

# BUSINESS AND TOURISM ENTERPRISE TRAINING

## Module 2.2: TOURISM ENTERPRISE AND PRODUCTS



## ACKNOWLEDGEMENTS

The materials used to develop this training module were developed and compiled by a number of individuals and organisations over the past 15 years as part of the Namibian CBNRM Programme. Acknowledgement is thus given to all contributing NACSO members, NACSO's international development support partners, and the individual and collective experiences of the NACSO members and partners who made the production of this module possible. The further development of the training material has been made possible with support from MCA Namibia.



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## GENERAL TRAINING TIPS

### Preparation:

- Prepare each session in advance and ensure all necessary materials and visual aids are available (use visual aids wherever possible to enhance your training)
- Be aware of local customs – remember to open and close the training day with a prayer and give due recognition to any traditional leaders present
- Provide translation services where necessary (this will need to be arranged in advance – it may not be appropriate to ask a participant to translate)

### General training and presentation guidelines:

- Use good time management to ensure every aspect of your training is completed – but take into account the possible need for translation and be prepared to slow down if necessary to ensure that all participants understand
- Maintain good eye contact with participants
- Speak clearly
- Keep your training language simple and appropriate to your audience
- Bridge one topic to the next
- Provide clear instructions for activities and check to see if your instructions are understood
- Where appropriate summarise each component of the module
- Avoid reading from this trainer's manual

### Visual presentation:

- Write clearly and boldly if using flip charts
- Keep your visual aids clear – avoid blocking participants' view of visual aids

### Involving the participants:

- Encourage questions and participation
- Ask questions to get participants thinking about the topic and key issues
- Keep the group focused on the task, but take breaks if participants are tired and losing concentration – be aware of body language
- Be patient and courteous with all participants
- Talk to your participants and not to the flipchart
- Acknowledge the comments and feedback from participants



*NB: Where we wish to indicate that text in this module refers to an activity that training participants are expected to undertake, we have employed this little icon.*



## ABOUT MODULE 2.2: TOURISM ENTERPRISE AND PRODUCTS

<p><b>OBJECTIVES:</b> People who receive training in MODULE 2.2 will gain knowledge on:</p>	<ol style="list-style-type: none"> <li>1. SME planning: <ul style="list-style-type: none"> <li>• tourism planning</li> <li>• business planning</li> <li>• design</li> <li>• enterprise funding</li> <li>• profit management</li> <li>• legal requirements</li> </ul> </li> <li>2. SME development: <ul style="list-style-type: none"> <li>• management structures</li> <li>• training</li> <li>• contracts</li> <li>• construction</li> </ul> </li> <li>3. SME operations: <ul style="list-style-type: none"> <li>• administration and finance systems</li> <li>• marketing</li> <li>• monitoring systems</li> </ul> </li> <li>4. The future of the SME: <ul style="list-style-type: none"> <li>• annual business review</li> <li>• new product development</li> </ul> </li> </ol>
<p><b>COMPETENCIES:</b> People who receive training in MODULE 2.2 will be able to:</p>	<ol style="list-style-type: none"> <li>1. Know all aspects of developing tourism SMEs.</li> <li>2. Understand the process for tourism SME development and the different components involved.</li> <li>3. Understand the process of identifying a tourism opportunity and how to demonstrate viability through a business plan.</li> <li>4. Know the different management structures and the basic management systems that need to be in place.</li> <li>5. Can explain the relationship between the SME and the conservancy, and how this should be managed with simple monitoring systems.</li> </ol>
<p><b>MODULE 2.2 is intended for:</b></p>	<p>Enterprise Staff, the Conservancy Manager, the Management Committee (and Enterprise Committee if it exists), entrepreneurs in conservancies.</p>
<p><b>Duration of MODULE 2.2:</b></p>	<p>The training for this Module will usually last 5 days</p>

To train this MODULE 2.2 you will need to have (enough for everyone):	Check
Flipchart stand, sheets and different coloured marker pens ("kokies")	✓
Module 2.2 Handouts	
Prepared Flipchart Sheets (if you prefer to use them)	
Paper and pens for participants	
At least 10 brochures from various tourism enterprises (some of community enterprises), e.g. campsites, fly-in safaris, lodges, tours, craft shops, restaurants, etc.	



The training of this **MODULE 2.2** will generally follow this schedule:

TOPIC 1:	SME planning
TOPIC 2:	SME development
TOPIC 3:	SME operations
TOPIC 4:	Future of the SME
SELF-ASSESSMENT:	Assessing participants' understanding of this Module (Handout #21)



## KEYWORDS and ACRONYMS for this MODULE

<b>Business</b>	An activity carried out in order to make money. It provides services, produces good and sells good at a profit, i.e. doing something for others for profit (manufacturing, service or retail)
<b>Business Plan</b>	A business plan is a formal statement of a set of business goals, the reasons why they are believed attainable, and the plan for reaching those goals. It may also contain background information about the organization or team attempting to reach those goals.
<b>CBE</b>	Community-based Enterprise
<b>CBT</b>	Community-based Tourism
<b>CBTE</b>	Community-based Tourism Enterprise
<b>Client or Customer</b>	Someone who purchases or hires something from someone else
<b>Contract</b>	A written document that sets down what has been agreed between two parties. Who does what, when, where and for how long.
<b>Entrepreneur</b>	Entrepreneur is a term applied to a person who is willing to help launch a new venture or enterprise and accept full responsibility for the outcome.
<b>Expenses</b>	Money spent by the business and may include buying things for the business, paying for rent, electricity, transport, stationery etc. Salaries are also expenses.
<b>LAC</b>	Legal Assistance Centre ( <a href="http://www.lac.org.na">http://www.lac.org.na</a> )
<b>Management</b>	The way in which tasks of an enterprise are organised and who is given responsibility for carrying them out.
<b>Market Segmentation</b>	People with one or more characteristic that cause them to demand similar product and/or services based on qualities of those products such as price or function.
<b>Marketing Plan</b>	A marketing plan may be part of an overall business plan. A marketing plan for a small business typically includes Small Business Administration Description of competitors, including the level of demand for the product or service and the strengths and weaknesses of competitors
<b>MET</b>	Ministry of Environment and Tourism
<b>NNF</b>	Namibia Nature Foundation
<b>NTB</b>	Namibia Tourism Board ( <a href="http://www.namibiatourism.com.na">http://www.namibiatourism.com.na</a> )
<b>Performance Target</b>	A set standard against which we can measure whether someone or something is performing well or not.
<b>Products</b>	The things a business makes or sells.
<b>Profit</b>	The money left over in a business after all expenses are paid.
<b>Promotion</b>	The communication link between sellers and buyers for the purpose of influencing, informing, or persuading a potential buyer's purchasing decision.





