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INTERNATIONAL HUMAN ASSISTANCE PROGRAMS

โครงการช่วยเหลือเพื่อนมนุษย์นานาชาติ



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14 February 1986

Mr. Thomas O'Connor
Director
O/HRT
USAID/Thailand

Subject: Final Project Report
IHAP's Self-Employed Women: Bangkok's Informal Sector
AID Grant # 493-0296-G-SS-4020-00

Dear Mr. O'Connor,

Attached please find three (3) copies of the final report for the IHAP SEWBIS project. This report consists of five sections. These are:

1. Final Report Overview
2. Manual of Operation
3. Credit Policy of the IHAP SEWBIS Project
4. Business Education Program
5. DPW Services under SEWBIS

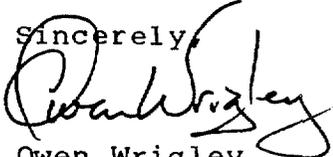
I do request that you note the intimate attention to detail that has been given to the development of this project. I think you will agree that far more was accomplished that was ever expected when this grant was first signed.

The IHAP team feels strongly that an excellent ground-work has been laid for a unique assistance program to those in the informal sector who could not qualify to receive assistance either from the formal sector or from other programs under development. The record of this pilot project clearly indicates a real success in delivery of service to those who really are in need.

I will hope that your perusal of this report will lead to a reconsideration of our current SEW II proposal, either in its current form or in a revised version.

As the final drawdown has just been released, the Final Financial Recap will be submitted under separate cover.

Please accept my thanks for your support of this project. Should you have any questions, please contact me directly.

Sincerely,

Owen Wrigley
Director
IHAP/Thailand



FINAL REPORT OF THE SEW/BIS PROJECT
May, 1984 -January, 1986

As outlined in the Project Proposal, this project was to be implemented with an initial Operational Design Phase which would allow us to study, test method of services delivery and develop appropriate methodologies to work with the urban self employed women.

The implementation of SEW/BIS project can be summarized into two phases. The first phase was the study and preparation period, and started from the beginning of the project until the middle of June, 1985. The second phase of the project focused on operations, based on service delivery and changes of service methods to be most appropriate for the women beneficiaries.

The following report will present achievements, problems and constraints, and experience gained from the delivery of project services. This period was from December 1984, until January 1986, with emphasis on the last six months.

Goal and Objectives

The goal of the project is to strengthen and diversify the participation of women in the local economy as a means toward community development. In order to achieve this goal the following objectives are stated :

1. To develop an overview of the economic roles of women in both the formal and informal sector for urban communities such as Huey Khwang and Din Dang. This will include gathering, classifying and documenting the conditions of women in these areas.
2. To experiment and document different methodologies for social and economic assistance to establish a model of aid to self-employed women.
3. To facilitate access to management assistance, markets, sources of supply, savings, credit, and other essential business needs.
4. To conduct the assistance in conjunction with community organizations, as well as commercial banks and enterprises, thereby expanding their role in project implementation and encouraging self-sustaining development strategies.

Acheivement of the Project :

These primary objectives were fulfilled by the following achievements :

1. Completion of the Operational Design Phase during the beginning stage of the project by :

1.1 Completed data collection and baseline survey of the Huey Khwang and Din Dang's National Housing Communities and the markets in both communities. Our comprehensive baseline survey was conducted in 4 months during October, 1984 to January, 1985.

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It collected details on employment of women from the sample of 1,638 women who live in the flats and work in the local markets. We learned from the result of the survey that we had selected the right location, since almost 45% of the women in Huey Khwang and Din Dang are self-employed women. (See: Report on the SEW/BIS Survey Result)

1.2 After study of the survey findings, we documented the socio-economic condition of the self-employed women in two urban communities of Thailand. In addition, we also analyzed the characteristics of self-employed women, made comparative studies of formal and informal business of the self-employed women, and examined the correlation between a woman's social background and her economic status. This information was analyzed in detail to support the research hypotheses related to the question of whether self-employment is a viable option for women.

2. Provided and promoted following services to the self-employed women in Huey Khwang and Din Dang Communities :

2.1 Providing 60 business training and consultations to approximately 320 women during January, 1985-January, 1986.

2.2 Providing 323 loans to over 150 women in the amount of 1,636,700 Baht, during January, 1985-January 23, 1986 . This loan fund has revolved from the initial amount of 200,000 Baht, which was later increased to a capital base of 410,000 Baht. We also guaranteed 5 loans in the amount of 90,000 Baht provided to self-employed women in Huey Khwang from the FWWT.

(See Table 5 and the Appendix for more detail)

2.3 Promoted Saving services by assisting 60 women to be able to save money through a bank in the amount of approximately 84,560 Baht, from March, 1985-January, 1986.

2.4 Promoting an Accident Insurance service for the women by arranging with an Insurance Company for a special low premium that will provide reasonable coverage and medical expenditures for an insured client.

2.5 Promoted a cooperative working relationship with the Department of Public Welfare, the FWWT, and the Citizen Committee of the Community Centers in both communities.

3. Provided assistance in conjunction with DPW, the Youth Centers, and the Community Centers in Huey Khwang and Din Dang to expand their Day-care facilities to be able to serve almost 400 children, and to conduct the series of vocational training programs for women and youth in both areas. All together 34 training courses on Dressmaking, Hairdressing, Food Preparation, Flower Making, and Gem Cutting, were provided to more than 1,500 women and youth in Huey Khwang and Din Dang. Moreover, the Din Dang Center arranged demonstration and exhibitions on its training programs. These demonstration received attendance of more than 1,000 women. (See Appendix for DPW Report)

4. Developed skills of project staff in small-scale business management, business consultancy, and credit administration. We produced a manual of operation for implementation of SEW/BIS Training and SEW/BIS Credit Services. These methods will be the model for the DPW to experiment in another community in urban Bangkok in the future (see the SEW II proposal).

Women beneficiaries :

The operationalization phase of the project began in January, 1985. From January, 1985 to January, 1986, we received visits from more than 600 women. All of these women are self-employed, most of them live in the project area and some do not. They heard about the project from friends, newspaper, and neighbours. Out of these 600 interested women, we provided orientation and training to 320 persons and loans to 150 women.

Characteristics of Target Group

Project beneficiaries have been specified into 4 groups, in according to their size of business, location, earning and characteristics of business.

1. Housewives : The housewife is a type of self-employed women who is a casual worker, frequently going in and out of business. Most of them do business on leisure, and start business with personal or family saving money. Most of them receive income from their husband's salaries, and do business because they need extra money. The size of business range from 100 Baht - 3,000 Baht in assets and working capital. The products that they sell are food, such as fried chicken, Northeastern Food, or grilled banana, drinks, rice and noodles.

From our record, almost 30% of the women who attended the SEW/BIS training programs fall in this category, and about 20% of loan clients are housewives.

2. The Breadwinners : This group of women is the poorest and most needy of the project clientele. Some of them live in the slum area in Din Dang and off Ratchada Road, some share flats with other families, or rent a small room near the market. Their selling locations are likely near the place they live, on the sidewalk, at a movable location, or at major intersections in Bangkok. Their business size range from 50 - 5,000 Baht in total assets. Things that they sell include flowers or garland, food (rice and noodles), vegetables in the baskets, sweets, newspaper, or lottery tickets.

Currently, these business women show strong interest in the project activities, with almost 30% of training participants and loan recipients falling in this category.

3. The Followers : The followers indicate those in a non-innovative type of business. They are also those who are most successful in business, and can operate business on a year round basis, and can sustain through the low economic season. Their business size range from 3,000 - 100,000 Baht. Most women in this categories tend to have enough income to take care of the family, some have extra savings and their living standard is higher than the women in the first two groups. Most of them have a definite type of product, and work in a permanent stall or shop in the market. Very few are in movable location, or sell at their home in the flat. The products of this business are fresh meat, fish, chicken, pork, vegetables, food, fruits, and groceries.

Almost 30% of training participants and 40% of loan borrowers fall into this group. Average loan amounts that these business women received varied from 3,000 Baht up. Four of them received formal loans from the Bangkok Bank and the Friends of Women's World Banking Association.

4. The innovators : The innovators are the women who are entrepreneurial minded. They have talent and innovative ideas. If they are in business longer, they tend to have a stable and successful business and if they are younger; their business tend to be smaller, but they are willing to take risk and to introduce new product or services to the market. This group of women are both traders and manufacturers. Examples from the the project include women who own a clock shop, a T.V repair shop, a grocery store in the market, a purified water business, carnival operator, dressmaking, barber, boutique and gift shop. Those who are in production produce a traditional altar, garments, dolls, silk-screen cameras and silk-screen products.

These women are estimated to comprise 10% of training participants and 10% of borrowers.

As stated in the Independent Evaluation Report of the project, (P.7) :

"The program has a lot to learn from these innovative women who can be an important source of advice to less experienced women. By making available commercial rates of credit to the younger innovators and by facilitating access to commercial lending institutions for the more established innovators, the project could be making a real contribution to the economy."

