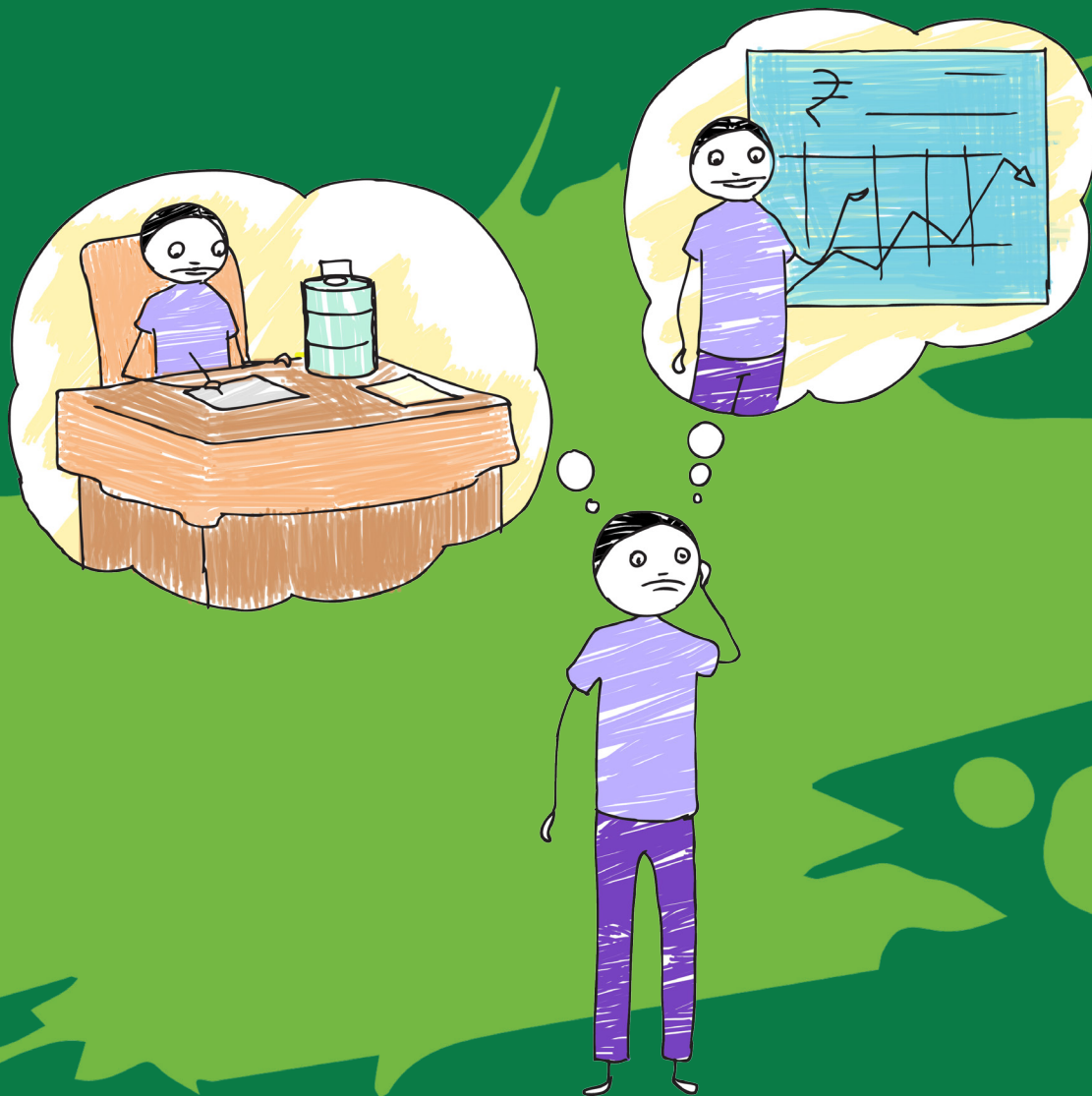


Curriculum on Life Skills for
Adolescents and Youth

Theme 7



Entrepreneurship

Theme 7

Entrepreneurship

Lesson 47

Being an Entrepreneur

Lesson 48

Starting Your Business

Lesson 49

Financial Support for Entrepreneur





Being an entrepreneur



Lesson objectives

- To develop entrepreneurial skills among the youth,
- To motivate the youth to work and think as an entrepreneur, and
- To enable the youth to realistically analyze the risks involved.