<b>Resources</b>	Something that needs to be used in order to benefit from it. These could be renewable and non-renewable.
<b>Small and medium enterprises (SME)</b>	These are companies whose headcount or turnover is quite small.
<b>Self-employed</b>	A person who works for himself or herself in order to earn money. They are their own boss.
<b>Sole Proprietorship</b>	A type of business that is owned and run by one individual and in which there is no legal distinction between the owner and the business.
<b>Strategic Planning</b>	Strategic planning is an organization's process of defining its strategy, or direction, and making decisions on allocating its resources to pursue this strategy, including its capital and people
<b>Target Market</b>	The group of people (the market segment) that the product is aimed at.
<b>Tourism Plan</b>	A document that identifies tourism development opportunities/ options within a given area



## INTRODUCTION

- 1 **DISTRIBUTE:** Handout #1, the **CBT implementation process** which also covers the objectives of Module 2.2. Focus on the four main topics, which are Planning, Development, Operations and the Future.

### Objectives:

1. SME planning:
  - tourism planning
  - business planning
  - design
  - enterprise funding
  - profit management
  - legal requirements
2. SME development:
  - management structures
  - training
  - contracts
  - construction
3. SME operations:
  - administration and finance systems
  - marketing
  - monitoring systems
4. The future of the SME:
  - annual business review
  - new product development

- 2 **LIST:** The **competencies** of Module 2.2 by writing them on a flipchart sheet. To save time you may prefer to have Flipchart Sheet #1 prepared in advance.

### Competencies:

1. Know all aspects of developing tourism SMEs.
2. Understand the process for tourism SME development and the different components involved.
3. Understand the process of identifying a tourism opportunity and how to demonstrate viability through a business plan.
4. Know the different management structures and the basic management systems that need to be in place.
5. Can explain the relationship between the SME and the conservancy, and how this should be managed with simple monitoring systems.



**NOTE:** If participants are unfamiliar with the concept of small and medium enterprises (SMEs), you may wish to start the training by explaining what an SME is, and why they can be important for conservancies.

**3** **DISTRIBUTE:** Handout #2, the main sources of income to conservancies in 2009. Focus on the income from crafts, campsites and community-based tourism enterprises (CBTE) and veld and forest products as these are all 'businesses' in conservancies which generate income.

**ASK: What are 'small and medium enterprises' and do you know any examples?**

**4** Ask pairs to consider these questions, and then ask a few pairs to suggest answers while the rest listen. Write the first few pairs' contributions on a flipchart sheet under the heading 'SMEs' and then ask other remaining pairs to add any further contributions (and write these on the flipchart sheet as well).

**5** **DISTRIBUTE:** Handout #3, **a broad range of potential CBNRM enterprise opportunities.** Discuss handout and come up with additional examples.

**EXPLAIN:** Small and medium enterprises are companies or businesses whose headcount or turnover is quite small. In South Africa the term SMME for Small, Medium and Micro Enterprises is used and elsewhere in Africa, MSME is used for Micro, Small and Medium Enterprises. These enterprises could be:

- Photographic safaris
- Campsites
- Crafters or wood carvers
- Tyre repair
- Harvesting of devil's claw or commiphora resin
- Mountain Guides
- Traditional Villages etc.

**NOTE:** The focus of this training manual is mostly on tourism-related enterprises.



## TOPIC 1: SME planning

### Session 1: Tourism planning (approximately 30 minutes)

**NOTE:** The aim of this first session on **tourism planning** is to get participants involved early on and to lay the foundation for future sessions by developing an understanding of overall planning when setting up a business and why it is so important to plan.

**NOTE:** For additional information on this session, consult the Tourism Joint Venture Management Training Manual.


**1** **EXPLAIN:** What is a **Tourism Plan**: A tourism plan is a document (often summarised into a poster with photos and maps) that identifies tourism development opportunities or options within a given area. Experience has shown us that for the best result in tourism planning, all major stakeholders need to be involved and supportive. A wide range of tourism opportunities to maximise the potential of a given area need to be included whilst ensuring sustainable use of the environment and resources.

#### ASK: Why do we need a tourism plan?

**2** Pose the question to participants and write down responses on a flipchart. Discuss as a group. 

**3** **EXPLAIN:** We need a **Tourism Plan** as:

- It provides all stakeholders with a framework within which support can be provided.
- It assists in deterring uncontrolled and unplanned developments.
- It allows resources and support to be focused on the tourism plan recommendations.

**4** **DISTRIBUTE:** Handout #4, **Business Options Plan - Otjimboyo**. Divide participants into pairs or groups and ask them to study the handout in detail. Now ask them to list the information which is supplied on the poster by first listing the main topics and then going into more detail. Write responses on the flipchart and discuss. Find out how many conservancies represented at the training already have business option plans. 

**5** **EXPLAIN:** The tourism plan is developed by a qualified individual or organisation that will ensure that it fits in with the national and regional tourism planning frameworks. There are a number of steps involved in compiling a tourism plan:



- **Obtain support** from line ministry and establish steering committee to guide the process
- **Contact all stakeholders**
- Identify **management unit** for planning
- Develop **community-driven vision**
- Call in an **advisor** with private sector experience who together with community representatives will identify further tourism attractions/opportunities
- Develop a **draft plan** in the form of a poster (maps, photos, text, graphs) showing existing and potential opportunities
- Undertake a **feasibility study** (i.e. financial analysis, market research, etc)
- Present draft tourism plan to all **stakeholders for input**
- **Finalise tourism plan**
- Undertake **environmental impact assessment (EIA)**
- Tourism plan is now presented back to communities for **final approval**
- Finalise tourism plan with all posters, maps, accompanying text, annexes, additional information etc into **tourism plan report**.
- The line Ministry or Directorate (e.g. Directorate of Tourism) to '**approve**' and **launch** tourism plan.

## Session 2: Business Planning (*approximately 2 hours*)

**NOTE:** The aim of Session 2 is to understand:

- *what is meant by a business plan and why we need one*
- *how to develop a business plan*
- *what makes a business viable.*

1

**EXPLAIN:** A **Business Plan** is a document that describes a business and its environment, its short- and long-term objectives and the intended means and methods (activities) for achieving these objectives. The business plan should guide your business and determine whether or not it will be viable.

2



**DISTRIBUTE:** Handout #5, **Business Plan Checklist**. Divide participants into pairs or groups and ask them to use a business they know quite well as a guide to answer the questions. As this is a hypothetical business there are no right or wrong answers but participants will have a clear understanding of what information needs to be thought through properly before it is possible to draft a business plan. Once all questions have been ticked, the ticks need to be added up.


**NOTE:** The more NO ticks, the higher the chances of your business failing due to lack of good planning. If you cannot answer some of the questions, call in the help of a business consultant or an NGO.



**Ask: Why do we need a business plan?**

- 3** **EXPLAIN:** A business plan is an important guide to assist you in planning and operating your business. It can help to do the following:
- Determine or “test” your business viability and help stakeholders to decide if the business should be developed or not.
  - Set targets and provide projections for expected income, expenditure and profits.
  - It can be used as a tool against which you can measure the progress of your business.
  - It can be used to obtain funds from banks, investors or donor grant funds.
  - It can be used as a reference document when there is confusion or disagreement within the community.

