



## Curriculum for one-day stove builders' business trainings

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### 1. Introduction

Peasants and technicians who have been trained on building fuel-wood efficient stoves usually lack the basic planning and business skills required to successfully start operating a Renewable Energy Micro Enterprise. Therefore, it is necessary to conduct short business training after the technical training. The best date for such training is roughly two weeks after the initial technical training, in order to be able to discuss concrete challenges experienced. It can be combined with a technical follow up.



**Target:** The most important output of this training is a small business plan in which each participant sets a price for his services, notes down basic sales strategies, the availability and costs of raw materials and mitigation strategies for possible challenges, finally setting himself a target on how many stoves he/she is planning to build per month. Methods used for the training are mostly group discussions, combined with short lectures and games.



**Time frame:** The training takes one full day, and it will be done in small groups of no more than a dozen trainees in order to assure that each participant gets his share in the discussion.



**Requirement for trainers:** Trainers should be experienced in moderating discussions (in local language), knowledgeable about the stove and rural settings, have a background in marketing and/or business administration and be able to understand and adopt this curriculum.

## 2. Part I: Business thinking, introduction to business



**Target:** Participants are aware of the advantages of self-employment, the meaning of entrepreneurship and the importance of becoming business-oriented technicians.



**Challenges:** The trainer should be aware that people might have never before thought in terms of profit, or actually became stove builders in order to benefit their communities by voluntary commitment. This is not sustainable. The trainer should inform himself about the local attitude towards business.



**Time frame:** 30-45 minutes

The trainer starts by posing a question: **Please tell stories about people in your environment who became rich / succeeded in their lives.** Typically, a majority of participants will name people who, by the use of their money, did investments (renting plots, buying machinery etc.), then using the revenues for bigger investments and so on. The advantages of having a proper income should be stressed.

The trainer should then, using the stories told, go on to work out **characteristics of business / rich people** with the participants:

- Hard work
- Self-employment (the reason for this should be discussed to be that, if self-employed, you do not lose time on somebody else's work, and all profit your successes create go to you, not to your employer. Further advantages of self-employment might be collected as well).
- Being an entrepreneur who, in a swahili context, is a person who dares to place his capital at risk in order to increase it. (capital-dare/ mjasiriamali). To dare (kujasiri) should be defined as



- Being willing to TRY (kujaribu)
- Being SELF-CONFIDENT (kujiamini)
- Being willing to COMMIT oneself (kujitolea)
- The work of an entrepreneur should be described as being a seeker (mtafutaji), someone who looks for business opportunities in his environment.
- The traits of an entrepreneur should be linked to the situation the stove builders are in: They are trying a new product, have to trust into it, commit themselves and find a fit environment.
- The skill of planning should be added as a characteristic trait of business people. The importance of planning should be discussed. With that, the business plan forms (Annex 1) should be handed out.



### 3. Part II: Analysing the stove using the 4 P's of marketing



**Target:** Participants are aware of their product and how to sell it. A price will be set, and the participants know the costs of the stove. Promotion strategies are discussed. In one-day training, salesmanship is covered as well.



**Challenges:** Enough time should be taken. The opinions of as many participants as possible should be heard and it should be assured that key concepts are understood and everybody is convinced of his strategic planning and pricing.



**Time frame:** 3-4 hours

A business man needs to know about his **Product**, the **Placement** (in the sense of what customers require the product to do), **Price** that fits both with the product and the environment and a **Promotion** strategy that connects the product and its market.

#### 3.1. Product

The trainer should start by showing (best theatrically) that a business man cannot sell by talking about technical aspects / characteristics of his product, but rather by stressing its advantages.