(See: Progress Evaluation Report, Pg 7, by PfP staff, June, 1985)

Table 1 : Types of occupation of clients from women who attended the training and/or received loans during Jan.- Dec. 1985.

(see next page)

Types of Occupations	Training Participants		Loan clients	
	H.K.	D.D.	H.K.	D.D.
1. Butcher	4	1	3	1
2. Carnival operator	1		1	
3. Clock shop	2		1	
4. Dress maker	5	3	3	1
5. Fried chicken	5		3	1
6. Fried dumpling	1		1	
7. Fried meat	1		1	
8. Grocery	24	4	8	
9. Grilled banana	1		1	
10. Hair dresser	4	2	1	
11. Make altar	1		1	
12. Make dolls	1		1	
12. New business (Housewives)	1	15	1	
13. Newspaper	2	2	1	1
14. Nursery	1	1	1	
15. Silk-screen camera	1		1	
16. Sell chicken	1			
17. Sell clothes	16	2	2	1
19. Sell drinks	13	5	2	2
20. Sell fishes	5		2	1
21. Sell flowers	2	4	1	1
22. Sell foods	46	14	20	4
23. Sell fruits	19	4	5	
24. Sell lottery	3		2	
26. Sell N.E. food	1		1	
27. Sell noodles	20	10	6	3
28. Sell shell	1		1	
29. Sell sweets	18	12	7	2
30. Seasonal sells	5	1	2	1
31. T.V shop	1		1	
32. Vegetables	10	3	8	
Total	216	83	89	21

(Reported from selected sample of training and loan clients who received the services during Jan.-Dec.1985)

Age Group of the Beneficiaries:

The following two tables present summaries of the age group of women who attended the training class and received loans. It can be seen that most of the self-employed women are in the age of 31-50 years. From this record, we provided training to 197 women and given 219 loans to women who are in 31-50 bracket, and provided only half of these services to women in the age of under 30 or over 50 years. The number of women under 30 and over 50 who received training are 114 persons and only 88 loans were given to them.

Table 2 Age of women who attended the SEW/BIS Orientation and business training during Jan.- Dec. 85

Range of Age	Women who attend the training in		
	Huey Khwang	Din Dang	Total
15 - 20	3	1	4
21 - 30	37	20	57
31 - 40	58	36	94
41 - 50	80	23	103
51 - 60	32	18	50
61 - 70	3	0	3
Total	213	98	311

Table 3 : Age of loan borrowers, from total 267 loan disbursed during Jan-Dec. 1985

Age Group	No. of Loan Disbursed		Total
	Huey Khwang	Din Dang	
Under 20	1	0	1
21 - 30	31	9	40
31 - 40	72	12	84
41 - 50	118	17	135
51 - 60	42	2	44
61 - up	3	0	3
Total	267	40	307

Progress Report of SEW/BIS Activities (outcomes, problems, and constraints)

Business Education

Business education includes the training for project staff, as well as training for the Self-employed women. The methods used to train staff were formal classroom activities, on-the-job training, and staff meetings. The project staff received further training by the Project Advisor, from PfP, by exchanges ideas among senior staff, junior staff and intern students from the Business School of Stanford University.

Three types of training were provided for self-employed women; Orientation, Informal Discussion, and Special consultancy.

The number of Training Sessions provided to the women in Huey Khwang and Din Dang during December, 1984-January, 1986 are as follows.

Duration	No. of Sessions	No. of Women Attended.
Dec.84-Apr.85	17 Sessions	85 Women
May - July 85	26 " "	155 " "
Aug - Sept.85	7 " "	33 " "
Oct.- Jan. 86	11 " "	47 " "
Total	61 Sessions	320 Women

For further detail see the Appendix, including the table on the number of women attending different classes per month.

Credit Assistance

The SEW/BIS credit program aims to provide loans, technical advice and related services, such as saving, for self-employed women. This service is provided as a full package of business planning, financial assistance, and business promotion advice which is provided together with loan follow up and monitoring. Policies and procedures of the SEW/BIS project are compiled in a manual in Thai and English attached with this report.

In summary, the SEW/BIS loan service started in January, 1985 with the initial fund of 230,000 Baht. The amount of this initial loan fund was doubled in July, 1985. After 13 months of operation, the fund has revolved almost 5 times. We cannot yet count any bad debts, as there are some delays on payment, but not more than 3 months. Each of these borrowers is in touch with project officers. For those who cannot make payment, or move out of Huey Khwang without notice, we can claim repayment from their guarantor. The common reasons for delay on payment include the low season cycle, health or family problems.

The number of loans given out, Number of women borrowers, and Amount of total loans given out are as follows :

LOAN REPORT ; JANUARY-DECEMBER, 1985.

Table 1 : No. of loans dispursed each month and amount of loan repayment (January - December, 1985)

MONTH	NO.OF LOAN	TOTAL LOAN	TOTAL PAYBACK	
Jan	5	9,000	2,238	Baht
Feb.	9	121,000	19,705	"
Mar.	9	21,500	29,138	"
Apr.	19	116,000	57,845	"
May.	19	111,100	97,725	"
June.	16	110,500	100,045	"
July	41	192,000	118,980	"
August	48	224,000	145,107	"
Sept.	30	183,800	165,200	"
Oct.	37	146,500	157,245	"
Nov.	44	179,600	147,231	"
Dec.	30	104,700	131,524	"
23 Jan, 86	16	113,500	117,305	"
Total	323	1,636,700	1,288,287	

(The preceding table is correct as of January 23, 1986)

For more detail please see following :

1. Table No. Shows Summary of SEW/BIS Loan Fund Account from January 1985 - December, 1985.
2. Table No. Shows Summaries of SEW/BIS Loan Account and Loan from the FWWT.

Lessons from the Field, including constraints faced :

The fact that most of beneficiaries are very poor requires time to help them to be able to improve their business, including their personal and family financial status. After 18 months of working with these women, we believe that the provision of credit at commercial rates together with advice and the promotion of savings can help them to improve their business performance, save money, and, in the long run, show better improvement in the women's business and their family life.

Based on the above classification of women beneficiaries of the project, and the following table No. 6, we can see clearly that almost 55% of loans were given to the Breadwinners and the Housewives who are the persons who have very low incomes. From our survey, the average monthly income per family of 5 people who live in Huey Khwang and Din Dang, is only 4,958 Baht for Huey Khwang and 4,739 Baht for Din Dang.

(See Table 1.3, P.6 " Report on Result of SEW/BIS Survey ")

Table 6 : Range of amount of loan , classified by no of loan given out. (From the total of 307 loans disbursed to the women borrowers during January - December, 1985)

Range of Amount of loan	No of Loan		Total
	Huey Khwang	Din Dang	
100 - 1,000	24	6	30
1,000 - 2,000	66	12	78
2,000 - 3,000	46	16	62
3,000 - 4,000	20	4	24
4,000 - 5,000	44	2	46
5,000 - up	67	0	67
Total	267	40	307

As has been mentioned before, businesses of these low income women have problems of instabilities, as they are very small, casual, movable and make small profits. Moreover, there are other factors related to personal and family financial needs that can drain the women's business. Unfortunately, it is difficult to help them out of personal problems, which have accumulated over a long time, in the very short period of SEW/BIS project.

Table 7 : Frequency of loan given out to clients in H.K. and Din Dang.

Frequency of Loan	Number of loans		No. of borrower		(women)
	H.K	D.D	H.K.	D.D.	
1 time	55	20 (loans)	55	20	
2 times	54	14	27	7	
3 times	51	6	17	2	
4 times	32		8		
5 times	30		6		
6 times	36		6		
9 times	9		1		
Total	267	40	120	29	

SAVING

The Saving Program was fully promoted in July, 1985. Since then about 25% of the loan clients have joined this program. The Number of saving clients and the amount of money saved, follows;

Table 8 :
Report on number of saving clients and amount of money saved.
(March - December, 1985)

	No. of Women	Amount of Money Saved
March	3	120
April	3	510
May	3	200
June	3	215
July	19	4,905
Aug.	31	9,100
Sept.	29	12,425
Oct.	34	15,505
Nov.	34	17,160
Dec.	28	13,580
Jan, 1986	24	10,840

(Reported at the end of January 23, 1986)

Meetings with the Community Committees

During January 1985, to January, 1986, we had 12 meetings with members of the Huey Khwang Community Committee and three meetings with the Din Dang Community Committee. These Community Committee Members have helped us review all loan applications, guaranteed some loans, helped follow up the delay on payments by clients, and have advised us on developing the services.

Lesson from the field and constraints (Cont.)

There are many factors that have contributed to the successful implementation of SEW/BIS loan program in the past twelve months, these factors include:

1. The cooperation from the women borrowers. We started the loan program carefully with a core group of women that were recommended to us by members of citizen committee and the old people who live in the community for a long time. We were able to test our policy and procedures with this core group of 20 women who were among the outstanding leaders of the maekaar (women sellers) in the Huey Khwang market. Two of these women later became members of the project's Sub Committee to recommend on decisions to approve loans. Some of them also became a guarantor for their friends after they finished their own loan.

