



IICA-COLEACP CARIBBEAN AGRIFOOD BUSINESS SERIES

Session n°7:

Entrepreneurial skills needed for businesses to succeed and expand

Wednesday 23rd November 2022 – 10:00-12:00 EST
[Online \(Zoom\)](#)

1. Context

The agricultural and agrifood sector remains a key economic driver of Caribbean countries. The sector is dominated by businesses which are predominantly micro, small and medium enterprises (MSMEs). In a complex and dynamic environment, it is crucial that entrepreneurs in the agrifood sector are supported to create, maintain and grow a profitable business.

Entrepreneurs and business owners are agents of change, they undertake innovations, finance risks and develop a business. Considering that the skills they need are constantly evolving, it is of crucial importance to promote and nurture an entrepreneurial spirit and support capacity development.

Entrepreneurs are part of a wider ecosystem essential in the value chain to move products to the market, which includes farmers, suppliers, traders, transporters, processors... Each one needs to be an entrepreneur and promote a market business approach contributing to profitable businesses.

However, we need to acknowledge that the environment is not always supportive and that entrepreneurs face some key challenges such as poor infrastructure (i.e. roads, ports, marketing and storage facilities, communications, electricity), low level of investment in agriculture from governments and donors, unsupportive laws and regulations (i.e., land tenure, business and tax laws, complex business regulations, bureaucratic procedures...), lack of finance, education and training which doesn't meet the business needs, low extension services and lack of reliable market information (on production, markets, prices, regulations), limited bargaining power which affects negotiation with suppliers, higher prices for inputs and lower prices for the products.

2. What skills are needed for successful businesses?

The Food and Agriculture Organization (FAO) of the United Nations highlights key competencies for farmers-entrepreneurs: (i) entrepreneurial competencies¹ which include initiative, ambition, focused problem-solving, creative thinking, taking risks, flexibility and adaptability, interpersonal abilities, networking and readiness to learn. These competencies can be acquired through practice, experience and training; (ii) technical competencies to know the essentials of farming from production to consumption. This requires technical competencies particularly in three areas: managing inputs, managing production and managing marketing; (iii) managerial competencies such as diagnosis, planning, organising, leading and controlling applied to each part of the value chain; (iv) integrating competencies success as a farmer-entrepreneur comes through the ability of the farmer to combine the entrepreneurial, technical and managerial competencies in practice.

¹ David Kahan. Creating a culture of entrepreneurship. Entrepreneurship in farming. FAO. 2013. <https://www.fao.org/uploads/media/5-EntrepreneurshipInternLores.pdf>



Kilby proposes thirteen tasks or types of activities essential in establishing and running a business enterprise: (1) perception of market opportunities (novel or imitative); (2) gaining command over scarce resources; (3) purchasing inputs; (4) marketing the product and responding to competition; (5) dealing with the public bureaucracy (concessions, licenses, taxes); (6) management of human relations within the firm; (7) management of customer and supplier relations; (8) financial management; (9) production management (control by written record, supervision, co-ordinating input flows with orders, maintenance); (10) acquiring and overseeing assembly of the factory; (11) industrial engineering (minimising inputs with a given production process); (12) upgrading processes and product quality; (13) introduction of new production techniques and products. As Kilby points out, distinct skills and skill sets can be associated with each of these tasks.²

Any entrepreneurial process includes the identification and evaluation of the opportunity, the development of the business plan, the determination of the required resources and the management of the resulting enterprise.

Leadership skills are needed to envision a company goals, expand businesses and motivate its employees. **Organisational and management skills** are important when developing and expanding a business which needs an efficient operational structure, a strong sense of organisation and human resources management. Time management is key to meet deadlines and deliver expected goods to customers. **Speaking and presentation skills** are vital to sell the strenghts of the company. Hence entrepreneurs need strong communication skills to interact with partners, investors, providers and customers as well as with their employees. Those are often supported by marketing plans.

Financial skills, from budgeting, planning and making projections to financial statements and cash flow management are a must for running a business, applying for loans and investments.

Customer service skills are vital for any business to build relationships with consumers and retain them. These skills tie into other essential skills like communication and active listening, collecting information about their costumers' profile and demand, promoting feedback (surveys...) and acting on it. Companies operating in quality markets to be sustainable need to develop strong links between producers and customers, efforts to anticipate changes and get constant feedback to improve and consolidate the acceptability and consistency of the product. The **branding and marketing** need to meet the customers' expectations, share the identity of the business and tell a story about the product. Entrepreneurs need to learn how to create a brand that has a unique position in the market and promote it.

Networking skills allow the business or company to grow, have greater visibility and expansion. Strengthening the business network (from providers, buyers, certification bodies) is a critical step for the business and the company's brand. The business network allows the entrepreneur to keep in touch with its clients, providers, industry, alumni from courses and trainings. It also facilitates new market connections as well as increased knowledge about the industry trends. Attending fairs, events, LinkedIn groups among others leverage your network and keep you abreast of new features in a fast-evolving agrifood industry.

