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**MORE PROJECT
CONSULTANT REPORT**

**DEVELOPING A SELF-FINANCING,
FACTORY-BASED CONTRACEPTIVE
DISTRIBUTION PROJECT
IN ST. LUCIA**

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SECTION 1

PROJECT OVERVIEW

On January 1, 1990, the Family Planning Association (FPA) of St. Lucia launched a revitalized factory-based contraceptive distribution project with the financial backing of factories employing nearly 2,500 workers. One full-time nurse has been hired to supervise distributors and to carry out information and education activities in the factories. Plans call for hiring a second nurse half-time once enrollment reaches 3,000. The project now is well on its way to self-sufficiency. Technical assistance to the FPA to help the factory project reach that goal was provided by the MORE Project. This report provides details of that technical assistance.

In 1981, the International Planned Parenthood Federation (IPPF) provided the FPA with one-year funding to set up a factory-based contraceptive distribution project. Funding for renewal of the project was not available from IPPF, but the FPA was able to obtain support for continuation of the project under the Tulane University Operations Research (OR) program.

An OR project was designed to test two alternatives to factory-based service delivery, and to compare the effects of each model on contraceptive use and knowledge. Factories in one group received bimonthly visits from the project nurse, who counseled employees on methods and distributed supplies. In the second group, an employee was selected in each participating factory to serve as the distributor of contraceptives. The project nurse visited twice a month to resupply the distributor and to supervise her activities. In both groups, the nurse provided lectures to workers on family planning.

The OR study, which ran from 1982 through 1985, found that bringing contraceptives to the factories resulted in increases in overall contraceptive prevalence, but that the model using factory employees as distributors under the supervision of the FPA nurse was the more effective approach. When the project ended in 1985, the FPA wanted to continue the successful factory-based model. Unfortunately, there were no provisions for follow-up to facilitate institutionalization of the factory model (nor was this seen as Tulane's responsibility). Informal efforts to obtain financial backing from owners of participating factories were unsuccessful, despite the favorable view of managers and owners towards the project. This failure apparently was due to the lack of a systematic plan for obtaining support and a difficult economic situation.

Nevertheless, the FPA was committed to the factory-based project. The project nurse was retained for other work and was

able to keep the project alive, although financial constraints severely limited activities. In March 1989, the MORE project went to St. Lucia as part of a series of revisits made to examine the long-term impact of OR projects. At that time, a streamlined version of the factory-based project was in operation: resupply occurred every six weeks; each distributor served several factories in the immediate vicinity of her place of work; and 29 factories were participating in the project, including 14 of the 22 factories that participated in the Tulane project. A factory was considered to be in the project if any of its employees was receiving contraceptive supplies from a project distributor.

While contraceptive distribution had not kept pace with expansion in factory population, MORE staff discovered that the number of acceptors and continuing users had grown since 1985. Discussions with factory owners revealed optimism about the economy and favorable opinions of the project. MORE staff concluded that conditions were right for expansion of the project to additional factories. Limited assistance to the FPA would be required, and self-sustainability would be a goal of the expanded project.

The MORE project identified a business consultant to provide the FPA with the necessary follow-up assistance. This included developing a business plan and budget for the project; contacting factory owners and members of the business community to engage their overall backing for the project; and preparing a formal presentation to factory owners to solicit their enrollment and financial support.

This report details the assistance provided by the consultant, and describes how the project moved from a precarious financial state in March 1989 to a revitalized, self-sustaining activity by January 1, 1990. Section 2 summarizes the results of two field visits made to St. Lucia to provide technical assistance, while Section 3 presents conclusions and describes future prospects. In addition, three appendices are provided: Appendix A is the business plan, Appendix B lists contacts made during the first field visit, and Appendix C describes the slide presentation made to the factory owners.

SECTION 2

RESULTS OF FIELD VISITS

To accomplish the goals of helping the St. Lucia FPA expand the factory-based contraceptive distribution project and enabling the project to become self-sustaining, the MORE project consultant made two field visits to St. Lucia: the first on August 21-25, 1989 and the second on November 6-10, 1989. This section summarizes the objectives and results of these visits.

First Field Visit: August 21-25, 1989

The first field visit had four objectives:

- To review the recent history and current status of the project
- To gather the information necessary to develop a business plan for a self-financing project
- To make contact with key members of the business community regarding their potential support for the project
- To plan a presentation for use on the second field visit in convincing a critical group of business owners and managers to finance the project

The following sections present the results of the visit by discussing each objective individually.

Recent History and Status

At the end of the Tulane study, although outside funds to continue the project were not available, the FPA managed to maintain the basic elements of the factory-based distribution project. The project nurse's input was reduced to a much lower level, however, given that her prime responsibilities were elsewhere. Regular education, information, and motivation sessions were critical to maintaining a high level of contraceptive use by workers, but the FPA was not able to sustain these activities. Only the basic distribution of contraceptives was taking place.

The impact of this change in the level of project activity was dramatic. A decline in pregnancies was clearly linked to the project intervention. For example, Caribelle Batik Ltd., with 55 employees, provided information for a case study to support the effectiveness of the project in a small plant (see slide No. 5, Appendix C). This information showed that the pregnancy rate among employees of the plant dropped from 17 percent at the start of the project to 1.4 percent at its height. However, by the middle of 1989, the rate had risen again to 12 percent.

The Director of the FPA supported the project, whose day-to-day execution he delegated to the project nurse. However, it became clear during the first visit that the project had to be revitalized and refinanced if it was to continue with any long-term degree of success. Discussions during this visit suggested that the small and medium-sized employers saw the value of the project and seemed willing to support it; the larger plants--Belle Fashions and Castries Apparel--took a more cautious view, as discussed below.

Development of the Business Plan

The basic principle behind the business plan was that the cost to the FPA of providing the services should be met by financial support from the factories and income from charges to acceptors. The project was to be self-financing, with a margin to cover the FPA's overhead costs in managing it.

