

# SAVING FOR A VERY DRY DAY

The contribution of self-help groups to  
building resilience in East Africa



A TEARFUND RESEARCH PROGRAMME

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Publication leads: Rhiannon Horton and Andy Morgan

Compiling and editing: Sarah La Trobe

Design: Wingfinger Graphics

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Tearfund is a Christian relief and development agency building a global network of local churches to help eradicate poverty.

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Tearfund in the Netherlands and Tearfund in the UK have collaborated on this programme over the last ten years. All references to Tearfund's self-help group work in Ethiopia, Somalia and Kenya in this document refer to both organisations.

In this document we may refer to Tearfund's SHG network as 'ours' (Tearfund's) but this is more for ease of description rather than a failure to acknowledge the individuals who have joined those groups and all of those involved in supporting this work.

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- Ethiopian Genet Church Development and Welfare Organisation (EGC/DWO),
- Full Gospel Believers Church,
- Terepeza Development Association Wolayta Kale Heywet Church (TDA-WKHC)
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In Kenya:

- Food for the Hungry.

In Somaliland:

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# ACRONYMS AND ABBREVIATIONS

<b>BG</b>	Backyard gardening
<b>BuZa</b>	Buitenlandse Zaken (Dutch Ministry of Foreign Affairs)
<b>CA</b>	Conservation agriculture
<b>CLA</b>	Cluster-level association
<b>DRR</b>	Disaster risk reduction
<b>FLA</b>	Federation-level association
<b>IGA</b>	Income-generating activity
<b>M&amp;E</b>	Monitoring and evaluation
<b>ODI</b>	Overseas Development Institute
<b>OECD-DAC</b>	OECD Development Assistance Committee
<b>PSNP</b>	Poverty Safety Net Programme
<b>SG</b>	Savings group
<b>SHG</b>	Self-help group
<b>Tear NL</b>	Tear Netherlands

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# INTRODUCTION

There is growing interest within the international community over the role of self-help groups (SHGs) – of which there are many different models globally – in poverty reduction and building resilience and food security among poor communities. Tearfund has been working with SHGs in Ethiopia since 2002. Our local partner, Ethiopian Kale Heywet Church (EKHC), inspired by Myrada's SHG model,<sup>1</sup> was supported by Tearfund to introduce the approach into their programming. Initially, five SHGs were started in Nazareth, Ethiopia involving 100 women. By 2016 the number of Tearfund-supported SHGs across Ethiopia had risen to over 20,000 across five partners involving more than 1.8 million people in urban and rural areas. We have benefited from the collaboration with Tear Netherlands<sup>2</sup> and Tearfund Ireland, and a number of donors in growing this work. Tearfund now supports over 27,000 SHGs in sub-Saharan Africa.

We are building evidence of the impact of our SHG programming. We believe it is important to document this evidence, draw out key learning, and share lessons learnt for the broader evidence body around SHGs for the benefit of the local, national and international community. In 2016 we commissioned six research studies to assess the impact of our approach to SHG programming on people living in poverty in the Horn of Africa. Each study generated learning and recommendations relevant to all organisations supporting – or seeking to support – SHG programmes. Tearfund has made summaries of the six research reports, focusing on recurring themes and bringing out key learning points that are useful for us and can be used as a guide for other SHG-supporting organisations. Our summaries are included in this report.

## Tearfund's approach to SHGs

Tearfund's SHG model is built on the belief that people living in poverty can be agents of change rather than merely recipients of aid. Our SHGs promote economic, social and political empowerment, and have a focus on personal development, relationship-building, collective problem-solving, collective action, self-reliance and self-learning. Group members are encouraged to become drivers of change in their own lives and in their communities. Mutually supportive relationships are key; members often view the groups as sanctuaries where they can discuss their problems and build trusting relationships that support them through personal crises.

The SHGs have 15 to 20 members, and are intentionally targeted at the poorest sectors of the community. Many groups are women-only. Members save a small amount each week, starting at around 2p. Saving regularly enables them to build group capital to allow them to take out small low-interest loans for education and healthcare costs, urgent consumption needs and, ultimately, for establishing or extending micro-enterprises. The groups are self-governing but facilitation-intensive, and are financed entirely by member savings.

Tearfund believes that SHGs are most effective for addressing poverty reduction when they are combined with training and advisory services in disaster risk reduction (DRR), adaptive and diversified agriculture, business development, health and sanitation, advocacy, literacy and other skills. In summary, the SHG plus additional activities and support maximises its potential for livelihood resilience<sup>3</sup> and poverty reduction.

Self-help group meeting: women offer weekly savings and issue a loan to a member Photo: Cally Spittle/Tearfund



Many Tearfund-supported SHGs are organised in a pyramid structure. When 8 to 12 SHGs have reached maturity (after two to three years) they can form a cluster-level association (CLA), which provides support for existing and new SHGs. A federation-level association (FLA) is established when ten or more CLAs have reached maturity. FLAs provide groups with more support such as collective purchasing and opportunities to engage with local government on policy. CLAs and FLAs are integral to Tearfund's approach, being crucial for political change and long-term sustainability.

With the exception of Somaliland, our SHG programmes in the Horn of Africa are primarily run by the development departments of church denominations. The local church is involved in each SHG, although SHGs are comprised of community members irrespective of faith or church affiliation. The principles of our approach are consistent with the mission of the church and its biblical mandate to serve poor and marginalised members of a community. In Ethiopia our church partners have wholeheartedly embraced the SHG approach and replicated it with their own resources.

