



# HOW-TO GUIDES

IN AGRICULTURAL MARKET  
SYSTEM DEVELOPMENT

Rural Business  
Accelerator Approach

*Practical guidance on how to help  
rural micro-size business grow*



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# CHAIN

How-to Guides in Agricultural Market Systems Development

## Rural Business Accelerator

### Authors:

Lim Sokundarun  
Khoem Koembuoy  
Rik Overmars

**Cover design and typeset:** Melon Rouge Agency (MRA)

**Cover image:** CHAIN Photos

**Copy editor:** Rolando Montecalvo

**Khmer translation:** Nget Sophea

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### We thank our proofreaders:

H.E. Dr. Yoeu Asikin  
Ms. Marieke van Schie  
Mr. Rik van Keulen  
Mr. Hem Sovannarith  
Dr. Sok Kimchhin  
Mr. Or Thy  
Mr. Ouk Vannara

### And our contributors:

Mr. Srey Sokchea  
Mrs. Yous Muniroth  
Mr. Som Sal  
Mr. Un Raeun  
PDAFF officers

---

**Cambodia Horticulture Advancing Income  
and Nutrition (CHAIN), SNV Cambodia, GDA**

**Email:** horticulturecambodia@gmail.com

**Website:** <http://gda.maff.gov.kh>

**Facebook:** @សាកលវិទ្យាល័យកម្ពុជា Horticulture in Cambodia

# Foreword

Cambodia's agricultural sector shows continued growth both in production and export, despite the COVID 19 pandemic. Nevertheless, poverty remains largely a rural phenomenon, as about 80% of the 2.5 million poor people live in rural areas. Cambodian smallholder farmers' low productivity is the result of limited access to quality agricultural inputs, technical know-how and innovation, as well as limited marketing opportunities and market information. Pressure on water resources and the effects of climate change are additional challenges. Limited involvement of the private sector in agricultural extension services and weak cooperation with public sector actors restrain the development of prosperous smallholders. Cambodia is not self-sufficient in vegetables and fast economic growth has resulted in a higher demand for safe and quality local fruits and vegetables. This provides a huge opportunity for smallholder farmers and processors, particularly women, to increase income and food security. Moreover, improved rural infrastructure has increased the mobility of rural poor people, providing them access to diversified markets and job opportunities.

Responding to these challenges and opportunities, the Swiss Agency for Development and Cooperation (SDC) has developed the Cambodian Horticulture Advancing Income and Nutrition (CHAIN) 2014-2022 programme in close cooperation with the Ministry of Agriculture, Forestry and Fisheries through the General Department of Agriculture (GDA) and the provincial departments of Agriculture, Forestry and Fisheries (PDAFF). CHAIN has used a market development approach aimed at strengthening the inclusion of poor people (with a strong focus on women) in the market to secure better access to agricultural goods and service and to gain higher incomes. The key element of this approach is a facilitation process for involving private and public partners as well as civil society organisations in the delivery of goods and services on the input and output side of the horticulture value chains (e.g. extension, inputs, marketing and market information) that appropriately meet the needs of poor farmers and processors. Over the past eight years, we were able to achieve impressive results. Cambodia vegetable production has increased remarkably over the last 3 years and is now covering 68% of domestic market demand (700,000 Mt in 2020) compared to 422,000 Mt in 2013. Great achievement!

This How-to Guides in Agriculture Market System Development Book is a collection of tools, principles, practices and approaches developed during CHAIN implementation. It shall provide a reference for all stakeholders in agricultural value chains from public and private sector as well as the civil society. It is also a guide book for sustainability that is at the core of chain as it aims at strengthening horticulture market systems and the capacity of the sector actors to provide services to the targeted farmers. The established networks, policies and market systems will continue to function, as sector actors and farmers will have reached a critical mass large enough to become a profitable and self-sustaining market.

I would like to thank MAFF, GDA, Provincial Authorities, PDAFFs, and SNV and all involved people for an excellent collaboration and for actively contributing to the implementation of the CHAIN Project.



**Markus Buerli**  
Director of Cooperation

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## **Other guides in this series**

- Introduction to Market Systems Development
  - Facilitating Cluster Development
  - Facilitating B2B Relationships
  - Lead Farmer Incubator
  - Developing Crop Budgets
  - Smart Water and Climate-Smart Solutions for Horticulture
  - Farmer Videos for Digital Extension
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# 1. Introduction

**T**he Cambodia Horticulture Advancing Income and Nutrition (CHAIN) project has produced a series of How-to Guides (HTGs) that are meant to be practical, informative instruction manuals for those who wish to replicate and further develop the successful approaches used during the three phases of CHAIN.

We hope that these HTGs will be useful to many organizations globally, especially those engaged in agricultural development projects that apply a market systems development approach (see Box 1). However, we have written the HTGs with Cambodian stakeholders in mind, mainly the Ministry of Agriculture, Forestry and Fisheries (MAFF), the General Department of Agriculture (GDA), the Provincial Departments of Agriculture, Forestry and Fisheries (PDAFFs), and local NGOs.

## Market Systems Development (MSD)

The MSD approach covers the entire system that surrounds a market. In the case of horticulture, this holistic view of the market includes all the relevant participants ("actors" or "players"): the farmer who grows the crops, the retailer who sells seeds and other inputs to the farmer, the trader who buys the crops once harvested, and the wet market sellers who sell the vegetables to consumers. It may also encompass services that support the core market, such as government extension agents who provide advice to farmers and local market organizations that make physical space available for buyers and sellers to meet.

MSD aims to address poverty by improving the performance of markets in an inclusive manner, especially by modifying the incentives and behaviour of businesses and other market players to ensure large-scale change that is lasting and beneficial.