Duration: 90 minutes

Time break-up

35 minutes	15 minutes	10 minutes	20 minutes	10 minutes
Activity 1	Discussion for Activity 1	Activity 2	Discussion for Activity 2	Case study and discussions



Training materials required

Black board, chalk, sheets of A4 sized paper, and colour pencils/sketch pens for participants, newspaper, fevicol or gum, pins, small balls

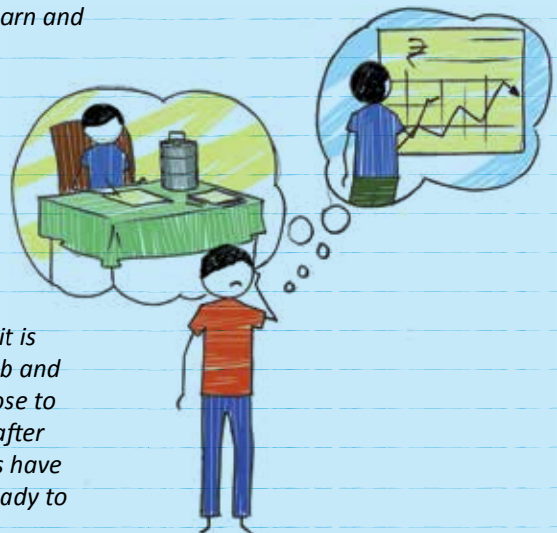
Conceptual note: Who is an entrepreneur?

Most of us as we grow up think of improving our financial conditions by taking up good jobs where there is a decent fixed salary and facilities like medical reimbursement, leave and travel allowance are available. Our minds are conditioned to think like that job is a safe option and a business can only be started by people whose parents are already doing business or who have a lot of money to take risk.

While the job definitely has its own benefits and is a good option, becoming an entrepreneur is an equally attractive option with lot of benefits. An entrepreneur is a person who plans and manages a business, in order to gain profits. Being an entrepreneur can give you lot of benefits such as

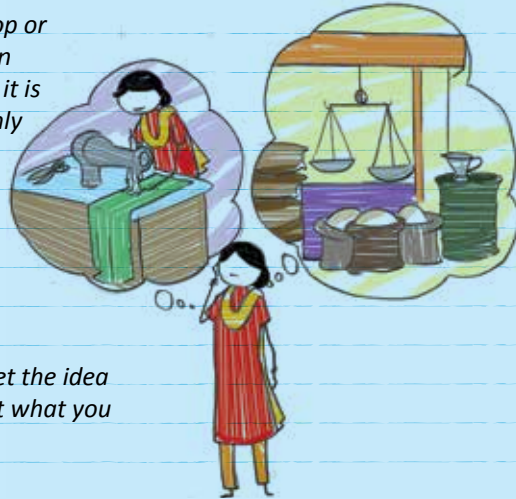
- deciding the kind of profits you want to earn and what you earn is yours,
- giving employment opportunities to people,
- control over your life,
- take loans from bank to start your business
- may start a business of the things you like

As you enter a stage of choosing your career, it is a good idea to choose between taking up a job and becoming an entrepreneur. Some people choose to work for some years and start their business after that. It is important to realize that you always have a choice and you can gain profits if you are ready to work and take a risk in your life.



We can think of opening a small grocery shop or start stitching for the people in the village. As an entrepreneur you have many more options and it is always to look at them. Following others will only lead to results they have been getting, you can only get better results, if you are ready to do something different. Explore the options in your local and near-by towns to find out about opportunities available and think about how you can use them.

Given below is an activity which will help you get the idea of being an entrepreneur, think creatively about what you want to sell and how you want to sell.



Activity 1

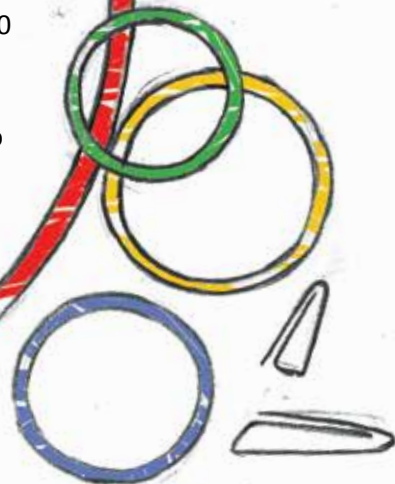
Objectives

- To step into the shoes of an entrepreneur and understand the dynamics,
- To develop sales and marketing skills of the participants, and
- To enhance communication skills and creative thinking of the participants.



The facilitator holds a discussion about being an entrepreneur and tells the participants that today there is a chance of experiencing how to be an entrepreneur. The participant gives the unused material to the groups such as newspaper, paper clips, bangles, bottles, or any other local material available to each group. The groups have to make a product which they will like to sell in the local market or town nearby. They need to create a product, give it a name, tell its use, decide its price and make an advertisement to sell it. The groups are given 20 minutes to go about the whole task. Once all the groups have finished their work, they are asked to present their product and share all the information about it. They also need to present the ad they have made.

Other participants help the group by sharing their ideas about the product and the presentation made by the group.



Review questions

- How did you feel about this activity? Which part did you enjoy the most?
- What were the challenges you faced while doing this activity?
- Did you enjoy starting your business?
- When you think of starting your own business, what are the thoughts that stop you from moving towards your own business?
- Can you tell me some factors which will help you in developing your own business?

