

**CASE STUDY – BOITEKO LEKHALONG LA BAROA**

**(Knitting Group)**

**Conference on Income Generation in Lesotho**

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**Hotel Victoria, Maseru.**

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CASE STUDY - BOLTERO LEKHALONG LA BAROA (KNITTING GROUP)

Introduction

This group, located in Haseru District, was the first to receive all training from the Intensive Training Model. It was also the first knitting group we have assisted. The major problems relate to finding a regular market for school jerseys, the group's product, and obtaining proper training on knitting machines for members. Once these barriers are removed, group production should increase.

Date of Contract Signing: 20 September 1983

Loan Total: M1860.00 + M223.20 interest = M2083.20

Repayment Schedule: M69.44 monthly

Balance as of 27/09/84 = M1,666.56

Nature of Income-Generating Activity/Group Structure:

The group requested assistance from LDTC for purchase of two Passap knitting machines.

The approximately 20 members have divided themselves into four working groups, each one using the knitting machines on specific days. With the help of LDTC's programme planning training they devised a work schedule. Unfortunately some members did not show up at all to work, others showed up on unscheduled days. Thus members are now working sporadically.

The group knits a number of jerseys and then tries to sell them. They have not yet established regular customers among local schools, unlike another AF group, the Mathebe uniform sewing group, which sells through contracts with schools.

Income from the activity has not been enough to pay back the loan. Supplementary income has been derived from stokfels, member dues, sale of fat cakes.

Progress with Income Generation.

Profits have not been shared to date because the group has received very little income from their knitting activity. A brief look at what records were available for June, July and August of 1984 revealed that there were a few sales of knitted articles that brought income to the group: M22.00 came from sale of knitted hats, M90.00 from the sale of jerseys. Expenses were

harder to trace: the books record only M10.00 spent on knitting supplies such as wool.

The state of the books reinforces the LDTC group monitor's observations: the group does not have a good system of recording financial transactions, there is no established market for goods produced, and no regular schedule of production.

The market for schools jerseys will need further exploration by LDTC. While groups that sell school uniforms can depend on the fact that if there are schools nearby, they will require uniforms for their students, the same cannot be said for jerseys. LDTC will need to assist future knitting groups in determining whether jerseys are required by local schools before they decide to choose knitting as an activity.

### Group Dynamics

This group falls under the Boiteko Women's Association, a national organisation. Group members learned of the LDTC Assistance Fund when they attended a conference in Masereng sponsored by the Lesotho National Council of Women (LNCW) attended by LDTC trainers.

Following are some characteristics of individual members of the Lekhalong La Baroa group:

- Average age: 32, ranging from 22 to 50
- Average education: Standard 6
- Average household income per month: between M61.00 and M90.00

For almost half the group members the source of household income was the South African mines. The highest income category however - between M181.00 and M210.00 - was reported by a woman who bought clothes from RSA and sold them, and by another member whose household included a civil servant. Other sources of income were sale of beer, brooms, or vegetables.

The leader is also the village chief. She admits that she is not very good at leadership, although she has improved since LDTC's first interactions with the group. The secretary is a teacher's wife. She's outspoken and looked like she might dominate in the beginning, but evidently she hasn't.

The weakest link in the group is the treasurer - she rarely attends group meetings, thus financial records are not available and confusion results when the secretary has to take over some of the bookkeeping responsibilities.

In June there was an issue around the placement of the sewing machines, and two factions arose: one supported the chief (leader), who kept them at her place. Others said they weren't well taken care of there and should be moved to the secretary's place, and that did happen. An LDTC trainer met with both factions. At the third meeting between the group and LDTC on this issue the chief (chairlady) decided the machines should stay where they were (secretary's house) and the group is now together on this issue.

Another group issue related to training is instruction on the Passap knitting machines. The secretary knew how to knit, and said the group had arranged to meet at certain times when she could teach them, but that those who had said they would come didn't. Why they did not come is not clear. There was a rumour that she knits her own articles, because the machine is at her place. It could be that two knitting machines may not suffice to provide training, and the secretary may not be a good trainer. The monitor noted that members at Lekhalong la Baroa work better as individuals than they do together.

A nutritionist works with this group, but unfortunately she cannot assist with the Passap knitting machines. She does not play much of an advisory role with the group.

