

The entrepreneurial cycle

by Mike Clargo

For many people, paid employment is not an option and their only alternative to depending on charity is self-generated income. In some places people can grow and farm almost everything they need, but in most situations people need income to buy things that they cannot grow or make, such as medicines, clothing and school equipment.

As a result, small business ventures are popular for those seeking to sell what they have so that they have the money to buy what they need. The growth of 'micro-finance' and 'savings and loans' schemes has made small businesses easier for these people. This growth in micro-enterprise is a great thing. In many places it is the only real alternative to charity, and it brings with it development and dignity. It enables communities to become strong and take greater control of their future.

Sadly, many people do not have the knowledge needed to run a business, and simple mistakes can cost them dearly. Reconxile.org's work in both Africa and Asia has brought them into contact with many who have lost their business because they did not understand the basic principles. For example, they have picked the wrong business; they sell in the wrong way; their practices end up costing them more than they get back in income; or they fail to manage their income and resources well.

To address these misunderstandings, Reconxile.org has developed some simple, easy to use, biblically-based training materials that are available to everyone. The training materials take people through the outer cycle shown in the diagram on the right, helping them to think through all the key decisions about their business before they start. They can then move into the inner circle and put their plans into practice in the confidence that their ideas are more likely to succeed and there will be fewer problems.

For further information on Reconxile.org and its training materials see Resources, page 7.

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Steps

The steps of the training can be followed through the four corners of the diagram.