**Ask: When is a business viable?**

- 4** **DISTRIBUTE:** Handout #6, an exercise to determine whether a basket weaving **business could be viable**. Divide participants into pairs or groups and ask them to study the handout in detail before writing anything. Now ask them to complete all the blocks next to the questions as though they are setting up this basket weaving business. Now ask them to decide whether they would continue and start this business or think of another business venture. 

Write responses on the flipchart and discuss.

**Session 3: Design Planning** (*Approximately 1 hour*)

- 1** **EXPLAIN:** A **design plan** is a plan that:
- Outlines the layout & design of the enterprise.
  - Shows what should be built, where, what it will look like and what materials will be used.
  - Includes drawings, photos, diagrams and maps and helps stakeholders to ‘visualise’ the product.
  - Needs to consider what the tourist wants.
  - Provides a framework for stakeholders.
  - Creates a common vision, gives direction and will minimise misunderstanding.
  - Helps us to avoid unplanned & inappropriate (not what the tourism wants) developments



**ASK: What do we need to keep in mind when developing a design plan?**

**2** **EXPLAIN:** A design plan is developed according to **what the tourist wants** or needs from the facility or product. We need to know what other products are out there and of course all of us usually have a budget to work with. It might be useful to use an expert to develop the design plan and make sure he/she has a design planning team to work with and consult. At all stages ensure that the stakeholders are involved and that they approve the design. Once the design plan has been approved it needs to be used.

**3** **DISTRIBUTE:** Handout #7, **Nambwa Campsite Design**. Ask participants to study the campsite design. Working on their own they now need to think of where would be the best place for a craft shop and kiosk. They need to mark the spot with an 'x' on the map. They need to think of what local materials are available to build the craft shop and kiosk (walls, roof, windows or shutters/openings). Discuss one or two answers with the whole group.

#### **Session 4: Enterprise funding** (*Approximately 2 hours and 30 minutes*)

**EXPLAIN: Enterprise Development Funding** is the money required to establish and carry out the initial activities of developing tourism SMEs. This funding needs to be part of the business plan and the design plan.

**Ask: Why do we need enterprise development funding?**

**1** **EXPLAIN:** Money is required in order to pay for the various resources that are needed to develop a Community-based enterprise (CBE). These are:


- Capital costs
- Initial 'running' or operational costs
- Initial human resource development (training)
- Initial marketing (promoting the enterprise)

**2** **EXPLAIN:** We will now look at the four main costs in more detail starting with Capital Costs. **Capital Costs** are normally associated with the cost of developing the infrastructure of the enterprise. It is important that the capital costs for developing and starting up the business are identified in enough detail to make sure that the budget is accurate and that there is enough money to start the business.

**3** **DISTRIBUTE:** Handout #8, **Capital Costs**. Ask participants to study the possible capital costs for an enterprise, e.g. campsite. Now ask



them to think of additional capital costs and write them in the space provided. Discuss.

- 4** **LIST:** On Flipchart Sheet #2, list the following: Initial 'running' or operational costs, initial human resource development costs and initial marketing costs. Leave a little space under each heading.  After you have explained the terms, get some suggestions from the participants for each heading and ask a participant to write them on the flipchart under the correct headings.

Initial running or operational costs	Initial human resource development costs	Initial marketing costs
1.	1.	1.
2.	2.	2.
3.	3.	3.

**5** **EXPLAIN: Initial Running Costs** occur once the business is operational but does not yet generate enough income to cover all costs. We therefore need to ensure that there is enough money available to cover the initial costs (staff, services, transport, supplies, etc) for perhaps the first six months, whilst the business is growing.


**6** **EXPLAIN:** Good staff is needed for the business and it might be necessary to train the staff. For this we need to include **Initial Human Resource Development Costs** in our business plan. Sometimes the management of the business is outsourced, then that company needs to supply the trained staff. However, if the manager and staff or crafters/guides are recruited by the conservancy it will be the responsibility of the conservancy to pay for and organise training. Apart from some specialised skills the enterprise requires, the staff will need to know about tourism and tourists, customer service, basic financial management, administration, staff management, maintenance skills, how to market, how to operate a booking system etc, to mention just a few. It is important that an adequate budget is prepared for the initial training needs of an enterprise. This amount of money should be included as part of the development cost of the enterprise. In future, as the business grows and generates income, a proportion of the income should be set aside every year for the continuation of training and upgrading of skills.


**7** **EXPLAIN:** The tourists and tour companies need to know that your business exists. A business can take two to three years to reach its full potential in terms of income. It is therefore important to let people know as soon as possible that a new business is available for tourists. This is done even before the business is open. We thus need to budget for **Initial Marketing Costs**. Again money should be set aside every year for continued marketing.



**Ask: Who can we approach for development funding?**

**8** **EXPLAIN:** We have now established the various costs which we need to budget for in our business plan. There are a number of types and sources of funding and therefore different approaches can be taken.

**9** **LIST:** The **funding types** by writing them on a flipchart sheet. To save time you may prefer to have Flipchart Sheet #3 prepared in advance. 

**10** **DISTRIBUTE:** Handout #9, **Bank loan repayment**. Read through with participants and discuss in detail. Explain that bank loans can become very expensive especially when the interest rates increase unexpectedly. 

Funding types	
<b>Own money</b>	<ul style="list-style-type: none"> <li>• Best to start a business with your own funds.</li> <li>• Use conservancy income to invest in a new business.</li> </ul>
<b>Grants</b>	<ul style="list-style-type: none"> <li>• A grant is an amount of money that has been donated for the purpose of developing something specific – in this sector it could be a campsite, craft market, information centre, tour guide company, cultural group etc.</li> <li>• Grants often do not need to be paid back to the NGO, Government or other donors.</li> <li>• The NNF website has a page for grants that are available: <a href="http://www.nnf.org.na">http://www.nnf.org.na</a></li> </ul>
<b>Bank and other loans</b>	<ul style="list-style-type: none"> <li>• Loans are an important source of funding available to potential CBEs.</li> <li>• The money loaned needs to be paid back to the lending organisation after a set period of time</li> <li>• Money paid back includes 'interest', i.e. the lender receives more money back than was originally given.</li> </ul>
<b>Investors or partners</b>	<ul style="list-style-type: none"> <li>• Enter into a partnership to manage and fund the business.</li> <li>• Only a good idea if the enterprise is predicted to generate a high income.</li> </ul>

**11** **EXPLAIN:** Funds should be obtained after the completion of a business plan and when the development budget has been finalised. It is the business plan and the development budget that tells us what we need funding for and how much we need and when. Obviously if the funding for the business cannot be sourced from somewhere, it is not possible to start the business.





