

# UPDATE

## KNOWLEDGE MANAGEMENT UPDATE

November 2019

### IS OPPORTUNITY MEASURING IMPACT?

#### The 'Microfinance Plus' Impact Study Begins!

Opportunity launches a rigorous evaluation to measure the impact of 'microfinance plus' (best-practice microfinance and training). Baseline studies for two partners in Paraguay and Myanmar have been completed or are currently underway—establishing the first benchmark for tracking progress against project indicators. These studies mark the first of four points during the impact study when treatment and comparison groups will be surveyed.

**Opportunity Bank Uganda (OBUL) joins the impact study, but additional funding is needed.** In August, stakeholders gathered to prepare for the launch of the Uganda baseline study. OBUL leaders and Gaplink, the Ugandan data capture firm, were joined by Opportunity's Knowledge Management (KM) director Dr. Genzo Yamamoto, lead researcher Dr. Nathan Fiala, and consultant Dr. Peter Clark. The Uganda baseline will launch at the end of 2019. At present, additional funding is needed for OBUL as they expand their footprint to support this study.

**We are engaged in multi-faceted efforts to understand the impactfulness of our work.** These efforts include annual client surveys as part of FINEDEV, a project focused on reaching women in Ghana with financing for small and medium-sized businesses, and a collaboration with other teams at Opportunity to refine a set of indicators which will offer a high-level sense both the scale of our work and its benefit for end-clients.



From left to right: Abbie Condie, Research and Knowledge Coordinator, interviews client Eunice in Ghana with OISL staff Benjamin Apedum, Relationship Manager, and Gloria Nyarko, Transformation Manager

### HOW IS OPPORTUNITY INNOVATING?

#### Launching a New, Holistic Approach to Client Transformation

**This holistic development system aims to equip those living in poverty** with knowledge and skills to amplify the success of the financial services, while also transforming values, attitudes, and behaviors. The program is a new reflection of Opportunity's long-standing approach to providing 'microfinance plus'—financial services surrounded by training and personal relationships that build support. The approach being rolled out is grounded in best practices for adult education, and informed by research conducted in the communities where it will first be tested. We hope to implement the initial phase with long-time Opportunity partners in Colombia, Ghana, Malawi, and Uganda, as well as with new partners in Mexico.

**All five partner organizations ran client research to inform training system design.** Local teams used Opportunity's Holistic Community Assessment (HCA) approach to better understand the communities where the training system will be implemented. ▶



Representatives from OBUL, Gaplink, and the research team gathered for the Uganda kickoff meeting in Kampala

HCA asks participants to share stories about how their relationship with their community, environment, family, self, and God has changed for better or for worse over the past year. These stories illustrate the core challenges, needs, and aspirations of a given community. Members of the KM team trained researchers from the six different partnering organizations and conducted research alongside local teams in Ghana and Uganda.

**Partnering organizations met to discuss training best-practices and share findings from their HCA research.** Representatives from Colombia, Mexico, Ghana, and Malawi gathered to share findings from their research and discuss how these findings should inform topics within the training system. We also learned from three leading industry experts:

- Dr. Matthew Lee, Harvard Institute of Human Flourishing, conducting empirical research on human flourishing;
- Dr. Bruce Wydick, University of San Francisco, researching connections between values change and economic development; and
- Dr. Merrill Ewert, President Emeritus of Fresno Pacific University, with three decades of experience in international development and effective training methods

**Curricular development will begin in January, but additional funding is still required to achieve this project at desired scale over the next three years.** Opportunity is currently raising funds to cover the costs of materials development and implementation within the three countries. To date, two generous donors (Vista Hermosa Foundation and Imago Dei Fund) have committed \$1.5 million for the three-year project. However, with adequate funding, the total scope of the project could expand (such as the addition of more countries).