This HTG focuses on CHAIN's Rural Business Accelerator (RBA) approach. During the CHAIN 2 midterm review, we began to consider the limited growth of many of the micro and small enterprises we had worked with during B2B market facilitation. Like most family businesses, these businesswomen and men typically did not think (or thought in limited ways) about business plans, sales and marketing strategies, financial management and accounting (especially separating business and family finances), and human resource development, among

other topics. We therefore launched the RBA to support the growth of interested small and micro businesses.

Through the RBA, we provided training to start-ups to improve their business skills and supported their growth with co-investments. The program was developed as a follow-up for lead farmers who had graduated from CHAIN's Lead Farmer Incubator, to ensure that these farmers, who had recently launched new businesses as part of their Incubator training, received additional coaching to bolster their new business skills. The CHAIN project collaborated with a local business development services provider to offer capacity development, training and one-on-one coaching to these micro, small and medium-sized enterprises (SMEs).

Those who wish to apply the approach described below can tailor the methodology to meet their specific needs based on a variety of factors, such as geography, timeline, human and financial resources, partner availability and interest, specific characteristics of the market, and sector maturity.



## 2. Background

Horticulture is an important part of the agricultural economy of Cambodia due to the rapidly increasing urban demand for fruits and vegetables. Until recently, more than 50% of all vegetables were imported from neighbouring countries capable of year-round production and equipped with better logistical networks, such that their products were more competitively priced. Imported vegetables, however, contain significant amounts of pesticide residues and are therefore a food safety concern. CHAIN worked on promoting safe, locally produced vegetables in four northern provinces of Cambodia (Oddar Meanchey, Preah Vihear, Stung Treng and Kratie) using clusters to reach a critical mass and facilitate market transformation.



### To date, CHAIN has achieved the following overall results:

- Local supply of vegetables in the four target provinces increased from 50% to 70%.
- The project reached 10,000 households in 400 farmer groups with over 65% of the farmers were women.
- About 6,000 farmers have transitioned from household subsistence farming to semi-commercial or commercial operations.
- 65 traders across the target provinces have increased local sourcing.
- 25 input retailers (most of them women) across the target provinces have increased their sales.
- 14 business clusters have been created and incubated.
- 20 vegetable traders and 25 input retailers worked with CHAIN-supported farmers and expanded their business relationships, increased turnover and profits.
- Project visitors and evaluators noted dramatic changes over the years of CHAIN: where there was little focus on horticulture before, there is now a dynamic and growing horticulture sector in the target provinces with many SMEs playing a more important role.
- A quarter of the input retailers who participated in CHAIN activities reported a significant increase in sales, especially because they are now able to provide technical and market production advice to the farmers who buy their inputs.
- 3,400 commercial farmers, 50% of them female, saw their production increase by 50%. Net annual income increased by USD 470 on average.



## 3. Methodology Overview

### — What were the problems? —

Many businesses in the horticulture value chain are small and informal, but they are important players in the market system. They facilitate essential transactions, sell inputs, provide advice and market information, and they buy the produce, transport it and sell it in markets. These SMEs are often small family businesses with a few or no employees, low turnover and low profitability. To create a competitive market system and an efficient value chain, it is essential that these businesses grow and provide more and better products and services to the sector, yet many of them cannot grow because they lack capital and have limited business management skills.

For instance, in one of CHAIN's target areas there was increased farming of vegetables on plots that could benefit from drip irrigation. An entrepreneurial input provider could start selling the required components locally so that farmers can acquire them easily (without having to travel to the provincial capital) and quickly install drip irrigation systems, thus improving the quality, variety and yield of their vegetables. For the owner of the input business, stocking and selling drip irrigation equipment represents a considerable investment, but it is unclear whether it would make commercial sense. She would require a bank loan to make the investment, but she has no records to show the profitability of her business and does not know how to write a business plan that might convince a bank's loan officer. In such situations, input providers often fail to offer the products that local farmers need.

### — What did we expect to achieve? —

We designed a program that would improve the business management skills of traders and input retailers, thereby providing better linkages, products and services to farmers, in turn enabling them to produce more vegetables. We hoped that the course curriculum developed by our project would contribute to the rapid improvement of knowledge and business skills among existing small entrepreneurs, enabling them to provide products and services, including technical information about the products they sell, and price information about the products they buy to the community. We wanted to assist local entrepreneurs (and, in turn, farmers) in reaching sustainable levels of growth.

### — What were the solutions/methods? —

The RBA applied a wide range of interventions, including training workshops, one-on-one coaching and follow-up visits. During the training, vegetable traders and agricultural input dealers were allowed to interact in groups and share experiences for peer learning.

The following eight topics were covered in the workshops, with one topic per session:

1. Goal setting and business statement
2. Business model canvas and action planning
3. Personal (family) financial management
4. Business financial management
5. Marketing and strategic planning
6. Time management
7. Leadership skills
8. Staff management

Follow-up and individual face-to-face or distance coaching after each session was conducted to reinforce the participants' understanding and verify that they were able to apply what they had learned.

## RESULTS

**The RBA approach – combined with other CHAIN interventions – produced strong results in the target provinces:**

- 36 small businesses went through the RBA program.
- After attending the RBA program, vegetable traders and agricultural input suppliers showed signs of lasting behavioural change; they started to think about their long-term business goals and managing their business affairs more professionally.
- 30 small businesses have been supported through market linkages and business development support (training, coaching).
- 41 staff from local institutions (such as PDAFFs, PDoWAs and local NGOs) received a combination of technical and business training through RBA program.