2. We decided that the first loan to new borrowers should be small, in an amount appropriate for the size of a woman's business, and should be short-term to revolve fast. This decision requires knowledge and skills for individual business analysis. We learned from the orientation, the discussion sessions and the informal chats with the women, those factors which help estimate the size of business and estimate daily income and profit. We developed guidelines to calculate repayment per day and total loan size. We prefer repayment to be in a range of 20-30% of profit and first loan payment period should not exceed 3 months.

3. Factors that motivate the women to repay loans are :

3.1 Low interest rate. Most women appreciated having access to low interest loans, since the normal rate in the market ranges from 5-20% per day. Our interest is only 1.25% per day.

3.2 The revolving loan fund. When we initiated the program, we informed all participants in the orientation session and, again, before disbursing loans that this fund is a revolving loan fund. If they repay on time, they can receive another loan. The women who pay back on time will also receive advice on planning for special seasonal sales, or receive a higher amount of loan to purchase more stocks or supplies for her business. Because the loan is revolving, and most women have definite plans for future loans, the active borrowers have shown themselves helpful to collect and call for repayment for fear that they will not receive future loans in time due to those problem situations.

3.3 The guarantor. We require that the guarantor must include a government official of at least C-3 rank, because they have discipline and do not want to ruin their reputation if the borrower defaults. Most will take full responsibility.

3.4 Status of loan, follow up and credit administrative system. The IHAP experience, both in the Youth Programs and in the urban projects, has shown it critically important to keep good record of the loan fund and of each borrower's account. We must know immediately who owes how much, when the loan will due, each women's payment behavior, what delays exist on loan payments and what is overdue. We have tested different types of forms and reporting systems, and have tried to promote a workable system with a low administrative cost. We have developed a workable reporting system, now in use, which helps us to classify the status of loans, undertake loan follow up, and send a notice to the individual women at the appropriate time.

Constraints

1. Delay on payments come from the following factors:

- because the women are very poor, most women are the sole responsible provider for their family, and family members take most of her income, capital and assets.
- because the women the above, there are few cases, notably in Din Dang, that women are overdue, they cannot repay on time. These women always come and asked to extend the repayment of loan period for them:
 - because of low seasonal sales.
 - because of health problems.
 - because of family problems. Many women also come from up-country, and must send money to support rural families.
 - some of the women run away. We have found some cases that live in temporary housing or move in under other people's household registration, or simply move out of the community without noticed. Most of these women are heavily in debt.

2. Experience with Citizen Committees :

It has been very difficult to work with the committee members who do not have experience in small business, in the dynamic of the market and the changing of seasonal sales. Our experience of working with committee members show that they include social workers, retired members of the army, teachers, tax men, public relations types, and few business owners. We found the recommendations from the former government officials tends to be formal and paper oriented. All forms and required documentation must be completed. In addition, all conditions of loan, policy and process must be written in paper with approval of wording and meaning from all members. For the few business persons available to the committee who understand the dynamic of the market, they make appropriate decisions and recommendations on the amount of loan and details of the loan, repayment ability and some recommendation on individual business analysis. The flow and process of work is faster and does not rely on paper.

We have had experience with several types of citizen committee structures and experienced two patterns of citizen committees. The first committee is comprised of business men and women who act as an advisory committee. They approve the loan policy, procedures, conditions and requirements at the beginning of the project and allow the staff to provide services, such as training, and give out loans to applicants who meet the requirements without calling a committee meeting to approve each loan. This committee requested a report every quarter at which time the citizen committee met. They call for special meetings only when they want to offer a creative idea or new process to assist the women beneficiaries. Each member is available for project staff to seek individual consultancy.

The second type of committee consists solely of government officials who are professional in paper work. They usually want to maintain close relations with the loan clients for fear that they will misuse the loan fund and delay payments. They follow all paper requirement strictly and require a full written report every month. While useful for project records, this approach has not been shown conducive to improved project activities.

Work in cooperation with DPW

DPW officers have vast experience in effectively providing social services, such as day care and vocational training. On the other hand, their experience in business operations is limited. According to the approach adopted by IHAP, before DPW officials are invited to operate loan and business training activities, intensive training and close supervision on service delivery experience is provided. Although none of DPW officials have enough background in business, we trust that with sufficient training, coupled with time to practice under close cooperation from IHAP staff, they will be able to handle this program.

Experience from Working with FWWBT

It is difficult to judge our program relation with the FWWBT because of the short time we have had to work with them. (See Tables showing Summary of SEW/BIS loan and loan from FWWBT.)

The IHAP deposited an initial fund of 25,000 Baht with FWWBT in March, 1985. The first loan was received in August, 1985. Shortly thereafter, we doubled the size of our guarantor fund deposited with the Bangkok Bank from 25,000 Baht to 50,000 Baht for the matching fund available line of credit of 100,000 Baht.

Certain confusion has occurred regarding the arrangements of credit available. Initial understanding was that a 4:1 ratio was to be applied. The IHAP is currently allowed a 2:1 ratio of deposit to credit available.

To date, 4 of our clients have received 5 loans from FWWBT, they are:

Names	Date of Loan	Amount of loan
1. Ms. Benja K. Occupation : owns grocery stores in Huey Khwang.	August-December 4, 1985	15,000 Baht
2. Mrs. Chom H. Occupation : makes altar at home, in Huey Khwang.	August, 1985	15,000 Baht
3. Ms. Nattika Occupation : Owns a small nursery school in Huey Khwang.	November, 85	30,000 Baht
4. Ms. Annanya B. Occupation : Own a dressmaking shop with 10 dressmakers in front of Huey Khwang Market.	December, 1985	20,000 Baht
5. Ms. Benja K. (second loan)	December 16, 1986	15,000 Baht

Several important factors concern the limited number of loans that the IHAP project has been able to obtain from the FWWT. These include:

a. The FWWT loan process was in its own beginning stages (March-August, 1985).

b. Because IHAP was not recruiting women who met the FWWT's much more stringent credit requirements.

c. Because the purposes of SEW/BIS loan and FWWT loan are different, or, perhaps more to the point, the target groups are significantly different.

d. The primary factors that the IHAP considered to approve loan requests are significantly different.

Most of SEW/BIS clients are a Housewives and Breadwinners who want loans of 1,000-3,000 Baht and want to payback on daily basis. As the FWWT program is focusing on loans of larger amounts of money (preferring a minimum of more than 10,000 Baht), and on a target group of women who can payback on monthly basis over a longer period of time, the SEWBIS project can refer only our most successful innovative women to the FWWT.

(It is interesting to note that when the International body of the Friends of Women's World Banking came to Thailand to video tape examples of successful loans, they spent several days filming the IHAP SEWBIS project.)

Consequently, although the IHAP fully supports the FWWT, including through the constant provision of our updated materials and operation procedures, we do not feel that this project is reaching the most important target group - those women who would not otherwise have access to formal lines of credit. In other words, the poor.

In Summary, the SEW/BIS project has established a credit program based on a revolving loan fund with a short-term turn-over that is available to poor self-employed women who are fully dependent on their small operations for survival. They are also provided with simple business education to assist them to improve their business performance. The women borrowers are further assisted to initiate savings programs and, to the extent they wish, to participate in group insurance plans. More importantly, loan applications can be processed in a short period of time, and repayments are collected on a daily basis in small amounts, much in the same manner as the local money lender. This approach contrasts with the formal institutional approach that has always been off-limits to these women, yet encourages their broader participation in the market economy - and on more equal terms.

Project Impact.

The one year experimental period that the loan component has been in operation is too short to fully judge the long term impact. Nevertheless, the independent evaluation conducted at the mid-point, indicated a clear and positive impact on the lives of the project participants and their families.

The following points represent some of the short term economic, social and development impacts of the SEW/BIS project.

1. Economically, the project has shown immediate benefits to its beneficiaries as it improved the income and business of consumer market. The amount of money that revolved was in excess of 1.6 million baht. We have records to show that our clients have used this money to purchase stocks, new products, supplies and equipment for their business, which has allowed them to have more flexibility in production and marketing. The summaries of our follow up report also show that most clients have improved their earning from business sales, have increased the size of their business, paid personal debts, increased family income, and have improved their saving records.

2. Socially, the education and loan program tried to stimulate self-esteem and self confidence in women's ability through systematic and formal services. We explained and educated all women about the contribution that she gives to her society and community, when she makes the best use of loan fund, or when she completed her loan repayment with an improved ability to help herself and her family.

In terms of personal development impact, the project helped strengthen women's ability to help their family. When a women's business is stable, she can save more money for her children's education, and for some modest personal improvement.

The project has improved and provided women an important opportunity to gain access to formal lines of credit. This has been significant to begin a real change in established lending habits, from borrowing from the local money lender, from chit funds, and from pawn shops. It has also helped women to change their attitude toward the culture of "influence money"; the bribe, or gift to a person who helps them get informal credit.