## The research programme

In 2015 and 2016, widespread drought in the Horn of Africa was induced by one of the strongest El Niño events ever recorded. In 2016, in Ethiopia alone, it was estimated that over 10 million people required emergency food assistance.<sup>4</sup> It was in this context that we undertook a comprehensive review of our SHG work in the Horn of Africa, to assess impact and learn lessons for future programming. We were involved in commissioning six externally facilitated research studies on our SHGs in Ethiopia, Somaliland and Kenya. The studies assessed various aspects of the SHGs including their impact on food security and resilience to shocks and stresses. The findings are detailed in the following comprehensive reports:

- *Savings and Self Help Groups in Ethiopia: A review of programming by five NGOs* (ODI)
- *Evaluation Report: Self Help Development in Wolaita and Sidama* (Dr. K Sahyoun)
- *How self-help groups strengthen resilience: A study of Tearfund's approach to tackling food security in protracted crises in Ethiopia* (ODI)
- *Drought, Resilience, and Self Help in Ethiopia: A review of Tearfund Self Help Groups following El Nino* (Tufts University)
- *Final Evaluation of the SHG/Food Security Programme, Horn of Africa* (van Hulst-Mooibroek)
- *Psycho-social outcomes and mechanisms of self-help groups in Ethiopia* (Trinity College Dublin)

Our summaries in this publication provide an overview of the content of these reports; but we recommend reading the reports to access the complete findings and recommendations. The reports are available at [www.tearfund.org/savingforaverydryday](http://www.tearfund.org/savingforaverydryday)

## Research findings

Tearfund-supported SHGs in the Horn of Africa have achieved significant measurable changes with comparably limited financial investment. The six studies, although using different methodologies, found evidence among SHG members and their households of increased income, asset accumulation, improved healthcare and nutrition, increased access to education, women's empowerment, and – within the groups – social capital including

solidarity, mutual support, trust and increased self-confidence. Often these benefits are not restricted to members and their households but spill out into the wider community. The SHGs are also cost-effective: a cost-benefit analysis undertaken in Ethiopia in 2013 showed that every British pound spent on SHGs yields a return of between £58 and £173 in resilience benefits.<sup>5</sup>

Below is a brief overview of the impact of Tearfund-supported SHGs on members and their households/communities, taken from the research reports.

**Drought mitigation:** Tufts University's SHG research was undertaken in the context of widespread drought and production failure in Ethiopia. It found that although all SHGs reported food shortages as a result of crop loss, there was less household hunger among well-established groups, as well as fewer livestock losses and forced sales. The research concluded that members of SHGs, especially longer-standing members, were more resilient to drought than other households. ODI also found that SHG members were in a stronger position to cope with prolonged drought, having engaged in measures such as conservation agriculture (CA) and diversified production.

**Food security:** Some of the research studies found that food diversity, quantity and quality had increased for SHG members, especially within well-established groups and groups that had received training on climate change adaptation. The Horn of Africa food security research found that SHGs had increased food security among beneficiary households by between 30 per cent and 50 per cent.

**Household economy:** The savings culture promoted by SHGs helps individuals to manage their finances more carefully and plan for the future. The research studies found that group savings and low-interest loans were enabling members to purchase household and productive assets, meet critical medical needs, provide an education for their children and – crucially – avoid 'predatory' moneylenders. Social protection measures and flexible financing were enabling poor people to prevent ballooning debt during drought and other stresses. Many SHG members were benefiting from new income-generating activities (IGAs) or were in the process of establishing one, increasing household income.

**Women's empowerment:** The research studies provided evidence of women's economic, social and political empowerment. Women described positive changes in their economic and social assets, as well as more active involvement within their communities. Their skills, knowledge, and – significantly – self-confidence were all increasing as a result of SHG membership. While SHGs had not entirely transformed attitudes towards women's position in society, there was qualitative evidence that women were becoming more independent and having greater influence in the household. Some women were also pursuing business ventures for the first time, and managing their households more efficiently.

**Social development:** ODI's resilience research found that SHGs enhanced pre-existing social support and reciprocity among group members. The other research studies also found evidence of group social bonding; manifesting as trust, psychological/practical assistance, cooperation and harmony between members. Social support had increased within the family unit as well as the wider community. There was also substantial evidence for personal social development and increased psychological wellbeing; Trinity College Dublin noted that SHG members had more self-confidence, dignity, social skills, increased interaction with the wider community, reduced anxiety, and a sense of purpose and hope for the future.

**Community advocacy:** The research studies noted that CLAs and FLAs play an important role in generating community-level benefits. Some established clusters and federations – through their relationships with government agencies, the police and the judiciary – were advocating for women's rights and preventing harmful traditional practices. Some CLAs had successfully assisted SHGs with specific community advocacy initiatives, with the result that SHG members were more confident in approaching local authorities.

## Key learning and recommendations

The following key learning points and recommendations have been gleaned from the research study reports, and are relevant to all donor institutions and implementing organisations supporting SHGs.

### 1. Provide sufficient technical training and support

Group training played a significant role in achieving the outcomes listed above. The SHGs that had received specific training and support in relation to conservation agriculture (CA) and disaster risk reduction (DRR) showed more evidence of increased mitigation and adaptation behaviour and were more prepared for drought and other shocks. The studies concluded that training in risk and business management, business development, CA and DRR can maximise economic benefits for long-term food security and increase resilience to drought and the effects of climate change. Training also contributed to individual and social empowerment.

It was noted that group facilitators need to nurture and mentor SHGs on saving/loan management, financial literacy and business management – but require regular training themselves and are often overstretched.

- ▶ Apply additional technologies such as CA, backyard gardening (BG), DRR and business planning and development to SHGs in a clear and agreed resilience working plan, ensuring the resources to implement it.
- ▶ Increase the emphasis on disaster risk management in group training and programmatic decisions.
- ▶ Review the most appropriate and sustainable means of providing sufficient technical training and sustained mentoring to SHGs including the role played by group facilitators and CLAs.