## The CHAIN Experience



### INPUT SUPPLIER

Beng Buncy, 50, lives in Chnok Mlu village, Robieb commune, Rovieng district, Preah Vihear province. She was a widow, so growing vegetables was the only way to support her family. As a small producer, her income was very low. In 2019 she signed up for CHAIN's Lead Farmer Incubator program to learn about the technical and business aspects of vegetable growing and trading. The training required her to start a business at the end of the program, but she was hesitant at first. Eventually she launched a small business as an input supplier and built a shop in her house.

***"I did not know how or what to sell, but I wanted to have positive cash-flow without making lossess", she recalls.***

She participated in the RBA program to learn more about business, and soon noticed that both her sales and her income had grown. At first she was unable to track how much she was earning each month, but in the training she learned how to keep records, so she can now manage her finances.



### VEGETABLE SELLER

Van Kimheang is a market stall owner in Kampong Pranak market, Preah Vihear province. She has been selling local vegetables in the market for about two years. "With what I learned in the RBA program, I'm able to attract a lot of local consumers by building trust and good relationships with them," she explains.

***"Before attending the program, I didn't know anything about business plans and cash flow management. But now I can make a daily business plan, and I manage my cash flow quite well."***



## LEAD FARMER

Han Choeurn is a vegetable trader in Rovieng district, Preah Vihear province. As a CHAIN lead farmer, she was invited to join the RBA program.

***"When I was selected for the RBA program, I learned a lot of new business and marketing skills. It was all new for me, so it was hard in the beginning. But I can see the results now. I applied many of the things I learned in the RBA to my business, especially cash account management, and my family and I now have a higher income."***



## COMPOST TRADER

Toch Chanthy, a farmer and compost trader in Preah Vihear province, noticed significant changes after participating in the RBA program.

***"My family and I are just farmers. We had no idea how to run a business, do marketing, or scale up to commercial farming, so my monthly income from farming was just 400,000 riel. Through the RBA, I found the confidence to start up a compost business and expanded my crop production. Since then, my income has more than doubled."***



## PROVINCIAL MARKET FACILITATOR

Srey Sokchea was born in Romeas Haek district, Svay Rieng province, and moved to Oddar Meanchey in 2017 to take up a job as provincial market facilitator (PMF) for the CHAIN project. He was involved in various activities including facilitating B2B exchanges, coaching farmers on business planning and brokering co-investments. During his five-year experience, he became extremely interested in the RBA program because he was able to learn from business experts. The most interesting topic was the "marketing mix", which taught him the process of designing appropriate strategies to achieve business goals. He learned that having some seed capital and a venue is not enough to run a business; one also needs a detailed plan and clearly defined objectives. Through the RBA program, he got to know that product, place, price and promotion are important marketing elements, and they all need to be carefully planned and combined for the business to be successful. He is running a business on animal husbandry and applied the knowledge obtained from program to it. From now, he starts to compare products on price and where to buy and learn about it very well first before buying in. By carefully plan budget and learning well on the product, his income becomes more increase. "I now feel more confident and plan to invest more in my business because I have clear goals and strategies to achieve them," he explains.

***"I will make a business plan, including promotional activities, set suitable prices, and find the best place to run my business."***

## 4. Rural Business Accelerator Steps

The table below summarises CHAIN's five-step RBA approach, including the purpose and output of each step.

Methodological Step	Purpose/Objective	Output
<b>1</b> <b>Identifying potential participants in the RBA</b>	<ul style="list-style-type: none"> <li>To understand how many micro and small business owners are interested in the RBA</li> </ul>	<ul style="list-style-type: none"> <li>Number of interested businesspeople</li> </ul>
<b>2</b> <b>Training needs assessment</b>	<ul style="list-style-type: none"> <li>To identify the required training needs, i.e. the knowledge and skills needed to launch and grow an agri-business</li> <li>To minimise unnecessary topics and focus on what rural businesspeople need for their businesses</li> </ul>	<ul style="list-style-type: none"> <li>A course curriculum tailored to the capacities and needs of interested business owners</li> </ul>
<b>3</b> <b>Business development program</b>	<ul style="list-style-type: none"> <li>To increase knowledge and skills related to business management</li> </ul>	<ul style="list-style-type: none"> <li>Participants' improved business knowledge</li> </ul>
<b>4</b> <b>Follow-up and coaching</b>	<ul style="list-style-type: none"> <li>To solidify RBA graduates' understanding after the training program</li> <li>To monitor and support graduates individually</li> </ul>	<ul style="list-style-type: none"> <li>Improvement in individual business performance</li> </ul>
<b>5</b> <b>Co-investment</b>	<ul style="list-style-type: none"> <li>To provide graduates with financial means and reduce the risk of investment in business expansion</li> <li>To connect them to financing opportunities that can help them grow further</li> </ul>	<ul style="list-style-type: none"> <li>Financial and material support, business investment and growth</li> </ul>

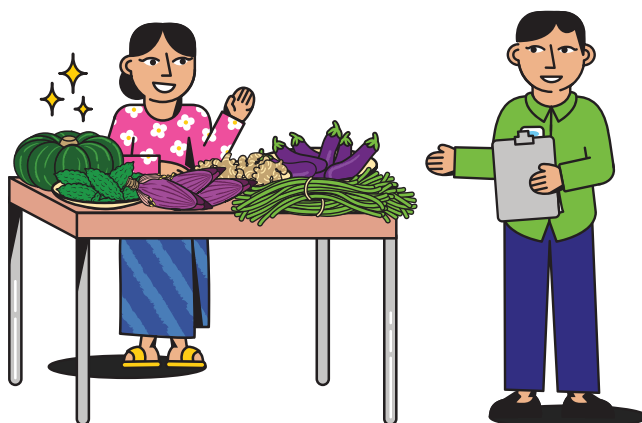
# 5. STEP BY STEP GUIDANCE



## 5.1 Identifying potential participants in the RBA

The goal of the RBA program is to improve the business knowledge of micro businesspeople so that they may grow their businesses, improve performance, and thus increase their income. Its success depends on the interest and ability of businesspeople to bring about the desired outcomes.