Pointers to be discussed

- The facilitator discusses how any business is started first just as a thought. The facilitator may give examples, such as when polybags were banned, some people started making paper bags and selling them realizing their need at that time. Some people promote local crafts work to the nearby towns with the help of various NGOs. If there is something for which people in your village have to wait for long, till it arrives from the city or they have to buy it from other villages far off places, you can think of opening a business around the same things. The first step is to prepare yourself mentally to start a business.
- The facilitator may share what are the advantages of being an entrepreneur and what are the risks involved. They may be further encouraged to think about what are the strengths they have that will help them work as entrepreneurs.

Advantages

- 1 You can have bigger gains than job.
- 2 You are your own boss.
- 3 You can decide how to expand your business and when.
- 4 You gain a lot of experience which is appreciated in job also.
- 5 You can work on thing you like.



Risks involved

- 1 There may be a long settling in period before business starts giving profits.
- 2 There are lean times in every business.
- 3 If only 1 person is handling the business, then the risk involved is higher. You should involve your family members

- The facilitator can also stress how they need to develop their knowledge about the things around them, their local markets, and near-by towns to understand and analyze the need of people around them. They can also explore various things they might enjoy and will like to bring it to their people. This idea becomes the ground on which they will like to start their business.
- The facilitator also discusses about how they need to develop their communication skills and analytical skills to promote their business. Such as thinking about whom to talk to about starting their business, how to talk to other people about what they are

doing, etc. The facilitator can discuss the skills they felt they needed when they were going through the activity and how they can develop those skills. The facilitator can refer to the earlier modules motivating the participants to remember which of the skills they can apply here as an entrepreneur.

- The facilitator can share interesting case studies about how people have started their own businesses and slowly they have grown to being a large business.
- The facilitator can share that as we go about this module, we will be discussing various steps in becoming an entrepreneur.

Activity 2

Objectives

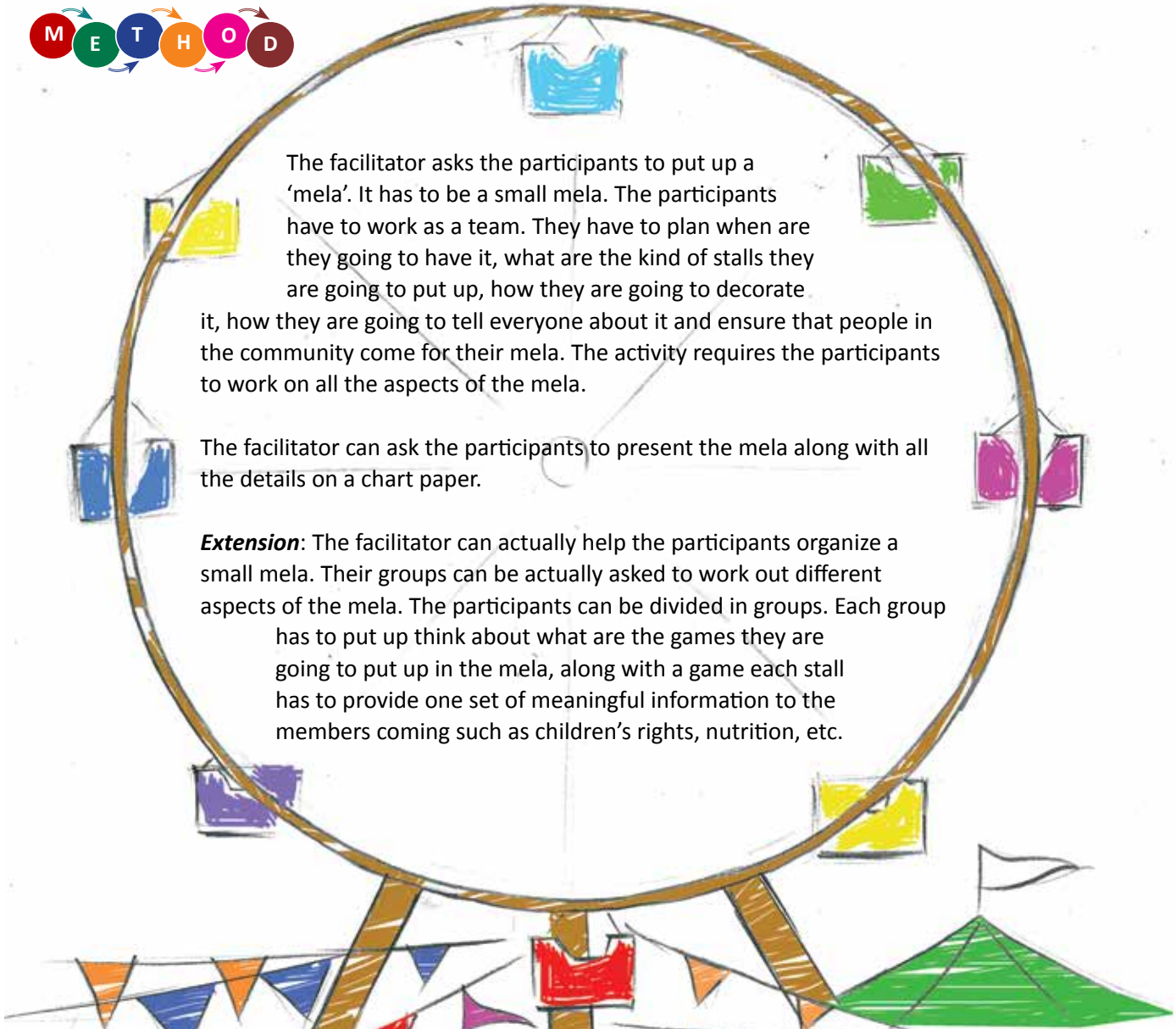
- To help the participants develop and experience organization and presentation skills, and
- To develop creative thinking of the participants.