Determining Costs: The costs involved in developing the project on the above basis were essentially the salary and operating expenses of at least one full-time nurse to work under the project nurse's supervision. In line with the recommendations of Tulane and the local FPA staff, this nurse was to be a fully qualified State Registered Nurse to provide both high-quality and flexible services to the factories. The following are estimated annual costs for adding one full-time nurse to the project, in Eastern Caribbean dollars (US \$1.00 = EC \$2.65):

<u>Costs</u>	<u>EC Dollars</u>
One full-time nurse, salary and social security	\$18,000
Operating expenses (island-wide)	8,400
10% salary and administrative overhead to FPA	<u>1,800</u>
Total	\$28,000

Income Potential: The potential for generating income to meet the above costs was seen as good. In developing the business plan, different approaches to charges were reviewed, such as an entry fee and a per capita charge, a simple per capita charge, and an acceptors-only charge. It was decided to work on a simple per capita charge basis. This being the case, the following statistics established the scope of the total "market" within the factory sector:

Total female employees in island factories (excluding 632 in food and beverage plants, whose employees are mostly male)	= 4,393
Number of female employees in factories currently considered as part of the project	= 2,985
Potential new recruits in 25 factories	= 1,408

Determining Charges to Factory Managers: At a charge of EC \$10 per head per year, the plants that were currently participating in the project, would cover the cost of the program. To allow for some dropouts, a figure of EC \$12 per head was suggested. The proposed charge was discussed with a limited sample of factory operators, who found this an acceptable figure given the savings they might expect as a result of the project.

Prospects: Based on the information collected during the first field visit, then, the prospects for generating the income necessary to hire one full-time nurse looked good. Moreover, if other factories and large hotels could be added, then the income from the project could substantially exceed costs.

This income growth potential raised the possibility of adding a second nurse, at least part-time, for outreach work. Furthermore, if all went well, income from the 20 plants in the south of the island alone could support one of the nurses full-time, who could be based in Vieux-Fort. The second full-time nurse could be located in the north at Castries. These nurses could combine their factory-based work with managing some local community-based distribution (CBD) work that would generate additional income from contraceptive sales to established local outlets.

Following the first field visit, a detailed business plan was developed based on the above information. This plan was reviewed and verified with the FPA during the second field visit, as discussed later in this section. The full text of the plan is provided as Appendix A to this report.

Contacts with Plant Managers

Appendix B lists the individuals, including plant managers and others in the local business community, who were contacted during the first visit.

Large and small plants already in the project were visited, as were two plants--Hap Jeun textiles and Caribbean Electronics--that were new to the idea of workplace-based family planning. Overall, the reception was very good, and all the managers were open to receiving a business proposal to fund the program. They also expressed willingness to attend a meeting to hear a presentation on the costs and benefits of the project.

The discussions with Belle Fashions (750 employees) were much less clear-cut. The plant agreed to provide information for a case study, but this information was not received prior to the second field visit, and therefore could not be incorporated in

the presentation. The manager expected that the current pregnancy rate among plant employees was well below the 17 percent that initially existed at Caribelle, and generally did not see unwanted pregnancy as the urgent issue it was to the smaller companies. The reason for this seems to be the stability of the Belle Fashions work force, coupled with the consistently good (free) service received from the factory-based project over the past five years.

The management of both Belle Fashions and Castries Apparel (450 employees) have similar outlooks and are very cost-conscious. Their participation in the project was critical as regards the size of their financial contribution and the leadership they exercise in the community. They would participate if they could see clear benefits to the company that would outweigh the costs involved. Thus it was important to show these two companies the following:

- The average pregnancy rate for women on the island aged 15 to 24 is 15.6 percent, and in the absence of a program, this is the rate companies should expect.
- A detailed model (see Slide 6, Appendix C), including sickness absences, retraining, and other less easily identified cost factors, would permit more accurate calculation of the real costs of unwanted pregnancies; the companies were currently using just a crude cost figure derived from the levels of maternity benefits.
- The scheme could expand the role of the nurse to cover other issues of interest to the company, such as family life education, child care, drugs, and other problems that affect absence from work. In addition, the plants had no resident nurse for emergencies and the project nurse could help provide the service needed.

Demonstrating these points became an important goal of the presentation for the second visit.

Planning for the Presentation

The presentation, described in the next section, was developed prior to the second field visit.

Plans called for holding two general meetings--one in the south and one in the north--to present the project proposal to all interested factory managers/owners. The EPA was to co-host the meetings with the business community and make all the necessary arrangements.

Prior to the meetings, Belle Fashions and Castries Apparel were to be canvassed privately to ensure that they were satisfied with the case study and would support the project. As noted above and discussed further in the next section, the results of this private canvassing were disappointing: neither factory supplied data for a case study, nor were the managers initially willing to enroll in the project. Other companies also were to be contacted individually to ensure that they would support the project at the meetings. The goal of the meetings was to produce a consensus among the business community that the project made both business and social sense in St. Lucia, and that the costs involved were more than outweighed by the benefits.

Government and business association officials were to be briefed on the project prior to the meetings. Their full support was anticipated.

Second Field Visit: November 6-10, 1989

The second visit had two primary objectives:

- To review and verify with the FPA the draft business plan and the draft presentation on the project.
- To give the presentation to members of the business community and to recruit enough factories to have at least 2,000 workers enrolled (thus meeting the break-even point for hiring one full-time nurse--see the business plan in Appendix A).

In addition, the visit had the following two secondary objectives:

- In light of the responses to the presentations, assist the FPA with practical adjustments to the proposed business plan in order to prepare for the launch of the revitalized project on January 1, 1990. It was planned to help the FPA be flexible in responding to the resources that became available, and in integrating this program into its overall development strategy for outreach work.
- To pass on to the FPA all the information necessary to support a recruiting drive to bring additional factories into the project.