A further social impact is seen in the increasing demand on the loan fund. After the first women received loans, news spread to other makaar in the market. Some borrowers brought back their friends to apply for loans. Many borrowers have also been helping us collect loan repayments from their friends.

Community Development : After a year of operation, the project has increased participants awareness of common problems for an urban informal business. We have tried to emphasize the development of mutual and group approach to problem solving through the education programs, the citizen committees and through our informal discussion with all of the project members.

Staff Development: Project staff, both senior and junior, received invaluable experience from the project. Not only the skills of small business and development that they learned from the implementation of the project, but also the attitude toward a community development job. Some learned the hard way, and some felt it more easily. As we have worked hand in hand with the women, we can see their problems, their sincerity, their emotion, their tricks, their willingness and unwilling to work with us. Our staff sometimes felt that the job was frustrating

and endless; but it gave a present and satisfactory impression to help people who are in need to be able to recover from their problems and poverty in a shorter period of time. All staff felt that the job gives them a sense of accomplishment. They know, at least, more about themselves and they say they enjoyed working with the project. Since most of the staff are quite young, experience gained from the project will serve as important training for future work in the Thai PVO sector, should they pursue such careers.



MANUAL OF OPERATION

SEW/BIS LOAN PROCESS

The SEW/BIS Program has been designed to enable self-employed women at the lower end of the economic scale to better help themselves, their families, and, by extension, their community. By providing relatively low interest business loans, offering practical business advice, business education, saving services, insurance and related services to the self-employed women of Huey Kwang and Din Dang .

LOAN POLICY AND PROCEDURES

The SEW/BIS loan policy and procedures have been developed to enable SEW/BIS staff to follow the process of providing credit assistance to each client. It also provides guidelines for conditions of loans and how to calculate the loan amounts, terms of payment, interest charged, etc.

INITIAL CONTACT

During the first phase of a client's involvement with the program, SEW/BIS gathers preliminary personal and business information on the L-1 Form. Contact is initiated by the client, who has heard about the program from a friend or neighbor currently involved with SEW/BIS, or through the in-depth survey done throughout the flats from August '84 to February '85.

The L-1 Form is completed by a staff member while talking to the client during her initial visit. At this meeting informal discussion of the client's situation enables the staff to form an initial impression of her needs. Assistance may be offered in response to a client's questions. The client is asked to come to an orientation session, which are held every Wednesday afternoon.

ORIENTATION/INTRODUCTION

The Orientation session is an opportunity for the client to learn why SEW/BIS was established in their communities, what services it offers, and the process of applying for a loan. SEW/BIS encourages each client to begin identifying her business opportunities, needs and constraints, as well as encouraging the group to discuss their businesses in general, beginning the process of analyzing problems and developing solutions to them. As the clients identify common problems, such as a dirty and unsafe market, they begin to develop group solutions to them.

At the end of the session women interested in applying for a loan remain to fill in a loan application (L-4 Form). Women unable to remain, or who need more assistance in discussing their business and plans are asked to return for an individual

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appointment with a staff member. At the same time, staff members complete the last section of the L-1 Form, noting the problems the client identified during the session, as well as a subjective assessment of her needs.

SEW/BIS ORIENTATION SESSION

SEW/BIS orientation serves to introduce the project, types of services provided and how to receive those services. All women who have contacted the project are invited to attend the orientation at least one session. The session is held in the early afternoon of every Wednesday for one and a half or two hours, and it is designed for 10 to 15 women at one time.

INVITATION

Each woman who has been invited will be visited by a project staff a day before the meeting. This visit has been found useful as it allows both a woman and project staff to prepare topics for discussion beforehand, and it leaves little time for the woman to forget the time of the session.

OBJECTIVES

- Introduce the IHAP:SEW/BIS Project, and services available for the self-employed women .
- Introduce the women to active self-help approach to problem solving,
- Identify fundamental difficulties in a small enterprise needing attention, either in a future Informal Discussion or a special consultancy.

Topic of discussion and time used in each section.

1. Introduction : (5 minutes)
 - Introduce Project Officers and the participants of the session.
2. Introduction to IHAP SEW/BIS Project
 - Background of the project. That this project is implemented by the International Human Assistance Programs in cooperative the Department of Public Welfare and it was funded by the USAID. The project is on experimental for the period of 21 months, and it is operated in Huey Khwang and Din Dang communities .
 - Objective of the project is that we want to help the self-employed women in both communities to achieve economic self sufficiency through business promotion and community development.

3. Explanation of the services offered by the Project.
 - 3.1 Business Consultancy Service to individual woman.
This program aims to help a woman by providing advice in particular areas such as accounting, finance, management, promotion and general knowledge of marketing and related issues.
 - 3.2 Business education through group discussion. A lecture to encourage women to better understand shared problems and group approaches to solve business problems.
We offer a meeting called "Informal Discussion", which can be arranged for a group of 5-10 women on any topic that the group interest, e.g. How to make a business grow, How to save money for emergency use. etc.
 - 3.3 Savings : We discuss the advantage of saving, how to save money through the Saving Bank, the Bangkok Bank, and/or other local banks.
 - 3.4 SEW/BIS Credit Services
First, we introduce types of credit for small business, which are offered by local banks, such as loans from the Friends of Women's World Banking and the Bangkok Bank.

SEW/BIS Loans

- SEW/BIS Loan is given for business purpose only.
- A woman who want to apply for loan must live in Huey Khwang or Din Dang communities, and must be member of the Community Center.
- Borrower must have a guarantor who is either government official (C-2), a state enterprise officials, a member of Community Council, or a life member of the Community Center.
- Interest rate on SEW/BIS loan is 15% per year, and loan repayments must be made daily from Monday through Saturday .

Loan Procedures

- Loan application form (L-4) is required, with a copy of household registration, ID card of borrower and guarantor.
- Applications are reviewed by SEW/BIS officers and Citizen Committees.
- Appointment to sign contract and receive money.
- How the loan will be revolved, and how important it is for the borrower to return loan repayment is fully explained. It is a revolving loan fund for every self-employed women in a community. If all borrowers payback in time, size of loan will be expanded and loans will be available for all self-employed women who need it. But if the money in this loan fund gets stuck with one or two women, funds will not be available for those who need it, and the size of loan fund will diminish.

4. Conclusion and General Discussion

- General problems : We encourage the women to talk about common and difficulties of their business . Specific problems are seperated and filed for an Informal Discussion.

LOAN APPLICATION AND ANALYSIS

During this stage the staff reviews each client's request for loan. The staff visits her business, takes photos, and ensures that the client meets all program requirements for getting a loan. The staff reviews the loan purpose, and the client's long range goals with her, and determines the loan and savings (if any) amount, the term, and the total interest charge. The client also provides further documents: such as I.D. card, household registration, and community center membership.

LOAN REVIEW PROCESS

In Huey Kwang, although not in Din Dang, the Citizens Subcommittee reviews each loan application in a bimonthly meeting attended by the staff and the clients. The Subcommittee members are long-term residents of the community with knowledge of each client's character and reputation. Three current clients now sit on the Subcommittee. The Subcommittee either rejects the application, approves it in full, or approves some portion of the requested amount. This last group meets again with the staff to review their business plans, and decide whether to accept the approved amount, and recalculate the payment schedule.

In Din Dang, project officers can review loan applications, make decisions to give loans to the clients meeting requirements, and send only progress reports on the loan program to the Citizen Committee.

LOAN CONTRACT

The SEW/BIS loan contract has been prepared by SEW/BIS officer with the help of the DPW's legal officer. These contracts are prepared in two copies, one original for the SEW/BIS loan officer and another copy for the borrower.

According to a new law, a woman can sign a contract and her husband is not required to co-sign. Therefore, we require only a woman's signature on our contract. This also applies to women who sign the guarantor's contract.

The loan contract cannot be amended or corrected without permission. In the case of some change or correction, an authorized signature, that of the Project Manager, is required. The SEW/BIS Project Manager is the only person with authority to sign the loan contract and loan guarantor forms.

According to the requirement, a guarantor have to be either a government official, a state enterprise official, a member of the community council, or a life member of the community center.

A copy of ID card of the guarantor is required, before giving loan, as the project officer must verify the signature of the guarantor on the contract with the signature on the ID card. If there is no signature on the ID, the guarantor must come to the project office and sign the loan contract in front of the SEW/BIS Project Manager.

(These contract forms are available on request from IHAP.)

LOAN PAYOUT AND CLIENT PAYBACK

The staff prepares the loan contract/details of payment for each approved loan and amends the monthly payback sheet to include each new loan. The client takes the contract to her guarantor to sign, and makes an appointment to receive the loan. When she picks up the loan (or account receipt showing that the money has been deposited in her account), her contract is filed in her individual file, and the date noted on her follow-up form.