The facilitator asks the participants to put up a 'mela'. It has to be a small mela. The participants have to work as a team. They have to plan when are they going to have it, what are the kind of stalls they are going to put up, how they are going to decorate it, how they are going to tell everyone about it and ensure that people in the community come for their mela. The activity requires the participants to work on all the aspects of the mela.

The facilitator can ask the participants to present the mela along with all the details on a chart paper.

Extension: The facilitator can actually help the participants organize a small mela. Their groups can be actually asked to work out different aspects of the mela. The participants can be divided in groups. Each group has to put up think about what are the games they are going to put up in the mela, along with a game each stall has to provide one set of meaningful information to the members coming such as children's rights, nutrition, etc.



Review questions

- What are the learnings you will like to carry away from the planning and designing of the mela?
- Reflect on the things you liked in the mela?
- What were the highlights of your mela?
- How do you think we could have improved the mela?
- What is one thing you will like to add to the mela, if we do it next year?

Tasks for the learner

The learners can be asked to reflect on the kind of business they will like to take up, why and how. They can be asked to think of how will they like to present the proposal to a local bank for the financial grant.



Hari is a 20 year old boy. He has two brothers and one sister. He completed his studies up to class 10th and wanted to continue his studies further but had to drop out due to financial constraints. He went to near-by town to work as a daily wager and did a lot of jobs at different places. He worked in a hotel as dish washer and learnt a lot about the intricacies of maintaining a hotel. He used to hate his job, but he continued because he had an idea of opening a dhaba in his village. After working for 6 months, he went back and started his own dhaba.

Questions for discussions

(after reading the case study)

What are the things that Hari would have arranged to start his dhaba?

How can Hari make his dhaba more popular and ensure that people do visit it?



Can you draw any learnings from Hari's experience?

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This image shows a full page of white paper with horizontal dashed lines, typical of primary-ruled notebook paper. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

Starting your business



Lesson objectives

- To encourage the youth to identify the business opportunities within the community,
- To develop planning and organization skills of the youth,
- To develop entrepreneurial skills of the youth.



Duration: 90 minutes

Time break-up

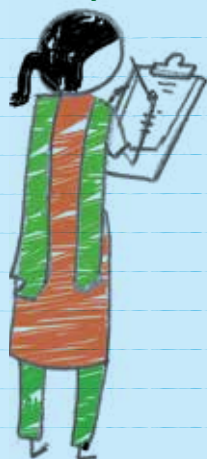
10 minutes	20 minutes	40 minutes	20 minutes
Activity 1	Discussion for Activity 1	Activity 2	Discussion for Activity 2



Training Materials required

Black board, chalk, sheets of A4 sized paper, and colour pencils/sketch pens for participants, newspaper, fevicol or locally made gum, pins, small balls

Conceptual note: Starting your own business:



In the previous lesson we had spoken about becoming an entrepreneur and how we need to overcome our inhibitions and negative attitudes as we plan to establish ourselves and choose our career. The facilitator can start by motivating the participants, telling them, "Today is your day to be, think and act like an entrepreneur. You have already overcome your negative thoughts and are ready to look at the big picture. You have decided you are going to work for yourself and have started thinking creatively about how to go ahead."

The activity given below will help you to analyze yourself as an entrepreneur and inspire you to develop your entrepreneurial skills.

Activity 1

Objectives

- To analyze the skills required to be an entrepreneur,
- To encourage the participants to do self-analysis and think of ways to develop these skills,
- To develop new ideas for business.



Given below is a story of a person who just like you belongs to a village. But with his positive attitude and creative thought, he managed to start something which not only became his business but also gave employment to many women in his village.