## Session 5: Profit management (*approximately 1 hour*)

**1** **EXPLAIN:** Profit management is a way in which the profits that are generated from an enterprise are managed. It is recommended that profit management be formally developed into a brief profit management plan that should be incorporated into the business plan and financial projections. This helps to ensure that there is agreement in terms of how profits will be used well before the enterprise starts making any profit.

When drawing up the profit management plan, it is important to remember that the income generated by the enterprise must firstly be used to cover all budgeted expenses (daily running costs). It is only when these are all covered (for the whole year) that the enterprise starts to make profit.

**NOTE: Income is not profit** without first deducting all the operational costs as well as the budget expenses.

**NOTE:** It is important to remember that in Namibia, tourism is often very seasonal – this means that there are months in the year when very few tourists will come to the enterprise and you will need to draw on savings to cover these periods.


**2** **DISTRIBUTE:** Handout #10, **Profit Management Plan**. Discuss with participants. Ask each participant to think of an example of product development costs, maintenance expenses, and anything unexpected that can happen for which the contingency is needed. Ask participants to read out answers and discuss.

**3** **EXPLAIN:** The first **profit management plan** should be developed prior to opening as part of the business planning process. This first plan will therefore be based on the projected figures for the enterprise, as there will be no actual figures available until the enterprise is open for business. After the first year of operation, management will have a better idea as to the earning potential of the enterprise, and have actual figures to base the plan on. The plan can then be adapted with the agreement of all concerned. This should take place during the enterprise Annual Business Review.

**4** **EXPLAIN:** When setting the **enterprise prices** we need to research the market, i.e. what do other similar products charge, what will the customer be willing to pay and then we also need to ensure that our costs are covered. The demand for the product must be determined by the total size of the market for this product, what % of the market we can attract to our enterprise and how quickly demand will grow. In order to analyse the competition in the area (numbers & products), visit competitors and/or research on internet and press to build up a picture of the sector. Then the own product has to be analysed, i.e. is the product the same as others are offering, do we



want to cater for large groups, what is our comparative advantage, do we have a good location and are we offering something different.

- 5** **DISTRIBUTE:** Handout #11, **financial projections** including use of profit. Discuss the income, operational costs and planned expenditures by using the example of a fictitious campsite, Hoanib River Campsite. 

### Session 6: Legal requirements (approximately 1 hour)

#### Ask: What are the legal requirements for setting up a CBTE?


- 1** **EXPLAIN:** Our enterprise needs to meet certain legal requirements to ensure a high quality tourism product: encourage better management & improved performance and it is important to always create a positive image of tourism in Namibia.

#### The legal requirements

- Leasehold Certificate.
- Environmental Screening Questionnaire.
- Namibia Tourism Board Registration & minimum requirements.
- Value Added Tax (VAT) (>N\$200,000).
- Food & Beverage Licenses.
- Social Security.
- Income Tax.

- 2** **EXPLAIN:** Legal requirements have to be met at specific points in setting up the business:

- Leasehold - before the development of the enterprises.
- Environmental Screening - before the enterprise is constructed or developed.
- NTB - Once built or developed it should be registered with the NTB (requires an on-site inspection). The NTB 'Registration Application Form Rest Camps, Caravan Parks, Permanent Tented Camps and Camp Sites' is part of the participants' manual.

- 3** **DISTRIBUTE:** Handout #12, **NTB campsites: minimum requirements for registration.** Write down these headings on a flipchart (accommodation, bathroom and toilet facilities, laundry, water) 



supply, cooking facilities and general) and then discuss each of them with the aid of the handout.

#### **Require documents for campsite application.**

- proof of company registration certificate (Ministry of Trade and Industry) or ownership of the premises.
- ID, Permanent Residence or Work Permit of Manager/owner.
- proof of permit, approval or authorisation to conduct a business of the class of accommodation establishment (if in municipal area).
- applied for leasehold, if needed, issued by the Local or Regional Authority.
- where applicable, approved building plan by a competent authority (e.g. Local Authority).( sketch for camping areas)
- copy of VAT registration certificate

NTB charges an application and a registration fee.

**NOTE:** Legal requirements are sometimes adjusted. For up-to-date legal requirements contact the NTB, LAC, Lands Boards etc. It is your duty to adhere to all the legal requirements and to pay the necessary taxes.



## TOPIC 2: SME development

### Session 1: Management structures (*approximately 2 hours*)

#### Ask: What is enterprise management?

**1** **EXPLAIN:** Management is the way in which all tasks of an enterprise are organised and who is given responsibility for carrying them out. It is important to develop an **effective and efficient management structure** with clearly assigned roles and responsibilities in order to successfully operate any business. Developing an attractive, well-designed and well-constructed tourism product such as a campsite is only half of the process. In order for a business to become sustainable and is able to achieve its goals, it must also be well managed. In fact, developing the enterprise in the first place is the easy part; managing the enterprise effectively is much harder.

**2** **EXPLAIN:** It is important that we do not **confuse management with ownership** – a community body such as a conservancy may have ownership of a CBTE but this does not mean that it also has to manage the enterprise. A CBTE (Community-based Tourism Enterprise) is a business like any other and should be managed according to business principles. It is therefore important to take time to discuss the best management option for each particular enterprise.

An effective management structure will clarify all staff roles and responsibilities and will provide staff with clear performance targets that will identify what level of effort is required from them; in short, it will show whether they are doing their jobs well or not.


**NOTE:** A management structure therefore defines and encourages accountability amongst staff.


**3** **EXPLAIN:** There are various management options which the conservancy or community might like to follow in managing their enterprise.


#### Management Options of Conservancy or community

1. **appoint** local manager – fixed salary.
2. **appoint** local manager – fixed salary and incentive (%).
3. **recruits** local manager – contract with fixed salary and incentive (%).
4. **contracts** external manager – contract and incentive (%).
5. Other contractual outsourcing models.



**4** **DISTRIBUTE:** Handout #13, **Examples of CBTE Management Structures.** Divide participants into groups by conservancy or village. Ask them to think of three enterprises, e.g. campsite, craft market, etc. and then complete the table. Request each group to explain the answer in the final column 'perceived management effectiveness' and ask them what they would have done differently if anything when setting up the management structure of that enterprise. 

**5** **DISTRIBUTE:** Handout #14, **CBTE Management.** Read through each point with the participants and discuss. Request that when they start a new business that they consult this handout again. 

**6** **DISTRIBUTE:** Handout #15, **Enterprise Development – Conservancy Income.** This handout describes the various management options of a lodge with regard to income at 40% occupancy. Discuss in detail and ask participants to share their experiences. 

## Session 2: Training (approximately 30 minutes)

**1** **EXPLAIN:** To manage a tourism enterprise successfully it is important to have knowledge and skills related to both tourism and business management. Tourism awareness is a general understanding of what tourism is; how the tourism “market” works, why tourists come to this country and what do they want or need in terms of services. Having an understanding of the tourism market (from a CBT perspective) requires an understanding of global (world) and Namibian tourism trends and future potential, as well as an understanding of how local communities can get involved and benefit from tourism opportunities. It is important to know what tourists want and need so that you can develop a product or service that is in demand (that people want to use and will pay for).