*Note: Laughing trainees understood how ridiculous talking about characteristics is.*

Then, participants should be paired up and collect advantages of their stove. The advantages will then be discussed in the group, and written down on a flip chart. Usually, participants mention advantages such as follows: Less firewood use, less cooking time, protection of the environment, health (no smoke + no chance to burn oneself). The trainer should provoke and criticize the advantages from a macho point of view. Why should I get a stove while my wife does the work, I can't be bothered. Then participants should, as groups, work out how even a family father who is reluctant to buy a stove for the benefit of his wife can benefit from the stove:

- If firewood is bought, money is saved
- His wife will have more time for other work



- Health expenses will decrease
- His food is ready in time, and its taste improves as it is not spoiled by smoke (which is more or less an empty statement, but “*Jiko Janja linaloleta afya – kasi – ladha*”<sup>1</sup> is a good marketing concept)

The participants fill out their business plans with the advantages they think to be important.

As a transition to the next topic, the trainer should point out that not all advantages matter for all kind of people, for example a lot of people do not care about environment, others are extremely caring about health, others not at all etc.

### 3.2. Placement (“Customers”)

The trainer goes on ask what kind of people can benefit from the stove / who the customers are. If participants find it hard to understand this question, they can be helped an example: Someone owning an electrical stove is not a typical customer. It should soon become clear that really almost *anyone* (because close to everybody uses firewood as cooking fuel in rural settings) is a potential customer, especially:

- People who buy firewood
- People having problems collecting firewood (distance, region, age, other work)
- People caring about their health more than average

The fact that the market potential is huge must be stressed in order to motivate participants. In this context, competition can be discussed: Which share of the (huge) market can we get? Are there other stoves available? What are their comparative advantages / what are the comparative advantages of *Janja Stove*? If competition is severe, tactics to compete successfully should be discussed, but this is usually not the case.

It should be noted that during an early phase, often somewhat wealthier people are more willing to buy an unknown product; the poor certainly

*Note: After filling out business plans in the respective space, a short break should be held before moving on.*

can afford *Janja Stove*, but might be less willing to take risk while the stove is not yet established. As a transition to the next topic, it should be discussed how many people will (at the moment) are ready to pay for a stove.

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<sup>1</sup> The clever stove that brings health, speed and taste



### 3.3. Pricing

Participants need to discuss

- What raw materials are required / available, and at what price
- The value of their stove-building service

The following questions can give a guideline:

- What raw materials are required?
- Where are these materials available, and at what price? Are there transport costs involved? (Should participants even be slightly hesitant about the availability of a particular material, all should be asked to bring one unit of this material until the next day in order to assure that everybody can get hold of all materials). The participants fill out their business plans in the respective fields.
- What can be done in order to get materials at a cheaper price? (e.g. using materials which the customer can provide or buying jointly at wholesale prices)
- How much work is required?

#### **Digression: Quality vs. fast money**

People will usually mention the time they need to build a stove. The trainer should point out that a lot of other work is required, like getting the materials and educating the customer. Also, it should be stressed that building hastily in order to save time is not advantageous. The following calculation can be done: Technician 'A' works 20 days a month on stoves, and one stove takes him one day. Per stove, he earns 6,000 Shilling. At the end of the month, people who received bad service in the beginning will start to complain, and the technician will not find new customers in the subsequent months. Technician 'B' works 20 days a month as well, but two days on one stove. He also earns 6,000 Shillings per stove. People will like the stoves, and he can raise the price after one month two to 10,000 Shillings:

Technician 'A'	Technician 'B'
Month 1: 20 x 6,000 = 120,000/=	Month 1: 10 x 6,000 = 60,000/=
Month 2: -	Month 2: 10 x 10,000 = 100,000/=
Month 3: -	Month 3: 10 x 10,000 = 100,000/=
TOTAL: 120,000/=	TOTAL: 260,000/=

The second technician thus gets a monthly income of 100,000/= whereas the first one received a one-time 120,000/= and then remains jobless. Also, technician 'A' might harm the business of his fellow stove builders (an issue that might be hinted at here and will be discussed in Part III).