“Mansukh Prajapati lives in a village in the desert of Gujarat, around 402 km from Ahmedabad. In 2001, an earthquake had devastated Prajapati’s village and the surrounding area. He read a report in the paper about the devastation, where a picture of a broken earthen pot was published with a caption, “Poor man’s fridge broken!” This photograph and the caption acted as Prajapati’s first Eureka moment. He decided to make a fridge with clay which will be more affordable for the poor man and would not need electricity. He was already trained as a potter. Using his pottery skills and desire to develop something new, made him work for several months where he finally reached a new product, “Mitticool”. The product was eco-friendly, and a big hit, so much that he could not keep up with the rising demand. He decided to start his own venture which would give employment to women in his village. He made various other changes in the process, such as new and efficient way of working with clay, training the women in his village to work with these new techniques. Soon, he started a new venture in his village. Slowly, he came up with new products. His new inventions and thought process has got him appreciation from the President of India and won him accolades from all over the world.”

- This story is an excerpt from the book “Jugaad” written by Navi Radjou, Jaideep Prabhu & Simone Ahuja in 2012.



Review questions

- The facilitator encourages the group to discuss the following points:
- Their first thoughts when they hear Prajapati’s story.
- The things that inspire them in his story.
- The skills that helped Prajapati to reach where he reached.
- The skills they need to develop to be able to develop their own business.
- The ways in which they can develop themselves to start their own business.

Conceptual note

Starting your own business is a step by step process which may take time. The whole idea is to start thinking and work on new ideas you may get in the process after checking their validity and feasibility. Given below are steps you can work on to start your business. You may change their sequence depending on the need of your business.

Step 1: Think of an idea this step acts as a foundation stone of your business. You need to come up with an interesting idea which can be converted into a business model. The idea may be based on the needs of the community, such as something they need, but they have to go far away to get it. You can find out ways to provide them the things required in the village only at a decent rate. You can make that thing or procure it at a minimal amount and then sell it with some profit. You can manufacture things which suit the needs of the people. You don't have to think only about your village. You can even think of marketing that product in the near-by town, or even beyond. This may take some time and you have to be open-minded, be a good observer, and have good analytical skills to be able to think beyond what is available in the environment around you.

Once you have come up with an idea, the idea needs to go through a three-step test:

- Different(Unique) as it may be more meaningful in Hindi
- Feasibility
- Profit-orientation and potential market

The moment your idea passes the three-step test i.e. it is different than what people are already doing in the village or your town or even if it is a similar shop, it has something different which makes people come to you. The idea is practical, it can be applied, you already have the skills required or you can pair up with someone who has the skills, it can be converted into a profit venture and people will pay for it. You move on to the next step.

Step 2: Making a plan of action The action plan is an important step for it will ensure how your idea can be converted into a profitable business. Action plan involves

- Doing some research regarding the cost of the product involved, market (where can you sell your product, who will pay for the product), competitors i.e. other people selling the same product.
- Working out the action plan: This involves working out mentally the requirements of your business, such as how can you produce the product you have thought of, how many people need to be involved, how you will work out the financials, etc. This involves designing the whole business mentally and even work it out on paper. Writing it down helps you look at it in totality and makes it easy for you to review it later.
- Finding out the operational cost: You need to get out in the market and find out the operational cost of your product, such as if you want to sell mobile phones, how much do they cost you, your travel expense, your profit margin, etc. or if you want to produce something, what will be the initial cost required in setting up the workshop, what will be the cost of the raw material and the labour, your profit margins, etc.
- Need to identify your speed breakers: It will be important for you to identify your speed breakers - factors that can act as barriers in your business such as availability of money, business may be seasonal, such as product you are selling may be used only at a particular time of the year, you may have strong competitors - who are providing better services than you, etc. You also need to think about ways of overcoming these speed breakers rather than getting disappointed by them.
- Marketing and Selling the product: This involves working out how you are going to sell your produce in the market, and tell others about it, make sure they come to you to buy it, any schemes that can attract products and other ways of marketing.

Step 3: Working out your financial plan Some businesses are cash intensive i.e. they need lot of money to start while some are labour intensive i.e. they can be started with minimal amount of money but require a lot of hard work and lot of people. You need to work out the

financial plan by finding out the financial schemes available for small investors. Rather than thinking of borrowing money from your landlord and paying a huge amount of interest, you should always look at other options such as local post office, local banks, government offices, etc. Doing some research in this regards helps you go a long way in deciding a feasible long-term financial plan. Write the pros and cons of each scheme available, it will help you decide how to go about it.

Step 4: Working on your action plan with the timelines The next step involves getting out to actually work on the action plan. It is time for you to now overcome your inhibitions and actually act. You may start your business while you are working in order to keep the income flow or with the help of some savings that you may have kept for your business. Don't be afraid to go out and ask for money, rather than using your savings. It is time for you to get out and actually apply for easy to pay loans to places which you have shortlisted in your action plan. You may also have to start looking for place and work around to develop it in the form of a proper shop or workshop as per your business requirements.

While you are working on your action plan, always keep these things in mind:

- Always keep the long term goal in mind.
- Don't get disheartened by small failures. Review them, they might be teaching you lessons that you need to learn from them.
- Have patience.
- Be ready to review your action plan. Always be ready to change. If you have tried something and it doesn't work, think of an alternative.
- Above all, have confidence and belief in your action plan.