At the start, the project must identify how many micro businesses are interested in the program and are qualified to participate. The minimum requirements for participation are to own a business (in CHAIN's case, a horticulture-related business), be able to read and write, and commit to attending the entire program.



### Steps to identify potential participants are as follows:

- Obtain a list of names of agri-business owners from stakeholders/partners such as local authorities, the Ministry of Commerce or the Ministry of Agriculture. If this information is not available, you can ask farmers about the existing agri-business SMEs who are operating in the area, and where they are located.
- Pay the identified business owners a visit at their home or place of business. Explain the objective of the RBA program – to improve business performance and increase profits by improving business management skills through personal development and training in various topics, coaching by experts, and sharing of experiences with other businesspeople. During the explanation, keep an eye on how they react to the proposal and which topics they seem especially interested in. Ask them what they think they need to grow their business.
- It is important that the RBA candidates understand clearly the RBA's goals and benefits, the duration of the training, and the amount of time they must dedicate to it. Once you are certain they understand the program, ask them whether they wish to join.
- Those who are interested and match the requirements can register for the program immediately. Lead farmers who have been participating in the Lead Farmer Incubator and have started their business are fully qualified to participate.



## TIPS

Encourage female business owners to participate. Since they may have domestic responsibilities in addition to their business tasks, ensure that trainings are held at times and places that are convenient for them. Being part of a female-only group may also encourage them to share and learn more freely. Also ensure that your training staff includes female trainers.

## 5.2 Training needs assessment

A training needs assessment (TNA) reveals gaps in people's knowledge so that they can be addressed through an appropriate training curriculum. A TNA should always be conducted before developing a tailored course. The TNA, which can be conducted individually or as a focus group discussion, aims to identify the existing level of knowledge, skills and capacities of the participants, and to define the most relevant training topics. For the RBA, it is important to determine which topics may be useful to rural, agriculture-oriented SMEs.



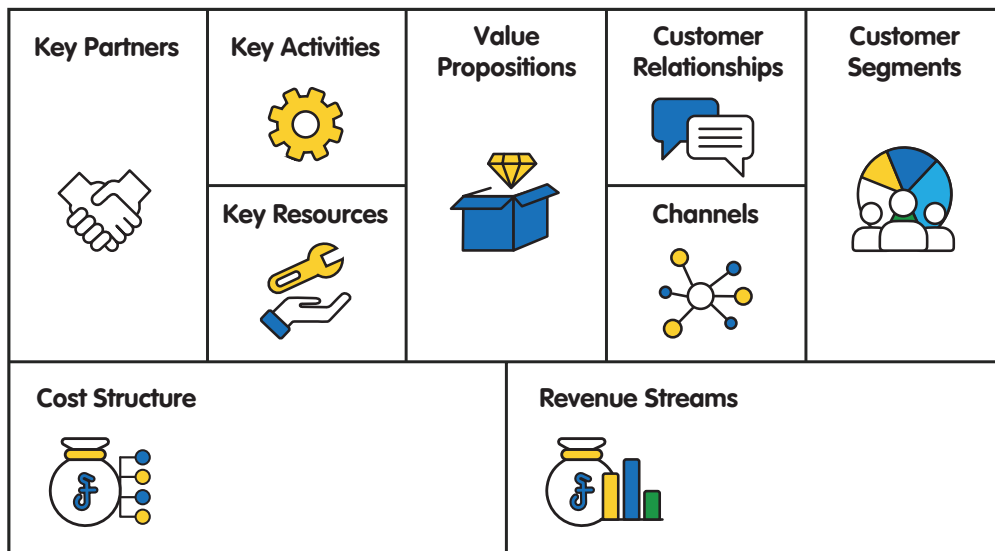
The suggested steps for a successful TNA are as follows:

- Conduct one-on-one interviews with lead farmers who have participated in the Lead Farmer Incubator and other micro/small businesspeople who are interested in the program. Request their personal information and ask about their background knowledge, then let them describe what aspects of their business they are struggling with. Discuss which skills/knowledge may help them improve their business. (See Annex 1 for an example of how to tabulate TNA information.)
- Test their current business-related knowledge by asking simple questions, such as (1) How do you manage your business? (2) How much do you earn from your business? (3) Do you have a notebook where you record income and expenses? (4) Do you have a business plan? If not, do you know how to make one?
- Review participants' responses, note what they are good at and what they are less proficient in, and then formulate a curriculum based on their needs.



- Develop a list of proposed topics and sub-topics for the training curriculum. It should include teaching methodology, required materials and peer learning activities based on adult learning theory (i.e. based on active, experiential learning).
- If you are not familiar with creating business development curricula, you can hire a specialised consultant or NGO to do this for you.<sup>1</sup>
- CHAIN identified the following topics based on the TNA:
  - Goal setting and business vision statement (3 sub-topics)
  - Business model canvas and personal/family finance (6 sub-topics)
  - Strategic marketing plan (5 sub-topics)
  - Financial management for businesses (5 sub-topics)
  - Leadership skills (4 sub-topics)
  - Staff management (3 sub-topics)

## BUSINESS MODEL CANVAS



- Agree on the proposed topics with the RBA program participants. Discuss how much time the SMEs would be willing to invest in the course, and what times are most convenient for participation.
- Once topics have been agreed upon, start developing detailed instruction materials, set the course duration, prepare instruction guidelines and handouts, and make them available to participants online or offline.