### Training topics for running a tourism enterprise successfully

1. **Guest relations** – Greeting guests, understanding and meeting guests' needs and expectations and the importance of creating a positive experience.
2. **Maintenance** – Importance of cleanliness and a well maintained enterprise, preventative maintenance, daily cleaning and upkeep, and practical lessons on how to carry out maintenance
3. **Administration and basic business** – Issuing receipts, administration and financial systems, banking, reconciliation, transparency and reporting.
4. **Activities** – What activities can be offered, guiding, safety, and identification.



**2** **ASK:** *What training have you had or given to run a successful business? Do you think it is a good idea to start a business without having had the necessary training?*

**3** **EXPLAIN:** Training can be provided as:

- normal 'classroom' type of training.
- informal or 'hands-on' training and mentoring.
- training workshops – planning, problem solving, decision-making.
- Exchange visits.
- In-service training or internships.

**4** **EXPLAIN:** Formal “knowledge-based” training should be provided by an individual or organisation which is qualified and has the relevant skills. This should normally result in a certificate for the participant. Skills development training should be provided by individuals who have knowledge and experience of the tourism sector (this could be NGOs, consultants, private sector or government).

**Ask: When should training be given?**

**5** **EXPLAIN:** The timing of training is very important. Some training is necessary prior to the enterprise being developed, and other training is best given once the enterprise is up and running. Training is not a short-term undertaking and should continue throughout the lifespan of the enterprise.

It is important to provide training on business and tourism awareness prior to an enterprise being established, as this will provide direction and guide the development process. For staff members joining an enterprise after it has been established it is important that this becomes an early part of the training that they receive.

**Note:** Although some NGOs provide training free of charge when the enterprise is up and running, in the longer term, the enterprise itself will need to budget for their own training needs every year. Putting money aside and using it for training is an investment in your enterprise.

**6** **EXPLAIN:** The best way to ensure that training is not ad hoc and haphazard compile a training schedule based on what skills are required but lacking and who should go for training. At the beginning of the year when you draft your annual budget ensure that you schedule the training sessions and also include them in the budget. Never underestimate the value of trained staff working for your business.



### Session 3: Contracts (*approximately 20 minutes*)

**1** **EXPLAIN:** A contract (or agreement) is a written document that sets down what has been agreed between two parties. It should clarify who does what, when, where and for how long, at what cost, and who is paying for what. In addition, it should state clearly what each party must and must not do. It should provide transparency and create accountability and provide guidance to managers in terms of decision-making and management. It also provides a reference point that can be returned to if there is ever any disagreement.

**2** **EXPLAIN:** Whenever there is the need to clarify and document an agreement between two parties this is done with a contract. For example:

- When a manager or staff member is employed.
- When a service is outsourced.
- When a business partnership is developed.
- When constant suppliers are needed.

#### Outline of a Contract

1. Define the scope of the contract – purpose of the contract, who does what (and on behalf of whom), the main activities and responsibilities, where will they take place (location and any limitations) and for how long (contract length).
2. Identify the key rights and responsibilities of each party.
3. What type of payment, benefit or reward is involved (salary, incentive, lease fee, % of income, access, exclusivity, etc.)
4. How will decisions be made and by whom (e.g. who needs to approve new infrastructure development, increase in prices, new employees etc.)
5. Implementation, revision and renewal of contract – how will the contract be monitored, reviewed and if necessary amended. Can the contract be renewed?

**NOTE:** For examples of the various staff contracts, refer to 1.11 Staff Management Training Manual.

### Session 4: Construction (*approximately 30 minutes*)

**1** **EXPLAIN:** When setting up a new CBTE it might be necessary to build a craft market, shop, campsite or other infrastructure. This construction requires a budget (already discussed earlier) and management of the construction. The various tasks include:



- Identify a person (Project Manager) who has overall responsibility for the development.
- Select a suitably experienced and skilled contractor to take the construction / development process forward. This person may be from within the community or from outside.
- Terms of Reference and Contract should be signed with the chosen contractor.
- Ensure all parties have a clear understanding of the Design Plan and the Enterprise Development Budget and Schedule.
- Select suitable local construction workers / labourers (usually from within the community). This should also include guards to look after building supplies.
- Ensure that all aspects of worker management are considered, and that there is agreement as to who has overall responsibility for the workers.

## 2 **EXPLAIN:** Worker management aspects to consider are:

- Division of working teams with set responsibilities and targets.
  - Clear indication given to the workers of how many days they will be required to work.
  - A Work Register in place and a designated person responsible for this.
  - Leave days, taking into consideration issues such as church attendance.
  - Payment schedules and timing.
  - Rations or time available for workers to buy food, etc.
- Secure place to store materials and establish a stock control system.
- Obtain agreement on the expected quality and standards of the construction.
- Obtain agreement on any changes to the original design plan.
- Obtain agreement on roles and responsibilities. It is important that everyone involved (conservancy / community, contractors, donors, support organizations, MET etc.) are aware of their roles and responsibilities, for example; ordering materials, budget control, worker supervision, worker payments, supplier payments, stores etc.
- Set deadlines and targets. These should be broadly outlined in the Enterprise Development Schedule (see Section 1.4), but regular deadlines (daily or weekly) should be set. This will ensure that all workers have achievable targets to work towards.
- Ensure that funds are available for prompt payment of workers and suppliers.
- Agree on who will be responsible for approving completed work.





## TOPIC 3: SME operations

### Session 1: Administration and finance systems (approximately 1 hour and 30 minutes)

**1 EXPLAIN:** Finance and administrative systems are all the systems that lead to accurate record keeping and overall control of the enterprise. The type of system that is put in place should be specific and suitable to each individual enterprise. For example, a system that is used in a 500 room Namib Sun Hotel will not be appropriate for a small community campsite. An assessment of the type of enterprise and their requirements is an important first step.

Another important factor that needs to be considered while developing a system is the capacity and ability of the people managing and utilising the system.

**2 EXPLAIN:** The facilities on site and the geographical location of the enterprises also need to be considered (e.g. how far the closest bank or post office is, is there telephone or radio contact, is there electricity to use a computerised system, etc.).

Standardising systems between enterprises may be viable and will assist with training, facilitation and monitoring of the systems. Remember that it may be wise to start with a simple system that can gradually be upgraded and enhanced when necessary. The system should be simple, accurate, easily understood, and easily implemented. These systems can be hand-written.

**NOTE:** Where possible, try to learn from what has worked successfully elsewhere and adapt it to the needs of your enterprise.

#### **General administration of a CBTE should include systems that record:**

1. **Financial information** (cash-book, receipt & invoice books etc.)
2. **Information about tourists** (visitor register, comments book, bookings sheet).
3. **Information about staff** (contracts, staff details, leave, training, tax records).
4. **Information about the enterprise and assets** (assets register, stock control).



