

# Craft Unit Business Development Proposal

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*Combining efforts in support of socio-economic justice for members of the visually impaired community*



**Prepared for presentation to the National Disability Board and the Permanent Secretary, Ministry of Labour and Social Security, Kingston Jamaica**

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# I. Introduction

## Background

This proposal was prepared to complement work being executed under Jamaica's for Justice's Social and Economic Justice (SEJ) Project, which commenced in April 2006 and ends on March 31, 2009. Through fulfilling the Project's primary intent—to provide education and advocacy, and conduct research on the experiences and situation of economic and social rights amongst ordinary Jamaicans—we interfaced with a number of national stakeholders and leaders, the Ministry of Labour, being one such governmental institution that has taken seriously, our lobby for attention to the development rights of citizens. In supporting our Project, the Permanent Secretary, Mr. Alvin McIntosh invited us to advance our lobby on behalf of the visually impaired community to the National Disability Board. As such, this proposal was prepared to accompany the presentation and provide a basis for the Ministry to support the development of the Craft Unit of the Jamaica Society for the Blind (JSB) as key source of income generation for members of the visually impaired community.

## Historicity

The Craft Unit emerged out of the combined efforts of seven visually impaired Jamaicans who were previously employed as craft workers at the Salvation Army and made redundant. The Craft Unit's operations were established in 1982 with the assistance of Mr. Orville Grant, head of the JSB at the time. By the late 1990s members of the Unit began experiencing financial and administrative problems and approached Mrs. Virginia Woods, current Executive Director of the JSB, to work in partnership with the members of the Unit in order to manage its operations. Though the Craft Unit was originally conceived of as a workers' cooperative, in 2004 when the JSB took over its operations, its members were restricted to the role of workers, rather than owner-workers. By 2007 dissatisfaction with the management of the Unit's affairs set in, which eventually led to its hand-over to the workers on January 2, 2008. The root causes of the grouses lay squarely in the governance model—as workers felt that there was a lack of accountability, transparency, and participatory leadership practices. Despite this, the members of the Unit asked the Chair of the previous Craft Unit Committee, Mrs. Evans, to provide technical support during the transition phase—for six months—in order to help make it independent. The problems of poor governance were soon visible, which led to a break-down of trust and members' quest for information aimed at ensuring some semblance of accountability, despite resistance from management.

Members of the Craft Unit feel a great sense of betrayal, knowing that they are being managed by members of their own community, but nevertheless face the same governance challenges as other organisations managed by persons who do not have the capacity to understand constituents' experiences. They bemoan the absence of their participation and rights in the leadership process and blamed it for the lack of transparency and accountability in issues concerning: income and expenditure, registration, stocks, contracts, and work terms and conditions. They claim that decisions are made unilaterally and handed down for workers to abide by rather than discuss and come to a consensus about as owner-workers.

## Statement of Intent

The members of the Craft Unit envision it as a sustainable source of income-generation and employment for visually impaired Jamaicans, providing skills training to members of their community and the highest quality craft to the Jamaican marketplace. By applying for developmental support (technical and financial) from the Ministry of Labour, members intend to strengthen the Unit's capacity to govern its affairs and engage in sustainability planning. Members of the Unit see it as having great potential for employing visually impaired Jamaicans, which is not effectively provided for in the private and public sector.

## Specific Objectives

The Craft Unit as a source of viable employment and capacity development for members of the visually impaired community is a vision, which must be realized through the fulfillment of specific strategies over a set period of time. Through this proposal members of the Craft Unit are lobbying for technical and financial support in order to execute the following activities:

- Purchase well-needed equipment, tools, and materials
- Identify and train staff to manage the administrative and day-to-day affairs of the Unit
- Re-create and implement mutually agreeable policies and protocols
- Establish a monitoring and evaluation mechanism, in order to increase compliance to policies and standards
- Settle the Unit at a secure location
- Register the Unit as a workers' cooperative
- Market the Unit and its products to a discerning clientele

## Justification

In discussing the intent and objectives articulated above members demonstrated a keen awareness of the failings of Government to provide for their employment needs. They were also very conscious of their experiences serving in the craft sub-sector, while supporting their families and contributing to the development of the JSB. Members saw craft as a saving grace of the visually impaired, and cited the existence of a craft unit as the major feature of a number of organisations supporting the disabled. While members were quite frustrated and at times disenchanted, they expressed a willingness to partner with others, including the JSB, in order to achieve outlined goals and objectives. Support for the development of the Craft Unit is crucial because it seeks, as its primary goal, to liberate members of an otherwise vulnerable community from the throws of unemployment.

## SWOT Analysis

To the untrained eye the Craft Unit may appear to be a fledging business, but while engaging members in conversation about its history, challenges, needs, customers, administration, and management one is immediately alerted about the significant amount of strength, pride, and independence that it has been providing for its employees since it first opened its door for service in 1982.