- Finally, the most delicate question follows: What is the value of this work? How much are people going to pay (for the stove building service, without materials)? Participants must agree that during start-up, promotional prices need to be used. Nevertheless, it should be stressed that even promotional prices must not be too low in order to have an incentive. Also, possible prices for the phase after promotion must be discussed, and it must be estimated from what time on full prices will be used.
- Each technician fills out his business plan with the price he wants to use.
- Finally, flipchart the might look like this:

<b>Material</b>	<b>Availability</b>	<b>Price</b>
Cement	Town	TSh. $x + y$ for transport
Sand	Village	Free
Work (x days)	Me Myself	TSh $x$ during promotion, $y$ later

And so on.

After this part, again a short break can be taken; then, some calculations should be done: How much is a stove if everything needs to be bought? If bricks are provided? If instead of cement, clay is used as mortar? If everything is provided by the customer (which will also lessen workload of technician!)? And so on.



## 3.4. Promotion

*Note: The Team-work, planning and salesmanship exercise can be inserted here. Promotion will then follow afterwards / after lunch.*

Promotion is the act of informing people about a specific product with the target to increase sales.

First of all, it should be stressed that the most important form of promoting stoves talking to customers on a household / single customer basis.

*Note: There is no subsidy for the personal contact to the client!*

Therefore, a small salesmanship exercise should be inserted here:

### **Digression: Salesmanship**

Salesmanship is introduced as the art of convincing a particular customer of the advantages of a product. This means that the customer needs to be made aware of the advantages that are relevant to him. In order to practice salesmanship / to get aware of basic challenges, two participants should improvise a sales dialogue, one becoming the customer, the other one becoming the salesperson. The other participants shall note down what the salesperson did well, and what mistakes he made. The following things should be mentioned:

- Greeting – before starting talking about stoves, greeting politely and starting a talk about certain problems that can be solved with the stove (much smoke, much work etc)
- Talking about advantages which matter for the customer, not merely about characteristics
- Giving time for questions, no discussions – the customer is king!
- No lying, saying half-truths or implying certainty where there is none.
- When leaving: Thanking him, leaving him with a flyer or a contact information
- Planning a date for follow-up if he is unsure whether or not to buy the product.

The exercise can be repeated once or twice, giving the customer certain tasks e.g.: You are someone who buys firewood, you suffer from cough etc.

After the salesmanship-exercise, participants should note into their business plans how many people they will talk to in an attempt to sell the stove on a monthly basis. They need to be aware that most attempts do not lead to sales.

Next, participants pair up and think of what else can be done in order to promote the stove. Ideas will be collected in a group, and should include:





- Promotional prices, trying to build stoves in different parts of the village so that many people can see it.
- Building stoves in public places (schools, restaurants, churches) or at the homes of leaders in order to get support. For such stoves, the price can be decreased, but technicians must avoid making losses.
- Spreading flyers
- Promoting the stoves in meetings, such as village meetings, church meetings, mosque meetings etc.
- Putting up advertising poster (such posters can even be written during the seminar if time is available)
- Using a Bonus program: Stove-owners get the builder's fee back if they bring 5 new customers.

Each participant now notes into his business plan what strategies he/she will use.



## 4. Break: Team-work, planning and salesmanship exercise (House building)



**Target:** Participants should experience the importance of planning and sales and improve their collaboration skills, as well as become aware of the advantages and limits of collaboration.



**Time frame:** 1 hour 15 minutes

### 4.1. The task

The participants get the tasks to **build + sell** a paper house in groups of 4-6 participants each. They get no further clues or instructions, only that it should be made clear that after **45 minutes** no further work or discussion is allowed and the houses and their **advantages** are to be presented to people who were not involved. This group then picks the winners. Materials (paper in excess, 1 cardboard per group, 5 pens per group, 1 pair of scissors per group, glue stick and tape) are provided by the trainer.