### 2. Develop and maintain group structure and cohesion

It is important to ensure that SHGs have a strong structure in the form of rules and procedures that all members adhere to. Group cohesion and team spirit are also keys to success. Group cohesion is strongest when implementing agencies promote self-reliance while providing long-term support.

Group facilitators play a crucial role in helping to develop/maintain group structure as well as the softer elements of culture.

- ▶ Ensure sufficient and sustained support for SHGs that is focused on developing and maintaining group structure, cohesion and self-reliance.
- ▶ Ensure facilitators and programme managers understand the values and principles of the SHG movement and are committed to transmitting and modelling these to new and existing groups.

### 3. Support women's empowerment

It is clear from the research studies that SHGs offer many benefits to poor and vulnerable women. However, there is a need to

increase women's leadership capacity within SHGs and CLAs including helping them to improve their literacy skills. In addition, SHG programmes could benefit from a participatory learning process with key actors to explore issues related to women in SHGs, including assessing potentially negative implications of women's empowerment such as exposure to domestic abuse.

- ▶ Explore issues related to gender so that measures to promote gender equality are established in SHG and CLA structure development from the outset.
- ▶ Proactively seek women to work with SHGs and facilitate literacy training where necessary.
- ▶ Monitor SHGs to ensure maximum impact on women's empowerment, assessing potentially negative implications.
- ▶ Develop a strategic approach for engaging with women who leave SHGs.

### 4. Increase institutional sustainability

CLAs and FLAs can be a powerful advocacy tool, and have substantial potential to increase the impact and long-term sustainability of SHGs. However, developing these structures requires significant effort and long-term investment from donors and implementing agencies. SHG staff may be overstretched especially in regions where many new SHGs are being established.

- ▶ Provide long-term resource investment in CLAs and FLAs along with sufficient technical and facilitative support. Donors should ensure SHG funding windows of at least five years.
- ▶ Decide on a clear strategy for SHGs to become self-sustaining under a CLA structure. Ensure all project staff and facilitators have the knowledge, skills and commitment to implement it.
- ▶ Strengthen SHGs' understanding of the wider context that they operate in, and help to facilitate linkages with relevant institutions.
- ▶ Strengthen efforts to enable SHG structures in Ethiopia to be officially recognised and/or registered.

### 5. Protect group capital

Accumulation of group savings is critical, but group capital is at risk during drought cycles and other stresses. SHGs should adopt social protection measures and a flexible approach to financing to help their members cope with shocks and stresses. They should also protect group capital. Social insurance funds, which many Tearfund-supported SHGs have established, are a good form of protection; they can be used for emergency needs enabling groups to maintain their group capital for business investment. Some of the studies raised the question of whether SHG agencies should inject cash into the groups during emergencies. While this notion seems to contradict the SHG principle of self-reliance, as a means of providing community relief it is worth investigating. Tearfund has commissioned Reading University to review cash delivery through SHGs and the findings are available online.

- ▶ Encourage the establishment of social insurance funds as integral components of SHGs.
- ▶ Assess the feasibility and desirability of other forms of savings protection that could complement social insurance funds in the event of crises.



## 6. Improve monitoring and evaluation (M&E)

An effective SHG monitoring system provides opportunities for learning at SHG and CLA level, and for improving performance and sustainability. It is essential to obtain simple, sufficient and accurate baseline information at the outset of an SHG programme, and design an efficient and workable M&E framework with clear indicators to ensure SHGs attain quality standards. Monitoring systems must be accessible, flexible and relevant.

- ▶ Ensure M&E frameworks contain simple and sufficient baseline information, and unambiguous performance indicators that measure SHG quality, including group and individual members' economic performance.
- ▶ Develop relevant, effective and locally-adapted SHG monitoring systems with full participation of key actors to ensure ownership and understanding.
- ▶ Document stories of challenge and loss as well as success, and assess the impact of training packages.

## Conclusion

The research studies show that Tearfund-supported SHGs in the Horn of Africa are an effective means of creating sustainable livelihoods, increasing resilience to shocks and stresses and alleviating poverty in urban and rural contexts. They also identify several ways in which the SHG approach can be even more effective at enhancing livelihood resilience in poor regions; through providing sufficient training and support (especially in CA and DRR), maintaining group structure and cohesion, supporting women's empowerment, increasing institutional sustainability through investing in CLAs and FLAs, establishing and maintaining social insurance funds, and improving M&E.

Many of the research studies stress the importance of sustained technical training and group mentoring. Training and advisory services in business planning and development, literacy, disaster risk reduction, diversified and adaptive agriculture, BG, nutrition and health empowers individuals and increases livelihood resilience and food security. Another recurring theme is the critical role of group facilitators. Group facilitators need to be gender-appropriate for the SHG they are involved in. They need to understand the values and principles of the SHG movement and be committed to transmitting these to their groups. They must also be able to provide groups with training on core elements. There is a need for long-term investment in training male and female group facilitators as well as SHGs and CLAs.

As we continue with our SHG programming we want to learn from others and share our own learning, while continuing to incorporate learning into our own practice. The research suggests that the recommendations included in this report can increase the effectiveness of SHG programming and, ultimately, multiply developmental benefits for poor and vulnerable people in sub-Saharan Africa and elsewhere.

1 Myrada: the Mysore Resettlement and Development Agency, <http://myrada.org/>

2 Tearfund in the Netherlands and Tearfund in the UK have collaborated on this programme over the last ten years. All references to Tearfund's self-help group work in Ethiopia, Somalia and Kenya in this document refer to both organisations.

3 Resilience as defined by UNISDR (the United Nations Office for Disaster Risk Reduction): 'The ability of a system, community or society exposed to hazards to resist, absorb, accommodate, adapt to, transform and recover from the effects of a hazard in a timely and efficient manner, including through the preservation and restoration of its essential basic structures and functions through risk management.' [www.unisdr.org/we/inform/terminology](http://www.unisdr.org/we/inform/terminology).

