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New informal training method to facilitate micro entrepreneurs unveiled

By Dias Nyesiga



One of the trainers Hermann Rune takes a trainee through the business training session. The New Times / D. Nyesiga

Entrepreneurs engaging in micro business with no formal education will be able to acquire modern business skills without necessarily going through formal training.

Known as the new basic micro business system, the first of its kind in Africa, this is a form of simulator on a board that gives the entrepreneur a chance to monitor their business transactions by just matching numbers.

“This simulation method is an innovative hands-on learning approach and a tailor-made solution to teach micro-entrepreneurs vital business skills”, Britta Konitzer, a Senior Consultant at Savings Banks Foundation for International Cooperation that is promoting the system.

Britta notes that the method would help entrepreneurs with very little or no formal education to carry out their cash transactions, business plans and be able to convince financial institutions to acquire loans.

“Hundreds of micro-entrepreneurs can gain knowledge in basic financial education and to enable them manage their enterprise more successfully through this system,” she said.

Britta said 23 participants are currently undergoing a two-week Trainers of Trainers- (TOT) package to train others. A recent survey by Ministry of Trade says that almost 50 percent of businesses in Rwanda were established in the last two years indicating the stage of infancy by a vast majority of enterprises.

“Many SMEs die after one year of their establishment either due to lack of access to finance or because they cannot carry out management of their businesses due to lack of relevant knowledge,” Rogers Munyampenda, CEO Private Sector Federation noted.

“This new method of training is absolutely applicable to some of our farmers and small scale business persons who are constrained due to lack of formal education,” Hermann Rune, one of the trainers said, adding that “it is just knowing your numbers”.

He noted that current entrepreneurial training packages draw entrepreneurs into sophisticated lessons on business management which locks out entrepreneurs who lack formal education; a factor he says has contributed to the increasing rate of failure among micro enterprises.

Marret Schadwinkle, a consultant from Germany noted that the training method developed last year by SFBC has a high level of efficiency and cost effectiveness as it gives the trainee an opportunity to experience the management of businesses.

“The entrepreneur is able to experience visually the consequences of the decisions they are going to take, thereby enabling him or her to understand whether the business will grow by experimenting it on the board before getting started afresh”, she said.