The major problem encountered in preparation for this trip was the lack of information from the island's two largest plants about pregnancy and absence rates. Despite direct contact with the managers concerned, this information was not forthcoming. Consequently, it was not possible to assess in detail the

potential impact of the project on Belle Fashions and Castries Apparel. A large factory case study accordingly was not available for inclusion in the presentation.

Despite some uncertainty at the outset, as well as a lack of immediate feedback and low attendance at the meeting in the North, the trip was successful. The managers and public officials who saw the presentation viewed the arguments contained in the case study and the presentation generally as very compelling, from both a financial and a social responsibility point of view. A critical core of the island's business leadership was exposed to the ideas behind the project and, without exception, endorsed them. They agreed to advocate support for the project at the membership rate of EC \$12 per employee. However, by the end of the second visit, some work remained to be done to ensure that the break-even membership would be achieved, and that all potential members would eventually be approached and given a chance to join the project.

Verification of the Business Plan

Some minor changes were made to the business plan, as well as to the presentation, as a result of consultations with the FPA. These changes were mainly to clarify the level of resources the FPA would be offering to support the project. These resources are larger than originally identified, and have been given great prominence in the business plan and presentation. Otherwise, the FPA expressed considerable satisfaction with both sets of materials. Also in conjunction with the FPA, an introductory letter and a response sheet for attendees to hand in following the presentation were drafted.

The Presentation and Other Recruiting Efforts

The presentation and other recruiting efforts included meetings with individual managers, the two previously organized general meetings, and sessions with other business and community leaders. The presentation was designed to accomplish the following objectives:

- Inform attendees about population issues on the island
- Demonstrate the effectiveness of factory-based family planning efforts for both the individual and the company
- Elicit financial support from the factory owners/managers

Following the presentation, attendees were asked to sign up for the project using the response sheet.

The presentation was made using a set of overhead transparencies, selected copies of which were provided to attendees. These are included as Appendix C to this report. The following subjects were covered:

- An overview of population in the developing world
- Population in St. Lucia; family life patterns and birth rates by age groups
- An introduction to the FPA
- A history of the project and its achievements
- A case study of a small company--Caribelle Batik; the cost and savings of the new initiative
- The number of visits and type of services to be provided by the FPA
- Calculation of project costs
- Costs to the companies
- Summary: a real need; a proven project; good for women, for companies, and for St. Lucia

Recruiting efforts with individual managers, at the two general meetings, and with other business and community leaders are summarized below.

Meetings with Individual Managers. The owner of Caribelle Batik was the first manager approached so that he could review and verify the case study on his company. The company had participated in the project since the Tulane study (1983-85) and was currently still receiving some limited services. He approved the material and endorsed the company's future participation in the project at the EC \$12 per employee level of membership.

The manager of Belle Fashions was asked to discuss the participation of his factory in the project. From the information available at this meeting, it appeared that the average pregnancy rate among employees in the factory was about 10.5 percent, relatively satisfactory for the island given the average pregnancy rate of 15 percent for women in the 16-25 age group. Nevertheless, after a lengthy discussion, the manager agreed that the plant would enroll in the project at the EC \$12 rate. He indicated, however, that he may well ask employees to

contribute 30 percent of the enrollment fee to reduce the EC \$9,000 cost to the company.

The situation at Castries Apparel was quite similar to that at Belle Fashions. After reviewing the presentation, the manager also agreed to join the project and to publicly endorse it.

The commitment of these three companies ensured 1,225 members even before the previously organized general meetings of employees were held.

General Meetings. The first general meeting was held in the south, and was organized jointly by the FPA and the island's Southern Manufacturers Association. It was held in the Vieux-Fort primary school. Representatives of eight factories attended, about 40 percent of the total membership of the Association. The presentation was very well received, but only Caribbean Electronics (75 employees) agreed to join the project on the spot. Data Delay Services (200 employees) indicated that they were very interested, but required further discussion about how the project would operate in their facility. It was clear that many managers wanted to reflect on the project and would not give a positive answer at a public meeting.

For the meeting in the north, despite calls made on the previous day, only four representatives of the invited factories showed up, and one of those could not find his way to the meeting in what turned out to be a poor venue (Castries Comprehensive School). Nevertheless, Windjammer Clothing (55 employees) and Majestics Industries (200 employees) agreed in principle to join the project.

Following the disappointing impact of the formal meetings, potential significant supporters of the project who had not attended were called by phone. Several individual visits were made, and an outline of the proposal was given. Appointments also were made for the project nurse to visit more factories and provide detailed information after the consultant had left the island.

Other Business Leaders and Public Officials. A number of other prominent business leaders and public officials were briefed on the project. They expressed great interest in the figures set out in the presentation. They unanimously expressed the opinion that the project was an asset to St. Lucia and was worthy of business support. The following individuals were contacted:

- Mr. Terry Deligny - National Development Corporation

- Mr. Adrian Augier - Chamber of Commerce
- Senator Charmaine Gardner - Carasco and Sons
- Dr. Debra Louisey - Minister of Health
- Ms. Huldah Richards - Resource Development Officer, Caribbean Family Planning Affiliation Ltd.

The Chamber of Commerce asked for a full presentation of the project in January, which the FPA agreed to give using the materials provided.

Adjustments to the Business Plan

In light of the approval of the project budget by the employers and others, no significant adjustments to the business plan were made. The membership fee will remain at EC \$12 for the first year of operation; the level of fees should be reviewed at that point. It is proposed to hold a general meeting for all companies involved in the project each year to discuss its functioning and financial matters.

