



Farmer Organisation Business Training and Coaching Cycle (FO Cycle)

KULIMA More Income and Employment in Rural Areas of Malawi (KULIMA MIERA)

Introduction

In order for Farmer Organisations (FOs) to fulfil their role, they need to understand markets, opportunities and respective requirements, develop their business models, secure their financial viability and independence, enhance their management structures and processes and offer relevant quality services to their members. Members of FOs need to develop their entrepreneurial mind-set as well as business skills and management capacity and understand the benefits and costs of effectively engaging in business-oriented FOs.

The FO Cycle

Together with local implementing partners and business service providers, GIZ develops the FO Cycle approach in Malawi drawing on different existing GIZ methodologies in combination with Malawian expertise. Throughout the development process, implementing and institutional partners, private sector and public stakeholders participate in improving the methodology, contents and methods of delivery.

After their successful application, selected FOs enroll in FO Cycle. Over a period of 12 months, the approach uses a systematic combination of organisational assessment, training, peer to peer learning and coaching of leaders and selected members to promote business capacity development, service provision to members, financial viability, organizational development and profit generation.

During [organisational self-assessment](#), a large number of FO members and leaders jointly analyse and assess their organisational history, achievements and business strength to date and identify organisational development needs.

[Training sessions](#) with participation of 25 to 40 leaders and members aim at increasing capacity in relation to three adult learning levels of mindset/ attitude, skills and knowledge. Planning and management tools include actions plans and business plans as well as practical financial management tools. Through case studies, simulations, calculations and role plays, special emphasis is given to the development of a viable FO business model and respective governance and management capacity. Specific case examples include the management of collective marketing and procurement of inputs for members as a service, as well as the development of a groundnut flour processing business.

[Through coaching](#), FOs are being offered systematic and tailor-made assistance to develop their practical management capacity. Coaching supports participants to apply new skills to their FO business, take action on agreed priorities and follow up on progress. For the coaching to be meaningful, FOs select a group of coachees to drive the organisational change and development process who are therefore mandated to participate in the coaching sessions.

Participating FOs are invited to attend a [peer-learning event](#) during which they exchange with other FOs about their experiences, ambitions and progress. Relationship building with business partners is promoted throughout the Cycle and a special [business linkage event](#) provides the opportunity for business to business exchange and partnership development.

Implemented by

Qualification of Trainer-Coaches

So far, 25 trainer-coaches have undergone an intensive in-class and on-the-job qualification process ranging from business skills to training methodologies and facilitation skills as well as the development of coaching capacity. As part of their qualification process, they were trained and are being backstopped and supported by a group of experienced trainers from Umodzi Consulting Malawi. As part of the overall quality management, full certification of trainer-coaches is based on the assessment of their capacities at the end of the first cycle of implementation.

First rounds of implementation 2017 and 2018-2019

During the first pilot (2017) and first implementation (2018-2019), 60 FOs enrolled in FO Cycle.

FO Cycle is currently implemented with Malawian Business Development Service providers (Centre for Development Management, Kirk Consulting, FG Consulting, ICCO Malawi, DAPP Malawi, Umodzi Consulting).

Implementation 2020 to 2021

Based on lessons learnt from the previous round of implementation, FO Cycle is going to be offered to 120 FOs active in various value chains between 2020 and 2021.

Initial outcomes of FO Cycle include

- jointly formulated business objectives
- increased investment by members into their joint business
- improvements in service delivery and venturing into new services
- increased demand and action for accountability of leaders
- clearer definition of roles in the organization
- engagement in business relationships with off-takers and input suppliers
- increased production and joint marketing of produce

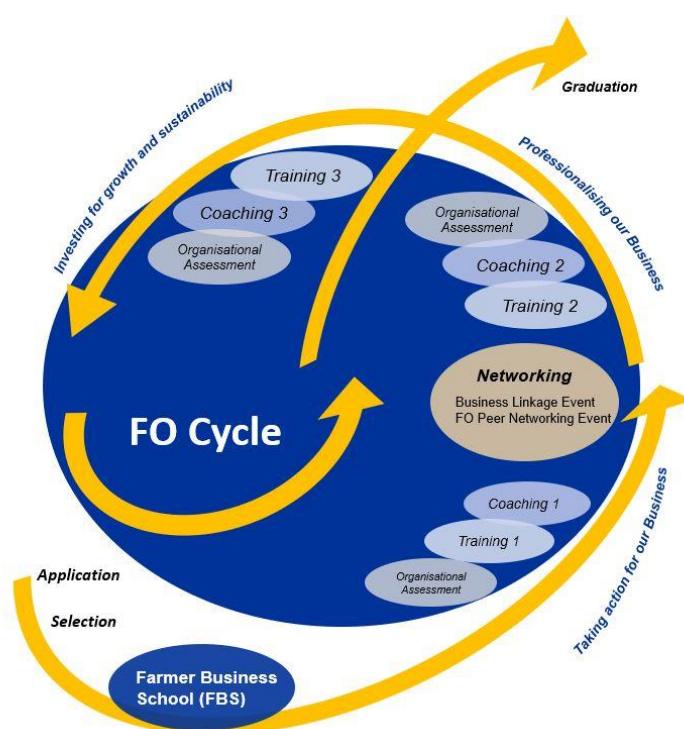


Figure 1: The FO Cycle process

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