

SCOPE OF WORK

Consultancy Title:	Training Module and Training Tools Development for Women-led Small Businesses
Project:	SEED 4 Women – Women Small Businesses Economic Empowerment through Digital Financial Inclusion Initiative
Location:	Greater Malang

BACKGROUND

There are significantly more women who use informal financial services (including money lenders, relatives, or other organizations not regulated by Bank Indonesia or OJK) (49%) compared to their male counterparts (29%), and men use banking services 3% more on average than women. However, women continue to be disproportionately affected by barriers to financial inclusion and access to financial services. Lack of inclusion and access inhibits their participation in the economy and impedes them from improving their lives and the well-being of their families and communities. Financial inclusion is critical not only for individuals but also for businesses to thrive. Of the approximately 60 million businesses in Indonesia, 99% are micro, small, and medium businesses¹, the vast majority (98.75%) of which are micro-businesses (1- 4 employees). These small businesses account for 76% of employment nationwide and contribute to the Indonesian economy.

Furthermore, despite improvements in access to the formal financial system in Indonesia, women living in rural areas face considerable challenges in accessing formal financial services due to a lack of trust in financial institutions, lack of access to information and knowledge about financial products and services, social and cultural barriers, perceived high costs, or lack of formal financial institutions in rural areas and lack of interest among formal financial institutions to serve this segment. In addition, small women entrepreneurs' usage of digital financial services (offered by formal financial institutions) is also very low.

Based on Central Bank of Indonesia data in 2018, 37 million or 60% of MSEs are women-led small businesses. So, for women-led small businesses in rural areas, in addition to addressing policy and infrastructure challenges, branchless banking agents are a solution to limited financial inclusion. It provides easy and inexpensive financial access and various financial benefits. A human connection to the branchless banking agent is a step toward familiarizing the process with the digital account. However, this also creates a dependency of the women customers on their agents, so it would be beneficial for women small business owners to receive follow-up training on digital technology after financial literacy training and introduction to branchless banking products.

Mercy Corps Indonesia (MCI) is committed to continuously contributing to supporting the development of this sustainable agent network in providing services to the larger community, increasing women-led small business economic empowerment through financial inclusion, and contributing to help boost financial inclusion to its 2024 target of 90%.

¹ OECD Studies on SMEs and Entrepreneurship, SME, and Entrepreneurship Policy in Indonesia 2018

PURPOSE / PROJECT DESCRIPTION

MCI will support 750 women-led small businesses over three years to improve their business practices, create 10% more jobs and increase profits by 15% through improved access to digital financial services and digital mentoring between 2021-2024. The theory of change hypothesizes that: IF women-led small businesses improve their business practices; IF women-led small businesses improve their access to market and financial services; and IF women-led small businesses improve their access to digital mentoring, THEN women-led small businesses can develop a profitable business, contributing to job creation and bettering their family's well-being.

The proposed initiative aims to empower 750 women-led small businesses through digital literacy, digital business mentoring, and digital financial services. To achieve the goal, MCI expects to leverage the existing agents in Greater Malang (Malang City and Malang District) and East Java Province to engage and share knowledge and technical skills in digital financial services with women-led small businesses. Simultaneously, the program expects to improve digital literacy, business skills, and cybersecurity through MicroMentor Indonesia's (MMI) online platform mentoring system. The digital mentoring intervention is expected to support women-led small businesses' confidence in using digital financial services provided by the agents' network. In the end, it will contribute to the improvement of their business profits.

Goal

Women-led small businesses in Malang City and Malang Regency can improve their business practice, create 10% more jobs, and increase profit by 15%. **The target of the program is to assist 750 women-led small businesses of which 20% are youth aged 19-30 years.**

Outcomes

1. The targeted women-led small businesses increase their business knowledge, including business and financial management, which leads to improvement in saving behavior.
2. The targeted women-led small businesses actively use and benefit from financial services through an agent network.
3. The women-led small businesses actively participate and benefit from digital mentoring to improve their business.