**Note:**

If some of the participants have already completed the Lead Farmer Incubator program, the instructor should hold a refresher training session for them. Since the Lead Farmer Incubator curriculum is designed for business start-ups, some of its topics may be less relevant for the RBA program, while additional topics may have to be added.

<sup>1</sup>CHAIN contracted She-Investment, an NGO specialising in entrepreneurship training for women. As their trainings typically target urban businesses, we worked together to create a customised curriculum suited to agri-businesses in rural areas.

## TIPS

1. Business owners are always busy running their businesses, so they have limited time. Therefore, you should base the training interval, duration of each session and location on participants' availability.
2. Businesspeople learn the most from the experience of others, so reserve time for participants to share their experiences and facilitate this sharing in smaller groups.
3. Training costs money, and normally people pay to attend a training course. Discuss with the potential participants how much they would like to contribute to the cost of the training. They are more likely to value the training if they have to pay a fee, however small. This is not common for NGO activities, but it improves the training results and participants' appreciation of the course.

### 5.3 Business development program

Once you have designed the curriculum, you can develop the rest of the course program. It should be flexible so that additional topics can be added as required. Classes should be interactive and entertaining.



**Below are the recommended steps.**

1. Create a calendar and a lesson plan for each session. Share the calendar with all participants via a social media page or a messaging app (e.g., Telegram). Inform SMEs of the date, time, and agenda of each session.
2. Group the training topics into easy manageable sessions of just a few hours or half days, depending on participants' availability. (See Annex 2 for a sample training plan.)
3. Design pre- and post-tests for each session based on course content if you think there will be enough time to conduct them. If not, use a simple recall routine at the end of each session to review the content.
4. At the end of the training, ask each participant to commit to trying 1–3 new skills they learned in the program, such as record-keeping and business planning. Let them know that the group will get back together to follow up and discuss the techniques tried.



5. At the conclusion of the program, participants who completed the full training course receive a certificate.
6. Schedule a follow-up session to evaluate the implementation by the participants. (Please refer to the Lead Farmer Incubator HTG in this series for training guidance.)

**Based on our experience and the results of the TNA, the following topics are the most relevant for a small-business training program:**

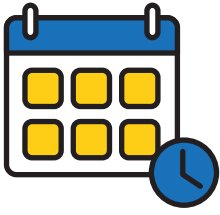
Topic	Sub-topic	YouTube link
Goal setting and business vision statement	Problem-solving skills	N/A
	SMART goals	N/A
	Business vision statement	N/A
Business model canvas and personal/family finance	Market research	N/A
	Value proposition	<a href="https://www.youtube.com/watch?v=MUEgXkq8t_g">https://www.youtube.com/watch?v=MUEgXkq8t_g</a>
	Business model canvas	N/A
	Personal/household expense management	N/A
	Savings goal	N/A
	Personal budget planning	N/A
Marketing mix	Marketing mix – Product	<a href="https://www.youtube.com/watch?v=HH29NctYcus">https://www.youtube.com/watch?v=HH29NctYcus</a>
	Marketing mix – Place	<a href="https://www.youtube.com/watch?v=1LCYndv9dM4">https://www.youtube.com/watch?v=1LCYndv9dM4</a>
	Marketing mix – Price	<a href="https://www.youtube.com/watch?v=nvDpwIYo_dM">https://www.youtube.com/watch?v=nvDpwIYo_dM</a>
	Marketing mix – Promotion	<a href="https://www.youtube.com/watch?v=e_pd96dXTA0">https://www.youtube.com/watch?v=e_pd96dXTA0</a>
	Marketing mix – Action plan	<a href="https://www.youtube.com/watch?v=gWE7l61v8io">https://www.youtube.com/watch?v=gWE7l61v8io</a>
Business financial management	Basic bookkeeping principles	N/A
	Margins and profit	N/A
	Paying yourself a salary	N/A
	Cash flow vs. profit	N/A
	Business budgeting plan	N/A
Leadership skills	Proactive vs. reactive	N/A
	Time management	N/A
	Delegation	N/A
	Networking skills	N/A
Staff management	Personal values	N/A
	Hiring staff & staff retention	N/A
	Team culture	N/A

# TIPS



1. Be creative and make the class interesting by integrating individual participant stories, role plays, exercises and group discussions.
2. At the beginning of a new topic session, ask one of the participants what they learned in the previous session. Ask them if they have already applied what they learned, and how it helped their business. If they did not yet apply it, ask them what barriers exist or what more they need.





## 5.4 Follow-up and coaching

**Follow-up is needed after the end of the training to provide trainees with further support and skills development. Trainees often need help to apply what they learned to their business. Follow-up consists of one-on-one coaching and site visits.**

One-on-one coaching is provided by a business expert who guides the trainee by asking questions about their business challenges, what they think they should do (self-reflection) to overcome each challenge, and when they will do it. The expert can also give practical advice on how to improve the business. The coaching can be done via telephone or during a site visit.

A follow-up site visit consists of the project team visiting the business site of one of the participants. The visits are intended to check their business performance and strengthen their new skills. We also recommend organising regular exchange visits among the RBA trainees where the participants visit each other's businesses and provide feedback to each business owner.



## TIPS

1. The business expert should do the first follow-up coaching session in person. The expert should build a trust relationship by asking relevant questions that invite the entrepreneur to reflect and come up with answers by themselves. The expert can observe how the business is run and provide feedback on employee management, bookkeeping, shop layout and presentation, marketing, customer interaction and after-sales support.
2. During follow-up site visits, role plays can be an entertaining way to test improvement and exchange opinions. For example, a member of the project team can play the role of a customer who needs a particular product or service to see how the business owner reacts to the request.