For some clients, loan payback begins the day she collects the loan money. Her payment number and amount is recorded on the monthly payment control sheet, which tracks both daily total loan repayments, and the individual client's account. The woman is given a receipt of payment, with SEW/BIS retaining a copy which becomes part of the backup recordkeeping system. At the time the woman makes a payment a daily account card also notes the payment, which is used to settle the daily balance in the loan fund. Every month the woman's individual account is updated on the computer system from the monthly payment control sheet. The books are closed monthly.

The following forms are also available on request:

1. Receipt of Loan Repayment
2. Monthly control sheet : to record payment of each client.
3. Daily Account Card.

RESCHEDULING

For those clients who become sick, or are forced to stop working for other reasons outside of their control, we will reschedule their loan by making an amendment to the term of payment in the form "Rescheduling Form".

REPORTS

There are three monthly reports which enable SEW/BIS to track its progress:

1. Detail of Loans Disbursement and Loan Repayment. This report is prepared in two sections, the first section is for recording details on loans that are given out each day, and the second section is for recording details on loan repayment.

The loan disbursement report has 11 rows to show, the date that the borrower receive a loan, code number of loan, name of borrower, age, amount of loan, interest charged, total repayment (principle + interest), term of payment, duration of the loan contract and source of the money - whether it comes from cash in hand or withdrawal from the Bank.

Loan repayment record, which is another separate form has 9 rows to record code of borrower, total repayment due (balance from last month), date of last payment, total repayment, principle repayment, interest paid, balance, status of loan and remarks.

2. Statement of Loan Account. This report shows the position of the loan portfolio, as well as the "interest" SEW/BIS receives through the loan repayments. The key numbers are the loans outstanding, total repayments, and new loans given during the month, cash at the beginning and end of the month, principle and interest paid, addition to loan fund, as well as sources of loan monies.

3. Status of loan report. Every end of the month the loan officer will give status of loans on the remark section of the "loan repayment form" and count how many loans that falls in following status :

1. Status 0 means that the loan is already been fully paid,
2. Status 1 " the woman payback the loan on time,
3. Status 2 " delay on payment but not more than 1 month.
4. Status 3 " delay from 1-3 months
5. Status 4 " delay from 3-6 months
6. Status 5 " collection
7. Status 6 " the woman comes and reschedule her loan.

This report is prepared at the end of each month to show the number of clients who are classified in each different status, and show the names of borrowers who are in status 2,3 and 4. This report also shows us what action we have taken to those who are delinquent on payment and how many of them have come back to reschedule their loan repayment and amend the contract.

FOLLOW UP

Each client remains in close contact with SEW/BIS staff as most (close to 80%) make daily payments, which gives the staff the opportunity to offer assistance. Clients with larger loans, who are making monthly payments, are visited every month by a staff member. Women with smaller loans are also visited at their businesses, although less frequently.

Once the loan is disbursed a Project officer will visit the women once to ensure that the loan is used for the intended purpose. Individuals who receive larger loans must provide proof such as receipts, or physical count of stocks, that they have

used the loan for their stated purpose. Larger loan clients will be visited at least once a month. Clients will be encouraged to attend advanced business training sessions, or informal discussion arranged occasionally by the project.

The "Loan contract and Service Record" form is used to keep record of the needs of the clients, dates of meetings, type of services provided to the women, and what staff suggest or plan to do next.

Details receive from this form and from communication with the self-employed women will be reported in following categories:

1. Types of business of the loan clients in the Huey Khwang
 - Food vendors : sells noodles, rice and curry, or foods made to order.
 - Grocery : sells dry food, household or kitchen's utilities.
 - Sweets : sells bakery products, preserved fruits, candy, dry sweets, Thai desserts, etc.
 - Meat : sells pork, fish, chicken, and beef.
 - Fruits : sells fruit and vegetables in season.
 - Others : sells lottery, newspapers.
2. List of questions or guided topic to discuss with the self-employed women in following issues.
 - 2.1 Questions on Assets of the business.
 - 2.1 Questions on owner's equity and liabilities, personal debts, local money lender, chit fund.
 - 2.3 Questions on changes occurred after receiving SEW/BIS loan.
3. Comparative detail of Pre- and Post loan Income Statement and Balance Sheet.

The Loan officer will select 2-5 sample clients from different types of business and talk to them in detail on their daily income and expenditures to prepare an Income and Expenditure Statement of those businesses. Actually, the loan officer will collect these figures every month and compare the differences with the former statements or with the record we have from before that woman received a loan.



STATEMENT OF POLICY ON SEW/BIS CREDIT SYSTEM

A SEW/BIS loans is given only for business purposes to assist self-employed women to be able to improve, upgrade or expand their businesses. The following procedures outline the process of SEW/BIS services.

TYPES OF LOAN

Three types of credit assistance are being tested in Huey Khwang:

1. Individual loans to owners of small businesses, the amount of loan does not exceed 5,000 Baht.
2. Group credit to a group of small business owners, or the owners of larger business seeking loans in the range of from 5,000-20,000 Baht.
3. Individual loans to owners of larger businesses, women requiring loans over 20,000 Baht will be referred to the Friends to Women's World Banking Association and the Bangkok Bank.

CLIENT CHARACTERISTICS

Those women who will be eligible for loans have been described in the following manner:

- A. For small individual loans:
 1. Women who live in Huey Khwang and Din Dang communities and whose business is located there.
 2. Women who are members of their Community Center, are between the ages of 15 and 60, and have a reputation for honesty and hardwork.
 3. Women who are self-employed in commerce, service, manufacturing. (We will seek to emphasize more productive enterprises which add value to the local economy.)
 4. Clients must have adequate preparation for running their business before receiving a loan.
 5. The woman must not have any outstanding personal or business debts which amount to a sum greater than the size of the requested loan amount.
 6. Loans will be given to individual self-employed women or to groups of self-employed women.
- B. For group loans:
 1. The group must consist of 5-7 self-selected members.
 2. Members of the group must have businesses of a similar type and comparable size. The amount of loan requested must be the same for each member of the group.
 3. Group members must agree on a leader who is responsible for collecting the individual payments from the members. In the case of default by one, all members agree to share in repaying the total amount.

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C. For larger loans:

1. The women must have established businesses with a regular income and show that they are ready to make some adjustments in order to grow.
2. The woman must not be in serious debt or have a record of bad financial performance.
3. The woman must have a plan for her business as well as a plan for how she expects to use the loan to expand or upgrade her business.

REASONS FOR TAKING A LOAN

Purpose:

1. To start a new business.
2. To expand the size of business of type of products.
3. To purchase special products or for seasonal sales.
4. To make some needed adjustment to the business, e.g., make repairs to the shop.
5. To buy equipment, tools, supplies, raw materials, and/or furnishings.
6. To refinance/restructure existing debt to money-lenders or credit purchasers at excessive cost.
7. For working capital.
8. To expand the business.

LOAN AMOUNT

Calculation of Amount of loan:

When we calculate the amount of a loan we consider:

1. The amount of daily profit a woman makes.
2. The amount of a loan given equals 20% of daily profit X 6 workdays X 4 weeks/mth X number of months.
(Note: The time calculated for a small loan will not exceed 4 months, and larger loans not more than 10 months.)
3. The amount of each repayment equals
Principle of loan + interest

The size of the SEW/BIS loan will vary with the size of the client's business. Loans to small businesses should not exceed 5,000 Baht. Loans to larger businesses should fall between 5,000 and 20,000 Baht. Businesses requiring loans in excess of 10,000 Baht will be referred to the Friends to Women's World Banking and to the Bangkok Bank.

LOAN REPAYMENT

All borrowers are encouraged to payback the loans as quickly as possible. This is in line with IHAP guidelines that the shortest repayment schedule is the most preferable and has been shown to be the most successful. The following terms of repayment have been set for the different types of loan:

For small loan:

1. Payments will be collected daily, from Monday-Saturday
2. The amount of each payment will be approximately 20% of the woman's daily profit.

For group loan:

1. Payments will be collected daily or weekly by the group leader.
2. The group leader or one of the group members assigned by all members will be responsible for sending the money to SEW/BIS office.
3. Any changes or decisions must be made by consensus within the group.
4. The group leader will be the a person to supervise the repayment of the group loan.

For larger loan:

1. Repayment may be collected daily, weekly or monthly.
2. The amount of payment will not be more than 30% of daily profit.
3. Maximum repayment period is one year.

RESCHEDULING

For those clients who become sick, or are forced to stop working for other reasons outside of their control, we will reschedule their loan by making an amendment to the terms of payment in the loan contract.

INTEREST RATE

The interest rate on a SEW/BIS loan is 15% per year. This rate is far below the informal credit rate and it is in line with local commercial lending which is now 17-19% per year.

Calculation of interest at 15% interest rate

Principle	Interest	Time	Amount of interest
1 Baht	15%	1 day	.00042 Baht
1 Baht	15%	1 mth	.0125 Baht.