4 World Food Programme. NB: this figure does not include the 8+ million on the Productive Safety Net Programme (PSNP).

5 Cabot Venton C. (2013) *Partnerships for change: a cost benefit analysis of Self Help Groups in Ethiopia*

Yewebnesh Beyene, one of the women from a local self help group, produces scarves to support her income Photo: Cally Spittle/Tearfund



RESEARCH  
STUDY 1SAVINGS GROUP AND SELF-HELP  
GROUP PROGRAMMING**Introduction**

In 2016 the **Overseas Development Institute (ODI)** undertook a review of savings group and self-help group (SG/SHG) programming in Ethiopia.<sup>6</sup> The purpose of the review was to explore the SG/SHG approaches of five NGOs, assessing the impact of the different approaches on individuals, households and communities, as well as their potential to contribute to women's empowerment and poverty reduction.

The five NGOs were: Tearfund, CARE, Oxfam, CST<sup>7</sup> and CoSAP.<sup>8</sup> Four rural sites and one urban were selected for the research, in three different regions of Ethiopia. The fieldwork used participatory and qualitative methods to gather data, including group-, cluster- and federation-level discussions, as well as interviews with government authorities.

**NGO approaches to SG/SHGs**

The majority of the SG/SHGs included in the research were similar in terms of size, form, targeting and group facilitation. However, the five NGOs have different objectives for their work with SG/SHGs. The NGOs favouring 'savings groups' (CARE and CST) focus on providing group members with services to facilitate market access, in support of economic empowerment. Tearfund, CoSAP and to some extent Oxfam prefer the label 'self-help groups', and prioritise social empowerment. Some NGOs focus on change at the household level, while others focus on women's empowerment as an entry point for broader societal transformation. Tearfund believes that relationships in the SHG/cluster/federation system can in themselves bring about social empowerment and political change to move communities out of poverty.

**Key findings**

The researchers noted that their findings were limited because they mostly viewed successful examples of NGOs' work. While this enabled a like with like comparison, it meant that the entire range of SG/SHG experiences – weak, strong and failed – could not be taken into account. The researchers also noted difficulties with assessing which SG/SHG approach worked best, due to environmental and economic differences between the regions selected.

Nevertheless, the research found that all types of groups were reaching poor people, helping to grow incomes and developing social capital. Moreover, the research report concludes: 'While organisations may hold different philosophical approaches, and have aims that are relatively broader or narrower, the core package of SG/SHG programming appears to be roughly similar and is returning similarly, if not uniformly, positive results.'

The research found numerous benefits of SG/SHGs for individuals, households and communities.

**Individual-level benefits**

The research found that the groups' 'savings culture' was helping members to manage their finances more carefully and plan for the future. Low-interest loans were enabling group members to

diversify their income-generating activities, reducing household vulnerability and poverty. Women were finding themselves creditworthy for the first time, as they were able to invest in businesses as well as manage their households more efficiently (including meeting their children's educational needs). SHG members were becoming more knowledgeable and self-confident, and all the groups – regardless of the philosophy of the NGO concerned – were enhancing social capital in the form of trust, reciprocity, and mutual support.

**Household-level benefits**

A particularly striking benefit of SG/SHGs for households was, as the research report states, 'distinct and positive shifts' in gender relations. Group members reported that men and women were starting to share domestic and farm-related tasks; women were having greater influence within the household; and women's skills, knowledge and social confidence were increasing. While the research report notes the difficulty of separating the impact of SG/SHGs on gender relations from broader shifts as a result of government policies and training, it asserts that 'encouraging signs of positive change' were being reported by men and women.

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**CLUSTER- AND FEDERATION-LEVEL  
ASSOCIATIONS HAVE SIGNIFICANT POTENTIAL  
TO MULTIPLY THE IMPACT OF SHGs AND  
INCREASE DEVELOPMENTAL BENEFITS**

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**Community-level benefits**

The report discusses the important role of cluster-level associations (CLAs) and federation-level associations (FLAs) in generating community-level benefits. CLAs and FLAs are integral to the SHG approach of Tearfund and CoSAP. They provide high-level oversight of SHGs and have the influence and ability to advocate on their behalf. The research found that established CLAs and FLAs were helping groups with problem solving and training, including developing women's leadership skills. In addition, through their relationships with government agencies, the police and the judiciary, they were advocating for women's rights and preventing harmful traditional practices in the community. In so doing, CLAs and FLAs were having a significant impact on women: '...through the clusters and federations, poor women are gaining voice, advocacy and greater access to justice.'

**The role of training**

Group training played a key role in achieving the outcomes listed above. All the SG/SHGs had received a wide range of training including business planning, gender relations, adaptive agriculture, animal husbandry, nutrition and health, and learning was being consolidated through group discussion on the training topics. The five NGOs had specifically sought to engage men in their SG/SHG initiatives, including in gender training programmes. Group training was increasing individuals' technical skills and contributing to social empowerment. It was also prompting both men and women to question traditional gender beliefs.



Federation-level association meeting, Ethiopia. Photo: Alex Stewart/Tearfund

## Key learning and recommendations

The following key learning points and recommendations are primarily directed at NGOs, but are also relevant to donor institutions and implementing organisations supporting SG/SHGs.

### Focus on group cohesion

Group cohesion is crucial to the success of SG/SHGs. However, it does not occur without effort; NGOs must take action to establish and maintain groups and ensure that they coalesce well over time. This includes ensuring groups have:

- rotating leadership
- regular face-to-face meetings and focused discussions
- the ability to manage their finances carefully; this includes establishing/maintaining a social insurance fund
- sufficient training in leadership and other key development areas

The research found that group cohesion is strongest when NGOs promote group self-reliance while providing long-term support. Tearfund's SHG project in Nazareth was highlighted as a 'remarkable' success, in part due to Tearfund's dedicated and long-term involvement in the project as well as its consistent application of the self-help methodology.