**3** **EXPLAIN:** The following need to be in place with regard to the general financial systems of the tourism enterprise.

### 1. Financial Information

The key components of financial information include the cash book, receipt book, budget and cash flow projections, petty cash book, and bank account.

**NOTE:** Consult the Financial Management Training Manual on how to set up a financial system and how to manage the finances of an enterprise.

### 2. Information about tourists

#### ▪ Visitor Register

This is required for all businesses where tourist overnight. This is a book in which the details of all visitors are recorded. This should include the names (especially names of tour operators), the number of visitors, and number of nights stay, nationality, where they came from and where they heard about the enterprise.

#### ▪ Visitors Comments Book

This is a book that records the comments of visitors – what did they find good and bad about the enterprise. This book can be a very useful source of information regarding how well the enterprise is catering for the needs of the tourists and also how well it is managed. This book is mainly for businesses which offer accommodation but also might be useful for tour guides, cultural villages or similar businesses.

#### ▪ Booking systems

In order to attract some tourists to your enterprise, they will want to have a guaranteed site or activity booked in advance. This is particularly important for tour operators who have already “sold” a package to tourists and must give them what they have been sold. A booking system will require a reliable means of communication (radio or telephone) and a Booking Register, in which all bookings are recorded. If necessary, particular camping sites or guides will need to be reserved for the tourists that have made bookings in advance. In some cases it may be useful to have an agreement with a particular tourism booking agent who will promote your enterprise and take the bookings on your behalf.

### 3. Information about staff

#### ▪ Staff register

This is a record of all staff employed, their details, such as identity numbers, next of kin, UIF numbers, etc. It can also house details of work and shift rosters.



- **Training data**

A record should be kept of all training received by staff. This will help the enterprise to determine who needs additional training and when and who is the best staff member to send on particular training courses.

- **Staff job description & contracts**

Each staff member should have a simple job description and contract, which indicates what is expected of them and what they can and cannot do. In the case of a dispute, the job description and contract can be used to help to find a solution.

- **Staff wage payment slips**

Always ensure that staff signs for their monthly salaries and file these slips.

- **Leave records**

Leave should be properly recorded and deducted from the allocated annual leave days.

- **Staff Social Security**

Payments should always be up to date, recorded and filed. Ensure that all staff members are in possession of a Social Security card.

#### 4. Information about the business

- **Enterprise Monitoring Data**

If an enterprise is to grow into a successful business, management and owners needs to know what is happening in the business. For example with a campsite; how many tourists are coming, when do they come, from which countries do they come, how much income is being earned, how much does it cost to operate, how are the profits being distributed etc. This information can be captured from the various admin systems such as the cashbook and visitors register, but it is helpful if it is all presented in one separate monitoring system. In many CBTEs this information is now captured as “monitoring graphs”. Presenting this information in the form of a graph makes it very easy to understand and to explain to other people – especially the conservancy or community body. It is also important to provide information about community tourism to the MET, the support NGOs and to the national CBNRM program. This allows them to explain to decision makers in government and to donors what progress is being made and why more support should be provided.

**NOTE:** Consult the Financial Management Training Manual on how to manage the Asset register, stock control, maintenance schedule, tax records and Enterprise Operating Policy / Constitutions.

- 4** **DISTRIBUTE:** Handout #16: **The Process for developing an Administrative and Finance System.** Discuss each step of the process and ask participants to share their experiences.



**Ask: Why is it important to have a transparent financial and management system of a community-owned enterprise?**


**5 ASK:** participants to write down a couple of reasons why they think the conservancy or community-owned business should have transparent financial and management systems. Now share the answers with the whole group and write them on a flip chart.

**6 EXPLAIN:** An important part of the administrative and financial management in community owned enterprises is the issue of transparency. **Transparency** means that the admin and financial information of the enterprise must be available and open to anyone in the community who wishes to view them. To make sure that the finances of an enterprise are being well managed it is useful to get a financial person from outside to come and “audit” (check) the finances every year. This audit should be presented to the community to show that the finances are in order.

**NOTE:** It might be necessary to request assistance from outside when setting up the financial systems. To ensure accountability and transparency, hold annual audits by an outside neutral company.

## **Session 2: Marketing** (*approximately 2 hours*)

**1 EXPLAIN:** Marketing is anything done to sell the product to as many people as possible; in other words, find out what the consumer wants, make the product available and tell the consumer about it. Whatever marketing strategy is followed, the product needs to be described, what the product offers and what benefits does it bring to those using it as well as what makes the product stand out against its competitors – comparative advantage.

**2 DISTRIBUTE:** *Hand out the various brochures of a selection of tourism enterprises you brought along to the workshop. Ask participants to peruse them and then find a few common pieces of information which they all contain, e.g. logo, map, prices, pictures of business, etc. Write these on a flipchart and discuss. Also ask them to find descriptive words which make the product more appealing. Write these on the flipchart and explain the words if not known to all participants.* 

**3 EXPLAIN:** Marketing is not a once off exercise but different strategies are necessary over a period of time; this requires a **marketing plan**. With the customer as the focus of its activities, marketing management is one of the major components of business management. Draft an annual marketing schedule which would list the various marketing activities which need to be done by when, by whom and how much each will cost.



**NOTE:** The marketing plan forms part of the overall business plan.

**4 EXPLAIN:** A marketing plan for a small business typically includes a description of competitors, including the level of demand for the product or service and the strengths and weaknesses of competitors:

1. Description of the product or service, including special features.
2. Marketing budget, including the advertising and promotional plan.
3. Description of the business location, including advantages and disadvantages for marketing.
4. Pricing strategy.
5. Market Segmentation.

**NOTE:** Marketing is used to identify the customer, satisfy the customer, and keep the customer coming back.

**5 EXPLAIN:** For proper marketing we would need to look at the '**4 Ps**' of the marketing mix:

1. **Product** - solution
2. **Price** - value
3. **Promotion** - information
4. **Place** – access

**6 DISTRIBUTE:** *Handout #17: **The four elements of the marketing mix.** Divide participants into groups and after discussing the handout ask each group to think of the various promotion options which they would use to market a campsite in their area. They need to write these on their handouts.*

Possible responses on promotion options:

1. **Advertising:** Magazines, newspapers, websites, posters, flyers, brochures, sign boards.
2. **Sales Promotions:** Specials or discounts or inviting tour company staff to experience the product at your expense.
3. **Public Relations:** Articles, press releases, presentations, guide books
4. **Personal Selling:** direct visits to customers (tour operators, car hire companies, lodges, etc)

**7 EXPLAIN:** It is possible to have the most fantastic ideas for marketing the product, but if there is not enough money to do it, it won't work. For example, a page in the best-known Namibian travel book, the "Namibia Holiday and Travel" will cost N\$ 15,000. Therefore, it is very important to know what can be spent on marketing and choose those promotional options that will bring in most customers. On average, companies spend about 10% of



annual turnover on marketing. If the business is new and people don't know it yet, you might need to spend as much as 20% of projected annual turnover on marketing to make sure people get to know the business.

