

AN ECONOMICALLY AND ENVIRONMENTALLY SUSTAINABLE BUSINESS MODEL INITIATIVE FOR MICRO ENTERPRISE IN GUATEMALA: OBSERVATIONS FROM FIELD RESEARCH

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ABSTRACT

Five research teams representing the HEB International Peace Program at the University of the Incarnate Word in San Antonio, Texas completed field work in the coffee industry and micro enterprise in Guatemala during October 2008. Of special interest to one team was the As Green as it Gets (AGG) organization, an incubator for micro enterprise. AGG began in 2005 when founder, and now director, Franklin Voorhes identified the opportunity to improve the lives of disadvantaged families in Guatemala with a non-governmental organization (NGO) model of incubation. Voorhes partnered with coffee farmer Felix Poron to pilot a small business development program. AGG now includes non-coffee micro enterprise owners such as jewelry and textile producers and assists the owners to operate as both economically and environmentally sustainable enterprises.

The authors' focus in this paper is upon the AGG business model, its process to provide financial support, and how it identifies viable micro enterprises to incubate. In addition, the authors describe how AGG has made a difference in the success patterns of its client micro enterprises, and how those patterns may be exported to other economies.

JEL: G21, O16, O18

KEYWORDS: Sustainable business, micro finance, micro enterprise, field research, Peace Program

INTRODUCTION

There are over a billion people who are living on less than one dollar a day. In response to this situation, the United Nations has proposed a variety of instruments to aid in the reduction of this stifling poverty; among them is the increasing reliance on micro-enterprises. "Micro-enterprises have been viewed as a way to offer financial assistance to help the poor and vulnerable groups increase their income and ultimately break the cycle of poverty" (Vargas, 2000). Enterprise Development International, a non-governmental organization (NGO) that oversees micro-enterprise programs defines micro-enterprises as systems for providing small loans and business training to help the poor start income generating enterprises (Vargas, 2000).

The University of the Incarnate Word H.E.B. International Peace Program sent five research teams to Guatemala to conduct field research on the coffee industry and other micro enterprises. The As Green as it Gets (AGG) organization, an incubator for micro enterprise, is the focus of this research team's paper. The team traveled to Antigua, Guatemala where they met with Franklin Voorhes, the founder and now director of AGG. In 2005, Voorhes partnered with Felix Poron, a coffee farmer, to pilot a small business development program that now includes coffee production, forestry, textile production and jewelry.

There are just over 13 million people currently living in Guatemala. Of those 13 million people, about 56% live below the poverty line. The legal minimum wage is equivalent to \$7.00 per day, which represents an increase of just over 50% over the last year. Voorhes stated that wages in Guatemala are not applied equally among all people. For example, Women make less than men for performing the same job, and an 18 year-old makes less than a 30 year-old. While the reported average family income is \$3400.00 per year, that figure is grossly overstated given the income distribution discrepancy.

According to the Bertelsmann Transformation Index (2003), a global ranking system that evaluates and analyzes the development and transformation processes in 116 countries, Guatemala's illiteracy rate is 32%, with the average school attendance just 4.5 years. Social development indicators, which include such things as infant mortality and illiteracy, are among the worst in the hemisphere (U.S. Department of State, 2008). Furthermore, about 32% of the population lives on less than \$2.00 per day, and 13.5% of the population lives on less than \$1.00 per day (U.S. Department of State, 2008).

Guatemala's agricultural sector, with coffee as its main export, accounts for one-tenth of the country's gross domestic product (GDP) and half of its labor force (CIA, 2008). However, over the last several years, tourism and exports of textiles, apparel, and nontraditional agricultural products have exploded (U.S. Department of State, 2008). There are organizations in Guatemala involved in all of these areas of business, and the NGOs in particular are attempting to assist the marginalized people of the country so that they and their families can establish sustainable micro enterprises.

Prior to this paper's analysis, other works within micro enterprise, NGOs, Fair Trade, and agricultural impacts on the environment, will be explored in conjunction with the field research on AGG. The following analysis will interpret AGG's business model, its process of providing financial support, and how the volunteer identify viable micro enterprises to incubate. Not only does the AGG organization help families start their desired ventures, but they assist the families in operating as both economically and environmentally sustainable enterprises.