► **Ensure sufficient and sustained support for SG/SHGs that is focused on developing group cohesion and self-reliance. This support should include strengthening social insurance funds and expanding opportunities for relevant training and intra-group learning.**

### Invest in CLAs and FLAs

CLAs and FLAs have significant potential to multiply the impact of SG/SHGs and increase developmental benefits. Specifically, they can be a powerful advocacy tool for women's rights and help to address unequal gender relations and entitlements at a structural level. They also offer women the opportunity to be trained to facilitate at cluster and federation levels, further developing their leadership and management skills. CLAs and FLAs require long-term investment, but produce significant benefits for communities.

► Provide long-term resource investment in CLAs and FLAs along with sufficient technical and facilitative support.

### Improve Monitoring and Evaluation (M&E)

The research found that at the local level, the NGOs' M&E practices were often reduced to counting outputs rather than mapping processes of change. In addition, there was excessive focus on success stories while opportunities to learn from failure were not being maximised.

► **Develop common frameworks for M&E to allow comparisons between different SG/SHG programmes for impact over time. This should include documenting stories of challenges and loss, assessing the impact of training packages (especially training-of-trainer approaches), and investigating the implications of SG/SHG approaches for child labour.**

## Conclusion

The research report concludes: '...the depth of the interviews, and the repetition of similar themes and experiences by group after group, means that the researchers are able to say with some confidence that many of the individual- and household-level outcomes are similar whichever the agency and whether the group is considered a self help group or a savings group.' Significantly, however, the report also observes that the cluster and federation systems supported by some of the NGOs '...appeared to offer benefits beyond those transformations accessible at group, household or individual levels.' It can be concluded, therefore, that long-term support and investment in SG/SHGs and CLA/FLA structures is crucial for economic and social empowerment, as well as wider political and institutional change leading to poverty reduction.

6 The full research report is: Lawson-McDowall J, Tefera B, Presler-Marshall E (2016) *Savings and Self Help Groups in Ethiopia: A review of programming by five NGOs*, ODI. Available at [www.tearfund.org/savingforaverydryday](http://www.tearfund.org/savingforaverydryday). All citations in 'Research study 1' are from this report unless otherwise indicated.

7 CAFOD, SCIAF and Trócaire, working together as 'CST'.

8 Consortium of Self Help Group Approach Promoters.

RESEARCH  
STUDY 2

## SELF-HELP DEVELOPMENT IN ETHIOPIA

**Introduction**

In 2015 Dr. Karim Sahyoun, commissioned by Tearfund Ireland, led an evaluation of a Tearfund-supported self-help group (SHG) project in Wolayta and Sidama, Ethiopia.<sup>9</sup> The project was setup to support and develop an existing, longer-term SHG programme.

The project's objective was 'to increase the resilience of chronically food-insecure households enabling them to self-support the livelihood and development needs of their members...' It was evaluated with OECD Development Assistance Committee (OECD-DAC) criteria of relevance, effectiveness, efficiency, impact and sustainability. The evaluation methodology combined analysis of quantitative data with participatory qualitative learning and reflection.

**Key findings<sup>10</sup>**

The evaluation's findings show that 'significant and in many cases outstanding contributions have been made for SHG members and their households, with impact reaching far beyond the objective expressed in the overall aim.'

**Relevance**

Tearfund's SHG approach aims to empower the poorest and most vulnerable community members. The evaluation found that the

Senait Taye, self-help group member who owns and operates a successful kindergarten in Nazareth, Ethiopia Photo: Will Boase/Tearfund



project and its underlying approach '...is exceptional in its ability to target and holistically empower the poorest in a community.' The evaluation also found that the approach is relevant to and aligned with national government development efforts, although a key issue is the lack of a national policy that acknowledges the unique characteristics of SHGs in Ethiopia.

**Effectiveness**

Nutrition, health and education indicators were used to assess how far the project had achieved its overall aim.

**Nutrition:** In Wolayta, four well-established SHGs reported that 100 per cent of their members were providing three meals per day to their families, whereas before joining SHGs they struggled to provide one and were dependent on food aid. In Sidama, SHG members reported improvements in food quality and variety as well as quantity. In both regions, cluster-level representatives emphasised the project's contribution to improving food security in SHG members' households.

**Health:** Monitoring data revealed a 'significant reduction' in cases of diarrhoea and other illnesses among SHG members' families (see full report for statistics). This finding was supported by qualitative data. SHG members reported that they are now able to use group loans for critical medical needs instead of selling assets, and have more access to medical services as a result of increased income. In Wolayta, hygiene and sanitation has increased among members in response to training initiatives.

**Education:** The evaluation found clear evidence that SHG member households are increasingly able to have their children educated at primary, secondary and, in some cases, college/university level. Twelve out of seventeen SHGs over one year old reported this change.

Further indicators were used to assess project outcomes, which are detailed below.

**Household economy, assets and income-generating activities (IGAs):**

The qualitative data provided direct and indirect evidence of increased income among SHG members. Many SHG members have been able to purchase a variety of household and productive assets through group savings and loans. SHGs over one year old estimated that 88 per cent of their members are benefiting from new IGAs, while 51 per cent of younger group members have acquired business skills and are establishing an IGA. In focus group discussions the older groups reported that 100 per cent of their members are free from moneylenders.