Technical Assistance to the FPA

At the conclusion of the week, the project nurse was presented with a folder containing the following:

- A full set of overheads
- Master copies of the overheads
- An annotated presentation
- The draft business plan for the project
- A detailed analysis of the location and numbers of employees in the island's factories

In addition, the project nurse was briefed on the various issues addressed in the presentation, and counseled about the business concepts and terminology.

SECTION 3

CONCLUSIONS AND FUTURE PROSPECTS

Based on the results of the field visits described in Section 2, the following conclusions are worth noting:

- The best way to "sell" membership in the project was on a one-to-one basis with individual managers. Meetings are poor environments for "closing a sale," but are an important way to help inform and educate.
- When individual managers were able to see the full presentation and later to discuss its implications, without exception they committed to supporting the project at the EC \$12 fee level. Thus the combination of the presentation and the individual contacts was highly effective in accomplishing their objectives.
- Future meetings with this group of leaders should use a hotel as a venue. Business groups tend to prefer such an environment over, say, a school, as was used for the general meetings.
- A clear consensus of support for the project has been established on the island. The FPA must now capitalize on this consensus to maintain and increase membership.

Regarding prospects for launching the project, given that all who said they would join it did so, there was good reason to believe it could go ahead beginning January 1, 1990. Shortly after the end of the second visit, factories representing approximately 1,730 employees had said they would join. This represents sufficient revenue to generate EC \$20,760, which would more than cover the nurse's salary (EC \$18,000). This revenue, with other income from contraceptive sales and CBD, would make the project clearly viable, although with a somewhat restricted operating budget.

As of this writing, the major issue left to clarify is the location of the nurse. At this time, a majority of committed members are located in the north, and it may not be efficient to locate the nurse in the south. It remains to be seen precisely how many of the southern manufacturers will actually join the project. In addition, Belle Fashions (located on the eastern shore of the island) could be reclassified as being in the south for administrative purposes, thus giving a nurse based there a solid clientele to serve.

In summary, the FPA has work to do to implement this project in final form. However, the road is open to do so.

Appendix A

BUSINESS PLAN

Introduction

This business plan is for a St. Lucia Family Planning Association (FPA) project to deliver contraceptives, family planning, and family life education to factories with predominantly women workers. The project is not new. It has been in existence in various forms since 1981, but at this time is of limited effectiveness because of a lack of funds to support anything more than a basic contraceptive distribution network. Educational work and acceptor monitoring in the factories are virtually nonexistent.

This plan has been constructed on the principle that the project should be self-financing: that the income generated from fees to employers and charges to acceptors should cover all operating costs except those of contraceptives. This plan, drawn up on the basis of research done on the island and with the St. Lucia FPA and the MORE project, sets forth the basic requirements of such a project. It is not a detailed business proposal; only average figures are used, for example. It does provide a simple, clear structure for the financial management of the project.

A detailed presentation outlining the costs and benefits of the project to employers is provided in Appendix C. The proposal to employers seeking their financial support is predicated on the fact that a reduction in unwanted pregnancies and more birth spacing will yield them economic and other benefits. Furthermore, the scale of these benefits is such that there is a strong incentive for them to support the scheme.

Project Objectives

The project will seek to provide the following:

- An efficient and cost-effective contraceptive distribution system in the factories
- Information and education about family planning to employees
- Counseling and health monitoring for contraceptive acceptors

The project will set the above activities in the context of a broader range of family life education programs covering the following:

- Reproductive health
- Basic child health
- The conduct of family life, including issues such as budgeting, relationships, drugs, and AIDS

Contraceptive supplies, such as pills and condoms, will be distributed by a network of employees serving one or more factories. A nurse will oversee these activities, monitor acceptors, and do essential counseling and educational work with employees on a monthly basis. The project nurse also will be able to offer the factories support and assistance when sickness or medical emergencies arise in the workplace.

Costs and Project Budget

The costs of the project are determined primarily by the need to hire a fully qualified State Registered Nurse as recommended by the FPA and the Tulane University study. Such an individual is essential to provide high-quality and flexible service for the project.

The figures below (US \$1.00 = East Caribbean (EC) \$2.65) represent annual costs for one full-time nurse, but can be used to calculate part-time activities on a proportional basis should the demand for the project be more or less than the time of one person per year:

<u>Expenses</u>	<u>EC \$ per year</u>
One full-time qualified nurse, salary & taxes	\$18,000
Operating expenses (\$700/month for island-wide travel, informational and educational material, plus some equipment)	8,400
10% salary as administrative overhead to the FPA	<u>1,800</u>
Total	\$28,000

This basic budget gives a break-even point of EC \$28,000. It is estimated that the optimum number of employees a nurse can serve is approximately 2,000. These two factors, while to some degree flexible, establish the basic parameters of the project.

The FPA will contribute the following:

- Management supervision and support for the nurse. This is calculated at .3 of the time of the FPA nurse who will be the project supervisor, or approximately EC \$5,400.
- All contraceptives necessary for the project will be provided by the FPA free of charge.
- Should any acceptor need to be referred to a doctor for a medical check-up in relation to her contraceptive use, the FPA will cover those costs. No reliable estimate of these costs is available.

The Market for the Project

The primary market for the project is factories employing women workers. There are 45 such factories, employing a total of 4,393 women workers; the number in each ranges from 6 to 750. At this time, approximately 2,985 workers in 20 factories are receiving some minimal service from the FFA.

The National Development Corporation has plans to increase factory work by 1,000 new jobs in the next two years. Most of these will be jobs for women; consequently, the market for this service is likely to expand to around 5,500 employees. There are also major hotels and other factories and industries (food and brewing, with 632 workers) that have a predominantly male population, but might nonetheless use the project in some way.

This being the case, it is possible to envisage an eventual successful project of 4,000+ members being served by two full-time nurses.

Income Potential

To effectively serve approximately 2,000 women and reach the break-even point of EC \$28,000, income will have to be generated in two ways.