### Strengths

- Existing market (database of clients)
- 26 years existence providing services and securing employment for visually impaired Jamaicans
- Existing cadre of trained and experienced workers who are anxious to share their skills
- Estimated monthly revenue of Ja\$100,000.00

### Weaknesses

- Non-participatory management and poor leadership practices , which limit members to the role of workers rather than owner-workers
- Inadequate support in and emphasis on aggressively marketing products and services
- Mistrust of management, and estrangement of owners from the decision-making role
- Inadequate capacity-building and membership empowerment in critical management skills and tasks

### Opportunities

- Assist the Craft Unit in transitioning to a viable business, which provides steadily and sustainably for the development and empowerment of members of the visually impaired community

### Threats

- Lack of transparent and accountable leadership
- Lack of participation and rights and the recognition of members as owner-workers

## II. Legal and Financial Status

### Registration/ Legal Status

Members acknowledged that they believe that the Unit is registered, but they could not articulate the registration type. None of the members were consulted with regarding the registration of the business, and therefore it is assumed that the once seven member cooperative started in 1982 was changed to some other legally registered status, without the consultation of the actual owner-workers. They said that they understand that the registered name of the business is *Superior Craft and more* but no one had actually seen the business registration certificate.

### Assets and Liabilities

Members of the Unit identified some equipment and furniture, which they owned that, will be of use as they sought to develop and strengthen their business. These included:

- 1 tape measure
- 2 Braille machines
- 1 drill
- 6 tables
- 8 chairs
- 2 stools
- 1 fan

Members noted that they have an outstanding debt of \$40,000.00, which they were informed that they owed the JSB when the transition took place in January 2008. Since then, they paid \$5,000.00 leaving a balance of \$35,000.00.

### Monthly Income and Expenditure

Members of the Unit could not give all the information needed to make accurate estimates of monthly income and expenditure. They estimated that the income for the January to June 2008 period was roughly \$700,000, while reporting that the Committee reported an average figure of \$600,000.

Members outlined three broad expenditure categories: materials, salaries, and rental & utilities. The cost for materials was unknown to members as previous attempts to get such information were unsuccessful. There were a total of ten employees of the Unit including: 6 craft workers, 2 ancillary workers, 1 secretary, and a manager. Members had consensus about the payment of salaries to all but the manager, Mrs. Evans. They noted that the salaries for craft workers varied depending on whether or not the worker is a supervisor. Further, workers are distinguished based on full time and flexi-work status, which has implications on the average monthly earnings of employees of the Unit. Rental and utility fees are also paid out to the JSB on a monthly basis.

Full-time workers are paid a basic weekly wage of \$1,000.00 plus one third the earnings of any item completed in the seven stage process. The supervisor is paid a basic weekly wage of

\$3,000.00. Ancillary staff is paid \$8,000.00 per month and the secretary is paid \$16,000.00 per month. Rent and utility costs are \$15,000.00 per month.

## Monthly Income and Expenditure Matrix

Ave. monthly income items	Est. revenue (\$Ja)	Ave. monthly expense items	Est. cost (\$Ja)	Est. BoP (\$Ja)
Chairs		Materials		
Tables		Salaries	48,000.00	
Other		Rental & utilities	15,000.00	
<b>Total</b>	100,000.00	Miscellaneous		

## Anticipated Business Development Budget

Item name	Justification	# of units	Unit cost (\$Ja)	Total cost (\$Ja)
<b>Materials (for 3 months)</b>				
100 lbs polyphene chord				
100 hanks narrow-medium chair cane				
50 hanks super- fine chair cane				
50 hanks fine-fine chair cane				
6 rolls 50"x18" cane webbing				
6 rolls 50"x25" cane webbing				
<b>Equipment</b>				
1 used computer (suited with Jaws being sold by JSB)				
1 printer				
12 ice picks				
1 refrigerator				
2 standing fans				
6 plastic chairs (with metal legs)				
4 work tables				
1 portable drill				
2 hack saws				
3 ordinary saws (different sizes)				
1 toolkit				
1 tape measure				
1 screwdriver set				
1 ratchet handle set				
1 small plane				
1 shave scope				
2 adjustables				
2 g-clamps (large and small)				
3 switch blade knives				
1 compressor				
1 spray gun				
<b>Technical Support</b>				
Administration & management				
Monitoring & evaluation				
Registration				

### III. Problem Overview

#### Business Vision

To become premier provider of craft products in Jamaica, while providing sustainable employment and suitable training for the members of the visually impaired community

#### Business Mission

To organize the efforts of members of the Craft Unit into a workers cooperative, that prioritizes the economic and social needs of its members for skills training, viable employment, and meaningful support

#### Problem Statement

Lack of accountability and transparency of the appointed manager and the Craft Unit Committee has resulted in the estrangement of members, their relegation to a worker status only, their absence from the governance process, inadequate information about financial and operational aspects of the business, distrust, and feelings of disillusionment.

