

UPDATE

KNOWLEDGE MANAGEMENT UPDATE

May 2019

NEW FINDINGS: HOW IS OPPORTUNITY'S WORK BENEFITTING WOMEN IN SUB-SAHARAN AFRICA?

Small and Medium Enterprise (SME) Finance Program in Ghana Reaches Women, Helps Them Create More Jobs

Number of employees increased by 53% over 1.5 years among SME clients at Sinapi Aba Savings and Loans (SASL) in Ghana. In the first two years of this major initiative to scale up SME finance for women, SASL has reached over 8,000 SME clients (53% women). In 2018, these SME clients employed 42,570 people (46% women), the vast majority of whom (91%) are full-time, paid workers. Additionally, 71% of female SME participants reported an increase in financial and business management skills as a result of SASL training.

This progress comes during the first part of a four-year, \$15 million program funded by Global Affairs Canada and implemented by Opportunity International Canada. The KM team is managing the research, evaluation, and learning component.

Market Research Links Women Vegetable Farmers with Customers in Mozambique.

In 2018, the Empowering Women through Agriculture (PEMA) project team conducted an analysis of local markets to identify new, sustainable customers for farmers. For example, five women FBAs became linked to restaurants and hotels and began to regularly supply fresh fruits and vegetables to local restaurants and hotels with the coordinated support of other women farmers. FBA Eliza, who has a contract with a local restaurant, said: *"I never thought I would supply horticultural products to a restaurant....The most important thing is it's not me alone who is benefitting from this linkage but many producers because, alone, I can't meet the demand. Maua [Restaurant] is asking for big volumes every week."*

In addition to market linkages, PEMA reached



SASL staff member Patrick Nkrumah (left) and KM research manager Mary Pat McVay (right) on a recent trip to visit SASL's SME Finance Program (FINEDEV) in Ghana

nearly 2,500 women with agricultural support (42% above target) and trained 79 women to deliver agricultural support and input supply linkages as Farm Business Advisors (FBAs).

Unfortunately, the project now faces a major setback due to Cyclone Idai, which took a heavy toll on both the target communities and FBAs who are a part of PEMA in March 2019. A plan based on market recovery best practice principles will be produced by May.

Interactive Voice Response Useful for Communicating with Clients, Especially Women

Interactive Voice Response (IVR) messaging was piloted with Opportunity partners in Ghana and Uganda to test the effectiveness of IVR messages for engaging customers (especially women clients and low literacy clients), driving positive financial behaviors (i.e. savings and loan repayment), and increasing financial knowledge.

Rates of IVR engagement were still lower for female clients than male clients, but the service out-performed other available digital solutions. The gap between male and female users of IVR was five percentage points in both Ghana and Uganda. By

comparison, however, the gender gap for these partners' mobile banking platforms is 33% and 25% (Ghana and Uganda, respectively).

Positive changes in savings behavior measured. On average, clients in both countries who had listened to more calls saved more money over the project period. In Ghana, for example, clients who had listened to 18 calls saved an average of 63 GHS more (\$12 USD) than clients who listened to no calls. Opportunity will continue to test IVR and learn more about its potential, including its cost effectiveness.

HOW IS OPPORTUNITY IMPROVING AS A LEARNING ORGANIZATION?

New Study Shows that Past Randomized Control Trials (RCTs) Actually Demonstrated Impact of Microloans on Poverty Reduction

Prior claims that six well-known RCTs discredited the impact of microfinance appear to be unfounded following a recent review of the studies on the impact of microfinance by economists at the University of Connecticut. Instead, when the data are aggregated to achieve greater power, the data suggests that the impact of microfinance may be

moderately positive for business profit and durable consumption outcomes.

Challenges with the original studies' designs limited the researchers' ability to measure positive impacts. However, pooling data from the studies addresses some of the power issues and improves the findings. Notably, the issue of underpowered RCTs is not unique to microfinance. Future studies can be improved by paying more careful attention to market saturation, treatment targeting, power calculations, and frequency of data collection.

Recent Survey Demonstrates How KM is Helping Opportunity Grow as a Learning Organization.

In 2018, KM produced a total of 60 research outputs in conjunction with other Opportunity programs and partners. Among these different stakeholders (technical program, implementing, and supporting members) 95% of respondents stated that KM's work is highly relevant, 89% stated that KM's work is highly valuable, and 89% stated that they would be highly likely to recommend working with KM. One technical program staff member elaborated: *"I value the expertise and experience*

they bring, particularly in how to structure a project with clear objectives and to ensure that the appropriate results are captured, analysed and interpreted to determine the impact. In the hurry of implementing new projects, the impact is often lost. We rely on the KM team to ensure that we are effectively creating real value for our partners and clients."

UPCOMING EVENTS

- Hosting gender expert from Mozambique, facilitating staff discussion
- Speaking at the Serrito Forum with Larry Reed in Paraguay
- Featuring in SEEP/AWEF webinar on engaging the private sector for women's economic empowerment

OTHER ONGOING PROJECTS

- Digital client journeys and developmental evaluation
- Best practices and market research on **SME finance for women** in Ghana
- Journey mapping and client satisfaction of **EduQuality program in Colombia**
- Evaluation of SASL's **Youth Apprenticeship Program**
- Multi-country impact study of "microfinance plus"

KM FUNDRAISING NEEDS

- Opportunity training system methodology
- Business case for AgFinance
- Support for Innovative training in Uganda (microfinance plus impact study partner)
- System to track programmatic innovations; identify key success factors
- Survey of network best-practices around School Fee Loan product.
- Analyze increase in percentage of female borrowers (AgFinance)

Survey Results: Value, Relevance, and Likelihood of Recommending KM