A general problem with knitting groups is that the most popular machine is the Passap, yet there are few knitters in Lesotho who are familiar with the machine. There is now someone at BEDCO who can train people to use the Passap. Training for Assistance Fund groups who knit and the nutritionists who assist is being considered by LDTC. What this means for the Lekhalong la Baroa group is that four members from the group and one nutrition assistant will receive training.

#### Training from LDTC

Members of the Lekhalong la Baroa group were the first to receive all training from the Intensive Training Model. The ITM, held in March 1984, looked at bookkeeping, and roles and financial responsibilities of group members. There was not enough time to get into programme planning. Subsequent trainings held in May, June, and July concentrated on bookkeeping and problem-solving -- the latter was necessary when the dispute about placement and care of knitting machines arose.

Following is a breakdown of the number of sessions spent on each topic:

Simple Bookkeeping	3 sessions
Group Functions/Financial Procedures	1 sessions
Programme Planning	No sessions
Problem-solving	3 sessions

The issue of where the sewing machine should be housed has now been resolved (see previous section for details.)

#### Evaluation of Impact of Intensive Training Modules

The LDTC evaluated the impact of training in several ways: 1) administering tests in bookkeeping, group functions and financial procedures, and programme planning. Fifteen out of approximately 20 members were tested. These 15 did not differ significantly from those who were not tested - they were simply the ones who showed up when LDTC evaluators visited the group; 2) examining the group's records - the bookkeeping book and minute book - to see how well they were able to apply what they have learned from LDTC's training, and 3) asking Lekhalong la Baroa members how they have been able to apply their training.

The following tables look at results of test of training material. Table 1 displays the frequency of scores from the bookkeeping exercise.

Table 1  
BOOKKEEPING

Scores	Frequency
81%	1
68	1
64	2
57	1
55	1
53	2
47	2
38	2
30	1
11	1
9	1
Total	15

The mean of the 15 scores was 48%. Scores were distributed along a wide range, from 9% to 81%.

Uses mentioned by members for bookkeeping training are as follows:

- Five said they were able to budget family income now, and were able to keep track of expenditures;
- two said they understood financial records of the group;

- one said she used bookkeeping with her church;
- six said they were not yet able to apply skills in bookkeeping.

Table 2 examines specific errors made in the bookkeeping exercise.

Table 2  
BOOKKEEPING ERRORS

<u>Kind of Error</u>	<u>Number of Members Making Error (N=15)*</u>
No postings w/figures	4
Entries put in wrong columns	8
Could not match postings w/ headings	2
Omitted names of columns	6
Mistakes in arithmetic (+,-,x)	11
Balancing	2

\*Most members made more than one error.

Most of the errors made by this group were in arithmetic - adding, subtracting, and multiplying figures.

Table 3 displays scores on questions related to responsibilities of group members and procedures for handling group finances.

Table 3  
GROUP RESPONSIBILITIES/FINANCIAL PROCEDURES

<u>Scores</u>	<u>Frequency</u>
83%	1
58	2
50	4
42	2
33	3
25	1
17	1
8	1
Total	<u>15</u>

The mean for the group was 42%, with most of the scores falling below half.

Table 4 explains further members' performance on test items relating to group responsibilities and financial procedures.

Table 4  
Breakdown of Responses:  
GROUP RESPONSIBILITIES/FINANCIAL PROCEDURES  
(N=15)

<u>Test Item</u>	<u>Correct</u>	<u>Incorrect</u>
Treasurer signs name when mistake made with entry	1	14
Incoming money given to treasurer	5 2 (1/2 correct) <sup>1</sup>	8
Receipt needed for money spent	10	5
Treasurer or other member chosen by group can deposit money in bank	6 8 (1/2 correct) <sup>2</sup>	1
Chair issues letter to treasurer authorising amount to be withdrawn	2 9	4
Chair, secretary, or treasurer signs bank book after withdrawing money	2 7 (1/2 correct) <sup>3</sup>	6

<sup>1</sup>Said that it could also be given to secretary.

<sup>2</sup>Said only that the group should decide who deposits.

<sup>3</sup>Said only that members going to bank should show identity.

The financial responsibility that seemed most clear was deposit of group money by treasurer or other designated member; most difficult was the fact that the treasurer should sign her name after correcting any bookkeeping error.

