



Monthly Newsletter

2009

August



## Woezor!

Welcome to the first chapter of Lumana's monthly e-newsletter. Written and composed entirely by the Lumana team over in the village of Atorkor, Ghana, our e-newsletter is a new medium used to connect further with our friends, donors, and partners. In each issue we will cover major issues and recent developments with our team both at home and in Africa. We encourage those who are interested in learning more to check out our website at [www.lumana.org](http://www.lumana.org) where supporters can also follow our progress from our blog. We hope you enjoy –

Sammie Rayner, Founder and CEO

## General Update:

As the end of August draws near, Lumana has been ceaselessly preparing for our next loan cycle. Over the past two weeks we have been acquainting our coaches with the material in our proprietary business training courses and collaborating with them to adapt our lesson content to be more relatable to the local entrepreneurs.

**'General Update' cont'd on p. 2**

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## General Update (cont'd):

Our goal is to empower our individual coaches to teach the courses effectively, comfortably, and independently.

On Tuesday, August 25, we hosted Orientation day for all of our newly invited clients, marking the start to Pilot Program 2009 and the beginning for Lumana's second-ever class of borrowers. Class 2 was formed over the course of several months of work – after conducting a Community Needs Assessment Survey, two rounds of interviews, and attending various events such as community clean ups, church outings, and dinners in order to get the most comprehensive understanding of the community and prospective borrowers. To be sure, a tremendous amount of work has gone into getting to this point, and we are confident in the effectiveness of our program and the potential of our clients that Class 2 can be the best yet.

## Pilot 2009 Goals:

- 200 clients
- \$40,000 raised

## Progress to goals...

- 97 clients
- \$18,000 raised



## Fundraiser Update:

Lumana hosted our first fundraiser Thursday, July 23 at BoConcept Design Studio, and it was a huge success! With over 120 guests and 16 volunteers, together we raised roughly \$5,000 for the second phase of Lumana's pilot program in the village Atorkor. Every dollar raised during the event will go directly to providing loans to local entrepreneurs in Ghana - to put things into perspective, the money from the fundraiser alone will be able to fund over 35 families and small businesses in the area.

The event featured hors d'oeuvres provided by Serafina, traditional Ghanaian music by Batholomew Komoah, guest speaker Aze Malawo from *Leading Women in Africa*, and free drinks provided by Lumana. If you would like to see more pictures, check out our blog at [www.Lumana.org](http://www.Lumana.org). Thank you to all who attended and volunteered, and we look forward to seeing you all again at our next fundraiser coming up this Christmas!

Featured  
Cooperative:

# Happy Vendors



## Snapshot:

### Cooperative Members:

Margaret Ashimade  
Patience Ayekple  
Mawefemor Keledorme  
Vivian Dzaka  
Dormenyo Tettey

Loan Repayment  
Rate: **100%**

Savings-to-date: **\$125**

Loan Cycle: **2<sup>nd</sup>**

Newest increase in  
loan size: **37%**

Happy Vendors has been one of our most successful cooperatives. Using the lessons learned from Lumana's business training courses, they were able to secure an exclusive contract with the local primary school as the sole providers of food for the children.

Although they all started off as small, independent food sellers out in the village, they have been able to readjust their mission due to their group contract and new steady flow of income. Now, instead of just selling food, they aim to provide the most healthy and balanced meals possible for the children of the community.

Subsequently, each member successfully paid back their first loan and qualified to obtain a higher loan for their next cycle. The cooperative was so successful that one member, Margaret, was able to save five times more than the compulsory savings requirement even after suffering complications during her pregnancy at the end of the first loan cycle.

Happy Vendors has set an example for our other clients in their prompt repayments and the excellent trust they have formed with one another. Although Happy Vendors have been great clients, it has been more of a privilege to witness their personal growth - and we look forward to their future achievements as they continue to make improvements for their businesses and community.

# Announcements!

## Life Lesson Plans:

We are excited to announce the newly developed Life Lesson Plans to our program. This new initiative entails a series of 26 lessons and discussions, given once a week during loan repayment meetings. Different from our business training courses, the lessons will focus on health, safety, financial, and general lifestyle concerns particular to the community. Lumana is constantly striving to innovate and improve our program so that we can better serve our clients, enhancing not only their businesses but their personal lives as well.



## The Lumana Report: Growing Pains

Lumana arrived in Atorkor prepared with well thought out plans and procedures for our next loan cycle operations. But part of the excitement of starting a new venture is that things do not always transfer perfectly from paper to action. Below are some issues, both philosophical and practical, that we have confronted while implementing our programs on the ground. Underneath those bolded questions are our responses, antidotes, or plans to solve the problem.

**What will be the most effective way of arranging cooperatives, will they be self-selected, placed, or a combination of both?**

In an attempt to simplify things, we initially arranged the cooperatives ourselves. Surprisingly, this turned out to be more troubling and disorganized than the alternative. We confronted this issue head on during Orientation day when many of our clients were unsatisfied with the decisions we made and requested to be in other groups. As it turns out, our entrepreneurs are more proactive than we gave them credit for - and as soon as we allowed self-selected groups, everything went much more efficiently.

**'Growing Pains' cont'd on p. 5**

## Special Thanks To...

**ADF**, our partner in Ghana, for their continued support of Lumana and helping to provide the necessary logistics on the ground, so that we may better focus our attention to being the best Microfinance Institute we can be.

## Growing Pains (cont'd):

**How could we, as foreigners, possibly develop enough credibility with the community so that they may trust us with providing business and life advice?**

Indeed, entering into any new community, no matter the circumstances, is challenging. We have been fortunate to have the support and partnership of *Atorkor Development Foundation* and other community leaders, that have been able to smoothen our transition into the village. However, in order to mitigate the concerns of moving into new villages, we are constructing a comprehensive "Community Entrance Strategy" that includes the appropriate procedure to ensure a successful expansion.

**If Lumana is such an effective program for bringing entrepreneurs out of poverty, why don't we apply our skills and efforts to helping to alleviate similar issues in the US?**

Personally, this is a question we encounter a lot from Americans interested in the program – and quite frankly, it is a valid one. The truth is, however, that Lumana carries significant advantages by operating in Ghana right now. For one, the barriers to entry for non-profit Microfinances in the States are significant. Likewise, we already have established connections and networks in the Keta District. Lastly, the fact that the average loan given out by MFI's in America are roughly 10-40 times greater than in Ghana, it made much more sense to apply our time and resources to a place where we could derive as much value as possible. Though it must be noted that as we continue to grow, so will our ambition to serve the poor back at home.

## Contact Us

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## Stay Tuned for...

In the next couple weeks our entrepreneurs will be completing their business training and applying for their first loans. Everyone on the Lumana staff is hard at work analyzing our clients' needs and helping to tailor individual loans and repayment programs that best suit their lives. On October 1, the loan cycle will begin for Class 2, marking the beginning of Phase 3 for Lumana's Pilot Program 2009. Next month's update will cover a range of topics as we begin to prepare for the next step of the pilot program.