The remainder of this paper includes a literature review, discussion of the methodology employed, the researchers' findings, a discussion section and a conclusion section. Information regarding NGOs and the Fair Trade Certification for coffee is discussed in the literature review. The methodology section provides support for and describes the qualitative techniques utilized in the research. The findings include a detailed discussion of AGG with regards to its business model and philosophy. The information contained in the discussion section consists of a brief summary of the research and how AGG is helping the people of Guatemala. Lastly, the conclusion section summarizes the overall goal of the research and the paper and provides information regarding limitations and suggestions for future research.

LITERATURE REVIEW

Non-governmental organizations are non-profit organizations that are not funded by any state or government. They are typically funded at least partially, if not fully, by the private sector. NGOs face many challenges as they work with economically disadvantaged people or marginalized people. The NGOs also have a social change mission, which creates more challenges. One major difficulty faced by NGOs is leadership development (Hailey & James, 2004). NGO leaders face a barrage of issues with access to few resources as they assist those involved with their organizations. This type of situation means that those leaders must be able to perform multiple tasks that include finance, marketing and training, along with other responsibilities. It is essential that future leaders of NGOs be recognized and appropriate leadership development be established so that there is a future for successful NGOs (Hailey & James, 2004).

There are many successful NGOs with high-quality leaders that operate within the coffee industry either through funding or setting up operations in the field. Scholer (2006) provides information about Coffee Kids, an NGO started by American coffee retailer, Bill Fishbein, who realized the opportunity to improve the quality of life for Guatemalan children and their coffee producing families. Coffee Kids works with other local NGOs such as Women's Health Collective and regional democratically run coffee cooperatives on an annual budget of \$700,000. One of its main programs provides microcredit to women to build economic stability, encourage saving, and provide access to small, low-interest loans to start or expand small businesses. Coffee Kids has made it possible for these women to open general stores, midwife clinics, pharmacies, and food stands much like those from AGG (Scholer, 2006).

NGOs have become an important business aspect not only in Guatemala but in other areas of the world as well. According to Stafford and Hartman (2001), the world market is becoming more and more globalized, and the role of national government is shrinking. There is a growing trend with the collective influences global business has on people's lives and the planet, that there requires an increased obligation for social and environmental responsibility. This trend has allowed NGOs to realize their opportunity for leverage with the global business community as collaborative partners rather than adversaries in advancing environmentally sustainable practices (Stafford & Hartman, 2001).

According to Domeisen (2006), NGOs must be a part of the mainstream of trade development because they can help address the limitations of official trade development efforts. Governments, donors and developmental agencies should cooperate with NGOs to improve trade development and make the trade development a primary focus. Cooperation between these groups affords the opportunity for harnessing specialized knowledge from all groups with a positive outcome for all (Domeisen, 2006). If effective programs are developed from partnerships with NGOs, economic sustainability becomes more realistic.

Another issue among coffee producers in Guatemala is whether or not to obtain Fair Trade certification. Fair Trade is not forced upon any producer, but the purpose is to incentivize producers to adhere to social guidelines as they earn the higher Fair Trade price rather than the world market price. Fair Trade has gained much attention with its labeling initiative that symbolizes that the coffee inside the package was produced using environmentally sustainable processes while also addressing social issues of the coffee producers (Taylor, Douglas, & Reynolds, 2005). According to the Fair Trade Labeling Organization (2005), which developed the Fair Trade standards, participating coffee producers must meet three requirements: 1) be small family farmers, 2) be organized into small, democratic organizations, and 3) use environmentally sustainable processes. The key objectives of Fair Trade include guaranteeing a Fairtrade Minimum Price for the coffee, facilitating pre-financing when necessary, charging buyers a Fairtrade Premium that will then be used for social and economic development, facilitating long-term relationships between buyers and producers, and ensuring social, economical, and environmental responsibility (FLO, 2007).

In January 2007 the minimum price for Arabica coffee (that which is grown in Guatemala) by Fair Trade standards was \$1.21/lb. (\$1.36/lb. for organically grown), whereas the price based on the world market was \$1.06/lb (Steinrücken & Jaenichen, 2007). Therefore, in theory, producers working under Fair Trade earn a higher price for their coffee than those coffee farmers who choose not to acquire Fair Trade certification. However, there are costs associated with obtaining the Fair Trade certification. Based on inspection times and the size of the producer group, annual fees for certification range from \$2500.00 to \$10,000. For small producers with less than 50 members, a new fee category was established in 2007 that gave these small producers a discount of up to 35% on certification fees (Fair Trade Certified, 2008).