**Women's empowerment:** The evaluation found strong evidence of women's empowerment. One example of this was in stakeholder consultations, where women previously excluded from community decision-making were interacting with government officials. However, differences were observed between the two project regions. In Wolayta all visited groups were single gender, while in Sidama 25 per cent of the groups were mixed gender because the approach had been contextualised to the more male-dominated local culture. While women's empowerment in Wolayta was reported to be 'outstanding', Sidama had mixed results, although this must be interpreted within the specific cultural context.

**SHG monitoring system:** The evaluation reviewed progress with the development of Tearfund's SHG Web-based Information System (SWIS). This can be accessed by different stakeholders and will allow SHGs to be monitored and adjusted, supporting future SHG development. While SWIS is fulfilling some of its intended role, a number of challenges were raised relating to its design, development and operationalisation at field level, which still need to be addressed.

### Impact and efficiency

The evaluation report observes that the SHG approach in the project area has brought 'exceptional levels of holistic change... at economic, social-emotional, physical, personal development, spiritual and institutional level.' Even groups that had been established for under one year showed 'a surprising level of positive change'. The report also notes that significant measurable changes have been achieved with comparably limited investment.

## SHG MEMBERS HAVE MORE SELF-CONFIDENCE AND DIGNITY AS WELL AS NEW KNOWLEDGE, SKILLS AND EXPERIENCE

### Sustainability

At individual level, SHG members have more self-confidence and dignity as well as new knowledge, skills and experience, and many have established successful businesses. Instead of 'begging' for further donor support, SHG members expressed pride in the changes that they had achieved themselves.

At institutional level, progress with establishing a sustainable structure in the form of effective cluster-level associations (CLAs) had been slower than planned. This was due to a high level of demand for new SHGs,<sup>11</sup> reducing staff and facilitator capacity to focus on strengthening the overall structure. Institutional sustainability is also threatened by the current lack of a legal framework within which to have SHG structures officially recognised and/or registered: an issue that Tearfund is seeking to address.

Finally, the church has a key role to play in enabling long-term sustainability. The SHG approach provides churches with an effective tool to serve poor and marginalised members of their communities, and has an intrinsic message of valuing individuals' capacities and resources, which fits well with the churches' own principles. The project has made significant progress in mobilising and involving the church, which is recognised by the government as a relevant actor in development.

### Key learning and recommendations

The following key learning points have been gleaned from the project evaluation. The recommendations have been adapted so that they are relevant to all donor institutions and implementing organisations supporting SHGs (unless otherwise indicated).

#### Monitor women's empowerment

The evaluation team concluded that while the mixed-gender approach in Sidama achieved its initial objectives, the focus should now shift to separate groups for men and women. The report recommends a participatory learning process with critical actors to explore issues related to women's empowerment. This should include assessing potentially negative implications of empowering

women (such as gender-based violence). All SHG programmes could benefit from such a process.

▶ **When establishing SHGs, assess whether single-gender or mixed-gender groups are appropriate to the local culture, and monitor established groups to ensure maximum impact on women's empowerment. Consider potentially negative implications of women's empowerment.**

#### Improve institutional sustainability

The evaluation found that growth at CLA level was not keeping pace with growth at SHG level. CLAs did not have the capacity to resource new groups, which were failing to see the relevance and value of CLAs. CLA development must be addressed if SHG programmes are to achieve institutional sustainability.

▶ **Ensure sufficient personnel and financial resources are focused on building CLA capacity, so that CLAs can provide adequate support to SHGs.**

Sustainability can also be enhanced by government registration of SHGs, as well as adapting the SHG approach to the church context – building on the church's strengths and resources. Increasing church ownership of SHG programming would increase its potential for impact and reduce dependence on external resources.

▶ **Strengthen efforts to enable SHG structures to be legally recognised in Ethiopia, including through collaborating with other SHG networks.**

▶ **Explore adapting the SHG approach to the church context in Ethiopia further, involving partners in this process as well as cluster- and federation-level representatives and decision makers/stakeholders from different churches.**

#### Develop effective SHG monitoring systems

An effective SHG monitoring system provides opportunities for learning at SHG and CLA level, and, crucially, for improving performance and sustainability. Monitoring systems must be accessible, flexible and relevant.

▶ **Develop relevant, effective and locally-adapted SHG monitoring systems with full participation of key actors to ensure ownership and understanding. Ensure that data-collection processes are interactive and contribute to immediate reflection and learning.**

### Conclusion

The evaluation report concludes: 'The project has clearly empowered many of its members to overcome extreme poverty and hunger...by enabling them to realise and use their full potential.' Further progress can be made and even greater impact can be achieved in this programme – and in all SHG programmes – through increasing focus and resources on developing institutional sustainability, including building CLA capacity, and developing an effective SHG monitoring system.

9 The full research report is: Sahyoun K (2016) *Evaluation Report: Self Help Development in Wolaita and Sidama* (Nov. 2014 – Dec. 2015), Treeangles Ltd. Available at [www.tearfund.org/savingforaverydryday](http://www.tearfund.org/savingforaverydryday). All citations in 'Research study 2' are from this report unless otherwise indicated.

10 In many cases it was not possible to separate the impact of the project from the existing work of Tearfund and partners in the area. Project outcomes must be viewed in this context.

11 There had been a 24 per cent growth in 14 months, adding 114 new groups.

## RESEARCH STUDY 3

# BUILDING RESILIENCE THROUGH SELF-HELP GROUPS

### Introduction

In 2017 the Overseas Development Institute (ODI) undertook a study on Tearfund-supported self-help groups (SHGs) in Wolayta, Ethiopia, where severe drought has caused high levels of food insecurity.<sup>12</sup> The aim of the research was to assess the SHGs' contribution to building resilience and enhancing food security in the context of shocks and stresses.<sup>13</sup>

The researchers used an original conceptual framework and a set of hypotheses<sup>14</sup> to explore linkages between SHG activities and resilience. The framework and hypotheses were tested in two rural districts in Wolayta through an innovative research methodology – a 'serious game'.<sup>15</sup> The game was played with different community groups including SHGs (over five years old) and non-SHG members. Results from the game were triangulated with qualitative data from focus group discussions and interviews.