How to calculate the amount of interest:

Interest = Principle X Time X Amount of interest
For example: Principle = 2,000 Baht, time = 2 months,
interest rate = 15%.

Interest charged = 2,000 X 2 X .0125 = 50 Baht.

MINIMIZING LOAN DEFAULTS

We will begin to take action on potential defaults at any of the

following signals:

1. When loan payment is passed 15 days overdue.
2. When the loan funds have been used for different purposes than those listed on the loan agreement.
3. When the client begins to sell her assets, or stops the business.

Actions taking at this stage are :

1. Send a notice (a Post Card Mail) to the client and with a request that ask a woman to contact project officer within one week after receiving a notice.
2. Send second notice to a women's guarantor, after a month delay on payment.
3. Specific action taken to each particular client, will be recommended by the Citizen Committee.

LOAN STATUS

Status of loan clients classified by numbers give us a code to follow repayment behavior of the women.

Loan status we use are as follows :

- | | | |
|----|---|---|
| Ø | = | completed loan |
| 1. | = | on time |
| 2. | = | delay on payment, not more than 1 month |
| 3. | = | delay between 1-3 months. |
| 4. | = | delay from 3-6 months. |
| 5. | = | collection |
| 6. | = | rescheduling loan |



SEW/BIS BUSINESS EDUCATION SERVICE

This report presents the principles, method and experience of the business training designed for the project staff and the members of the project for self employed women (SEWBIS).

A series of training for project staff and the self-employed women has been conducted continuously from the project inception. Project staff training started in September, 1984 and training for the women in Huey Khwang began in late December, 1984. In the meantime, a total of 315 women, 216 from Huay Khwang and 99 women from Din Daeng have participated in the courses held at the Community Centre of each area.

OBJECTIVES OF SEW/BIS EDUCATION PROGRAM

As stated in the goal of the project, we are helping self-employed women to achieve economic self-sufficiency through business growth and business development. In order to achieve this goal we set the objectives of our training program as:

- to provide basic knowledge of business analysis and business management to self-employed women, other interested persons and staff members of the project.
- to provide opportunities for self-employed women to exchange experiences and improve their understanding of small business practices as a means of active problem-solving.
- to introduce news and information on modern business, sources of business and financial support, and other related information.
- to identify the basic problems or difficulties of self-employed women, and introduce an active self-help approach to problem solving.

TRAINING METHODOLOGIES

Two types of training have been implemented, one for staff of the project, "SEW/BIS Staff training", and the other designed for the self-employed women.

The three methods used in training the SEW/BIS Project staff are:

1. Formal Classroom Activities
2. On the Job Training, include the Site Visit, Providing One-to-One Consultancy, and arranging of different types of training and meeting with self-employed women.
3. Reviewing sessions in the staff meeting.

The training courses for self-employed women have been reviewed and revised continually. At present there are three courses or sessions; the Core Training, the Informal Discussion, and the Specialized Training.

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SEW/BIS STAFF TRAINING

As delivery of such services in an urban setting is new, not only in Thailand, but also for our project staff, substantial time has been required to examine baseline data and familiarize the staff with the the actual problems and difficulties facing self-employed women.

Objectives of staff training are:

1. to provide staff with a basic business knowledge that will be useful for assisting self-employed women.
2. to provide opportunities for staff to understand all activities, including scope and function, of the project and to prepare them to work efficiently .

As a baseline, it is necessary to understand the dynamics of the local marketplace, the performance of different types of business, and profit and expenditures at different scales of business. These facts assist us to have better judge on business potential, the business needs of women in or entering this market and how can we best develop our working plan.

TRAINING METHODOLOGIES

1. Formal classroom activities:

We initiated our lecture series with the Project Advisor from PFP, Miss Shari Barenbach, in September, 1984. The topics of the lectures included a basic knowledge of business, major concepts of business, the heart of business, business management, marketing and basic accounting.

The second series of lectures were arranged by Project Manager in October, 1984. Here the types of businesses in Thailand, with an emphasis on small business, problems of small businesses and how to solve those problems, basic book-keeping and forms that will be used in collecting information from the clients were discussed in detail.

The third lecture series was in March 1985 when 4 senior staff introduced the baseline data of the two communities that they found from the survey of the flats and the marketplaces, and introduced methods of business training for women and credit services to 5 new staff. These staff were recruited from students who assisted us in the survey during November, 1984, through February, 1985.

Among the other topics discussed in these meetings were a basic knowledge of Community Development work, and details for specific tasks and clarification of the project objectives, workplan and delegation of responsibilities.

2. On The Job Training.

After the training in March 1985, the Junior staff were assigned specific tasks to develop their first orientation session, including informal discussions and provision of loans to the women. The staff's progress has been carefully monitored through their performance in the office and in the field.

- from mid-May the Junior staff allocated to Din Daeng were required to tour the four local markets and regularly submit a short report pertaining to their discoveries concerning the conditions and processes observed by the majority of the market vendors. Each report was circulated to all staff and discussed at staff meetings.

- staff responsible for Orientation and Information Discussion have been required to prepare their own sessions. Each prepared session is reviewed together. The Junior staff must consistently revise their preparation until they feel confident of its usefulness to the women.

- one Junior staff member has been made responsible for gathering information and resource materials for the Information Pool. This information includes financial and social services (savings schemes, insurance policies, cremation foundations, maternity benefits) that may provide self-employed women with alternatives.

The quality of all project staff has improved through their experience, and they find themselves with an increased confidence as trainers, and in their ability to work closely with their peer group to share their experiences in the Project. They have also improved their skills in finding and using resources available, such as books, pamphlets, people etc..

3. Weekly Staff Meetings

Once a week, staff meetings of all staff are held to talk about their current ideas, problems and their experiences with the women in the Project. Staff who are in the closest contact with the market women are a literal minefield of information regarding their habits, problems, likes and dislikes, all of which are important indicators as to the type, form and quantity of assistance required from SEW/BIS. This also encourages the Junior staff to realise their growth of understanding about the area and its people. Staff meetings are useful to all staff, as it provides time to share experiences, review methods of work, and change or redefine the work plan together.

During busy times or when new activity is tested, staff meetings may become consultative meetings for staff to discuss constraints or problems, and to reach group decisions or recommendations to solve the problems.

2. TRAINING FOR SELF-EMPLOYED WOMEN

TARGET GROUPS

The SEW/BIS Project recognizes four main groups of women. These target groups were initially identified by the IHAP senior staff in discussion with two PFP consultants. Independently, the junior staff established three target groups from direct experience and contact with the women. In brief, the women who will most require assistance from this programme are;

- 1) poor women who engage in self employment from economic necessity, be they natural entrepreneurs or not.
- 2) the casual worker who would like to set up a business that occupies her or utilizes acquired skills. They may not be committed to this occupation, but enjoy the freedom of self-employment.
- 3) the natural businesswoman, who enjoys her business activities, and is relatively successful. She knows an opportunity when she sees one and is quick to take advantage of this Project's services.
- 4) the follower, who enjoys business, who is successful, though will shy away from any innovative initiative, preferring to make the most of an already tested idea.

The target group is broad and not static, and reflects the diversity of the female self-employed population. All project participants must live and work in the Huey Khwng and Din Dang communities.

Perhaps more significant, are those women who do not contend for a place in the target group. These are women whose personal problems exceed any benefits to be received from business assistance and who may be referred to another organization more specifically orientated to her needs.

METHODOLOGIES FOR TRAINING OF SELF-EMPLOYED WOMEN

1. Orientation
2. Informal Discussion
3. Special Training

ORIENTATION

The Orientation serves to introduce the IHAP:SEW/BIS Project and provide the participants with an awareness of its policies and procedures. It is, however, a prerequisite for obtaining a loan. All women who have had contact with the Project are invited to attend the Orientation. The sessions are held early afternoon on Wednesday or Friday. These times are the most convenient for the majority of the self-employed women.

Invitation

Each woman to be invited receives a visit from one of the junior staff members the day before session. This has been found to be effective as it allows the women to plan their day beforehand, and leaves little time for them to forget. Wherever possible, women are invited from their place of work.

Objectives

Objectives of the orientation are :

- a. to introduce the IHAP:SEW/BIS Project and its services available for the self-employed women in the project site.
- b. to introduce the women to an active self-help approach to problem solving.
- c. to identify fundamental difficulties in a small enterprise needing attention, either in a future informal discussion or one-on-one consultancy.
- d. to provide opportunity for the group to learn common problems in business and alternatives to solve the problems.

Content :

- Short introduction to the IHAP SEW/BIS Project, the Project Officers and the participants of the session.
- Explanation of the educational services offered through the group and individual discussion, the lecture classes, group discussion, and informal discussion on business education which can be arranged for women who are interested at the project office and at the woman's shop.
- Discussion concerning;
Savings; ways in which money can be saved; advantages of saved money.

Accident insurance; benefits of being insured for accident; types of insurance.

Credit and loans; alternatives to money lenders, freedom from excessive debt; when and who has access to a formal credit system; benefits of short term loans, and when and when not to take a loan.