Members listed the following benefits of training in group functions:

- Four said they now understand their roles, responsibilities in the group;

- one said she is helping her Boiteko Association, and also organising her village with these skills;
- one said she knows now how to run meetings, plan ahead;
- five said they either weren't using training yet, or weren't using training yet, or gave no response.

Members were asked to list up to six programme planning steps for the (hypothetical) arrival of funds in the group that were to be used for selling school uniforms by a certain date. The steps listed were judged on both the activity mentioned and the time frame. Scores are reported in Table 5.

Table 5  
PROGRAMME PLANNING

<u>Scores</u>	<u>Frequency</u>
58%	1
17	1
8	9
Total	11 (out of 15 members)

Only 11 out of 15 members even attempted questions on programme planning. Most were able to mention only one step that should be followed, but with no time limits.

Only four out of 15 members mentioned that they were able to plan group activities as a result of this training. One also mentioned that she was also able to help plan village activities. The others said either that they weren't using the skills yet, they didn't understand, or did not answer the question.

Summary. The Lekhalong la Baroa group did not do as well as some of the other groups on the exercises which tested training content. It is not clear exactly why, except in the case of training in programme planning, which is usually a part of the Intensive Training Model, but which this group did not receive. They received the minimum of training in other training areas but they may have needed a larger dose.

#### Monitor's Observations

The LDTC monitor for the Lekhalong la Baroa group along with a Research Assistant examined the group's minutes book. They observed the following trends:

- Attendance was fairly regular in early 1982, but got irregular by the end of the year. The reason given was work in the fields.

- Decisions appear to be made by the group as a whole during meetings.
- New members and visitors to the group are noted.
- Problems are noted, for example, not knowing how to use the Passap knitting machines. It was also mentioned that LDTC helped them to get assistance from Maseru in learning how to use the machines.

A further problem mentioned was that the secretary felt she was taking on too many responsibilities for other committee members.

- There are mentions of the secretary and vice-secretary, Chair, and vice-chair, but no mention of the treasurer. This coincides with the monitor's report of her inactivity.

The minute book also covers:

- how money is collected by the group and how used;
- accounts of LDTC visits as well as other visitors;
- meetings with Agric officers.

Due to the infrequent attendance of the treasurer, bookkeeping issues appear in the minute book.

#### Group's Future Plans

Group members at Lekhalong la Baroa were asked what they thought was important for the group in the future:

- Five said they should pay off the LDTC loan and after that share profits;
- Five said they should get money from sale of uniforms and jerseys to schools;
- One said all group members should know how to knit and to work voluntarily;
- One said they should raise chickens;
- One said the group should buy more knitting machines;
- One said they should get a building where they could knit, sew, and do other activities;

- One said members should work together and love one another.

#### Lessons Learned by LDTC.

1. Training on machines used in producing for a group's activity must be provided. This group has not made much progress in knitting garments for sale mostly because they didn't know how to operate the machines, and there was little assistance from the usual sources of technical training such as BEDCO. Now that training on the knitting machines is available at BEDCO, LDTC has made sure that they will get it.
2. Problem-solving plays an important role in LDTC training of income-generating groups. Members of any group can encounter interpersonal problems that threaten their ability to work harmoniously toward a common goal. For development workers assisting these groups to ignore such problems and plunge ahead with more task-oriented concerns would be counter-productive. The LDTC found that the extra time spent in helping the Lekhalong La Baroa group work through its interpersonal problems has enabled the group to focus future efforts on group cohesion and production.
3. Groups need to thoroughly explore the potential market for their product. Knowing which schools in the area required school jerseys for their pupils and getting orders from these schools would have greatly boosted the Lekhalong la Baroa group's production. The LDTC can assist future knitting groups in assessing the market for jerseys at the proposal stage. This need not be a sophisticated marketing survey but enough inquiries should be made so that groups have regular customers in the area.
4. The LDTC should encourage groups to be more aggressive in marketing their product. Along with making sure a market exists, groups must realize that buyers will not automatically flock to buy their product. Visits to potential buyers, contracts for provision of a product, maybe even advertising - all are necessary for sales, particularly if the product for sale is not commonly used (for example, school jerseys.)