you in the future. Here are some ideas:

1. Invite a guest business owner who has legalized their business to speak to your group.
2. Assign different members of the group to research and then return and report back to the group on federal, provincial and municipal requirements.
3. Search online for local requirements.
4. Visit businesses similar to yours and ask about their legal requirements.

DISCUSS

- What are the minimal steps you can take to start to make your business legal?
(Lead a discussion of the Legal Requirements in your area. List the requirements that apply to your group.)

ACT

Turn to page 38 of your workbook and write down what you would need to do to make your business or business idea legal.

ACT (OPTIONAL)

Turn to page 39 in your workbook to the chart *Your Legal Requirements*. Use this chart to take notes as you discuss the legal requirements that each of our businesses need to meet. Not all businesses have exactly the the same requirements.

- What are the national, district and local requirements for our businesses?

YOUR LEGAL REQUIREMENTS			
	National	District/State	Local
Business Taxes			
Employee Taxes			
Social Security			
Receipts			
Registration			
Permits & Licenses			
Bank Accounts			
Insurances			
Business Size <i>(Small Business vs Big Business)</i>			
Other			

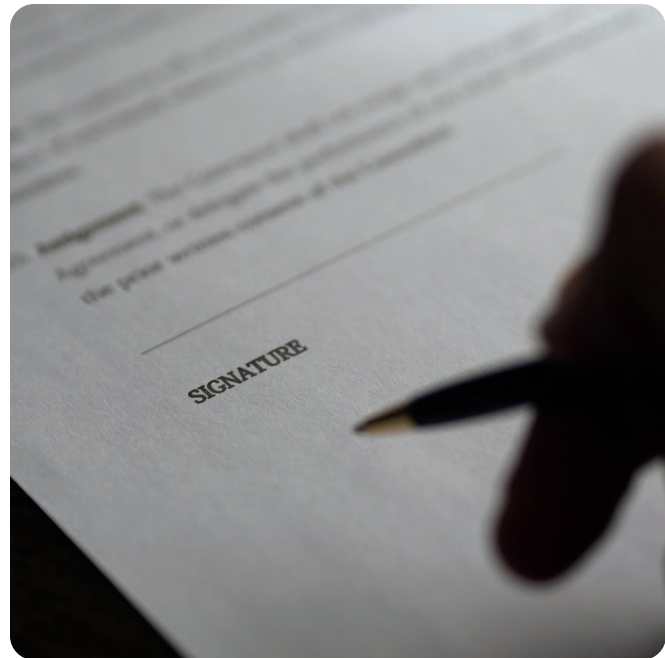
**PRINCIPLE 2:
DECIDE WHEN TO MAKE
YOUR BUSINESS LEGAL**

PRESENT CODE — STORY

Remember Dario from our beginning story? He legalized his business without even sampling his product in his community. Legalizing his business too early hurt him instead of helping him. Knowing when you should legalize your business is not an easy decision, and should be made very carefully. Let's talk more about it.

DISCUSS

- When should we start to make our business legal?
- Could we implement the legal requirements one step at a time?
- What would be the best timing for you and your business idea?
- Should we all legalize our businesses at the same time?



ACT

Turn to page 38 in your workbook and write down if, how and when to make your business legal.

PLAN PRINCIPLES SUMMARY

The 6P's of Business are Plan, Product, Price, Process, Promotion and Paperwork. Today we learned about Plan. **Turn to page 38** of your workbook. Read together the two principles of *Plan—Make It Legal* we discussed today:

- 1. Know your legal requirements.**
- 2. Decide when to make your business legal.**

BUSINESS PLAN COMMITMENTS

This week's Business Plan Commitment or homework assignment is to decide how and when to make your business legal.

- 1. I will learn the requirements to make my business idea legal.**
- 2. I will decide if and when to make my business legal.**

PRESENT CODE — ACTIVITY

Make your commitments for the next meeting.

COMMIT TO ACTION FOR NEXT TIME:

BUSINESS PLAN COMMITMENT

- I will learn the requirements to make my business idea legal (now or in the future.)
- I will decide if and when to make my business legal.

PERSONAL PLAN COMMITMENT

- I will improve an area of my Personal Improvement Plan.

SAVINGS COMMITMENT

- I will add to my savings — even if it's just a coin or two.

DISCUSS:

- Who would like to share their Personal Plan Commitment for this week?
- Which commitment will be the easiest to keep for you this week?
- Which commitment will be the hardest?