Activity 2: Business Planning

Objectives

- To enable the participants to work on the action plan.
- To develop confidence in participants towards becoming an entrepreneur.



The facilitator encourages the participants to develop an action plan for a business they will like to work on. They are given freedom to work individually, in pairs or in groups depending on their wish and comfort level. They have to come up with an idea they will like to work on in their business module. After each one has thought of an idea, they can be asked to work in groups to work on the action plan. They need to present their action plan to the participants along with the reasons for why they choose this product. The participants will critically analyze the action plan and help them find out the areas they need to improve and work on. Once all the groups have presented, they are asked to get back to their action plans and make changes in it.

Extension: Once all the groups have made their presentations, the facilitator may conduct a small role play where two people can act as people from the bank and two or three participants can go and ask them for loans. This will help them in overcoming the participant's inhibitions in approaching for loans.

**Pointers to be discussed:
The facilitator**

- May encourage the group to be as critical as possible without de-motivating the group. The aim is to help them come with a good and full-proof action plan rather than an incomplete work. They need to criticize the plan objectively rather than the group which has made it.
- Discusses various aspects that should be considered while making an action plan with the group to help them understand the action plan more clearly. He can ask them to come up with one idea which can then be discussed through the action plan.
- Should encourage them to be creative and come up with different ideas rather than just copying ideas already being used in the community.

Tasks for the learner

- The learners can be asked to take an interview of people in their community who have started their own businesses regarding how they went about the whole process, the difficulties they faced and how do they feel about it now.
- The learners can be asked to come up with their own action plan of a product they will like to work on and do a business with and present it to the group. They need to do research to choose a particular product based on the needs of the community, or their understanding of the market.



This image shows a full page of handwriting practice paper. It features ten identical rows of horizontal dashed lines, each row consisting of three parallel lines. The lines are evenly spaced across the entire page, providing a guide for letter height and placement. There is no text or other markings on the paper.

This image shows a full page of white paper with horizontal dashed lines, typical of primary school handwriting practice paper. The lines are evenly spaced and run across the entire width of the page. There are no margins, text, or other markings present.



Lesson objectives

- To encourage participants to collect information regarding various financial schemes available to the participants,
- To develop communication skills and confidence amongst adolescents,
- To encourage the participants to gather information about various schemes available, and
- To enable the learners to develop their own proposals.



Duration: 145 minutes

Time break-up

40 minutes	20 minutes	30 minutes	20 minutes	35 minutes
Activity 1	Discussion for Activity 1	Activity 2	Discussion for Activity 2	Case study and discussions



Training Materials required

Black board, chalk, sheets of A4 sized paper, and colour pencils/sketch pens for participants

Conceptual note

Money or “financial availability” is the most important step which makes a person start or end a business. The common myth is that anyone who has money can start business easily. Why am I calling it a myth? Despite of everyone’s belief, though money forms an important part, you need profit-oriented and visionary approach to run a successful business. Starting a business may be easy but to make it a profitable venture and rise requires a lot of effort, brain and positive attitude discussed in earlier modules.

The facilitator may do a quick recap of the earlier modules listing out things required to start a business and writing them on the board.