### Key findings

The research assessed the social protection function of SHGs, as well as their contribution to women's empowerment and different types of livelihood capitals (social, natural, financial and political). The results are summarised below.

#### Social protection

SHGs in Wolayta used a variety of social protection measures to help their members cope with shocks and stresses, including providing rapid access to interest-free loans, flexible loan repayment and direct financial and nutritional assistance. These measures were helping poor people to prevent ballooning debt during drought and other stresses. Defaulting on moneylender repayment had caused non-members to lose assets, but group members were benefiting from 'a more flexible and merciful alternative' to 'predatory' moneylenders or formal micro finance institutions (MFIs).

The researchers observed that SHGs can be limited in their capacity to cope with covariate shocks, when all members are affected and resources are stretched. Therefore, SHGs should not be seen as a replacement for formal social protection measures such as the government's Productive Safety Net Programme (PSNP). However, the research did find that SHG members in Wolayta appeared to be in a stronger position to cope with covariate shocks than non-members, having a variety of mechanisms in place to support food security in times of crisis.

#### Social capital

The research sought to test the study's hypothesis that 'Participation in SHGs improves social cohesion and supports social capital.' During the serious game cooperative, supportive behaviour was observed in all groups, both SHG and non-SHG. However, SHG members applied norms of reciprocity and support more systematically; were more consistent in decisions to help each other; and were more prone to sharing benefits. In addition, the focus group discussions revealed that supportive linkages had been made between SHGs, cluster-level associations (CLAs) and community members. The research concluded that while social support and reciprocity were present within the community before

SHGs were established, SHGs provided additional mechanisms for support and enabled members to expand their social capital.

#### Political capital

The research found strong evidence of strengthened political capital. CLAs had assisted SHGs with their advocacy initiatives – including liaising with local government officials on road maintenance, water scarcity and other community development needs – with very positive results. Consequently, SHG members expressed much greater confidence in approaching local authorities than non-members.

#### Risk diversification

The research tested the hypothesis that 'SHGs enable members to adopt risk diversification behaviours.' The research found that SHG members were more prepared for shocks than non-members, having engaged in measures such as conservation agriculture (CA) and diversified production. However, new livelihood diversification activities were often based on agriculture or pastoralism (dependent on rain) and therefore exposed to similar climate risks. Trading activities were the exception.

### RESILIENCE COULD BE FURTHER ENHANCED THROUGH INCREASING FOCUS ON DISASTER RISK MANAGEMENT

#### Women's empowerment

The research tested the hypothesis that 'SHGs empower members, especially women.' Women participating in SHGs in Wolayta described positive changes in their economic, human and social assets, as well as increased voice/participation within the community. Women were engaging in income-generating activities (IGAs) and building financial resources independent of their husbands. However it was observed that there had been only a slight shift in male attitudes towards women's position in society, and the SHGs had not entirely transformed behaviour around household decision-making. The research also raised a concern about older women (unable to engage in IGAs) leaving their groups because they could not keep up with weekly savings.

One key constraint to empowerment was a low level of literacy among women. This meant that some women-only SHGs had invited a man to join their group as bookkeeper. When a group is dependent on one male, empowerment goals can be undermined.

### Key learning and recommendations

The research clarified the contribution of SHGs to strengthening resilience. It found that:

- Savings and loans enabled SHG members to accumulate assets and improve their financial security, enhancing their resilience to shocks and stresses.
- Mutual support and access to flexible finance was helping SHG members cope with idiosyncratic shocks.



Members of the Sira Betegar Cluster Level Association in Nazareth, Ethiopia, listen to a presentation during a meeting Photo: Will Boase/Tearfund

- SHG members' capacity to cope with protracted covariate shocks was more limited. Members described 'struggling together' during the drought. However, members were in a stronger position than non-members.

The following key learning points and recommendations are relevant to all donor institutions and implementing organisations supporting SHGs.

### Improve risk diversification

SHG members were undertaking new IGAs and diversifying their livelihoods. However, risk diversification was harder to achieve, as most strategies depended on agro-pastoral activities. The research also revealed that although natural hazards were a key concern, SHG and non-SHG members did not have consistent access to early warning information, and people did not usually access weather forecasts as a basis for investment decisions.

- ▶ Increase the emphasis on disaster risk management in group training and programmatic decisions.
- ▶ Increase SHGs' access to forecasting and early warning information, linking SHGs to government systems where these exist.

### Link SHGs with PSNPs

PSNP and SHG approaches in Ethiopia have complementary objectives and there is potential for greater coherence between them. PSNP recipients graduating from the programme who are still vulnerable to seasonal food insecurity could benefit from joining an SHG. The economic benefits of SHG membership, including access to training in financial management, could enable PSNP households to make the transition to more resilient livelihoods.

- ▶ Establish closer links between SHGs and formal protection programmes. In Ethiopia, encourage local governments to promote the SHG approach to PSNP recipients nearing graduation.

### Focus on empowering women beyond SHG participation

SHGs in the study locations had enhanced women's access to financial services, strengthened their economic capacity and contributed to their social and political empowerment. However, they had not restructured power relationships within households or wider

communities. The research also noted the possibility that women's empowerment could upset household dynamics and provoke gender-based violence. Finally, more could be done to empower women through developing their leadership and literacy skills.

- ▶ Proactively seek women to work with SHGs, and facilitate literacy training where necessary through SHGs, CLAs or external providers.
- ▶ Monitor how women's empowerment affects their position within the household and their exposure to domestic abuse.
- ▶ Develop a strategic approach for engaging with women who leave SHGs.