Program Indicators

1. 30% of targeted women-led small businesses implement good business and financial management practices such as separating personal and business finances and data-driven decision-making.
 - 75% of targeted women-led small businesses have increased their business knowledge.
 - 50% of targeted women-led small businesses have adopted savings habits.
2. 60% of targeted women-led small businesses use and benefit from digital financial services.
 - 75% of targeted women-led small businesses have increased their digital literacy.
 - 75% of targeted women-led small businesses have increased their knowledge of digital financial services.
 - 30% of targeted women-led small businesses actively use digital financial services through an agent network or other DFS channels.
3. 50% of targeted women-led small businesses use and benefit from digital mentoring services.
 - 75% of targeted women-led small businesses have completed a profile in the MicroMentor Indonesia platform.
 - Targeted women-led small businesses have created 1,200 engagements inside and outside the MicroMentor platform.

OBJECTIVE OF CONSULTANCY

SEED 4 Women Program requires a consultant to develop the training module, the training tools, the financial record books, and worksheets for women-led small businesses and banks' agents; develop the TOT module and implement the TOT for the local facilitators. The training module shall reflect specific skills and knowledge needed from the need assessment research related to **behavioral change**, financial literacy, financial management, and business management for women-led small businesses (20% of them are youth). In addition, due to the project outcome, the consultant should strategically present alternative solutions to adapt the hybrid learning (online and offline) methodology. Thus, the consultant needs to develop the facilitator guideline and deliver the TOT to local facilitators.

Since the program targets mindset and behavior change, consultants need to focus on a behavior change approach in training modules and tools for women-led small businesses and banks' agents. Consultants also need to provide frameworks and tools regarding the mindset and behavior change process that the program can use, local facilitators, and program participants. Appropriate approaches and tools for local facilitators when accompanying the practice process of program participants so that they can achieve measurable changes in mindset and behavior.

The project team conducted a need assessment of women-led businesses (20% of them are youth) in May 2022, involving 226 respondents in Malang City and Malang Regency. The research aimed to gather information about financial literacy, financial management behavior, saving behavior, and the need for business development for women-led small entrepreneurs. The findings of the need assessment include the following:

- The respondents are women-led entrepreneurs in Malang City and Malang Regency aged: 19 – 24 years old (5%), 25 – 34 years old (27%), 35 – 49 years old (50%), and >49 years old (18%).
- The respondent's educational background: 47% of them are high school graduates.
- The respondents owned small and micro-businesses with 5 to 9 employees.
- The respondent's business domicile: 69% in Malang Regency and 31% in Malang City.
- The respondent's business types: Food and Beverages (51%), Textile Industry (12%), Small Retail (11%), Craft (8%), Services (8%), Food Stalls (7%), and Agribusiness (3%).
- The respondent's business age: <2 years (10%), 2 – 5 years (45%), 6 – 10 years (22%) and >10 years (23%).
- The respondent's revenue: <IDR 10 million (66%), IDR 10 million – 25 million (26%), IDR 25 million – 50 million (4%), and >IDR 50 million (4%).

Based on the behavior in financial management, marketing, and access to the internet, are as follows:

- Saving habits: 39% of them are rarely saved.
- Separating personal and business finance: 71% of them do not separate personal and business finance.
- Business financial records: 58% of them do not record business finance.
- Financial report: 85% of them do not have a financial report.
- Sales coverage: 34% of them sell near their home.
- Marketing channel: 94% of them use words of mouth and 87% of them use social media.
- Use of digital finance: 8% of them use SMS banking, 31% of them use mobile banking, 7% of them use internet banking, 30% of them use the digital wallet, and 4% of them use QRIS.
- Access to bank agents: 31% of them know the bank agents (*Agen Laku Pandai*) and 10% of them have access to the bank agents.

DELIVERABLES

The consultant should develop very clear and structured **Training Modules, Training Tools, Worksheets**, and guidelines for women-led small businesses and banks' agents. The Training Module should not exceed 50 pages to be used in an average of 2.5 hours of training sessions over a 2-years period. Training tools and worksheets should be developed separately, including a list of tools for practice required based on the need assessment. The tools should have relevance to the assessment analysis, findings, and conclusion. The consultant should provide a clearly articulated work plan, detailing each work and the number of corresponding days required.

1. One Set of Training Modules for Program Participants:

a. **Training Module** (include design and layout).

The consultant must develop the training module for women-led small businesses and banks' agents that insert local context and simple, yet effective language designed for women-led small businesses and bank's agents as well. The training module should be easy to implement by the local facilitators by using the hybrid learning method. The training module should contain financial literacy, banks' agents, digital financial services, and financial and business management customized based on the need assessment result. **Consultants must conduct pilot testing of training modules** for women-led small businesses and banks' agents before finalizing the training modules. For information, training related to household and business financial management will also involve the husbands of women-led small businesses and banks' agents as well.

b. **Training Tools and Worksheets** (include design and layout).