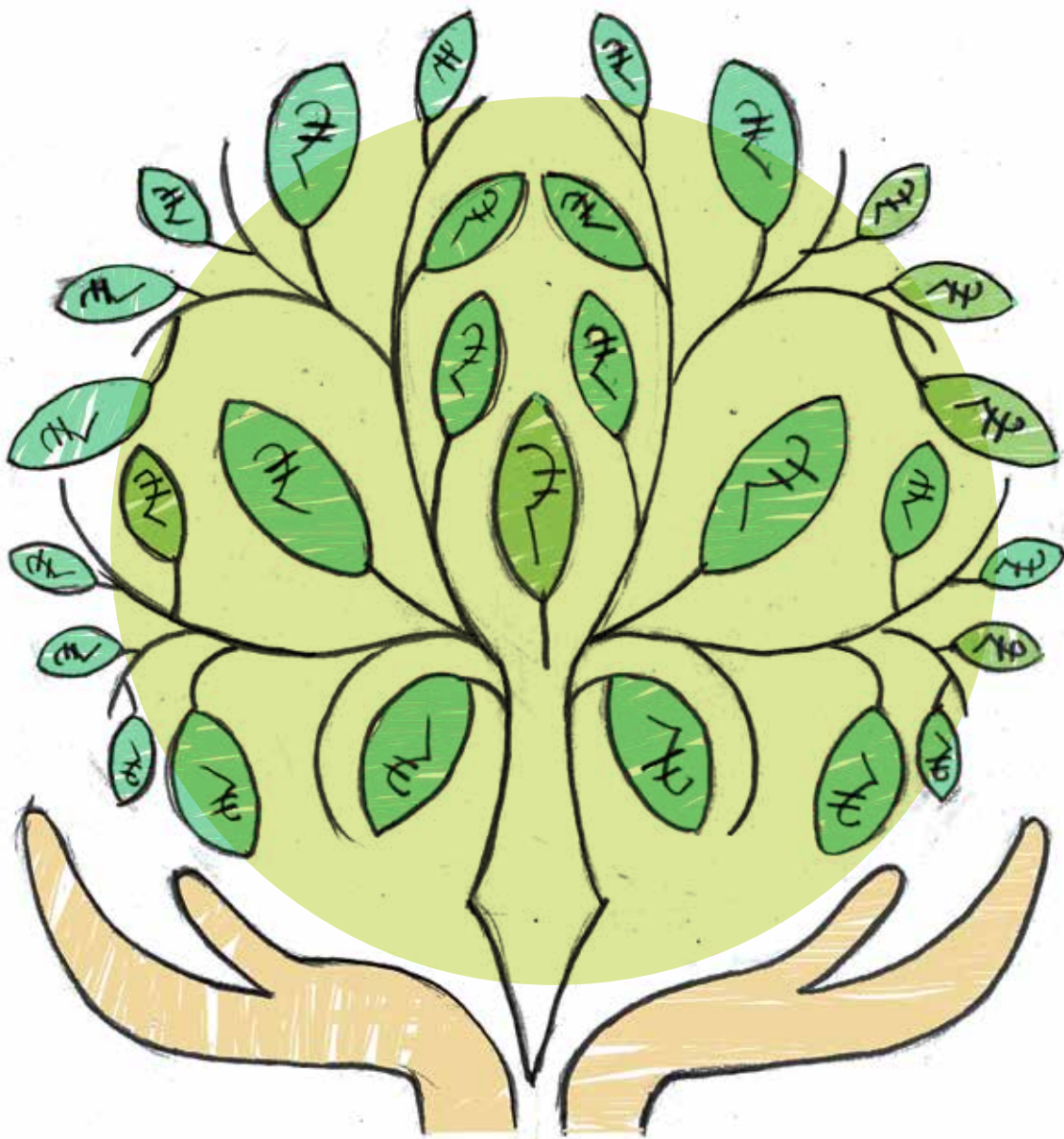
Most of the business ventures are started by taking small loans from various agencies such as banks, government agencies, post offices and NGO’s. You may also start a self help group and lend loans to its members depending on the schemes the group may decide.



It is important to do an extensive research about the schemes available in your village or district, before taking any loans from any agencies. A few things you need to take care of before taking any loans:

- Make sure the agency is credible such as taking loan from a government agency or a bank is a better idea than to take loan from private money lenders who may charge you high interest rates and cause problems for rest of your life.
- Be clear about the terms and conditions such as by when you need to pay the loan, amount of interest being charged and other important details. Clarify all your doubts regarding the loan conditions. Feel free to ask as many doubts you have.





- Most of the times there are lot of hidden conditions present in the documents. It is a good idea to read the document clearly especially the fine print and discuss it with someone knowledgeable in this field, to avoid any problems.
- It is important to be clear about the needs and documents required for taking a loan, such as, your id proof, proposal, etc. Make a list of the documents required along with the criteria which you need to fulfill to get a loan and write it clearly.
- You should start thinking about how you are going to pay back the loan, for that helps in building your credibility and would also make the process of taking loans easier for you next time. It also shows good planning on your part.

The activity given below is intended to help the participants start working with their financial support system. The facilitator may refer to the links given in the web-links list at the end to get more information. The facilitator will have to play a proactive role in helping the participants collect the information about micro-finances and various agencies which they can approach locally.

Activity 1



Objectives

- To develop the communication skills of the participants,
- To encourage the participants to gain information about small term loans available,
- To empower participants to share the information with their community members.



The facilitator can invite people from the local bank or Government agencies to come and tell participants about loan facilities available. He/She may arrange a small discussion where the participants are informed about all the loan facilities available.

The participants should be informed in advance and the facilitator may divide them into groups and ask them to prepare questions they will like to ask the bank or government officials about taking loans and other financial support available in their area when they come. She can check the questions and make sure there are no repetitions and they cover all the aspects and clarify all their doubts. Participants can be encouraged to take notes so that the information can be discussed later in the group.



Once the discussion is over, the participants can be asked to make posters within their groups which can then be used to spread information about loan facilities available.

Variation: In case the facilitator is unable to invite, the other option would be to send different groups to different agencies and get information about loan schemes available there. In this case, the facilitator can help the participants prepare their list of questions and form a questionnaire which can then be used by the group. A mock interview may be held in the session where two members can become bank officials and other two may approach them to get the information. They can try and present different kinds of situations which they may face in the bank. The members have to enact how will they deal with such situations.

Pointers to be discussed

- The facilitator may discuss information presented in the session with the group members and present it in an organized, bullet form to help the participants understand it better.
- The information can be presented on the chart paper and put up on walls to help the participants refer to it later.