Charges to Acceptors. The FPA currently charges acceptors EC \$1 for each cycle of pills; EC \$.50 is retained by the factory-based distributors. (Price variations for the small number of condoms and different types of pills sold have been

ignored here since 90 percent of the FPA's business involves the basic EC \$1 per cycle of pills.)

There are currently 635 acceptors in the project, and there is a 40 percent prevalence rate on average for the island. If a target 50 percent acceptance rate were set for the scheme, 2,000 workers in the care of a nurse would generate the following income: 13 cycles x EC \$0.50 = EC \$6 50 per year per acceptor x 1,000 acceptors = EC \$6,500.

It is the aim of the FPA to provide low-cost contraceptives, and there appears to be real price sensitivity in contraceptive distribution. Thus the prospects for increasing income from this source seem remote in the near future. This being the case, there is a shortfall of EC \$21,500 to reach the break-even point.

Fees to Employers. It is proposed that employers be asked to fund the above shortfall to make the project self-financing. The fees needed to support the project are calculated on a per capita basis.

For a pool of 2,000 employees, an income of EC \$21,500 would mean a charge of EC \$10.75 per employee. To allow for some shortfall in income generation from contraceptive sales and in recruiting during the initial stages, it has been agreed provisionally to set the charge per head to participating employers at EC \$12 (potentially generating EC \$24,000 of income from this source). In due course and if the full quota of employees is reached, it would be possible to reduce the employer fee to EC \$11 or use the surplus to fund additional activities. In presenting the project to employers during both field trips to the island, the figure of EC \$12 was proposed as the membership fee, and it was generally thought acceptable.

With regard to alternative schemes that might compete with the project, there is one full-service medical coverage scheme offered by a few employers. Membership in that scheme is EC \$14 per month. The scheme is aimed at a few salaried staff, and consequently its cost is well beyond the figure employers will pay for factory workers.

To summarize potential income on the basis of 2,000 participants per nurse:

1,000 acceptors per annum, fees for contraceptives (50% acceptance rate)	EC \$ 6,500
Fees to employers	<u>EC \$24,000</u>
Total	EC \$30,500

The projected surplus in the first year of operation is EC \$2,500 (EC \$28,000 is needed to break even).

Location of the Nurse

It seems desirable to locate the full-time nurse in the south of the island if possible. There are 20 factories there employing 2,381 workers. If they all could be recruited, the south could, in fact, have its own full-time nurse. Currently, 16 factories employing 2,174 workers in the south have some access to the project because one or more employees obtain supplies from a project distributor (4 factories with 204 workers remain to be recruited, and some major hotels could add to the numbers). Such a development could reduce operating costs, in particular, travel. Within the same area, a rapidly growing and revenue-generating community-based distribution (CBD) program operates. A nurse based there could administer both programs, increasing her revenue-generating role. At this time, the island-wide CBD program nets approximately EC \$8,500 a year for the FPA.

In due course, a part-time nurse might be added to cover the north of the island, where there are 4 factories with 811 workers currently receiving some service from the project. This figure could be increased with a determined recruiting effort. There are 21 other factories employing 1,201 workers in the north that might be brought into the project. Thus the optimum workload of 2,000 employees could in time be reached in the north as well. The CBD scheme also operates in the north, and could be managed by the nurse, as in the south, thus increasing her role in revenue generation.

Billing Procedure

It is suggested that employers be billed for the services of the project twice a year. Appropriate times for two equal payments would be January 1 and June 30.

Performance Monitoring

It is essential that the FPA establish basic management information systems to monitor the performance of the distribution networks and of the nurse(s). Most important, employers themselves should be encouraged to monitor the impact of the project on the attendance and performance of their employees. This monitoring should go beyond the simple collection of maternity leave statistics and assess other performance factors, such as employee absences and the decline in

productivity experienced during pregnancy (see the slide calculating maternity costs in Appendix C).

Day-to-Day Management

It is proposed that the nurse visit each plant twice a month: once to check up on the distribution system and counsel individual clients, and once to do educational work in larger groups. The pattern of visits to each plant should be worked out in detail with its manager. Larger plants might need more as well as longer visits. The timing of visits will require close collaboration among the program staff and the plant management to suit factory production needs.

More contraceptive distributors may need to be recruited and trained. The existing network of contraceptive distribution developed from the Tulane University project should be maintained as the basis for project operation. Thought should be given to training the distributors more fully in their current role, and perhaps expanding it to simple educational and campaign work.

Annual Meeting

It is suggested that each year, the FPA should call a meeting of the employers involved in the project to review its overall workings and discuss potential improvements. At this meeting, a full account of the project work should be given, including its financial record.

Bank Account

A separate bank account should be established for the project, and all associated charges closely accounted for within this separate cost center.

Conclusion

Using the simple principles established above, the FPA should be able to create a flexible budget for a self-financing scheme that can respond to the level of demand from employers. A solid demand for the scheme seems to exist.

Overall, the prospects for relaunching the scheme on a self-financing basis look good in light of the 3:1 savings-to-cost ratio it is calculated that most employers will obtain by joining the scheme at a fee level of EC \$12 per employee.

The project will definitely support the success of St. Lucia's emerging factory-based economy. As these plants perform better, they can offer more jobs to the population, whose employment prospects are increasingly dependent on the plants as agricultural employment declines.

The project also will offer the FPA an exciting opportunity to expand its outreach work, and to do so on a self-financing basis. At this time, over 90 percent of acceptors are served from FPA headquarters in Castries; now the FPA must take its "product" to the market.

