

FORMAL AND INFORMAL TRADING

Facilitators Guide

Aim: To help the participants in making an assessment of their skills and abilities and outline personal goals for their personal and professional lives.

Objectives : By the end of this session participants will have:-

- Understood what the advantages and disadvantages are to Informal and Formal Trading Opportunities.
- Outlined practical ideas about developing a vision for business growth.

Outline of Session

1. Introduction
2. Advantages to Informal Trading
3. Disadvantages to Informal Trading
4. Advantages to Formal Trading
5. Disadvantages to Formal Trading Financial Planning
6. *Conclusion*
7. *Questions & Feedback*

Suggested Timings:

(Total time for Session = 1.40hours (100 mins))

Introduction - **5 mins**

Advantages to Informal Trading - **20 mins**

Disadvantages to Informal Trading - **20 mins**

Advantages to Formal Trading - **20 mins**

Disadvantages to Formal Trading - **20 mins**




Conclusion - **5 mins**



Questions & Feedback - **10 mins**

1. Introduction

- A) Welcome Everyone to the Group.
- b) Get people to introduce them selves.

Slide 1

<p>Slide 2</p> <p>Show Slide 2 – Informal Trading Opportunities</p> <p>Outline to participants the description of informal trading – Page 1 of Workbook – Explain that this will cover many of the businesses that are new.</p> <p>Looking at the table on Page 1 of Workbook encourage participants to complete the table and discuss findings with each other if they are comfortable in doing so .</p>	<div style="text-align: center;"> <p>Informal Trading Advantages</p>  <p>Workbook Exercise</p>  </div>																									
<p>Slide 3</p> <p>Show Slide 3 – Informal Trading Advantages</p> <p>Looking at the table on Page 1 of Workbook encourage participants to complete the table and discuss findings with each other if they are comfortable in doing so .</p>	<div style="text-align: center;"> <p>Using the Workbook – Look to develop your answers to these and more questions</p> <table border="1" style="margin: auto; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #e91e63; color: white;"> <th>Informal Trading Advantages</th> <th>Very True</th> <th>Sometimes True</th> <th>I Don't Know</th> <th>Not True</th> </tr> </thead> <tbody> <tr style="background-color: #f8bbd0;"> <td>Easy To Start</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr style="background-color: #f8bbd0;"> <td>Needs Very Little Money to Start</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr style="background-color: #f8bbd0;"> <td>Can Try New Ideas</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr style="background-color: #f8bbd0;"> <td>Helps My Family Needs</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>  </div>	Informal Trading Advantages	Very True	Sometimes True	I Don't Know	Not True	Easy To Start					Needs Very Little Money to Start					Can Try New Ideas					Helps My Family Needs				
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<p>Slide 4</p> <p>Show Slide – Informal Trading Problems</p> <p>Participants might have experience of previous problems that they can bring to the discussion ?</p>	<div style="text-align: center;"> <p>Informal Trading Problems</p>  <p>Workbook Exercise</p>  </div>
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Show Slide 5

Looking at the table on Page 2 of Workbook encourage participants to complete the but be willing to support if this brings up any concerns or worries

Using the Workbook (Page 2) – Look to develop your answers to these and more questions

Informal Trading Problems	Very True	Sometimes True	I Don't Know	Not True
Too many people doing the same trading				
Too little money to start with				
Don't want to Try New Ideas				
All profits needed for family income				



Slide 6

Outline the difference between Formal & Informal as outlined at the top of page 3 of the Workbook
Again, ask for any experience within the group of a business owner who has done both

Formal Trading Advantages

Workbook Exercise



Slide 7

Show Slide 7 – Formal Trading Advantages

Looking at the table on Page 1 of Workbook encourage participants to complete the table and discuss findings with each other if they are comfortable in doing so

Using the Workbook (Page 3) – Look to develop your answers to these and more questions

Formal Trading Advantages	Very True	Sometimes True	I Don't Know	Not True
Access to State Benefits				
Better Image With Customers & Suppliers				
Easier to Get Loans at Better Interest Rates				
Can Join Professional Trading Associations				



Slide 8.

Repeat the exercise with the disadvantages of this business route. Seek to encourage discussion again if this is appropriate

Formal Trading Disadvantages

Workbook Exercise



Slide 9.

Repeat the exercise with the disadvantages of this business route. Seek to encourage discussion again if this is appropriate

Using the Workbook (Page 4) – Look to develop your answers to these and more questions

Formal Trading Problems	Very True	Sometimes True	I Don't Know	Not True
Takes a Long Time To Register				
Costs a Lot of Money To Register				
There is too much Competition				
I must pay taxes				



Slide 10.

Conclusion and Feedback

Consider what you have done – Have you met the AIMS of the course?

Open the group to ask questions and provide feedback
Was the information useful and at the right level

Thank everybody for coming – Encourage the group to network and share contact numbers or emails (if appropriate) and to keep in touch.