## 5.5 Co-investment

Many rural SMEs can still grow considerably but are often constrained by the lack of capital. A first step is to analyse the business's investment needs with the owner and prepare a simple business plan based on the business model canvas. An analysis of the level of existing debt, the turnover and potential profit, and the investment required, can yield a clear picture of whether the investment is a good idea. You do not need complicated profitability and rate-of-return calculations; simple cashflow predictions and margin computations can give an idea how much the business can grow and whether it can take on another loan.

For many banks and MFIs, small rural businesses are a risky investment because they often have no documented track record of performance, or because they intend to sell novel products (such as solar pumps) or operate in new areas, where it is difficult to forecast sales volumes. In such cases, the project can de-risk the needed business growth through a co-investment. Co-investments can be structured in different ways, but the amount should fit the investment and the business owner's capacity to pay to do the co-investment and any loans they would need.

### Co-investment cases

CHAIN analyzed the market for greenhouses used in vegetable production. Many farmers were interested, but most net- or greenhouses have a minimum cost of USD 6,000, which most farmers cannot afford. Smaller, locally produced greenhouses are a good alternative, as they typically cost less (USD 1,500–2,000). CHAIN supported two micro businesses with a co-investment to install greenhouses. CHAIN provided one-third of the cost of installing each greenhouse, while the remainder was financed by savings and a loan. This enabled the entrepreneurs to expand their businesses without having to wait for increased cashflows.

Another case was a shop owner who sold horticultural inputs and wanted to enlarge her shop. A simple business expansion plan was presented to ARDB bank. CHAIN financed 50% of the interest for the first six months to enable the entrepreneur to take the loan. In this manner the bank ran less risk and was more willing to provide the loan. The business owner felt less pressure to immediately pay the interest and thus enjoyed a grace period when the cashflow from the expansion was still low.



## 6. CONCLUSION

The RBA program supports small business owners in rural areas to expand and improve their business. It is designed specifically for small business owners or new entrepreneurs who have limited business knowledge. Many female business owners appreciated this support; they especially liked thinking about their value proposition and their role in the market through the business model canvas (the 'nine bricks of a business' concept). The program supports early-stage businesses through training, follow-up coaching and a co-investment option. The training includes many course topics designed to plug the participants' knowledge and skills gap, while the co-investment plan encourages small entrepreneurs to think bigger and take a risk by investing in growth. Finally, participants in the RBA program have the opportunity to make connections and learn from other small entrepreneurs.

For more information on CHAIN's multiple phases, including manuals (in Khmer) on specific technologies and horticultural techniques, please visit our web site at [<https://elibrary.maff.gov.kh>.] Soft copies of these document can be downloaded from [<https://elibrary.maff.gov.kh>]



# ANNEX 1

## TNA guidelines

**Table 1: Information on potential RBA participants**

Background information on small business owners interested in participating in the Rural Business Accelerator (RBA) program

No	Name	Sex	Mobile	Address	Business type	Years in business	Owner	Role in business	Desired skills	Challenges
1	Person A	M	097-xxx-xxxx	Stung Treng	Input retailer (IR)	6	Yes	Manage	Financial management, sales/marketing	Managing income and expenditure
2	Person B	F	088-xxx-xxxx	Stung Treng	Input retailer (IR)	5	Yes	Manage	Stock management, staff management	Financial management, staff management
3	Person C	F	088-xxx-xxxx	Kratie	Input retailer (IR)	21	Yes	Sell	Financial management, market management	Expanding the business
4	Person D	M	097-xxx-xxxx	Preah Vihear	Trader (Tr)	3	Yes	Collect vegetables	Vegetable processing, mushroom production	Vegetables are sometime under or overproduced
5	Person E	M	088-xxx-xxxx	Preah Vihear	Trader (Tr)	4	Yes	Collect vegetables	Sales	Low sales (too cheap, too little sold)
6	Person F	F	097-xxx-xxxx	Oddar Meanchey	Trader (Tr)	5	Yes	Collect vegetables	Financial management	Low sales, too many vegetables

**Table 2: Training Needs Assessment rating**

Below is a sample TNA rating completed by participants in an RBA program run by CHAIN. The participants were asked to rate their knowledge of each curriculum topic.

No.	Topic	Topic code	Sub-topics	Person A	Person B	Person C	Person D	Person E	Person F	Average
1	Goal setting and business vision statement	1.1	Problem-solving skills	3	2	2	3	1	2	2.2
		1.2	SMART goals	4	2	1	2	2	2	2.2
		1.3	Business vision statement	3	1	2	2	3	2	2.2
2	Business model canvas and person/family finance	2.1	Market research	3	2	1	2	1	2	1.8
		2.2	Value proposition	2	2	3	2	1	2	2.0
		2.3	Business model canvas	1	1	2	1	1	2	1.4
		2.4	Personal/household expense management	2	2	1	4	1	2	2.0
		2.5	Saving goal	1	3	2	4	1	2	2.2
		2.6	Personal budget planning	1	1	2	2	1	2	1.5
3	Marketing strategic plan	3.1	Marketing SWOT	1	1	2	2	1	2	1.5
		3.2	Competitor analysis	2	2	1	2	1	3	1.8
		3.3	Goal setting for marketing	2	2	2	2	1	2	1.8
		3.4	Marketing promotion	3	2	2	2	1	2	2.0
		3.5	Marketing budget	2	1	2	2	1	2	1.7
4	Business financial management	4.1	Basic bookkeeping principles	1	2	1	2	1	2	1.5
		4.2	Margins and profit	1	1	2	2	1	2	1.5
		4.3	Paying yourself a salary	1	1	1	2	1	2	1.3
		4.4	Cash flow vs. profit	1	2	2	2	1	2	1.7
		4.5	Business budgeting plan	1	1	2	2	1	2	1.5
5	Leadership skills	5.1	Proactive vs. reactive	1	2	2	2	1	2	1.7
		5.2	Time management	1	2	2	2	1	3	1.8
		5.3	Delegation	2	2	3	2	1	3	2.2
		5.4	Networking skills	2	2	3	2	1	3	2.2
6	Staff management	6.1	Personal values	2	2	1	2	1	2	1.7
		6.2	Hiring staff and staff retention	1	3	1	2	1	2	1.7
		6.3	Team culture	1	1	2	2	1	3	1.7