ACT:

Meet now with your Action Partner for this week. Discuss your business ideas and decide how you will contact and encourage each other during the week to keep your commitments. If you do not have an action partner, take this time to find one among your group members. Then say each commitment aloud to your action partner.

Plan to keep your commitments by signing your workbook.

(Thank everyone for coming and participating. Encourage them to keep their commitments and attend next time. Close the meeting.)

UNIT 12: YOU DID IT!



WHAT WILL WE DO NEXT?

- 1. Set motivating goals.**
- 2. Complete your MBS Jr. requirements.**
- 3. Celebrate success.**

PRESENT CODE – ACTIVITY

(Have the participants fill out the commitment chart and report on their progress.)

Business Plan: Learn the requirements to make your business idea legal. Decide if or when to make your business legal.

Personal Plan: Choose to improve a specific area from your Personal Plan.

Savings Plan: Save money, even just a coin or two.

(Recognize those who kept their commitments and encourage those who did not.)

COMMITMENTS CHART			
Name	Business	Home	Savings
Jean C.	yes	yes	yes
Maria T.	no	yes	no
Your Name	?	?	?

DISCUSS:

- What did you learn last week as you kept your commitments?
- What problems did you have as you tried to keep your commitments?
- Are you almost done completing your MBS Jr. requirements?

ACT:

Commit to always set clear, specific, motivating goals and work to achieve them in your life.

YOU DID IT! INTRODUCTION

PRESENT CODE – PICTURE & STORY

(Show the picture on page 112, then read aloud together the 3 principles in this unit.)



1. **Set motivating goals.**
2. **Complete your MBS Jr. requirements.**
3. **Celebrate success.**

DISCUSS:

- What do we need to do before we graduate?
- When will we graduate? Will we have a ceremony?
- What are ways that we can keep progressing even after graduating?

ACT:

Prepare for graduation and your graduation ceremony by discussing the principles of this unit.

PRINCIPLE 1: SET MOTIVATING GOALS

PRESENT CODE — SKIT

(Invite two of your more talkative participants to sit in front of the group. Both will pretend like they are older people near the end of their lives.

*Privately tell one of the participants to complain that they never accomplished much. They didn't have a family, worked wherever they could find work, didn't do any travel or anything really fun, and never felt like part of a community during their life. (Key point: **They never set goals.**)*

*Privately tell the other to be excited when talking about their life. They had their own business, they had a balanced family life and they served the community. Have them be happy about their life. (Key point: **They set goals.**)*

Then, tell the rest of the group that they have some special older guests who have come to answer questions about life. Have the group ask questions to these "older people".

"How was life?"

"Are you happy?"

"Why are you happy?"

"What wisdom would you give us?")

A powerful goal must have three important steps:

Measurable: When will the goal be done and how will we know it is achieved?

Motivating: Does the goal excite you & make you want to work hard to achieve it?

Specific: Do you have a specific way that you will achieve the goal?

An example of a weak goal: "I want to make more money in my juice business."

An example of a powerful goal: "I will increase my juice sells 10% as seen on my income statement at the end of next month." Or "I will leave one hour earlier each morning to sell my orange juice."

DISCUSS

- Why was one of the people in the skit happier than the other?
- Why is it important to have goals?
- Why are specific goals more powerful?
- What would be a powerful goal for your personal life?
- How do you set powerful goals?

ACT

Turn to page 40 and write a powerful short term and long term goal. Now **go to page 57** and add these goals to your business plan. Make sure that they are motivating, measurable and specific.

PRINCIPLE 2: COMPLETE YOUR MBS JR. REQUIREMENTS

PRESENT CODE — WORKBOOK

Turn to pages 52 – 56 in your workbook and review the *Sample MBS Jr. Business Plan*. Now look at the *Blank MBS Jr. Plan template* on page 57-61.

DISCUSS

- Do we know what the MBS Jr. requirements are?
- How are we going to finish our MBS Jr. requirements?
- Do we need help?
- What questions do we have about our three plans?

ACT

Take the time now to finish the plans and/or set a time when you can meet to help each other complete your plans. Set a powerful goal to have the plans done at a specific time so you or your Success Ambassador can get your plans uploaded onto myPlatform.

Make sure to complete your Participant Post Evaluation found at the back of your Participant Workbook. You should also fill out the Ambassador Evaluation anonymously.