Appendix B

CONTACTS MADE DURING FIRST FIELD VISIT

Mr. Raymond Louisy	Director, FPA
Mrs. Audrey George	Nurse Midwife, FPA
Mr. Terry Deligny	Manager, Investment Promotion, National Development Corp.
Ms. Charmaine Gardner	Carasco and Son Ltd.
Mr. Marvyn Auguste	Manager, Belle Fashions
Mr. Leo Clark	Castries Apparel
Mr. Leuan Lewis	Brabo Caribbean Ltd.
Mr. Harley King	Caribbean Electronics Ltd.
Mr. Thompson Palton	Coriman Ltd.
Ms. Memine Collymore	Caribelle Batik
Mr. D. C. Bae	Hap Jeun Textiles Ltd.
Ms. Joycelyn Esayed	Pyramid Garments

APPENDIX C

SLIDE PRESENTATION

Introduction

A set of slides formed the basis for the presentation to the factory owners and managers in St. Lucia. A transcript of the presentation begins on page 24. The slides follow the transcript and also give a great deal of information about the structure and content of the presentation.

Structure of the Presentation

Introduction - Setting a Context

The first three slides (slides 1-3) set the context for a discussion showing the linkage between population growth and development in general. The theme is then discussed in relation to St. Lucia, where there are very high teenage pregnancy rates and many informal family structures. The highest rates of pregnancy are among women in the age groups most likely to be employed.

The Costs of High Pregnancy Rates to Business

The next five slides (slides 4-8) give the history of the project and itemize the cost of pregnancy to business. With reference to one detailed case study (Caribelle Batik), they show the impact of project intervention on the birth rate at the company since 1983, and what maternity leave alone costs a company. A graph shows how the impact of the project run by the FPA has declined since funding ceased in 1985, adversely affecting the pregnancy rates at Caribelle. The following slides show the savings that actually accrued from the project, and a hypothetical study shows savings that would have been achieved at Caribelle if the project had been funded at the optimum level.

Presenting the Project

The following three slides (slides 9-11) present the budget content and structure for the proposed revitalized project. The details of the project management are contained in the business plan (Appendix A).

Summary

The last slide (slide 12) summarizes what is in effect a "sales pitch" to plant owners and managers. The presentation closes with an invitation to them to fund the project at the proposed EC \$12 per employee fee level.

Script For Slide Presentation

Slide 1

Business people, like the community at large, have little or no knowledge of large-scale population issues. This slide graphically shows the immense challenge facing the developing world in terms of creating economic growth, jobs, and social services to meet the needs of growing populations. It points up the relationship between a stable population and economic development in the developed world.

Slide 2

Few people know or understand the population issues in their own country.

This slide brings the general issues home to St. Lucia and locates its problems within the pattern facing all developing countries.

Slide 3

This slide shows with great clarity the age groups having the greatest number of births. These are precisely the age groups that the employers on the island are seeking to recruit.

The slide also shows the significant problem of teenage pregnancy, and the link between teen pregnancy and the poverty discussed.

Slide 4

This slide introduces the work that has already been done on factory-based contraceptive distribution in St. Lucia. It sets up the basis for the following analysis and makes the case that the employers are being asked to support a thoroughly tested idea.

Slide 5

The impact of the Tulane project is shown most graphically in this slide. It is probably the most important slide in the series. It demonstrates the very successful impact of the experimental project.

The project began in 1983, but data was not collected for that year. Its impact was really felt for the years 1985, 1986, and 1987. The statistics for 1988 and 1989 show that the lack of a sustained educational element in support of contraceptive

distribution led to a drift back to the "normal" island pattern by the women in the factory.

Slide 6

There is a tendency among managers to view certain problems for the business as inevitable; like the local hurricanes, a high birth rate is just something that has to be lived with. They believe that it cannot be "managed" in the way other business costs can.

This slide confronts employers with a full list of all the costs incurred from a pregnancy. Few if any try to assess these costs, and the slide is aimed at getting them to focus on what those costs might be if all the relevant factors were taken into account. Employers know intuitively that the size of the total bill is significant enough to be worthy of their attention.

Slide 7

Using actual maternity costs, this slide examines the savings that accrued to Caribelle Batik from participation in the Tulane project. They amount to almost \$5,000 per year when the project was fully effective.

Slide 8

This slide examines what savings would have accrued to the company in 1989 had a project charging a membership fee been in operation. The cost-to-benefit ratio is substantial for any business investment. The drawback for a new participant is that it can take a couple of years for the full benefit of the investment in the project to be felt.

Slide 9

Having established the effectiveness and economic utility of supporting factory-based contraceptive distribution in the past, this slide sets the scene for what is proposed for the future.

The principles behind the proposed project are that it is a non-profit joint venture with the local FPA, funded on a strictly self-financing basis; consequently, the more subscribers there are, the lower the costs of membership in the scheme.

Slide 10

This slide summarizes the key elements of the proposed project:

- Contraceptive distribution
- Employee education about family life

The latter is essential to the project's success.

The project also intends to provide a wider range of medical support, once established. None of the plants on the island has a resident nurse, and the FPA nurse could help with emergency medical care.

Slide 11

This slide provides a breakdown of the costs of the project. They are built around the need to hire a full-time qualified nurse to run it.

