



**USAID**  
FROM THE AMERICAN PEOPLE



Volunteer Name: LaRon Beemer

Country: Kenya

Country project: Dairy

Host: LEDCA

Venue: Machakos

Audience: Cooperative staff and board members

Number of people : 12

Date: Dec 2 – Dec 15, 2017



# 1. Assignment Objectives as in SOW

Support LEDCA with technical volunteer assistance in business skills management training to cope with the vast rapid development and competition in agricultural enterprises, assess the marketing potential of the Alliance dairy feeds, conduct training on record keeping and facilitate the development of a five –year strategic business plan with a detailed first-year action plan and budget.

## 2. Achievement of the assignment objectives

All objectives were met, although the deliverables, conclusions and messages may have been different than expected by the host organization due to the financial conditions I uncovered.

LEDCA staff and board now recognize the financial condition they could intuitively feel but couldn't put numbers to. Understanding where they were and why, with numbers to back it up, gave the staff renewed confidence in their ability to communicate the message to the board with specific requests for action (example: raw material costs must decrease, credit and transportation terms were unfavorable for both incoming materials and outgoing finished products, and they must have working capital constraints resolved by April/May 2018)

LEDCA's Alliance branded feeds were found to have 1% market share in their geographic footprint and are priced on par with where they are competing in their competitive tier for quality and consistency of supply. Dairy feed customers are pleased with the quality of the feed, but need additional guarantees of adequate and consistent supply of dairy meal concentrates.

LEDCA staff and board can use the action plan prepared during the assignment to address issues and leverage the strategic business plan for internal guidance and external marketing of investment opportunities. LEDCA board can set appropriate expectations for dividends with constituent farmer group members.

### 3. Recommendations to the host with regards to the assignment

- Host was very accommodating; I have nothing to add
- I will be interested to see if LEDCA will follow up with my offer to provide additional information or advice and if they will share results of the action plan and strategic business plan

## 4. Anticipated Impact

- Without understanding the financial condition they were in, LEDCA would not have had sufficient time to make course corrections and would soon be caught in an irreversible trend toward insolvency
- As a result of the project, LEDCA now has the insight, understanding and tools to make management decisions that can lead to sustainable growth
- LEDCA board and staff now have a working plan with monthly activities and reporting schedules to monitor progress
- The strategic business plan can be used with potential stakeholders to solicit working capital to sustain operations

## 5. Recommended future volunteer Assistance

- Future F2F volunteer assistance could be useful in feedmill efficiency and back office support in accounting software and reporting
- I would recommend that sufficient time is given to LEDCA to ensure that they will begin implementing the one-year action plan before committing future volunteer assistance

## 6. Recommendations to other non-host stakeholders

- Other stakeholders should communicate to LEDCA the importance of meeting the action plan and that they will be monitoring progress
- Communicate the expectations for gender diversity and financial reporting
- Identify any solutions or recommendations for accounting and reporting software
- Identify potential sources for working capital

# Action plan for host recommendations

Recommendation	Specific Action	Responsible person	By when
1. Understand current financial situation	Communicate financial situation to LEDCA delegates and steps needed to return to profitability	LEDCA board and staff	Dec 29, 2017, LEDCA special general meeting
2. Identify solutions to reduce raw material costs	Solicit bids for quality feed ingredients with favorable prices and terms to reduce costs and improve gross margins	LEDCA Procurement Committee and staff	February 2018
3. Identify solutions for cash constraints	Deliver a solution for cash constraints that will likely occur in 2Q 2018 in order to maintain sufficient raw materials to meet sales volume goals	LEDCA board, Procurement committee and staff	March 2018
4. Prepare for 2018 AGM	Prepare for Annual General Meeting in April by identifying prospective board members and lobbying delegates to ensure board management is passionate, committed, capable and diverse	LEDCA board	March 2018
5. Track performance	Track performance monthly vs plan and vs previous year. Communicate results to board monthly to improve managerial oversight and performance	LEDCA staff	January 2018
6. Implement training	Implement training in accordance with Global Communities and We Effect grants and leverage feed marketing opportunities without the activities detracting from focusing on returning feed mill to profitability	LEDCA staff	1Q 2018 thru 4Q 2018



## 7. How can CRS improve future volunteer experience

- Cannot think of anything to add
- I have been very pleased with how CRS screens and scopes the projects, presents the opportunity on the website, responds to all requests for additional information and flexibility, and supports all the logistics to make the project a success for all involved
- Special recognition should be given to Maria, Peterson and Gabriel

***Thank You!***