General problems; encourage women to suggest common or present difficulties restricting their business. Specific problems are segregated and filed for topical use in an Informal Discussion session.

Loan Applications:

After orientation, the staff will sit and discuss with the women one specific needs and reason why they are interested in the project. If they need a loan, the loan application will be filed and project officers will talk to the woman on problems of her business to provide initial consultancy to the women, or suggest attending an informal discussion or other training.

Duration : One and a half to two hours

Designed for : All self employed women who have been in contact with the Project and who fit the criterion for the target group. The session is designed for 5 to 15 women at one time.

Frequency : Up to four sessions per week, two at each Project site, but no less than one per site per week.

Progress to Date

Since January, 1985, 230 women from the Huay Khwang and Din Dang have passed through the Orientation course. Of these, 131 women from Huay Khwang and 99 women from Din Daeng attended during the period January, 1985 to January, 1986. (See Table).

The Orientations were held in a series of 44 sessions, with an average attendance of five women per session and two sessions per month.

INFORMAL DISCUSSION SESSIONS

The informal discussions have been held at varying times depending on the schedules of the interested women. Below are listed some of the types of informal business training which have been held:

a. We announce in advance a single topic as the focus, e.g. savings. We then encourage interested women who may have already attended an orientation, though not necessarily, to stop by the center. The women discuss a topic among themselves while Project staff listen and contribute occasional advice.

b. One or two resources persons have been presented to the women in small groups. For example, a representative from the Bangkok Bank came to discuss what is required for a woman to take out a commercial loan with the bank. The women are encouraged to ask questions or seek advice to other participants.

The Informal Discussion session serves those women who are interested in a better understanding of their businesses. Topics to be discussed must have been suggested by the participants, either directly or indirectly so.

Initially, lessons on bookkeeping were included in the training course. We decided later that most of the women, particularly those with smaller businesses, did not need to learn bookkeeping. Simply through talking with and observing the women who attended the accounting class, it was seen that almost none of them have time to write down the amount of expenditures and income that occurred during the busy hours, and when they do have time they forget. However, in the case of larger businesses, bookkeeping is essential. We had opportunity to talk and review the book accounts of two women, one selling food (rice and curry on credit) and another one with a medium size dressmaking shop. They both keep records regularly, because the first woman needs to have a control on credit sales, and the second woman wants to have efficient control on profit from her business. We have since added bookkeeping into the special training for individual women who need book-keeping skills in their business.

The preparation of the Informal Discussion sessions has been covered thoroughly, both by the Senior and Junior staff. Much of July was spent with the PfP consultant, creating a background for an informal approach to training and gathering resource data in Bangkok. By the beginning of August, the first baseline guide for devising future Informal Discussion sessions was produced and translated into Thai for use by the Junior staff. In addition, the PfP consultant contributed to a review of the Orientation session and in clarifying the objectives of training services.

(Note : The handbook of SEW/BIS training process, its principle and curriculum have been prepared in Thai. These were submitted to AID separately.)

Objectives

- To broaden each participants' understanding of business
- To provide the women and her friends to learn new ideas, and hear what they are interested in concerning their daily business.
- To introduce and promote the group approach to share common problems and get group help to solve them.

Designed for

- Discussions will be held for those women who specifically request them. The target group size is between five to ten persons.

- The group should be as homogeneous as possible, based on; similar size of business or turnover; similar skills (noodle or Thai curry etc.); should have attended the Orientation; similarity of personality; necessity to be in business.

Curriculum

Significant interest has been expressed in the following topics;

- How to make a business grow
- Selling; How to select more products to sell
- Production planning
- Saving money for emergencies
- How to turn a skill into a business

A session plan is prepared in advance to aid and facilitate discussion. This plan contains an instructor's guide and handouts or exercises as may be necessary. Materials and session plans have been completed for the first topic. The curriculum will be expanded as it progresses.

Duration

One and a half to two hours

Frequency

This can be flexible, depending on demand

Staffing

Two staff members at each session

Progress to date

Informal Discussion sessions have been arranged 13 times for 63 women in Huey Khwang during the period of January till April, 1985.

SPECIALIZED SERVICES

The Specialized Service session is designed to assist women entrepreneurs who have questions or problems in business, but peculiar to themselves. The services cover a wide range of topics from legal advice, business planning, to how to prepare specific accounting, income and expenditures statements, sales tax, business expansion and business promotion, etc.

Objectives

- To provide self-employed women access to a business advisory services
- To promote better understanding of specific skills for running and managing business by women.

Curriculum

The curriculum of the specialized training has been developed by drawing upon common examples in Bangkok. This workshop has been offered flexibly at different times of the week. A woman who has a particular problem as well as those women who have applied for a large loan may attend the specialized training. The subjects which have been covered in these sessions include:

1. Basic knowledge on business
2. Promotion and advertising
3. Simple bookkeeping, advanced accounting and specific accounting systems.

Duration

This will depend on the nature of the problem and the the client involved.

Designed for

All women who fit the criterior for the target group will be eligible.

Frequency

On demand, but SEW/BIS will be prepared to assist a minimum of four women per month at each Project site.

Staffing

The training staff will assess the nature of the problem and judge whether other resource persons are needed from within the Project or from outside.

Progress to Date

Formally, 22 women have received direct assistance from this service. These women attended the special discussion classes on basic knowledge of business, principle of accounting, and about credit offered from the banks. Informally, there are more than 50 women who have walked into the office to have a chat with us.

The most common topics calling for advise are; how to deal with a competitor; organizing stock; how to use investment money and occasionally advice is sought concerning the setting up of a new business. These would all make good topics for the Informal Discussion session, but the clients usually require immediate assistance and may not wait until a group has been formed.

Admittedly, the task of helping women to change their business habits and attitudes is a formidable one. We have seen, however, that when women attend a carefully prepared training session, it offers them the opportunity to voice many of their concerns while learning things relevant to improvements.

CONCLUSION

The objectives of the Training component are long term, yet already we are seeing the impact of such long term aims in the Project areas.

In attending the sessions organized by the SEW/BIS staff, the women have an opportunity to air their opinions and review the local market situation in relation to their role in it. The SEW/BIS staff support the self employed women in realising their position as an equal member of society, and help dispel the traditional negative bias accorded to women of this occupational group.

The non-formal education aspect of the Project enables the women to recognize, consolidate and strengthen their confidence in existing business abilities. As practical business women, many have had years of experience but are still under the impression that they 'lack education'. This hampers a woman's development as a competent businesswoman as she does not trust her own capabilities in dealing with difficulties affecting her business. The bargaining power of an unconfident woman is greatly reduced as she cannot assert herself as she needs to defend herself and her business.

Although, the SEW/BIS Project Training component encourages solidarity and unity strength, pressure from women traders in the marketplace, both as groups and as individuals representing a group has not been utilized, e.g. many self-employed are fighting with the police and district officials over the place to sell. More could be achieved by a solidarity of women traders in the cause of decreasing the the power of traditional exploitations such as improper rents, high interest rates and other influential market forces.

Time will support the impact of the educational and community development aspects of the Project. The Project clients are still displaying curiosity about the SEW/BIS activities as they are so alien to them. Little by little, the women are accepting the Project as a viable and practical centre where they can meet and seek pragmatic service.

SEW/BIS INFORMATION POOL

The SEW/BIS information pool serves for a preliminary investigation of self-employed women coming to the training sessions. This pool allows a preliminary investigation of self-employed women whom we met during the survey, who came to the Orientation, the Informal Discussion or the Specialized Service sessions. It is necessary to have some knowledge of the women who are coming to a training session in order to know in advance the specialized materials they will likely require.

The SEW/BIS information pool contains information, collected from :

- the surveys of both Huay Kwang and Din Daeng
- the Community Centre activities, such as the day-care centre and the vocational training classes
- interview forms of women who attend Orientation session
- the loan application form and other financial records
- the first evaluation survey questionnaire and the evaluation report.
- the record of women visitors, and purposes of their visit to the project.
- names and addresses of public and private banks, corporations and advise centres, plus details about their programmes and activities.
- The manual of operation SEW/BIS business training. credit assistance, saving and insurance services.

The SEW/BIS information pool has provided us with the names of self-employed women in the community including their personal background information, type of business, size of business, problems and reasons for doing business.

It also has files of all SEW/BIS manuals of operation, forms that we have used from the beginning till present, all reports of the projects and details for future development of the project.

Translation of The Index of SEW/BIS Training Manual
(from the Thai)

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DPW SERVICES

The IHAP SEW/BIS project has supported the Department of Public Welfare (DPW) to provide assistance to two daycare centers and twenty-four vocational training courses for women and youth in Huey Khwang and Din Dang area. These services were directly beneficial to working women and self-employed women. IHAP cooperated with the DPW in this project by allocating a budget of 620,000 Baht for operations in service proposals from June, 1984 through December 1985. The grant payment was given directly to the Director of the Community Service Division. The summary of DPW services during June, 1984 until the end of December, 1985, is as follows :

Huey Khwang Community Center

This center had two major services offered to the women who joined the programs, they are Daycare Service, and Vocational Training for Women.

