

UPDATE

KNOWLEDGE MANAGEMENT UPDATE

October 2020

HOW IS OPPORTUNITY ADAPTING AND INNOVATING AMIDST DELAYS?

Nearly all KM projects are still underway despite the global pandemic. Most projects have been adjusted to account for new realities while others have been delayed. This section details what we are learning while adjusting to new realities.

Farm Business Advisor structure useful for providing essential health training to smaller groups in Mozambique

Health messages incorporated in small group training settings, training counselors. In Mozambique, the Women's Empowerment in Agriculture project team (PEMA) has integrated health education into their training for farmers, savings and loans groups, and psycho-social counsellors—a new initiative. While Mozambique is not under a national lock down at this time, schools were closed through October, large meetings have been banned, and social distancing and hygiene protocols are in place. These restrictions have reduced the frequency and quantity of people trained, but work continues. For more on Cyclone Idai recovery efforts, see our previous [KM Update](#).

Those living in poverty and extreme poverty will be the hardest hit by COVID-19

Projections and estimates by leading global organizations paint a grim picture of realities facing those living at the bottom of the pyramid. KM is monitoring the economic, political, and health impacts of COVID-19 at both a global level and in core Opportunity countries. Some crucial findings thus far include the following:

- A decade of poverty alleviation efforts likely reversed. The number of people living in extreme poverty could increase by 180 million in one year, bringing the global poverty rate to 12.5% (\$1.90/day).¹
- 2.2 billion people lack adequate access to safe water and sanitation and 1 billion people live in informal sector settlements and slums. These



Research and Knowledge Manager Mary Pat McVay (right) with, from left to right, Doreen Tekedese (Gender advisor, PEMA), Celestina (Farm Business Advisor), and Zulmira Roque (Field Officer, PEMA). One year after Cyclone Idai, Mary Pat visited the PEMA project in Mozambique in January 2020. For more reflections on her trip, [read this blog](#).

conditions make following sanitation and social distancing protocols nearly impossible.²

- 1.6 billion informal sector workers (76%), have been significantly impacted by the lock down measures.³
- 1.5 billion students and 63 million teachers have been affected by school closures.⁴
- Over 80% of the world's refugees and nearly all the world's internally displaced people are hosted in low- and middle-income countries, where health systems are mostly weak.⁵
- One quarter of a million people are under severe threat of hunger, malnutrition unless swift action is taken.⁶



Raymond Kilama (standing) at a meeting with a potential farmer loan group in early March. Kilama serves as OBUL's Project Supervisor for the Microfinance Plus Impact Study in Uganda.

Digital solutions enable simple, safe way for clients to access finance

Digital research in Ghana adapted to connect clients with support via digital platforms. KM had research planned with Sinapi Aba Savings and Loans (SASL) on the pathways and barriers for female clients in accessing digital financial services. With travel and meeting restrictions, KM has pivoted towards an action-research approach to study SASL's digital client engagement during the COVID-19 crisis. This project will now help clients safely access their accounts using digital finance, and research will help SASL understand the effectiveness of the key aspect of their COVID-19 response.

Rapid scale-up of digital communication options necessary as traditional face-to-face client care is now less ideal. Under the study, SASL will double support at their customer call center and expand interactive voice response messaging (IVR) to 100,000 SASL clients in local languages. The messages will include health and well-being messages related to COVID-19, relational messages reassuring customers of SASL support during these trying times, and information on how to sign up for and use cellphone banking and mobile money. The same messages will also be made available through an automated call center. As part of this study, the number of people available to answer SASL's customer care line will be doubled.

Financial services remain key for recovery

Central Banks confirm that financial services are foundational for economic recovery, yet require

financial service providers (FSPs) to momentarily reduce services. Governments across the globe must balance limiting the spread of infection with continuing economic activity, including in the countries involved in Opportunity's Microfinance Plus Impact Study—Paraguay, Myanmar, and Uganda. Here, as in other countries, FSPs have recognized the importance of continuing to serve clients—such as by providing emergency loan services or implementing a moratorium on payments. Client responses have also shown the importance of FSPs. In Uganda, Empowerment Groups are able to meet once more while observing social distancing measures. (Photo depicts a meeting pre-lock down.) While recognizing that COVID-19 will have on clients, services continue, and we are hopeful that this will not adversely impact the project. We are also launching a small study to gain insights into how COVID-19 is impacting study clients.