A producer must decide if certification costs will be recovered after receiving the Fair Trade product price rather than the world market price. Steinrücken and Jaenichen (2007) provide detailed analysis for profit comparison between Fair Trade price and world market price and conclude that depending on the relative

costs each producer faces, one could make more profit staying with the world market price. However, those producers run the risk of suffering a decline in the world market price, while Fair Trade producers are guaranteed a price, thus creating a stronger incentive to switch to Fair Trade production standards.

Buyers often view buying products with the Fair Trade label as a contribution to social and environmental awareness. A number of studies in the United States (US) and the United Kingdom (UK) have recently suggested that customers are taking note of whether or not organizations are behaving in an environmentally responsible manner (Bhaskaran, Polonsky, Cary, & Fernandez, 2006). This sense of responsibility from buyers then gives supermarket chains and food service franchises the ability to influence their suppliers to adopt environmentally sustainable standards. An example of this is the strict environmental standards that Starbucks commands its “preferred suppliers” to adopt (Bhaskaran, Polonsky, Cary, & Fernandez, 2006). Value must be created not just on an economic level, but value must also be created on environmental, social and ecological terms (Wheeler, McKague, Thomson, Davies, Medalye, & Prada, 2005).

METHODOLOGY

Qualitative research places an emphasis on the dynamics between the researcher and the topic of study. The authors employed a qualitative research method for this study because it best exemplified the desired path in seeking the preferred outcome. Specifically, the authors wanted to gather information concerning the business model of the As Green as it Gets organization, which operates in Guatemala and serves as an incubator for micro enterprises. During October 2008, five research teams from the University of the Incarnate Word in San Antonio, TX visited Guatemala and conducted field research in an attempt to discover effective business practices in that country. The three authors of this paper purposely focused on AGG. While in Guatemala, the authors spoke with Franklin Voorhes, the organization’s director, and they were also able to conduct direct observations of some of the micro enterprises in order to gather additional information from some of the entrepreneurs associated with AGG. After returning to the United States, the authors gathered some more detailed data from Voorhes via email communications.

Secondary data was also used in this study. The AGG website, which contains information such as newsletters, the mission statement, the AGG philosophy and its stand on Fair Trade, offered some more insight for the authors to consider as they continued to conduct research. This information supplemented the information gathered through personal interviews and field observations by the researchers. Other secondary information relating to NGO’s, Fair Trade, and economic sustainability was used as a comparison point with AGG’s practices and means of operation.

FINDINGS

AGG has a team of volunteers who work with the business owners who are involved with the organization. The director, Franklin Voorhes, started this small business development program with coffee farmer Felix Poron in 2005. AGG focuses on product development, business management and marketing. The philosophy of AGG centers on giving the entrepreneurs enough knowledge that they are able to function independently with little or no charity. Teaching the proper skill set gives the business owners the opportunities necessary to improve quality of life while maintaining a sense of dignity. As the researchers met with and observed several businesses within the AGG organization, it was obvious that those business owners had a sense of accomplishment and were proud people.

AGG coffee is 100% pure Arabica coffee grown in the Antigua valley of Guatemala and is hand-picked and processed with little to no herbicides or pesticides. The farmers and producers from AGG receive 100% of all income associated with the sale of their particular product, and all seasonal workers must be paid more than the minimum Fair Trade wages. Furthermore, AGG and the management staff receive no

income, salary or financial compensation from the sale of any products sold by the business owners. Instead AGG recognizes the needs of the business owners and helps them to become better at what they do in order to improve their opportunities for economic sustainability.

Rather than using a cooperative model as a business structure, micro enterprises working with AGG are sole-proprietorships, associations or corporations. In order to overcome emergencies, every business has a backup system. For example, if the father in the family is the coffee farmer, at least two other family members can duplicate the necessary tasks. This type of structure prevents a total shut down of the business should the main business owner become unable to perform his job. AGG also partners with Common Hope, a non-profit organization that provides support to children and families in Guatemala, especially in the areas of education, health care, housing, and community and family development. Putting money into the hands of these entrepreneurs, helping to insure a future for other family members, and providing support helps AGG fight poverty in Guatemala.

Although there are various types of businesses, some of which will be discussed later, coffee production is by far the most successful and accounts for approximately 80% of the business volume in the AGG micro enterprises. As the researchers discovered in their field research when they had an opportunity to climb up the side of a mountain and pick coffee beans alongside a coffee farmer, there is a lot of time and hard work that goes into harvesting a coffee crop. The two to three mile walk to the site where the coffee trees were located was only the beginning of their journey. For the actual coffee farmers, the journey begins with purchasing land and coffee trees. After that, the truly difficult work begins. The coffee farmers clear the land to plant their coffee trees, haul manure in wheel barrows to the site and then cultivate the land throughout the year. This process is repeated each year until a good harvest is achieved.