Conceptual note

As we encourage the youth to start their own business, it becomes the duty of the facilitator to provide the youth information about various organizations from which they can take loans. Some of the information that might be necessary would have been collected by the participants as the part of Activity 1. The facilitator should present that information on chart papers so that it can be used by people visiting the place.

In the Annexure, some information has been provided around the following schemes: -

1. PRIME MINISTER'S EMPLOYMENT GENERATION

PROGRAMME (PMEGP) which is a credit linked subsidy programme administered by the Ministry of Micro, Small and Medium Enterprises (MoMSME), Government of India. Khadi & Village Industries Commission (KVIC), a statutory organisation under the administration of Ministry of MSME is the nodal agency at national level for implementation of the scheme. At state level the scheme is implemented through KVIC, KVIB and District Industries center.



2. Rural Self-Employment Training Institutes (RESTI) are promoted for the purpose of providing opportunities to the rural youth for their skill up gradation leading to self-employment. Rural Development and Self Employment Training Institute (RUDSETI) have been set up in every rural district.

3. Rural Innovation Fund (RIF) is a fund designed to support innovative, risk friendly, unconventional experiments in Farm, Non-Farm and micro-Finance sectors that would have the potential to promote livelihood opportunities and employment in rural areas.

4. Self Help Groups is a community based program where the members of the community get together and pool in their resources to help people who are a part of the group.



The annexure and the information presented can be discussed with the group with the help of the activity given below.

Activity 2



Objectives

- To develop the communication skills of the participants,
- To encourage the participants to gain information about small term loans available,



The facilitator will divide the participants into 5 groups of 4-5 participants each. Each group will be given information about one scheme from the annexure. The group needs to act like a sales agent who is there to encourage the group members to take loans from their office. They may make a presentation on the chart paper, poster highlighting the important aspects of the scheme and song to advertise the scheme. Each group is given 30 minutes to prepare their complete presentation. After all the groups are ready, each group comes and makes their presentation. Other participants are encouraged to note the information being presented and ask questions in case any important information is left out.

Pointers to be discussed: The facilitator

- May discuss information about various schemes presented and encourage the group members to think about applying and taking loans from these organizations. She may also stress the need to overcome their inhibitions and think of it as an alternative which should be accessed.
- Encourages the group to work on their proposal regarding the business they would like to open. They can be encouraged to make a checklist regarding the documents required and also work out the pros and cons of each loan in terms of suitability to their needs.



Conceptual note

The facilitator may further discuss the problems that may occur in the sustainability of the business. It may be difficult to start a business but it is even more difficult to sustain it. Lot of businesses start at a good note but are unable to sustain themselves and therefore, close down. Some of the aspects we need to take care of are, while running a business are:

- *Always maintain proper written records of all financial transactions. This helps in understanding the profit and loss and where your business is heading.*
 - *Always stay updated about what is happening in the market. A good businessman never relaxes and stays updated about the changes taking place in nearby areas and other aspect of the market. Such as if you are aware that a new road is coming up, you should try to understand the impact it will have on your business and make changes accordingly.*
 - *Be aware of the new products and the lifeline of your product. If you are producing and selling a product, be aware of the changes happening in the market and demands of people, so that you can change or customize the product accordingly.*
-
- *Look out for competition. You need to always actively market your product and look out for how your competitors are doing and marketing their product.*
 - *Find out the loan schemes available. Always think about expanding your business.*
 - *Set targets annually and always try to achieve them. Anything which stays stagnant dies. Therefore, it is imperative that you always try to develop your business and set higher targets. Opening a shop is not enough; you always have to look beyond it.*

The facilitator may discuss various aspects related to sustainability using the case study given below.



It is known to all that the sustainability of a business is not guaranteed forever, many entrepreneurs would face the daunting task of managing the recovery of a failing business, such is the case of Mohan from Kaka Halwai from a small town in Deoli in the Tonk District of Rajasthan. Mohan started business with the help from his father and family members, with a very meager amount of Rs. 30,000. After initial success of the sweet shop when it had opened during the Diwali season of 2012, KAKA Halwai did not do so well the following year and the year after. The profit margin started getting lesser and lesser, to the point that Mohan did not have enough money to buy the raw materials like milk, paneer, sugar, ghee for his sweet shop. He used to get credit from the suppliers, they have also given an ultimatum to repay them or else they would stop supplying the raw materials to him. He is very desperate to get out of his situation, and he blames his fate for bringing upon such misfortune on him. He feels his only way to get out of the situation is to sell off his shop to someone and pay off the debt.

Questions for discussions (after reading the case study)

What are the factors responsible for his state?

What should Mohan do?



Can Mohan get any financial help to revive his business? How?

What are the actions that you could suggest for helping Mohan resolve his dilemma?

How can one ensure to make the organization competitive and profitable, and what is the cash flow needed to suffice to sustain his sweet shop?

Tasks for the learner

The learners can be asked to make a proposal regarding the business they will like to start and set targets for where will they like to see it in coming five years.

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