**Scoring/Rating:**

1 = No knowledge/skill

2 = A little knowledge/skill but considerable development required

3 = Some knowledge/skill but development required

4 = Good level of knowledge/skill displayed, with only a little development required

5 = Fully knowledgeable/skilled, no/very little development required

N/A = This is not applicable to my job

# ANNEX 2:

## RBA training plan including topics, duration, methodology, and resources

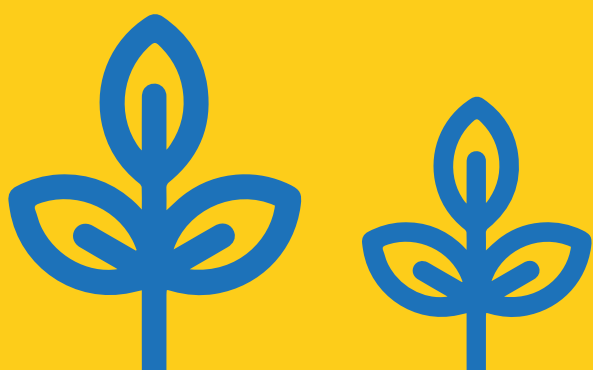
No.	Topic/Step	Duration	Methodology	Resources
	RBA Training 1	3 hr 50 min		
1.	<b>Introduction to marketing mix</b>	<b>50 min</b>		
1.1	Introduction to marketing	10 min	<ul style="list-style-type: none"> <li>Participants work in pairs to discuss what marketing is and why it's important, and report back to the class.</li> <li>Facilitator listens and provides feedback.</li> </ul>	None
1.2	Introduction to marketing mix	40 min	<ul style="list-style-type: none"> <li>Facilitator divides participants into two groups to work on a coffee business (two different customer segments); the business and customer segment are written on a flipchart.</li> <li>Each group has a flipchart and colour markers to use for discussion and analysis of product, place, price, and promotion based on their customer segments, by drawing their customer segment in the middle of the flipchart and adding other items.</li> <li>Each group presents their business.</li> <li>Facilitator asks participants what they have learned from this activity, tells them that this is a marketing mix, and asks whether they understand it, then listens to their responses and gives feedback.</li> </ul>	Flipchart 'Coffee business instruction'
2.	<b>Objective of marketing mix</b>	<b>55 min</b>		
2.1	Revisiting customer segmentation and value proposition	5 min	Facilitator reminds participants that to do a marketing mix, they need to know their customer segments, value proposition and marketing objectives. They are given 5 min to think of these in their card.	None
2.2	Introduction to marketing objectives	20 min	<ul style="list-style-type: none"> <li>Facilitator asks, 'Why do we need marketing?'; listens to answers and continues by asking, 'How do we know if our marketing was successful?'</li> <li>Facilitator explains the need for setting objectives as an indicator to measure success and gives an example of setting up objectives for 'Cafe Lot 369', and asks whether the objectives are SMART already.</li> </ul>	Flipchart 'Setting objectives for Cafe Lot 369'
2.3	Determining the objectives of marketing	20 min	<ul style="list-style-type: none"> <li>Participants are given 10 min to think of two objectives of marketing for the next 12 months.</li> <li>They work in pairs to interview each other (5 min each) using guided questions on the flipchart.</li> </ul>	Flipchart 'Guided questions'
	BREAK	10 min	Snack	



3.	<b>Product analysis</b>	<b>35 min</b>		
	Energising game	5 min	Facilitator plays a game with the participants.	
3.1	Introduction to product analysis	10 min	Facilitator asks participants to respond to the question 'What do we consider in product analysis?', listens and gives feedback.	None
3.2	Product analysis	20 min	Facilitator hands out a product analysis worksheet, explains it and lets everyone work on it for 15 min, then asks one person to share his/her work.	Handout 'Product analysis worksheet'
4.	<b>Place analysis</b>	<b>45 min</b>		
4.1	Introduction to place analysis	15 min	Facilitator asks participants to respond to the question 'What do we consider in place analysis?', listens and gives feedback.	None
4.2	Place analysis	20 min	Facilitator hands out place analysis worksheet, explains it and lets everyone work on it for 15 min, then asks one person to share their work.	Handout 'Place analysis worksheet'
5.	<b>Monitoring record-keeping</b>	<b>30 min</b>		
5.1	Introduction	10 min	Facilitator asks if anyone has recorded regularly, and asks two volunteers to respond to the prompt 'How has bookkeeping helped you?' Facilitator lets them share and reminds them of the importance of bookkeeping/recording.	None
5.2	Group discussion	15 min	Facilitator divides participants into two groups of three and lets them discuss what they like about their bookkeeping, whether there is anything they want to change, what are the challenges preventing them from doing regular bookkeeping, and what they should do to commit to regular bookkeeping.	Flipchart 'Discussion questions'
5.3	Summary and conclusion	5 min	Facilitator lets participants share their thoughts about what they have learned.	None