We asked the director of AGG, Franklin Voorhes, to supply us with a sense of what it takes to be a business owner with AGG. He provided us with some general guidelines. The entrepreneurs should have some type of skill set or resource with which the organization can assist and use as a base. For example, someone might have a knowledge base or a piece of land. Someone else may have sewing or weaving skills. The business owners must be flexible and open to new ideas. They need to have confidence in the decisions and recommendations made by AGG so that they do not recede back to the previous problems.

An entrepreneurial spirit is an important aspect of the AGG micro enterprise owners. As Voorhes stated, “We can teach folks a lot of things – how to export, how to roast coffee, how to host tourists, how to handle homestays, whatever. It’s very hard to teach someone to be a hard working entrepreneur.” A great filter for success is that the family is trying to earn money. Therefore, prior to asking a business owner to join AGG, it must be clear that there is drive and motivation present. These same hardworking people must also fall into the “disadvantaged” category, typically having a combined family income of less than \$2000 per year. These families are not the poorest families in the area, but are instead lacking a good sense of business fundamentals.

A major difference between AGG and other coffee producers is AGG’s stance on the Fair Trade certification in Guatemala. According to Voorhes, several reasons exist that contribute to his decision not to pursue certification. First of all, “democracy in business does not work,” says Voorhes. With Fair Trade certification, the organization that is certified must operate within a democracy. This model requires that all decisions be made in a democratic format. Voorhes believes that this type of system does not work correctly, and each decision cannot be made in a democratic manner. For example, there are times when a decision must be made by one person and not a group that votes on the issue before a decision can be reached.

Another reason for opting out of the Fair Trade certification is the financial aspect. The cost of certification and subsequent fees do not justify membership by AGG’s coffee producers. As a matter of fact, the fees alone are more than the maximum annual family income allowed by the families who

receive assistance from Common Hope. Although AGG seeks to eliminate middlemen fees, Fair Trade's parent company, Transfair, receives \$.05 per pound of coffee from Fair Trade coffee producers. In essence, the middleman is placed back into the mix, and AGG is philosophically opposed to this type of transactional fee. Additionally, the five cent per pound fee was earmarked for community development programs. This development has not occurred, according to Voorhes.

Additionally, while Fair Trade guarantees a minimum price for unroasted coffee, it does not guarantee a minimum price for roast coffee. AGG coffee producers pursue roast coffee markets; therefore, the value of having the Fair Trade certification is nominal. For example, the current guaranteed price provided by Fair Trade for the type of coffee produced by AGG farmers is \$1.25 per pound. However, the fair market price for AGG coffee is considerably higher, with some plantations in the Antigua Valley earning over \$7.00 per pound. For these reasons, AGG has decided that their coffee producers are better off economically without the Fair Trade certification.

Although not a member of Fair Trade, AGG is able to continue to successfully assist its micro enterprises. As with most businesses, financing is a factor for economic sustainability. Loans are available to the business owners on both a short-term and long-term basis. The system for loans differs greatly from the typical loan process to which most people in the US are accustomed. Short-term loans are a year or 13 months in duration, and the loan amount is usually \$125.00 from the financier. The producer can receive up to about \$1500.00 in these small loans depending on the business, its history with AGG, probability for success, and AGG's subjective analysis of their risk as a person. The loan pay back schedule is based on sales, not on the calendar. When harvest time approaches, the producer pays back the loan principle as cash and the 5% annual interest in kind.

If these same producers were to obtain a local loan, the interest rate would be 30% to 36%. That percentage is highly unrealistic given the fact that the business owner would then need to have 30% to 36% in gross sales just to break even. AGG does not own the money for the loans; the financier owns the money. The financier coordinates with the business owner, therefore avoiding typical loan origination fees, closing fees, service fees, etc. There is also no compounding for the loan interest because the business owners have limited math skills and do not understand compounding.

An aspect of the loan arrangements in the micro enterprises with AGG is the lack of any formal contract or collateral. While this is a foreign concept, and even an unacceptable practice to most business people, the idea is that, "If a person's word is good, you don't need a contract. If a person's word isn't good, neither is their contract." says Voorhes. There are no resources to fight legal battles over contracts, so there are no contracts. As Voorhes states, "Contracts, collateral, and the like are basically fancy ways of saying, "I don't trust you so sign this paper." That's the wrong attitude to use, so we don't bother with them."

