

# Coaching after project funds end: We want to pay for you to stay!

By Gbenga Idowu,  
trainer-mentor,  
Nigeria



**Key themes:** PO & Cluster development, Sustainability of coaching services, Functional capacities

## Maize-Nigeria PPP

The partnership focuses on farmer organisations selling on open markets and building relationships between maize producers and buyers; and on interventions required for an aflatoxin-free maize supply chain.

## Summary

This story brings across very strongly a trainer-mentor's perception of the appreciation of farmers for the role and work of coaching support to their livelihoods. When they fully realise that they may lose the coach due to the end of the 2SCALE project, the maize farmer representatives start to come up with new ideas on how to pay for this business support service themselves.

"If you had to pay to continue getting coaching services after the 2SCALE project ends, would you pay – or would you rather drop the whole thing?" As trainer-mentor of the maize partnership in Nigeria, I was very interested to see what would happen next. So with this question hanging in the air, I started a discussion on the phasing-out of 2SCALE support, with about twenty representatives of the four maize agribusiness clusters in Nigeria. The participants represented producers, input suppliers, marketers and women processors conducting maize business in towns across three states in the South West zone of Nigeria. They were no strangers to the 2SCALE project, having been part of it for the last 3-4 years.

The question was greeted with a moment of deep silence in the room. The participants seemed to be deeply challenged by it, as the coaching services for their clusters over the years have been funded through 2SCALE.

Technical innovations reinforced by soft skills development Then the silence was broken. One after the other the different representatives started sharing the major business breakthroughs in their clusters and in their individual businesses, which they attributed to the coaching services. The high value they placed on the combination of technical, organisational and business relationship building services provided to them through the 2SCALE project was not in doubt.

Chief Ademolu, a farmer from Ayetoro explained how he and other farmers in his cluster achieved an almost three-fold increase in yield per hectare, through the adoption of mechanized planting, which allowed for better plant spacing, and optimal plant population. Mechanised planting also made it easier to adopt other technical/agronomic innovations, including the correct use (quality and quantity) of fertilisers, herbicides, and the planting of improved seeds. Chief Ademolu and other farmers acknowledged that without 2SCALE coaching services, it would have been difficult if not impossible to achieve technical breakthroughs such as the now widespread adoption of mechanised maize planting in their cluster.

He went on to explain that by farmers pooling their demands in a more organised way as encouraged by the coach, the ABC had transformed into an important business for the mechanical services provider. The farmers had also learned how to negotiate better, and, because of the increased business, an agreement was reached to substantially lower the cost of the mechanical planting services. The input provider realised that because of the sufficiently large number of farmers wanting to hire the planters, he could make quick and important returns, even at a lower price.

The coaching and soft skills support was instrumental to this achievement and it has led to farmers being more motivated to adopt other technological innovations to improve their farming business. Before 2SCALE's coaching support, the farmers considered most technical and labour-saving innovations like mechanised planting, land preparation and harvesting to be too expensive. But at that time, their business volumes were too low and the risks involved too high to take on such a big investment. No-one was willing to venture into this risk before the 2SCALE project was initiated.

### **Looking for cooperative resources to fund coaching services**

Going back to the opening question, Mr. Akinpelu, another farmer from the cluster from Ogbomoso, stood up and asked: "If 2SCALE funding must stop, how much would we need to pay to continue getting the coaching support?" He and others reasoned that they would like to pay for the coaching services, as long as it could be within their means. I quickly calculated and then I responded: "If as a group of about 2,000 farmers, you are able to raise five million Naira (about €13,600) per year, it may be enough to provide regular coaching support by 10 coaches with some backup from me as their trainer-mentor."

There was another silence in the room. One farmer asked if this amount was negotiable and so I replied: "Sure".

As if something had triggered a latent potential in the group, the participants started one after another to come up with ideas on how to raise the amount. I then organised them into groups to focus on how to raise five million Naira annually, from within the internal cost structure of the maize partnership in Nigeria. The groups then demonstrated their

long experience of farmers' cooperative fundraising. As a facilitator of the maize clusters in addition to other 2SCALE partnerships in Nigeria, the discussions I heard coming from the different groups were so exciting that they made my heart jump, because some of the ideas being generated could possibly be applied in the other partnerships. I almost could not wait for the group work to finish.

The groups then presented their ideas on how to raise the annual amount of Naira. Terms that kept coming up were "dividends on patronage", "dividends on shares" and "demand dividends". I probed for more explanations and Mr Akinpelu led the others in giving the details. If the large membership of maize ABCs in Nigeria could agree to pool their demand for inputs and supply of produce through their groups in such large volumes as to save some costs, a certain percentage (called dividends) of the savings could be kept back by the groups. These small amounts could then be pooled to add up to a substantial sum.

### **Pooling dividends into real figures**

To put it in real figures, Mr Akinpelu gave an example: There are up to 2,000 maize farmers in the partnership and each of these farmers would require 5 bags of fertilizer per year. The farmers could pool this demand through their clusters such that the total of 10,000 (or 2,000 multiplied by 5) bags of fertiliser could be purchased in bulk, and **therefore** at a reduced price. For example, paying 4,000 Naira instead of 5,000 Naira per bag in the open market – which is very possible – would reduce the final cost of each bag by 1,000 Naira. Then the clusters could decide to keep back a dividend of 500 Naira per bag and let the members have it at 4,500 Naira per bag, which would still be lower than that obtained on the open market. This would then raise five million Naira (10,000 bags multiplied by 500 Naira) as the demand dividends.

This same model can also be applied to other goods and services for which demand and supply can be pooled at the group level; for example, tractor services, credits/loans, insurance, transport, etc. If all the dividends raised were pooled every year, the money that would be raised could be more than enough to contract out business support services to competent coaches at cluster levels through a competitive bidding process. Since coaching services are expected to add value to the clusters so that they are able to pool more volumes and raise more dividends, it follows that competent coaches supporting their clusters will be able to raise the needed resources for continuing the coaching services. As the exchange of ideas continued, it was clear that a lot of coaching support on coordination at cluster and regional levels would be necessary to achieve the sums for this idea to work. But it was in any case very heart-warming for me to witness cluster members voicing how much they valued our 2SCALE coaching services that they would be willing to work hard to find a way to pay for the services by themselves so as to continue them.