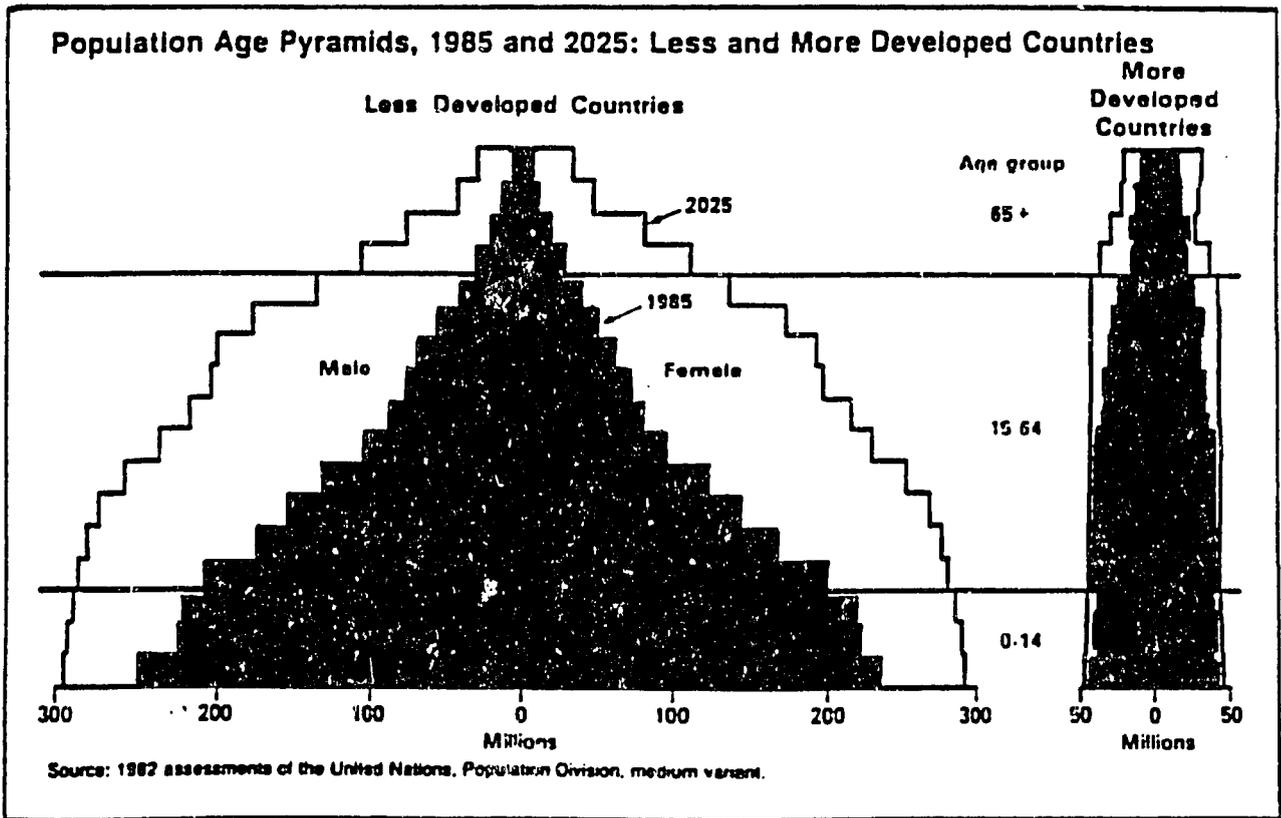
The FPA's contribution is not quantified here, but is important.

Employees will purchase the donated commodities, and 50 percent of the dollar cost per cycle of pills will be returned by the in-plant distributor.

The surplus of \$2,000 in the first year of operating is designed to give the project a cushion of funds against contingencies.

Slide 12

This slide is a final summation to "sell" the project to those who will have to fund it. The detailed analysis has been done, and the slide stresses the all-around advantages of the project. It emphasizes the win-win features of the project and shows it as a socially responsible, far-reaching contribution to the development of St. Lucia.



Population in St. Lucia

- ◆ Growth rate: 2.8%

- ◆ Could double in 35 years

- ◆ Births in 1987

15 - 19 year olds total = 8,709

Births = 872 (10.0%)

20 - 24 year olds total = 6,482

Births = 1,303 (20.1%)

- ◆ Only 16% births take place in wedlock

POPULATION AND VITAL STATISTICS

St. Lucia

Births by Parity and Age of Mother - 1987

TABLE 12

PARITY	AGE OF MOTHER									TOTAL
	UNDER 15	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 +	NOT STATED	
1	10	621	364	122	24	4	1	-	-	1,146
2	-	215	428	174	44	11	4	1	-	377
3	-	33	297	206	76	17	2	-	2	633
4	-	3	151	183	82	21	6	-	1	447
5	-	-	45	133	73	47	3	-	-	301
6	-	-	13	63	50	27	7	-	-	160
7	-	-	2	19	39	42	4	-	-	106
8	-	-	-	1	30	22	8	1	-	66
9	-	-	-	1	14	11	8	1	-	35
10 & over	-	-	-	-	9	16	22	2	-	49
not stated	1	-	3	2	4	-	1	-	2	13
TOTAL	11	872	1,303	808	445	218	66	5	5	3,833

SOURCE: Registrar of Civil Status and Statistical Department, p. 17.