The philosophy behind long-term loans is similar to that of short-term loans. Only when the financier requests a contract is a contract written up and signed. However, there is typically no contract, simply a promise to repay the loan. These long-term loans are for about five years. The nominal 5% interest that is paid in kind is paid each year, and lump sum repayment is expected at the end of the five year term for land purchases. The fifth year harvest itself is pledged to be used as collateral against the loan. Loans for equipment are paid back at 20% per year in cash and 5% interest in kind.

Rather than assessing the average income of its coffee farmers, AGG is beginning to create a quality of life index to quantify the changes that are occurring. The system is very subjective. For example, moving from a dirt floor to a concrete floor is improving quality of life but cannot be factored into an average income for coffee production. Voorhes did offer a statistical example but cautioned us not to simply use this one statistic since it does not represent the full story. Prior to joining AGG, San Miguel farmers make less than \$2000 combined family income and about \$750 net income from their coffee

businesses. After working with AGG, coffee farmers make an average of \$1875 per year from their coffee businesses. Again, caution should be taken when considering these numbers since there are others factors that can affect the overall average income of the coffee farmers.

Once with AGG, it takes coffee farmers a good part of a year to get their product into the sales channel. Typically, the farmers begin with small quantities in order to make sure that their businesses will work. Once they see a higher income, the farmers will grow their volume in subsequent years. Everyone who has made it through a full year with AGG has remained with AGG. However, not everyone makes it through that first year, and about 25% actually drop out before they really get started. There are approximately 50 families who currently receive substantial help on a regular basis, and 150 to 200 families who receive minor assistance.

Business owners with AGG do work on a global level. Coffee bags are imported from India and Mahogany seeds from Cuba. Coffee farmers export their coffee to the US and Canada. AGG also has volunteers from the US and Australia with one more volunteer on the way from Denmark. However, Voorhes states that, "Globalization is a double-edged sword." Globalization intensifies problems that are already present in a developing country. There is no easy answer to the issue of globalization. Although AGG's producers often benefit from globalization, that same effect may not hold true for the average citizen.

AGG prides itself on taking care of the environment by incorporating land restoration, intercropping and organic farming as an integral part of its business model. Business models are more successful the more the farmer cares for the land. A major aspect of AGG environmental sustainability is its tree program. Coffee farmers maintain their coffee fields with a density of 160 trees per acre. AGG volunteers teach agroforestry and sustainable forest harvest. People are encouraged to plant trees rather than chop them down and financial incentives are sometimes offered to people for not chopping down rare trees. AGG also partners with the community to save current trees and plant new ones.

Farmers use about 50% compost and organic fertilizers in agricultural production. While some farmers have very simple composting programs, other farmers have fairly involved, large scale compost producing programs. Farmers also intercrop extensively; have some simple crop rotations and plant legumes. AGG does its part to increase environmental sustainability by planting trees, saving trees, intercropping, and sequestering carbon. It is an organization that continues to move forward with new ways to preserve our ecosystems.

DISCUSSION

"Improving the living conditions of so many people requires the integration of modern technology and traditional knowledge, individual initiative and collective effort and a genuine focus on sustainability through a balance of economic, social and environmental concerns. Successful micro-enterprises fuse economic sustainability, community well-being and environmental preservation" (Vargas, 2000). AGG, the focus of this research, is an organization with a group of dedicated volunteers that is working to help disadvantaged families in Guatemala improve their business process, and ultimately, their standard of living while promoting social and environmental sustainability.

Guatemala is a country full of people who somehow survive on earnings that are well below the poverty level. People are living in homes that would be condemned in the US. The researchers witnessed living conditions of people who had no indoor plumbing or indoor kitchen. Women were cooking tortillas outside that they would later sell to help earn money for their families. Meals for the family were also prepared outside. Children, as well as adults, were working during the day. Some of the families stated that their children attended school for half of a day. It is no wonder that the illiteracy rate is so

staggering. But there is hope for the future. As AGG assists some of these families and partners with other groups who offer assistance, these proud people are able to improve their standard of living. Families are able to have concrete floors and indoor plumbing. Two families have children attending universities. The standard of living, while not affluent, is definitely improving for the families associated with AGG.