1. Daycare Service : IHAP allocated a budget of 170,000 Baht to the Community Service Division as requested by them for solving the problems of overcrowding of children, under-staffing and insufficient financial resources to expand its facilities to meet with the increasing demand in this program. The total amount of 170,000 Baht was allocated into the following items :

- Teachers' Salaries	=	27,000	Baht
- Food Subsidy	=	90,000	Baht
- Tables and Chairs	=	24,000	Baht
- Recreational Equipments	=	6,000	Baht
- First Aid Supplies	=	8,000	Baht
- Construction of two Bathrooms	=	15,000	Baht

Total	=	170,000	Baht
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The Center reported on the success of its 18 month Food Subsidy programs. During June, 1984 - November, 1985 the Huey Khwang Daycare Center serviced meals 380 times for a total of 62,265 meals. This means that an average of 160 children was served each day throughout the program. This program served the children and their parents satisfactorily and the number who wish to join the program is still increasing. After the end of the support from IHAP, the center will help itself by collecting increased fees, in the amount of eight Baht per child, per day, from the parents. This fee is to cover food and supplies necessary for the children.

Unfortunately, the expenses necessary to expand the services to the number of children waiting for admission cannot be funded by user fees. The DPW is requesting a further grant from IHAP.

INTERNATIONAL HUMAN ASSISTANCE PROGRAMS

โครงการช่วยเหลือเพื่อนมนุษย์นานาชาติ

2. Vocational Training for Women.

The Huey Khwang Community Center provided three vocational training courses for unemployed or unskilled women for the purpose of improving their family income by utilizing their free time. IHAP supported these activities with a budget of 95,000 Baht for resources needed in the programs. This budget was divided into four items as below :

1. Purchasing of two Sewing Machines for Dressmaking Courses	=	32,000	Baht
2. Purchasing of Supplies for Food Preparation Courses	=	13,630	Baht
3. Purchasing of Training Supplies for Hairdressing Courses	=	29,370	Baht
4. Repairing of Store Room	=	20,000	Baht

Total	=	95,000	Baht
		=====	

The following report presents the summary of the result of each training program.

2.1 Dressmaking Course : This course was held four times in 18 months beginning in August, 1984, ending in December 1985. The total number of women attending the class in four courses, as reported by the center's officers were 300 women. These courses were very popular among the women but the center was not able to response to the high demand, due to its limited resources.

2.2 Food Preparation : This course was offered to women who want to prepare food for sale and home consumption, on a weekly basis, on Sunday morning from 9.00-12.00 a.m. During June, 1984 to December 1985, this course had been offered in four sessions, for a total of 51 classes. Total number of women who registered in these classes was 100. This program also faced the same problem as mentioned in the Dressmaking Class (2.1)

2.3 Hair Dressing : This was a 20-week course with each class held on Sunday morning. The center offered this class twice a year from November, 1984 - December, 1985. According to the report of the center, 80 women registered. The same problem in shortage of resources and supplies were indicated by DPW official, as mentioned in the first two programs. (in 2.1 and 2.2)

Huey Khwang Youth Center : Vocational Training for Youth Program

The IHAP SEW/BIS project has supported the only activitiy at the Huey Khwang Youth Center, courses on Food Preparation to young adults in the Huey Khwang Community. The courses were offered from Tuesday through Sunday in the afternoon, during the period of June, 1984-December, 1985. This Food Preparation Training is included in the center's recreation programs and

special skills training such as sports, typing class, and painting. The training period was twelve weeks for two hours in each lesson. IHAP supported the program by giving a budget of 30,000 Baht to construct a room and a small shop for selling cooked food, this shop is located in front of the center. In addition IHAP had provided a support of 15,000 Baht for purchase of training materials and supplies.

Problems and Constraints

Although the original plan for training aimed to start the first class in June, 1984, the actual service did not begin until October, 1984 and it ended in September, 1985. The total number of training classes were 126 times (from the report of the center). The center also reported that there were some problems in training such as some youth were hardly interested in the training since they thought it would not be useful for them. Another problem caused the delay on the beginning of the class was that the Center had received the money from DPW later than was planned.

Din Dang Community Center

The center planned to service two major activities programs requesting a budget support from IHAP in the amount of 265,000 Baht. This amount is equivalent to the budget of the Huey Khwang Community Center. The activities provided from this center were Daycare Services, Vocational Training for Women and the followings are details of each program.

1. Daycare Service: The Din Dang Community Daycare Center received a budget in equivalent to the amount of the Huey Khwang's center, but the purposes of the request were different. Din Dang needed new classrooms as the old ones have no permanent walls and the lighting system was insufficient. These factors caused problems to protect the children from mosquitoes, insects and air pollution. Therefore, in the proposal to IHAP, the center requested to renovate a building acquired from the NHA, National Housing Authority, in the area under the Flat No. 55. IHAP allocated a budget of 170,000 Baht to support the following activities of the center, during June, 1984 -December, 1985.

1. Construction of new class rooms	=	25,000	Baht
2. Installation of Electric Equipment	=	10,000	Baht
3. Purchasing Cabinet for Children and for the office	=	18,000	Baht
4. Teacher's Salaries	=	27,000	Baht
5. Food and milk for Children	=	90,000	Baht

Total	=	170,000	Baht
		=====	

All labor was provided by local citizens without charge.

According to the report of the center, during the 18 months, it provided meal services 380 times for 46,154 meals. This means that about 121 children were served during each day. The parents in this area are satisfied with the services but it was reported that they misunderstand the concept of the program, as they thought that the Daycare Center should provide the same service as the Kindergarten. Comments and problems on limited resources are also mentioned in the center's report, these problems are similar to the ones in Huey Khwang's Center, which is simply one of overdemand.

2. Vocational Training for Women.

The center offered four courses for training unemployed and unskilled women as in Huey Khwang, but in different skill area during June, 1984 - December, 1985. These courses were Dressmaking, Hairdressing, Artificial Flower Making, and Food Preparation. IHAP supported these programs by giving a budget of 95,000 Baht which divided into the items as below.

1. Remuneration for Resource Persons for Dressmaking Courses	=	13,440	Baht
2. Purchasing of two Sewing Machines	=	32,000	Baht
3. Remuneration for Instructors of the Hairdressing Course	=	10,080	Baht
4. Equipments and Supplies for Hairdressing Courses	=	16,800	Baht
5. Remuneration for Instructor of the Artificial Flower Making class	=	3,360	Baht
6. Training materials for Artificial Flower Making Classes	=	5,520	Baht
7. Materials and supplies for arranging Food Demonstration for 2 series	=	13,800	Baht

Total	=	95,000	Baht
		=====	

The following report shows the results of the training courses as presented by the center's officers.

1. Dressmaking Courses: The center also offered a sixteen week class every Sunday morning during June, 1984 to December, 1985. This class divided into four rounds as in Huey Khwang. The total number of women who enrolled for training was 380. This course was very popular but most of the attendants came from outside the Din Dang area. A problem reported by the Center is that the women did not attend the class continuously, as they lacked interesting in the courses after attending a few classes. The center tried to solve this problem by arranging a different type of training, e.g offering a new class on the use of industrial sewing machines, and how to use special machines to produce mass products.

2. Hairdressing Course: A sixteen week course offered to the women during June, 1984-December, 1985. The class was held every Sunday and was divided into four sections as the Dress-making Class. A total of 200 women enrolled for training. This course was also quite popular among the women, and the problem of overdemand was the same as in Huey Khwang.

3. Artificial Flower Making: This class was also a sixteen week courses, beginning at the same time as the two courses mentioned above and had also four rounds. It was reported that only 50 women enrolled for these two training classes, as income from the flower making is more tenuous.

4. Food Demonstration: A food preparation demonstration was organized for two sessions. The demonstration was an all day affair begun in the morning and running all day. The first was held in May and the second in November, 1985. Each time the center received excellent cooperation from different agencies and resource persons, including a free tent, free resource persons from the University Affairs Bureau. More than 500 women were registered as participants in the demonstration, and more than 1,000 women attended each of the two sessions.

Din Dang Youth Center: Vocational Training for Youth

The center offered Gem Cutting Classes as an intensive training for youth who wanted to develop their employable skills. This was an all day training course, 90 days long, from Monday through Friday. The courses were conducted in two cycles with first round training from October, 1984 to March, 1985 and the second round from March, 1985 to July, 1985. The course received cooperation from the Department of Industrial Promotion (DIP), Ministry of Industry, the Department of Public Welfare and IHAP. DIP provided all training equipments and a trainer, while IHAP provided remuneration for one instructor and cost of materials for training. There were 49 youth enrolled for training in both rounds and 23 of them received certification. The center submitted a follow up report that of 17 youth contacted, twelve of these are now working with private companies and earning an income from the use of their skills.