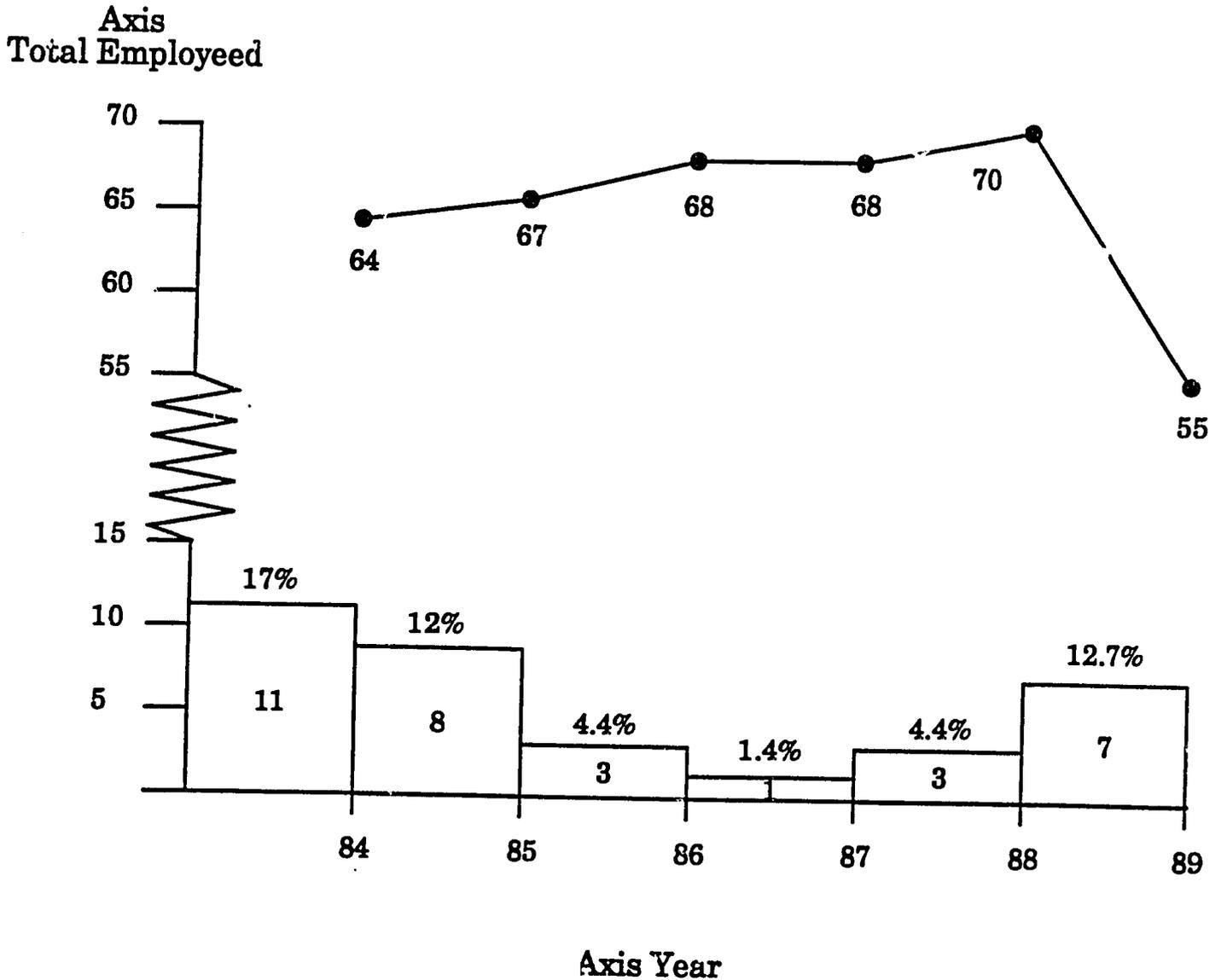
- 29

The History of the Factory Based Contraceptive Distribution System

- ◆ **Managed and evaluated by Tulane University between 1983-85**
- ◆ **Cost efficient means of distribution successfully established**
- ◆ **Funding ceases at the end of 1985**
- ◆ **Maintained by F.P.A. on a very limited basis**
- ◆ **Significantly reduced effectiveness**

CASE STUDY

Caribelle Batik : Overview



a) 11 - This is the number of pregnancies

b) 17% - This is the pregnancies as a % of total employed

Calculating Maternity Costs

1. Maternity leave - 6 weeks pay
2. Absenteeism related to pregnancy
3. Absenteeism post delivery
4. Tardiness in attendance
5. Decrease in productivity
6. Replacement worker's low productivity
7. Training replacement worker
8. Accounting costs

Other Costs - Potential Costs

- A) Abortion
- B) Sexually transmitted diseases
- C) Absence from work to collect contraception

Case Study: Caribelle Batik
Project Impact: Costs and Savings

- **Costs of Maternity Benefits**
 - Average wage per week = \$ 120
 - 40% of 13 weeks maternity leave = 624
- **Annual Costs to the Company**
 - 1984 costs, 11 pregnancies = 6,864
 - 1986 costs, 3 pregnancies = 1,872
- **Savings**
 - '86 vs. '84 = \$ 4,992

Case Study: Caribelle Batik 1989 Hypothetical Study

- Actual Costs to Date
 - 7 pregnancies = \$4,368

- If the Family Life Education Project Were Fully Operating

Costs:

1) Cost of membership		
55 memberships x \$12	=	\$ 660
2) Assume 2 maternity leaves		
x \$624	=	\$ 1,248

Total Costs	=	\$ 1,908
Savings:	=	\$ 2,460
Cost/Benefits Ratio	=	1 : 3.7

The Concept of the Project

- ◆ Preventive Healthcare

- ◆ Self Financing -
Run Like an Insurance Pool

- ◆ Costs Shared on a
Per-Capita Basis

- ◆ Financial Benefits Should
Outweigh Costs

The Family Life Education Project

- **Benefits**
 - **Contraceptive Distribution On-Site**
 - **Employee Education in**
 - o **Family Planning**
 - o **Reproductive Health**
 - o **Basic Childcare**
 - o **Responsible Family Life relationships/budgeting/decision making/drugs/AIDS**

- **Services**
 - **Two visits per month**
 - o **group work**
 - o **individual counseling**
 - **Emergency service**
 - o **accidents**
 - o **sickness**

Project Budget

<u>Costs</u>		<u>\$ per year</u>
1. One full-time nurse (salary & social security)	=	18,000
2. Operating expenses, travel and educational materials (\$700 per month)	=	8,400
3. Admin. overhead (10% of salary)	=	1,800

Total	=	28,000

Supervision, training and medical and other services will be provided by the F.P.A.

Income

- Scheme Memberships at 2,000 workers per nurse maximum fees at \$12 per head	=	24,000
.. Sales from Contraceptives 1000 acceptors at \$6.5	=	6,500

Projected Total Income	=	30,500

Summary of Presentation

- ◆ **A Real Need**
- ◆ **A Proven Project**
- ◆ **Good For Women and Families**
- ◆ **Good For Companies**
- ◆ **Good For St. Lucia**
- ◆ **Economic Benefits Outweigh Costs**