#### The task of the trainer

The trainer watches how the groups work and notes down what problems they encounter / how they collaborate / how and if they plan. He pays special focus on how communication within the group works. Usually, each participant takes up a certain role. Some might design and draw and then discuss their ideas with the group – or fail to do so. Others start trying with cardboard and paper. Often, after some time one person takes up leadership, a process that usually takes place spontaneously. Such processes must be observed carefully by the trainer, in order to note on whether the leader communicates with the group, or the group communicates with itself.

The trainer regularly announces how much time is left.

#### The presentation

After the groups completed building the house, they now have to present / sell it to a group of people previously not involved. **Usually participants forget completely to plan this.** In the aftermath of the presentation, the “jurors” decide which house is best, and the trainer shortly discusses what was done well during the presentation itself, stressing the importance of talking about **advantages** when selling.



## **Evaluation**

Participants then sit down, and discuss how the work went:

- Everybody explains how he sees his own work and the work of the group
- What were the problems encountered?
- What was planned / what was not planned?
- How was collaboration organized?
- Finally, the exercise should be linked to the stoves:
  - Stressing the importance of planning: Business plans, stove building theory
  - Stressing the importance of regarding the stove as a product, selling it by its advantages (if presentations were held)
  - Discussing areas in which stove technicians can cooperate, and the limits of cooperation



## 5. Part III: Start-up, tackling challenges and problems



**Target:** Participants should receive guidance for the phase of start-up and discuss mitigation strategies for challenges and problems that might arise.



**Challenges:** Participants usually find it difficult to anticipate future problems. If the trainer gives input, he needs to assure that it is understood and appreciated.



**Time frame:** 1 hour

### Start-up

The trainer asks what is required in order to start a stove business. The most pressing issue usually are tools: What tools are required? How much do they cost? Who owns some tools? Can everybody (by borrowing) get hold of all tools? Usually participants find it necessary to own all tools themselves. A sensible strategy is to buy one tool after each stove built. The promotional prices discussed in Part II need to support this.

The trainer should go on to discuss problems the technicians have encountered so far. A typical problem during the start-up phase is that neither the stove nor the technicians are known. The importance of promotion should be re-emphasized and it might be added that if appearing as a group, the technicians gain integrity.

### Challenges

The questions dealt with are: What challenges might arise in the future? What problems might occur? *What can be harmful to business?* The biggest challenge usually is assurance of quality – if one technician builds bad stoves, it can destroy the name of the stove as such and thus the business of all technicians. Therefore, a system for quality assurance / monitoring needs to be put in place. If the training has been organized by an institution (Church, NGO, Village government) a responsible person from this institution should coordinate this effort: How can it work and how to finance quality controls?

A sensible approach is the payment of a small fee for each stove checked. Concerning on how to handle stove builders who did bad quality stoves, a good approach is that such stoves are re-built for free in collaboration with a peer. Should a technician fail to do so, his certificate is taken back by the institution. It is recommended to award the technicians a certificate after the technical follow-up.



If there is no institution in place, or if the institution is unwilling or unable to commit itself, a peer-review process should be put in place, including a time schedule for the first month.

No matter which approach is chosen, the importance of regular stove builders' meetings (for quality checks, reporting and discussion of challenges) must be stressed.

Business plans ("challenges") are to be filled out.

## **6. Conclusion**

In order to conclude the seminar, the trainer should ask the participants what they learnt about the importance of good planning. He will then ask them to estimate how many stoves they will be able to build per month, and to calculate how much income this means. He will stress that the aims the technicians set themselves will be achievable, as long as they follow their business plan which gives them the road to success. Only if following the plan daily the business can be successful. The trainer collects all the plans and check them until the next day, especially whether expectation in terms of sales per promotional effort are realistic.



## Annex 1A: My business plan

Name: \_\_\_\_\_

From: \_\_\_\_\_

Advantages of the stove:

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What kind of people will like the stove / can benefit from the stove and why?

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Raw materials + prices

Raw material	Availability	Price

What time will I work on a stove?

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For how much will I build the stove (labour costs)?