**NOTE:** It is important to understand that marketing is an essential part of running your business and investing money here will help to bring more customers and generate more income.

**NOTE:** It often makes sense to market CBTEs as a group, e.g. all community owned campsites in the Caprivi or as a craft route which includes all craft markets in your area.

### Session 3: Monitoring systems *(approximately 1 hour)*

**1** **EXPLAIN:** Once your business is operating, it is important to measure progress against your business plan and annual performance targets.

#### Monitoring Performance

It is important to measure progress against your Business Plan and annual performance targets. This should include:

- Gathering information about key aspects of your business.
- Setting targets & measuring progress against targets.
- Developing appropriate monitoring tools.
- Using the information to make management decisions.

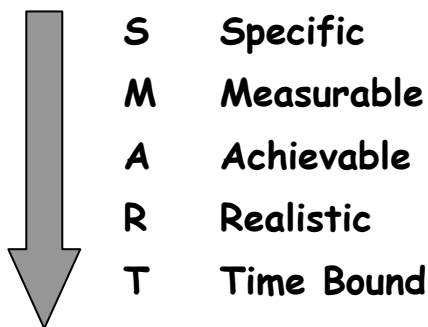
**NOTE:** Performance Targets are a set standard against which we can measure whether someone or something is performing well or not.

**Ask: How do we develop appropriate performance targets?**

**2** **EXPLAIN:** The CBTE level performance targets should be “big picture” targets and the individual staff member targets should be set at a responsibility or “task” level. The process required for setting performance targets requires that the targets are **SMART**.

**3** **ASK:** Draw/write the following information on Flipchart Sheet #4 and explain each term in more detail. Now ask participants to think of targets which would meet all the requirements.





Examples of performance targets for a CBTE:

- Camp infrastructure & equipment well maintained & facilities operate (70% good or above rating by inspection)
- Customers are satisfied with campsite and service (more than 70% of visitor comments are positive)
- Tourist numbers increase by 20% per year (monitoring graphs or compiled visitor report statistics will show us this)
- Introduce new product idea or improvement every 6 months (new idea or improvement implemented)
- Campsite and conservancy income are both increasing every 12 months (campsite & conservancy income increase by 100%, 30%, 20% and 15% in years 1-4 and by 10% per year thereafter).

**Ask: How do we measure performance targets?**

**4**    **EXPLAIN:** Performance targets can be measured by using monitoring “tools”. A monitoring tool is a system that is developed to assist the enterprise management and staff to capture information about the business. The following are examples of monitoring “tools” or systems:

1. **Visitor Register:** This should capture information about the visitors that come to your enterprise. For example; their names, the number of visitors (adults/children), the length of stay, their nationality, where they came from the day before and where they heard about your enterprise (a standard format for a visitor register is available from the NTB).
2. **Cashbook:** Records details of all financial transactions. For example: income (including grants and loans), expenditure and profit.
3. **Performance Checklists:** Measures how well the management and staff are operating the enterprise. These consist of simple checklists that can be used and “graded” by the conservancy/community when they visit the enterprise to assess progress and performance (see attached performance checklists).



4. **Monitoring Graphs:** Are a way in which information can be presented in a “visual” format, for easy understanding by all stakeholders. Examples of existing monitoring graphs include; Number and type of visitor, expenditure and income, profit and loss, wildlife sightings. These can be produced on a monthly and annual basis.
5. **Visitors Comments Book:** A book in which visitors can comment on anything related to their experience; this could be the quality of the infrastructure, guiding, customer service, signage, location of enterprise, wildlife etc. This is a very useful tool to obtain feedback from tourists.
6. **Annual Business Review:** This is an annual activity that allows a review of the business performance the previous year and produces plans and sets targets for the coming year.

5



**DISTRIBUTE:** Handout #18: **CBTE Performance Targets.** Discuss with participants and ask participants to think of targets which they to measure performance for other enterprises which they know well. If they are not presently measuring performance, this might be a good time to work on a few performance targets and how to measure them.

6



**DISTRIBUTE:** Handout #19: **CBTE Planning, Monitoring & Evaluation Cycle.** Discuss the information with participants and request them to display this handout clearly in their conservancy offices and refer back to the information as often as possible but especially when planning enterprise activities.





## TOPIC 4: Future of the SME

### Session 1: Annual Business Review (*approximately 3 hours*)

**1** **EXPLAIN:** When you operate a business it is important to know how well it is doing, i.e. do a 'health check'. Although you should be monitoring what is happening on a day-to-day, weekly and monthly basis, it is a good idea to spend some time once a year looking back at what happened and also looking forward at what you want the business to achieve by developing a plan for the coming year. This appraisal is called an **Annual Business Review**.

**2** **LIST:** Write the two headings on a flipchart, looking backward and looking forward. While you are explaining the activities under each of these two headings write down the key words (in bold below) and explain them to participants. (To save time you may prefer to have Flipchart Sheet #5 prepared in advance).

#### An Annual Business Review should do the following:

##### Look Backward:

1. Review business performance by **analysing available data and information** (number of visitors, income, expenditure, profit, use of profit, visitor satisfaction etc.).
2. Make sure that **monitoring systems** are working and giving the management enough information to make business decisions.
3. Create a **forum for discussion** about performance and management issues.

##### Look Forward:

1. Develop an 'Enterprise Implementation or **Action Plan**' for the coming year (set targets, identify key activities, identify responsible persons, identify type and level of support required from local partners and business service providers).
2. Develop an **Annual Operating Budget** for the coming year.
3. Create a **forum for decision-making** regarding the future of the business.
4. **Adapt monitoring and data collection systems** if necessary.

**3** **EXPLAIN:** Undertaking an Annual Business Review allows all interested stakeholders to come together to **reflect on the performance** of the enterprise. It provides an opportunity to share information about the



business, to make sure everyone understands what is happening and why, and to make decisions regarding the future of the business. By undertaking a review and sharing information with the conservancy/community shows people that nothing is being hidden and that the business is being open and transparent about its operations.

The review also provides an opportunity for the business to make sure that it has all its monitoring and data collection material up to date.

### How is the Annual Business Review undertaken?

**4** **EXPLAIN:** A suitable date is set at the beginning of the year and it is arranged for the relevant stakeholders to attend a one-day workshop. The review is made up of two parts; looking backwards at what happened last year and looking forward at what we want to happen during the coming year.