## Sharing the Vision of Women's Empowerment

**Opportunity partners exchanged innovative techniques in achieving gender equality.** In October, KM brought together four of Opportunity's most innovative partners in agricultural finance to exchange practical experience and lessons around gender equality in agricultural development:

- Hanns R. Neumann Stiftung (HNRS), Uganda
- Empowering Women through Agriculture project (PEMA) with iDE, Mozambique
- OBUL, Uganda
- Africa Agri-Business Services (AABS), Uganda



**Representatives from HNRS, PEMA/iDE, OBUL, AABS, and OI-KM visiting a coffee cooperative in Uganda**

**Leaders shared strategies, tips, and lessons while making deep professional connections.** Sessions led by representatives from the four organizations covered topics such as digital inclusion for women, sustainability strategies, and introducing the topic of gender to farmers. The group also spent time witnessing the innovative gender work of HNRS and AABS first-hand, visiting a Youth Farmer Field School and a gender training for couples in Mityana, located in Uganda's coffee corridor. The event was a transformative and valuable exchange for all!

## HOW ARE OPPORTUNITY'S PROGRAMS GETTING STRONGER?

### Successful Recovery Efforts Following Cyclone Idai

**The PEMA team has launched a multi-pronged recovery strategy to help rural farmers following the cyclone, as follows:**

- Staff in Mozambique lent their expertise to the Food and Agriculture Association (FAO), assisting the FAO to distribute food, tools, and farm inputs in vulnerable communities
- Emergency funds raised by Opportunity-US helped 28 of the program's Farmer Support Agents (FSAs) rebuild homes, farms, and businesses. The majority of these FSAs have since reactivated their engagement with farmers served by PEMA
- The program has continued to expand outreach, far exceeding targets for women reached with agricultural support and financial services

## Strengthening Financial Services for Women-owned Small and Medium Enterprises (SMEs)

**KM works with Sinapi Aba Savings and Loans (SASL) to differentiate itself from other institutions offering SME finance to women.** Over the past two years, KM has benchmarked SASL's performance in SME finance against industry best practices, recommended means of improvement, and facilitated access to necessary technical support.

**Two main SME strategies have emerged, which differentiate SASL from its competitors:**

*1. Not creating women-specific products or services.* Unlike many women-centered SME initiatives, SASL does not brand any of its products or services as

specifically 'for women.' However, SASL does create women-specific spaces with "Women's Financial Inclusion" seminars, which also generate buzz and attract more women clients.

*2. Focusing on graduating loan clients.* SASL facilitates SME graduation by helping current clients grow their businesses through training and support services (e.g., networking events) and actively recruiting new clients that belong to a gap in the Ghanaian SME finance market: less formal micro and small businesses with growth intentions and potential, yet lower financial assets and education levels.

This work developing SASL's SME strategy is at the half-way point of a four-year, \$15 million program funded by Global Affairs Canada and implemented by Opportunity International Canada.



**A SASL advertisement signals that the institution's SME products are for women without creating a women-specific product**

## Digital Financial Services (DFS) Program Strengths Shine in Strategic Review

**A 2019 external strategy review by consulting firm Bankable Frontiers Associates (BFA),** who specialize in finance and technology development, ranked the program against five critical industry areas, including the following:

- Digital Client Engagement for Increased Inclusion (*Ahead*)
- Gender-Focused Digital Inclusion (*Ahead*)
- Technical Assistance to MFIs (*On Par*)
- Digital Innovation Fund Development (*On Par*)
- Digital Data for Decision-making (*Behind*): As a pressing issue for most organizations, DFS has room for growth. Since this assessment, DFS completed work on predictive analytics for credit scoring.

### ONGOING PROJECTS

- Summary released on combined findings for **developmental evaluation of Education Quality** in Ghana and Uganda
- Success factors for **fintech partnerships**
- **Reimagining group loans**, exploring digital solutions
- Aggregated **outcomes indicators** for Opportunity-US
- Piloting **WASH loans and training** for schools in Ghana

### UPCOMING EVENTS

- Speaking at the Christian Economic Development Network Summit
- Presenting on a SEEP/AWEF webinar on engaging the private sector for women's economic empowerment

### FUNDRAISING NEEDS

- Uganda expansion and training innovations for impact study
- Holistic Development Training System - materials development and implementation
- Integrating trauma counseling into holistic gender change work
- System to track programmatic innovations; identify key success factors
- Survey of network best-practices around School Fee loan products