Technical and technological skills are essential to improve efficiency, transparency and traceability in the food chain. Irrigation, cultivation techniques, harvesting, storage, and transportation can benefit from technologies such as robots, temperature and moisture sensors, aerial images, GPS technology and blockchain. These advanced devices and precision agriculture and robotic systems allow businesses to be more profitable, efficient, safer, and more environmentally friendly.

Income increasing strategies and sales/negotiation skills support entrepreneurs increasing their profits and creating value through different strategies, such as: diversification and value-addition, product development, specialisation and product differentiation (i.e. market niches such as organic products, geographical infications (GIs)...), integration.

² Vesala, Kari Mikko & Pyysiäinen, Jarkko (Eds.) (2008): [Understanding Entrepreneurial Skills in the Farm Context. Research Institute of Organic Agriculture](#), Frick, Switzerland.



Entrepreneurs who develop skills in sales will learn how to stay on top of a competitive market, regardless of industry.

Contract-handling is important to ensure fairness, trust amongst parties, social and environmental standards, risk management provisions to cope with unexpected events that could undermine the contractual relationship of the contracting parties.

3. Promoting sustainable and safe food

Entrepreneurs should be encouraged to promote sustainable production and trade and contribute to the green economy.

Diversification within the agricultural sector through increased processing is necessary for local small and medium size companies to develop high value-added, quality and specialty niche products.

Post-harvest losses and food waste along the chain can be minimised with training in improved handling and storage hygiene, and recycling.

Ensuring food quality and safety is needed in supplying any market. Companies need to differentiate products through quality and safety. Agricultural producers are becoming more ambitious in seeking premiums for their goods and increasingly adopting social and environmental certifications.

Even if standards are stringent, their adoption and implementation can generate greater income for producers and satisfaction among consumers and entrepreneurs must know them. This applies to niche markets, such as sustainability in production, organic or fair-trade food products.

Promoting upscale and innovations requires technical and financial skills.

4. Way forward

Many organisations, such as IICA and COLEACP, support entrepreneurs through trainings and entrepreneurship skills for growth in areas related to market research, marketing and packaging, meeting quality standards and labelling requirement, dealing with new administrative procedures and regulatory requirements and having access to distribution to diversifying customers such as trade fairs and B2Bs.

COLEACP supports smallholders, farmer groups and MSMEs in the agri-food and horticulture sectors of African, Caribbean and Pacific (ACP) countries through the implementation of support programmes, such as Fit For Market SPS and Fit For Market Plus funded within the Framework of Development Cooperation between the Organisation of African, Caribbean and Pacific States (OACPS) and the European Union. Via COLEACP's e-learning platform,³ entrepreneurs can find resources to help strengthen their skills in management of organisations and business development through several self-study courses and collective trainings on human resource management, marketing and communication, risks management, strategic business development, start e-commerce business, or corporate funding management and access to finance etc. They will also find training for their middle managers on food safety, agricultural production and processing. In addition to self-paced courses that are available for free,⁴ COLEACP organises collective trainings for support programme beneficiaries.⁵ COLEACP also offers technical assistance to its beneficiaries to support them developing business skills and tools to pursue and improve their operations. Entrepreneurs can learn about the market, skills and technologies needed to maintain and improve access to markets and to seize new market opportunities via market studies and regular updates on market access requirements (e.g. MRL). COLEACP also offers peer-to-peer learning and capacity building as a network of companies, professional organisations and experts.

In this Caribbean Agrifood Business Session n°7, we showcase a small selection of Caribbean companies who have successfully entered in lucrative markets through a set of management and technical skills.

³ <https://training.coleacp.org/?lang=en>

⁴ Free access to self-study courses is provided upon registration to the platform : <https://training.coleacp.org/login/signup.php?>

⁵ Link to submit applications for support: <https://www.coleacp.org/application-for-support-en/>



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PROGRAMME

10:00-10:05 Introduction

Moderator: Dino Clayde Hensley Demidof, Agricultural Technical and Extension Specialist, Representative in Surinam, IICA

10:05-10:50 Panel: experiences from businesses

- Norman Mc Donald, Linstead Market, Jamaica
- Kenneth Van Gom, Gom Food Industries Ltd, Suriname
- Gillian Goddard, Alliance of Rural Communities of Trinidad and Tobago (ACTT)
- Don Fletcher, Bare Fruit Juices, Trinidad and Tobago

Moderator: Isolina Boto, Head of Networks and Alliances, COLEACP

10:50-11:30 Insights from support programmes

- Ricardo Berris, Purposely
- Keith Flett, One Skip, LLC

11:30-11:50 Q&A session

11:50-12:00 Way forward
Jeremy Knops, General Delegate, COLEACP



The IICA-COLEACP Caribbean Agrifood Business Series focuses on innovations and successes of Caribbean farmer-led businesses and SMEs. These activities are supported by the Fit For Market SPS programme, implemented by COLEACP within the Framework of Development Cooperation between the Organisation of African, Caribbean and Pacific States (OACPS) and the European Union.