Can the AGG business model work in other areas of the world? The answer is yes, but the extent to which people would accept this type of incubator for micro enterprises is the issue. In developing countries such as Guatemala, where business is conducted on a smaller scale, it might be easier to integrate this type of business model into the economic system of the country. However, in a country such as the US, the integration would be much more of a challenge. It is almost inconceivable in the US that a loan would be given to a business owner without some type of formal contract. Yet AGG has managed to make it happen, and it appears to be working.

Environmental sustainability, an issue that should concern everyone, seems to take a back seat to profits for some businesses. However, as more consumers are requesting more accountability from the producers, changes may come at a more rapid pace. If a small group of volunteers can make a difference in Guatemala, then surely both large and small business around the world can do the same. The issue of environmental sustainability is no longer an option; we are at a junction where decisions we make today will ultimately affect what we have tomorrow. Preserving our ecosystems is essential and can no longer be ignored.

Micro enterprises operate on both a local and global level. Many of these entrepreneurs need some form of assistance, whether it is financial or intellectual. We can all learn from the AGG model of micro enterprise incubation. It does not mean that every aspect needs to be adopted for every organization, but we can learn from AGG's practices and adapt to specific circumstances. It is the responsibility of everyone to help improve the living conditions of people around the world, both economically and environmentally. This help does not mean charity. We can help in others ways, and AGG has found ways to both help the environment and the marginalized and disadvantaged people of Guatemala.

The researchers in this study plan to further investigate micro-enterprises working under the guidance of AGG and other NGOs in Guatemala. Of particular interest is the stand on Fair Trade. An in depth study of the effects of Fair Trade on small coffee farmers is warranted to determine if the benefits of the certification justify the cost of obtaining certification. AGG is a fairly new organization, and a longitudinal study of its participants could yield information that would benefit AGG as well as other NGOs.

CONCLUSIONS

Five research teams traveled to Guatemala in October 2008 to conduct field research in the coffee industry in that country. As part of that research, each team was charged with selecting one specific area of interest and producing a scholarly work based on the team's findings. The researchers who produced this paper chose to focus on AGG because of its dedicated group of volunteers who are helping people who have a desire to build better lives for their families.

The researchers found that to be successful, AGG chooses its entrepreneurs very carefully. The organization expects each participant to have an entrepreneurial spirit that enables them to be open to new ideas so as to increase the likelihood of success. Unlike many Guatemalan coffee producers, those associated with AGG do not participate in the Fair Trade Certification. This stance against Fair Trade Certification is unusual given the associated benefits of the certification. However, upon further research, the authors found that the certification does not necessarily translate into increased profits for the small

coffee producer. The researchers also discovered how a business model that does not involve written contracts for loans can still be viable.

The research conducted in Guatemala is valuable to educators, volunteers, researchers and business people because it provides a frame of reference concerning the business models that are being employed in different countries. Educators and researchers can use the information to help students better understand how a method different from their own can work for others. The methodology used in this research could also provide a basis for others to conduct their own field research. Volunteers who might be seeking to help people in foreign countries can gain insight into how some of NGOs are assisting people from impoverished countries. The findings in this research also provide business people with new ideas that may be employed or adapted to fit their individual needs.

The research conducted in this study was limited to one country, Guatemala. However, some aspects of the research, especially those related to poverty and NGOs, can be generalized to others areas of the world. Poverty stricken people in countries other than Guatemala face many of the same problems that the authors found during their field research. The entrepreneurs associated with AGG are desperately attempting to improve their standard of living, and this is true of other people who live in poverty in other parts of the world. With some adaptations, the business model of AGG might be able to be utilized in places outside of Guatemala.

Future research in this area could include the study of NGOs and micro enterprise in other countries as well as a more in-depth study of the coffee industry in Guatemala. A longitudinal study of AGG could provide some valuable information relating to long-term viability and sustainability of its business model. There are numerous NGOs operating in Guatemala, and some of those organizations have different business models and philosophies from AGG. Therefore, it would also be valuable to study some of the other NGOs operating in Guatemala.

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BIOGRAPHY

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Mike McVicker earned a Masters in Business Administration from the University of the Incarnate Word in San Antonio, TX and also holds a Bachelor of Science degree in Economics from Texas A&M University in College Station, TX. His studies took him abroad to Seville, Spain where he studied Spanish while living with a local family. He has also traveled with UIW graduate students and professors to Italy, Switzerland and Guatemala where he studied the various cultures and conducted field research.