#### Look Backward:

1. Enterprise staff should update and prepare all monitoring data and information. (Monitoring graphs, visitors register, cashbook, visitors comments book, receipt and invoice books, etc.).
2. Enterprise staff should present all the data and information for discussion. This should be both quantitative (what was the total number of tourists, income, expenditure, profit, payment to conservancy etc.) and qualitative (why did this happen, what does it mean for the business, do we need to do something different to improve the situation and if so what?).
3. Enterprise staff should present all “performance checklists” or other staff performance measuring system for review and discussion.
4. Enterprise staff should present the Visitors Comments Book for review. This book is a very useful source of information regarding the satisfaction of visitors with both the enterprise and the service they have received from staff.

#### Look Forward:

1. Develop an action plan for the planned development and operational activities for the coming year. This plan should include details regarding the planned activities, when they should take place, who is responsible for initiating the activities (campsite staff member) and what support is required from NGO's, MET, private sector partners or other service providers.



2. Identify and agree on **clear income and expenditure targets** for the year. The income targets should be developed using last year's income figure and adding an increase (normally not a decrease!) based on how much we think the business will grow during the coming year. An estimation of growth should take into consideration; current rate of growth of the business, any expected increase / decrease in the number of tourists, any expected increase in income due to new activities or services (for which more money can be earned from the same number of tourists), any planned increase in the price currently being charged (more money can be earned from the same number of tourists).
3. **Develop a budget** for the coming year – this should be based on an analysis of expenditure in the previous year. Each budget line item should be reviewed to determine whether the amount allocated had been enough or too much based on the actual expenditure. This will tell us whether to allocate more money for that particular expense item or less. A provision for a % inflation should also be included in the revised budget. The new budget should be checked against the income target to ensure that there is expected to be sufficient income to cover any increased expenditure or new expenditure (new activities, costs etc.) and still allow the enterprise to make an adequate profit.
4. **Review New Product Development** – all new ideas for additional products and services should be discussed and if the group believes they have potential, a further planning activity in the form of a basic cost-benefit analysis should be included in the Action Plan or Enterprise Implementation Plan.
5. After one year of operation it is also a good idea to measure how **sustainable** the enterprise is. This should look at firstly whether the business is making a good profit and secondly; how many of the activities are now being undertaken or at least initiated by the enterprise manager or staff rather than NGOs. In the longer term, in order to be sustainable, the enterprise must make profit and the activities should all be initiated by the manager or staff.


5

**EXPLAIN:** The Annual Business Review should be conducted by the enterprise staff with representation from the conservancy or community to whom the business belongs. If the enterprise is owned and operated by an entrepreneur, just the staff needs to be involved. Where the community is involved through a conservancy or other legal body, this review lays down the plans for the coming year and can be used by the conservancy for reference throughout the year. The conservancy can incorporate the enterprise targets for income, projected profit / benefit and



planned activities into the broader development and activity plans of the conservancy.

**Ask: When should the Annual Business Review be conducted?**

6 Ask the participants to consider this question and to indicate what is done in their conservancies and why they think a specific time of year has been selected. 


7 **EXPLAIN:** The Annual Review should take place at the **beginning of every year** in January or February. Undertaking the review at this time, has the added advantage of feeding the data captured through this activity into the conservancy and national CBNRM database for annual reporting on the progress of the overall CBNRM program. (The Annual State of Conservancy and CBNRM Report are planned for March every year).

8 **EXPLAIN:** The Review should take place at the enterprise, where all the relevant data, information, key staff and participants are readily available. If the enterprise is performing well, make sure that this information is shared with the conservancy and community at appropriate meetings and forums – it is good to celebrate success!

**Session 2: New product development** (*approximately 1 hour and 30 minutes*)

1 **EXPLAIN:** As the business develops it might be necessary to add new products or services, to diversify or to respond to customer/market demands by changing or upgrading the present product. Trends and fashions change and the spending power of the customer change. Once the tourist is visiting your enterprise as many products as possible should be offered to ensure they stay longer and increase transactions.

**Ask: How do we find out what new products our customers want?**

 2 Ask participants where they would get the information on what their customers want. Write the responses on a flipchart. (Possible answers could be: the visitors' comments book, ask customer to complete a questionnaire or listen carefully to what customers want (record their responses & quantify the level of interest) and analyse competitors but avoid copy-cat responses).

 3 **DISTRIBUTE:** Handout #20: **Product Development Schedule**. Discuss with participants and ask them to think of additional activities under each of the three main headings.



## **SELF-ASSESSMENT: Assessing participants' understanding of this Module**

Handout #21 comprises a set of questions based on this Module and designed to evaluate the knowledge and skills that participants receiving this training have acquired. It is not intended as a formal test but is meant to help participants assess areas where they have sound knowledge and strong skills, and areas that require further work.

You can either use the questions as the basis of a plenary session with all the participants, or – if more suitable – ask them to write their answers out on some paper that you will provide for the purpose.

Although it will help you personally to modify your training approaches should you be able to discuss their answers with participants, they should not feel compelled to share their responses with you. If they are willing to share their responses, either collectively or individually, then use the information that you gather to assess your own training skills. Also note from participants' responses where these printed training materials might require amendment, for example, if an activity or section of the text is proving problematic.



## List of Handouts that you should make available for this Module

- MODULE 2.2, HANDOUT #1: The Community-based Tourism Implementation Process
- MODULE 2.2, HANDOUT #2: Main source of income for conservancies in 2009
- MODULE 2.2, HANDOUT #3: Broad range of potential CBNRM enterprise opportunities
- MODULE 2.2, HANDOUT #4: Poster: Business Options Plan - Otjimboyo
- MODULE 2.2, HANDOUT #5: Business Plan Checklist
- MODULE 2.2, HANDOUT #6: Determine whether your business is viable
- MODULE 2.2, HANDOUT #7: Nambwa Campsite Design
- MODULE 2.2, HANDOUT #8: Capital Costs
- MODULE 2.2, HANDOUT #9: Bank loan repayment
- MODULE 2.2, HANDOUT #10: Profit Management Plan
- MODULE 2.2, HANDOUT #11: Financial projections including use of profit
- MODULE 2.2, HANDOUT #12: NTB campsites: minimum requirements for registration
- MODULE 2.2, HANDOUT #13: Examples of CBTE Management Structures
- MODULE 2.2, HANDOUT #14: CBTE Management
- MODULE 2.2, HANDOUT #15: Enterprise Development – Conservancy Income
- MODULE 2.2, HANDOUT #16: The Process for developing an Administrative and Finance System
- MODULE 2.2, HANDOUT #17: The four elements of marketing mix
- MODULE 2.2, HANDOUT #18: The Process for developing an Administrative and Finance System
- MODULE 2.2, HANDOUT #19: CBTE Planning, Monitoring & Evaluation Cycle
- MODULE 2.2, HANDOUT #20: Product Development Schedule
- MODULE 2.2, HANDOUT #21: *Self-assessment evaluation for participants*

All Handouts are one page only, unless otherwise specified.

Please make sure that you make enough copies for each trainee.

- Ensure that Handouts #4 and #19 are available as a poster-sized laminated resource.



# NOTES