The consultants develop training tools and worksheets either in digital or printed form to facilitate daily financial practice for participants. In addition, training tools and worksheets are also expected to be able to accommodate hybrid learning. The training tools required: a financial record book, reminder set (Infographic and WhatsApp Sticker), saving habit set (calendar and saving envelope that is embedded in the module), and other training tools needed.

2. One Set of Facilitator Guide Modules and Presentation Hand-out for Facilitator (include design and layout):

The consultants develop a module for program facilitators containing a detailed guide for training and mentoring for women-led small businesses (20% of them are youth) and banks' agents that includes the techniques or steps needed in the hybrid training process and behavior change insight in the learning process.

3. Conduct pilot training to test the training modules, training tools, and worksheets for women-led small businesses (20% of them are youth) and banks' agents before finalizing the module and making revisions as necessary. The module testing must accommodate the youth entrepreneurs (19 – 30 years old) and the adult women-led small business (>30 years old).

4. Develop the Behavior Change Framework and Training & Mentoring Plan

- a. Develop the framework for monitoring the participant's behavior change for women-led small businesses (20% of them are youth) and banks' agents.
- b. Develop the training and mentoring plan with the goal of women-led small businesses (20% of them are youth) and banks' agents' changing habits.

5. Develop Training of Trainers Materials for Facilitator (include the presentations for TOT activity).

- a. Developing materials for program facilitators to prepare themselves to be ready and become facilitators according to program needs.
- b. Deliver the Training of Trainers session in Malang City or Malang Regency.

ACTIVITIES

- Conduct a review of the existing training modules for women-led small businesses available within MCI, particularly related to access to financial services through banks' agents.
- Prepare consultancy project timeline and work plan.
- Develop the behavior change framework and insight for women-led small businesses.
- Develop a training and mentoring plan based on the program indicators.
- Based on the need assessment result, develop the module as follows:

Use by Program SEED 4 Women	Use by Program Participant (women-led small businesses)	Use by Local Facilitator
Behavior Change Framework	Training Module	TOT Materials
Training Plan	Training Tools	Training PPT
Mentoring Plan	Worksheets	Facilitator Guideline
		Observation Form for Participant's Behavior Change

- Conduct the module testing for women-led small businesses and do the revision based on their feedback.
- Develop pre and post-tests for each training session for women-led small businesses.
- Deliver the TOT for local facilitators.

TIMEFRAME / SCHEDULE

The consultancy work must be completed within **50 working days**, starting from the signed date of the contract based on the agreed date of both parties and not exceeding **August 13, 2022**.

The Consultant will report to:

Program Manager of SEED 4 Women Program

The Consultant will work closely with:

Senior Training and Mentoring Program Officer of SEED 4 Women Program

QUALIFICATIONS

We need a team consultant with experience in training and module development for women-led small businesses (20% of them are youth) and banks' agents, particularly in **Behavior Change**, Financial Services, Financial Inclusion, and Business Management. The consultant should have excellent knowledge of training methods and session planning and a good understanding of the participatory process. It would be beneficial if the consultant has the following skills and competencies:

1. Experience in producing high-quality training modules for women-led small businesses (20% of them are youth) and banks' agents related to behavior change, financial literacy, financial management, and business management by maximizing the hybrid learning methodology.
2. Experience in writing a simple structure and precise Bahasa Indonesia and translating field information/assessment results into well-defined subjects.
3. Experience in delivering the Training of Trainers for Facilitators in women-led small businesses context.
4. Experience in developing an easy-to-understand and straightforward yet practical learning curriculum for program participants based on Need Assessment results. The training module must be as effective as possible.
5. Excellent writing and verbal communication in Bahasa Indonesia, a good understanding of English is a plus.

How to Apply

Prospective candidates should provide:

1. Proposal Program, including a clearly articulated work plan, detailing work for the deliverables and the number of corresponding days required.
2. Team Resume.
3. Consultancy Project Budget Estimate.
4. Module Portfolio and examples of training modules for women-led small businesses and banks' agents.

And email to procurement@id.mercycorps.org no later than June 19th, 2022. Only shortlisted candidates will be contacted