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How many people will I talk to about the stove per moth / per day?

\_\_\_\_\_

In what meetings will I present the stove? (When?)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

What else will I do concerning promotion?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

What problems and challenges have I encountered up to now? What will I do in order to tackle them?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

What challenges might arise?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Finally, I expect to sell \_\_\_\_\_ stoves each month. This will generate me an income of TSh. \_\_\_\_\_**



## Annex 1B: Business plan example

### Old format

#### Mpango wangu wa biashara

Jina: LUSIA JOHN

Kutoka: MWIKANISI

Manufaa ya jiko: Kuokoa muda mwingi wa kukusa  
nya kuni. Kuivisha chakula haraka.

Haina bah athari yeyote kwa afya ya mwanada

Nitajaribu kuuza majiko kwa nani (aina ya mteja)? Kwa watu wanaotumika

Kwa sababu gani mteja huyo atanunua jiko? Kupunguza gharama yaku  
nunua kuni fedha yake ya kununua kuni

Kutumika sekema nyong'ne

Bidhaa zinazohitajika (Matofali, mchanga nk) nitazipata wapi? matofali - tanunua

Nitazipata kwa bei gani? matofali 80/15 1200

Nitafanya kazi kwa muda gani kujenga jiko? Kwa muda wa siku mbili

Nitauza jiko moja kwa TSh 1.200.000

Nitatembelea nyumba ngapi kujaribu kuuza majiko kila mwezi? wata 10

Nitatangaza jiko kwenye mikutano gani? (lini?) Mikutano ya kijiji, makiani  
sana Vikundi mbalimbali

Nitafanya nini tena kuhamasisha watu? Kupitia viongozi wa dini  
na wa serikali nitatangaza

Nimepata matatizo na changamoto gain mpaka sasa? Nitafanya nini kutatua matatizo hayo?

Fundi kujenga jiko vibaya nitazina  
kuungia hasara ya kujenga jiko vibaya  
Kushirikiana ili kuhakikisha ubora

Changamoto na fursa zipi zitaweza kutokea? hasara vile huje  
nga jiko vibaya na jua la fundi ku-  
chafuliwa kwa hivyo ni afadhali kushirikiana

Hatimaye, ninataraji kuuza majiko 10 kila mwezi. Hivyo, nitafanya faida  
va TSh. 6000.

Average business plan. The participant received the following comments / suggestions:

- In order to build 10 stoves, at least 50 (instead of 10, as indicated) people need to be talked to about the stove. Ten stoves generate 6,000 TZS each totalling an income of 60,000.
- The line "what meetings will you use?" is too general. Please plan what meetings, and when they will take place.
- Passing leaders is not a strategy that will work as leaders do not yet know about the stove. Selling stoves to leaders can help.



**Annex 2: Timetable**

Time	Topic
9:00 am – 10:00 am	Part I: Business thinking, introduction to business
10:00 am – 1:00 pm	Part II: Analysing the stove using the four P's of marketing (Product, Placement, Pricing)
1:00 pm – 2:00 pm	Lunch break
2:00 pm – 2:15 pm	Team-work, planning and salesmanship exercise
2:15 pm – 3:15 pm	Part II: Analysing the stove using the four P's of marketing (Promotion)
3:15 pm - 4:15 pm	Part III: Start-up, tackling challenges and problems

**Annex 3: Training materials required**

For the trainer:

- 1 flip-chart
- Marker pens, at least 4 different colours
- Tape for putting up flipchart (better than flipchart holder, because then several flipcharts can be lined up)

For the participants:

- The business plans
- Pens, flat files having ruled paper for participants (better than shorthand pad)

For the house-building exercise:

- (Coloured) Paper in excess
- Cardboard, if available, 1-2 sheets per group
- Glue sticks, 2 per group
- Scissors, 1 pair per group
- Masking tape, transparent tape
- Marker pens, 4 different colours per group
- Pencils, 2 per group