No.	Topic/Step	Duration	Methodology	Resources
	<b>RBA Training 2</b>	<b>3 hr 10 min</b>		
	<b>Welcome</b>	<b>15 min</b>		
	Sharing of one positive point	5 min	Two participants (volunteers) share one good lesson learnt that happened to them during the previous two weeks.	None
	Reflection on what was learned	5 min	2–3 participants are assigned to reiterate the topics learned the previous week.	None
	Wrap-up and introduction of agenda	5 min	Facilitator reviews key points from the previous session.	Flipchart 'Agenda'
<b>1</b>	<b>Networking skills</b>	<b>1 hr 30 min</b>		
1.1	Introduction to networking	20 min	<ul style="list-style-type: none"> <li>Facilitator asks, 'What is a network?' and writes down the answers, then gives feedback (examples) on different types of networks.</li> <li>Facilitator asks, 'What is networking? Who has done networking before? What was it like for you?', then writes down the answers and gives feedback.</li> <li>Facilitator asks participants to work in pairs and discuss the different types of networking and why it is important for business, then lets them share to the class.</li> </ul>	<ul style="list-style-type: none"> <li>Flipchart to write on;</li> <li>Picture of network examples</li> </ul>
1.2	How to network effectively for business	30 min	<ul style="list-style-type: none"> <li>Facilitator asks participants to remain in the same pairs and interview each other for 5 min each using the interview worksheet, then lets a few of them share the interview results and lets others give feedback.</li> <li>After the interview, let the participants remain in the same pairs and discuss, 'What are keys to effective networking for business?' and share the results.</li> </ul>	<ul style="list-style-type: none"> <li>Interview worksheet;</li> <li>Flipchart to write discussion questions</li> </ul>
		10 min	Facilitator hands out 'Tips for effective networking' and asks a few participants to reflect on some of the tips in connection to their experience.	Handout 'Tips for effective networking'
1.3	Planning your networking	20 min	Facilitator asks participants to work individually to review their BMC partners and write down new people who should be included in their network, then asks a few of them to share with the class.	Handout 'Proactive networking worksheet'
1.4	Wrap-up and conclusion	10 min	Facilitator asks participants how they feel about this topic.	

2	SWOT analysis	1 hr 10 min		
2.1	Introduction and cards matching	20 min	<ul style="list-style-type: none"> <li>Facilitator writes 'SWOT analysis' on the board and asks whether the participants have heard of it before, then writes down their ideas without telling them anything yet.</li> <li>Facilitator draws a SWOT table on the board and lets them work in pairs to match their assigned matching cards to the SWOT table.</li> <li>Each pair explains why they chose to match words in those boxes.</li> <li>Facilitator hands out and discusses the SWOT analysis explanation, then asks whether they have made the right decisions or want to change. He/she then asks them why businesses need SWOT analyses.</li> </ul>	<ul style="list-style-type: none"> <li>Blank flipchart to write on;</li> <li>Flipchart paper to draw SWOT table;</li> <li>SWOT matching cards, one set for each pair;</li> <li>Flipchart 'SWOT analysis explanation';</li> <li>Handout 'SWOT analysis explanation'</li> </ul>
2.2	SWOT case study	10 min	<ul style="list-style-type: none"> <li>Facilitator asks participants to remain in the same pairs and work on a case study to identify the S, W, O, and T of the business.</li> <li>Each pair draws their own SWOT table on flipchart paper, writes down S, W, O, T from the case study on coloured sticky notes based on the assigned colour and sticks them on the correct boxes of the SWOT table.</li> <li>Each pair presents and explains their results.</li> </ul>	<ul style="list-style-type: none"> <li>Case study on Rachana's restaurant;</li> <li>Flipchart for each pair to draw a SWOT table;</li> <li>Coloured sticky notes: Green = Strength, Red = Weakness, Orange = Opportunity, Purple = Threat</li> </ul>
2.3	Examples of SWOT and strategy	15 min	<ul style="list-style-type: none"> <li>Facilitator shows example of Café Lot 369 SWOT analysis and strategy on the flipchart, then explains how to derive strategies for growth.</li> <li>After seeing this example, participants go back to their case study exercise flipchart and identify 4–5 strategies for the case study's business. They explain their identified strategies.</li> </ul>	<ul style="list-style-type: none"> <li>Flipchart 'Example of Lot 369 SWOT and strategy';</li> <li>Handout 'Example of Lot 369 SWOT and Strategy';</li> <li>Handout 'Steps to derive strategies from SWOT analysis'.</li> </ul>
2.4	Individual SWOT and strategy	20 min	Participants work individually on a SWOT analysis and strategy for their own businesses (4–5 strategies to grow the business).	Handout 'SWOT analysis worksheet'
2.5	Wrap-up and conclusion	5 min	Facilitator asks how participants feel about the topic and whether it is relevant for them. He/she reminds them that there was not enough time to finish and fully discuss their SWOT analysis, so they should continue to work on it by themselves.	None



### SNV in Cambodia

Address: #120 Street 51 (corner 228), 5<sup>th</sup> Floor, Phum 4  
Sangkat Chaktomuk, Khan Daun Penh, Phnom Penh, Cambodia

**Tel:** +855 17 644 882

**Email:** [cambodia@snv.org](mailto:cambodia@snv.org)

**Website:** [www.snv.org/country/cambodia](http://www.snv.org/country/cambodia)

**Facebook:** @SNV Cambodia