#### Problem Description

The members of the Craft Unit approached Mrs. Evans of the JSB for assistance in operating the Unit until it could stand on its own. This proposal was made subsequent to members' decision to retrieve their organisation from the management of the JSB. Subsequent to the identification and appointment of Mrs. Evans in January 2008, members report that her leadership has continued on the same vein as that of the previous JSB management. An eight member committee was appointed without the consultation of members, in addition to a decision to register the business without the knowledge and involvement of Craft Unit members. Further, members noted that on several occasions they have made attempts to get financial and stock information, but this was either ignored or they were given it very summarily and without proof. When Mrs. Evans took control of the leadership of the Unit in January 2008 she crafted a new work contract, which alienated members from their leadership role within the Unit. The contract stipulated a basic pay of \$1,000.00 for full time workers, and a percentage of completed jobs only for flexi-workers. Since recently, members were informed that this contract would be changed due to financial difficulties of the unit—none of the craft workers will be given the basic pay subsequent to the passing of July 2008. Members feel that their survival as a workers' cooperative will depend on external intervention in support. They see this proposal to the Ministry of Labour as an opportunity to inject objective and efficacious support, as well as a chance to get financial support for purchasing material and equipment in order to increase productivity and growth.

## IV. Business Growth and Development

### Expected Outcome

- Institutionalization of participatory governance model
- Increased productivity
- Increased member satisfaction and feelings of ownership
- Capacity building of other members of the visually impaired community in craft skills
- Increased monthly revenue
- Increased work orders
- Improved salaries
- Increased staff
- More satisfactory work contract
- Increased transparency and accountability

### Expected Impact

Members of the Craft Unit expect that as a result of the support and intervention of the Ministry of Labour they will be able to successfully move beyond the current governance and leadership challenges that they are experiencing. They believe that the long-term impact will be the development of a strong and autonomous craft business that prioritizes the needs of visually impaired Jamaicans for employment and skills training, which is otherwise inadequately addressed by government and private entities. Ultimately the impact of this proposal (if accepted and implemented) will be social and economic justice (in employment) for the visually impaired.

### Sustainability

Members noted that in order to ensure that the business will survive and grow they will need to engage in active marketing to attract new clients, and increase communications with existing clients. They noted that while they have a paper-based database of clients, communications and marketing were limited and not pro-active, therefore work orders emerged primarily as a result of clients' efforts rather than from a specific marketing or communications plan emerging from within the business. Sustainability was also tied to support from the network of non-government organisations that currently produce craft and support the disabled.

## V. Implementation and Monitoring & Evaluation

### Implementation Grid

Main activities	Schedule
Consultation with internal stakeholders	September 2008
Source and purchase materials and equipment	September 2008
Registration as a workers' cooperative	September 2008
Establishment of operational structures, policies, contracts, protocols; Establishment of a monitoring, evaluation, and reporting system	October- November 2008
Identification and appointment of leadership, administrative, and ancillary staff	November 2008
Staff training on organizational expectations, etc.	December 2008
Commencement of operations under the new system	January 2008

### Reporting System

On account of the difficulties experienced with management over the life of the business, members articulated a need for the establishment of a monitoring, evaluation and reporting system that is objective and external to the Craft Unit and the JSB. They noted that they are desirous of Jamaicans for Justice (JFJ) establishing a monitoring & evaluation and reporting system and following up on it for the remaining duration of the SEJ Project. While members were keen on the Ministry of Labour through the Jamaica Council for Persons with Disabilities (JCPD) playing a central role, they were very skeptic of Mr. Damion McLean, because of his dual role as an officer of the agency and a member of the JSB board. Members expressed a willingness to move beyond the current challenges and affirmed that they would be willing to work with the necessary stakeholders in order to realize that. JFJ will facilitate a consultation with stakeholders of the Craft Unit in order to transition the M&E and reporting function to another organisation, which is committed to the development of members of the visually impaired community and the Craft Unit. The identified organisation should not have a conflicting relationship, which would compromise the M&E and reporting system.

### Stakeholders

The members of the Craft Unit felt that the establishment of a strong network was crucial to their success as a business, especially because they relied on outsourcing materials and skills from other providers. In addition, they felt that there was a need to strengthen existing client relations and reach out to new clients—encouraging their continued support to the Unit and its cause to provide for the empowerment of members of the visually impaired community. Information about potential and existing stakeholders of the Craft Unit is outlined in the Stakeholders' Grid below.

## Stakeholders' Grid

Stakeholder name	Contact telephone	Role/ function
Caribbean Council for the Blind		
JCPD, MLSS		Government agency responsible for improving ESR for the disabled
Mr. Damion McLean		Advocate to JSB Board on behalf of the Craft Unit
Jamaica Society for the Blind (JSB)		Location/ rent
Jamaicans for Justice	755-4524-6	NGO executing the SEJ Project and responsible for establishing an objective M&E system and lobbying for Government support