PRINCIPLE 3: CELEBRATE SUCCESS

PRESENT CODE — EXPLANATION

We have accomplished a lot. Once we turn in our MBS Jr. requirements we will have earned our MBS Jr. certificate. We need to celebrate and have a graduation!

DISCUSS

- When will all of the MBS Jr. Business plans be handed in?
- Will they be submitted by you online?
- Will we scan and upload them to myPlatform?
- When can we have the graduation? (*Make sure it's at least 15 days after the last day of classes.*)
- Where will graduation be held? Will we have caps and gowns? Will there be refreshments? (*Be sure to remind them the cost is theirs' unless a graduation celebration was included in the fees. Remember your online Success Ambassador training and refer to it if you have any questions.*)

ACT

Let's plan the graduation and set a time for the next meetings to help finish the MBS Jr. requirements if needed.

(You have completed the MBS Jr. training material! Congratulations. Hold additional classes as needed to complete the MBS Jr. plans, improve paperwork, finish your service projects or review any subject that needs more work as a group.

When paperwork is completed, please use myPlatform, the Success Platform, in order to upload all the material properly. Please refer to the Success Ambassador Guide for instructions on how to use myPlatform. If your students have chosen to complete their requirements online, please encourage and work with them in order to complete their projects. We are excited for you!

Congratulations!)



YOU DID IT! PRINCIPLES SUMMARY

The 6P's of Business are Plan, Product, Price, Process, Promotion and Paperwork. Today we learned about Plan. **Turn to page 41** of your workbook. Read together the three principles of *Plan—You did it!* we discussed today:

- 1. Set motivating goals.**
- 2. Complete your MBS Jr. requirements.**
- 3. Celebrate success.**

PRESENT CODE – ACTIVITY

Make your commitments for the next meeting.

COMMIT TO ACTION FOR NEXT TIME:

BUSINESS PLAN COMMITMENT

- I will complete and hand in all my paperwork for my MBS Jr. requirements at our next meeting.
- I will make sure all my requirements are entered into myPlatform online.

PERSONAL PLAN COMMITMENT

- I will update and hand in or submit online my Personal Improvement Plan for my MBS Jr. requirements at our next meeting.

SAVINGS COMMITMENT

- I will keep saving!

We are close to graduating!

Congratulations!

As your Success Ambassador (or group facilitator), I am excited to help you finish your preparations in order to receive your MBS Jr. certificate and celebrate in an exciting graduation ceremony!

(Thank everyone for coming and participating. Encourage them to keep their commitments and continue to practice the good habits they have created.)

(Close the meeting.)



MBS Jr. OUTLINE

Unit 1: You Can Become Self-Reliant.

1. Groups build self-reliance.
2. Make three plans for success.
3. Apply the 6P's of Business.
4. Improve your quality of life.
5. Serve your community.
6. Make and keep commitments.

Unit 2: Product

1. You deserve success.
2. Get to know yourself.
3. Decide what sells.
4. Know your competition.
5. Know and value your clients.

Unit 3: Plan

1. Create a business plan.
2. Create a personal improvement plan.
3. Create a community service plan.

Unit 4: Paperwork—Personal Budgeting

1. Separate business and personal money.
2. Pay yourself a salary or commission.
3. Don't steal from your business.
4. Save regularly.
5. Make and follow a personal budget.

Unit 5: Paperwork—Business

1. Keep records.
2. Record income and expense at the point of sale.
3. Make an Income and Expense Log.
4. Create an Income Statement.
5. Avoid selling on credit

Unit 6: Price

1. Know the cost of your product.
2. Reduce costs.
3. Increase prices or sales by adding value.
4. Have more than one supplier.

Unit 7: Process

1. Know your process.
2. Constantly improve your process.
3. Hire slow and fire when necessary.
4. Use time wisely.

Unit 8: Promotion

1. State your business in 30 seconds.
2. Brand your business.
3. Put your customers first.
4. Keep it clean and organized.
5. Constantly improve sales.

Unit 9: Paperwork—Productivity

1. Build productive assets.
2. Put your skin in the game.
3. Beware of bad debt

Unit 10: Paperwork—Cash Projection

1. Know your available cash.
2. Use your income statements.
3. Understand a cash flow projection.
4. Make a cash flow projection.

Unit 11: Plan—Make It Legal

1. Know your legal requirements.
2. Decide when to make your business legal.

Unit 12: You did it!

1. Set motivating goals.
2. Complete your MBS requirements.
3. Celebrate success.

Find out more at

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