Continuing need to engage multi-dimensional poverty traps

Opportunity is developing an approach to diagnose the multi-dimensional constraints that “trap” people in poverty. In the COVID-19 context, where stressors are addressing all dimensions of life, an ever-more multi-dimensional focus will be needed. The production of a holistic development training system will yield ten lesson drafts by the end of the year, if pandemic-related delays can be overcome. Scholars, including Bruce Wydick of the University of San Francisco in his book *Shrewd Samaritan*, continue to discuss the challenge of “poverty traps”—situations where constraints entrap people into vicious cycles of poverty.⁷ Constraints that produce these traps can include nutrition,



Research and Knowledge Manager Mary Pat McVay (center) interviews Sinapi Role Model and school leader Eunice (left)

financial resources, technology access, physical/environmental contexts, lack of education and more. But some of the most challenging constraints can also be internal and less visible: aspirations, self-confidence, hope, social norms.

HOW IS OPPORTUNITY MEASURING CLIENT OUTCOMES?

Finance and training contribute to business stability and growth for women-owned businesses in Ghana

A Client Evaluation carried out in early 2020 shows how finance and training contributes to positive business performance and employment outcomes. Nearly all (92%) of the micro, small, and medium-sized enterprise (MSME) clients reported that SASL financial services contributed to better business performance and 81% reported that their business is doing well or very well. A large majority of female SME clients (78%) reported an increase in financial and business management skills as a result of SASL training. The most commonly reported

business improvements resulting from training, networking, or advice were the following:

- Management and decision-making (17%)
- Expansion (17%)
- Sales, profits, income, or assets (11%)
- Knowledge, information (11%)
- Inventory (10%)

In total, SASL MSME clients sustained or generated 60,323 jobs in 2019, an average of 3.65 jobs per loan disbursed. Over half (56%) of these loan clients added jobs in the last year and half (48%) of all jobs were held by women.

New mentorship curriculum connects women clients in Ghana with stories and advice from successful peers

The KM team, SASL, and successful women entrepreneurs co-created accessible, client-centered training materials to mentor women. Materials for this peer-to-peer mentorship program feature twenty of SASL's successful women clients, whose businesses vary in sector and size. These women shared the ingredients to their success as business owners and words of wisdom for fellow women entrepreneurs. Available in three languages, their stories and advice have been turned into videos, presentations, and reminder cards for use in mentorship workshops, one-on-one sessions between client mentors and mentees, and in SASL's MSME workshops. Mentors show the videos on their phones, using a micro USB drive so that the videos do not take up storage space, nor depend on connectivity. The women who contributed to these materials were recognized as Sinapi Role Models with an official award and electronic copies of their professional portraits and videos.

¹ Sumner, Andy, Chris Hoy and Eduardo Ortiz-Juarez, "Estimates of the Impact of COVID-19 on Global Poverty," WIDER Working Paper 2020/43, United Nations University, April 2020. <https://www.wider.unu.edu/sites/default/files/Publications/Working-paper/PDF/wp2020-43.pdf>

² UN-Habitat COVID-19 Response Plan, April 2020. <https://reliefweb.int/report/world/un-habitat-covid-19-response-plan-april-2020>

³ ILO, "ILO Monitor: COVID-19 and the world of work. Third Edition, 29 April 2020. https://www.ilo.org/wcmsp5/groups/public/-dgreports/-dcomm/documents/briefingnote/wcms_743146.pdf

⁴ UNESCO, "Teacher Task Force..." <https://en.unesco.org/news/teacher-task-force-calls-support-63-million-teachers-touched-covid-19-crisis>

⁵ UN <https://www.un.org/en/un-coronavirus-communications-team/un-scaling-covid-19-response-protect-refugees-and-migrants>

⁶ Food Security Information Network, "Global Report on Food Crisis 2020," March 2020; WFP Insight April 2020. <https://insight.wfp.org/covid-19-will-almost-double-people-in-acute-hunger-by-end-of-2020-59df0c4a8072>

⁷ Bruce Wydick, "Ch. 5. Poverty Traps," *Shrewd Samaritan: Faith, Economics, and the Road to Loving our Global Neighbor*, (2019), 69-87.

UPCOMING EVENTS

- October 26th: Supporting Opportunity's presentation at the SEEP 2020 Virtual Conference

FUNDRAISING NEEDS

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