## Conclusion

The SHGs in Wolayta were enhancing the resilience of their members, who were in a stronger position to cope with different types of shocks and stresses than non-members. There was strong evidence that the SHGs were making a positive contribution to women's empowerment, social capital and livelihood diversification. However, conservation/sustainable agricultural practices were 'limited in their ability to sustain livelihoods' in the context of the persistent drought. Resilience could be further enhanced through increasing focus on disaster risk management.

Interestingly, the game used in the methodology proved an invaluable learning tool in itself, stimulating discussion on a range of topics. Organisations involved in SHG programmes could benefit from using serious games to inform project design, improve people's understanding of savings dynamics and raise awareness of SHGs within communities.

12 The full research report is: Weingartner L, Pichon F, Simonet C (2017) *How self-help groups strengthen resilience: A study of Tearfund's approach to tackling food security in protracted crises in Ethiopia*, ODI. Available at [www.tearfund.org/savingforaverydryday](http://www.tearfund.org/savingforaverydryday). All citations in 'Research study 3' are from this report unless otherwise indicated.

13 Namely 'idiosyncratic shocks' experienced at the individual/household level, and 'covariate shocks' such as prolonged drought and destructive floods affecting many households in the same locality.

14 The framework and hypotheses were based on Tearfund's Theory of Change and a literature review.

15 In serious games, a real-world problem or scenario is developed into a set of playable activities.

RESEARCH  
STUDY 4

## SELF-HELP GROUPS AND DROUGHT

**Introduction**

In 2016 Tufts University in Addis Ababa undertook a small-scale, qualitative review of Tearfund self-help groups (SHGs) in Ethiopia.<sup>16</sup> The review was undertaken in the context of drought, which in 2015 was exacerbated by one of the strongest El Niño events ever recorded. The drought caused high levels of production failure and significant damage to smallholder livelihoods.

The purpose of the research was to examine the impact of the SHG approach on household-level resilience – in relation to sustainable livelihoods – during times of significant stress. The research assessed whether, how and to what extent SHGs in the chosen project areas had increased their members' capacity to withstand and recover from the impact of drought.

Four sites (in different zones) were selected for the research, in which Tearfund SHGs had been established for four years or longer. Comparative analysis was conducted between mature groups (established for at least three years) and young groups (up to one year old), which together acted as a control group.

**Key findings**

The research found a clear difference in drought-resilience levels between young and mature self-help groups, and concluded: '...members of SHGs, especially longer-standing members, were better able to withstand the drought and appear to be better placed for recovery compared to other households.'

Drought and erratic rainfall throughout 2015 and 2016 had a significant impact on all SHG members. Crop loss was widespread, with little variance between SHG groups and projects. However, among the groups there were clear differences in the impact of the drought on livestock maintenance/loss, food supply, and savings capital.

**Livestock:** The research found a 'discernible difference' between the capacities of different SHGs to maintain their livestock, with mature groups experiencing fewer livestock losses and forced sales than young groups.

**Household food supply:** All the groups reported food shortages as an inevitable result of crop loss. However, the research indicated there was less household hunger among mature groups, of which only one reported reducing food intake to one meal a day.

**Group savings:** The extent to which group savings were depleted as a result of the drought varied. Young groups struggled to generate sufficient income to maintain their weekly savings practice, while all the mature groups maintained their savings levels without reducing payments. Young groups reported using moneylenders more than mature ones.

The research also assessed components of resilience among SHG members, including mitigation and adaptation behaviour, and levels of drought awareness. It found that mature groups in all areas were more likely to have engaged in mitigation activities, with the oldest group (six years) being most prepared in terms of

drought awareness, mitigation and adaptation. Group member awareness of prevalent drought conditions was generally low, but slightly higher in mature groups.

There were several key factors contributing to the increased level of drought resilience among SHGs.

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**SHGS WITH A SPECIFIC FOCUS ON CONSERVATION AGRICULTURE AND DROUGHT RISK REDUCTION HAD A WIDER RANGE OF RESPONSES TO DROUGHT**

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**Group capital and loans:** Mature SHGs had a larger accumulation of group savings and loan capital. This increased their capacity to cushion shocks through availability of loans for enterprise activities, as well as for critical household needs. Significantly, some of the mature groups also had 'social funds' operating as drought insurance, which enabled them to maintain their group capital for business investment and adaptation activities rather than use it for personal needs.

**Social cohesion and personal confidence:** Every SHG stressed that social cohesion and mutual support were a life-changing benefit of SHG membership – particularly for women. The research report noted the impressive way in which the group social bond manifested itself in psychological and practical assistance, with generosity between members operating as a form of social insurance policy. This, as well as the SHG focus on developing a savings culture, has significantly increased members' confidence in their own capacity to withstand and recover from droughts.

**Technical training and support:** SHGs that had received specific training and support in relation to conservation agriculture (CA) and disaster risk reduction (DRR) showed more evidence of increased drought mitigation and adaptation behaviour. SHGs with a specific focus on CA and drought risk reduction, especially the more mature groups, had a wider range of responses to drought and increased capacity to minimise its impact.

**Key learning and recommendations**

The following key learning points and recommendations are relevant to donor institutions and implementing organisations supporting SHGs.

**Protect group capital**

Accumulation of group savings is critical for developing livelihood resilience. However, group capital is at risk during drought cycles and other stresses. A reduction in weekly savings, and increased demand for non-business loans, depletes group capital and increases the risk of default and recourse to moneylenders. In order to mitigate these risks, SHGs should adopt a flexible approach including adjusting loan repayment periods and interest rates. Furthermore, group savings must be protected. Social insurance funds are a good form of protection, providing low- or interest-free loans for short-term needs and helping to preserve savings capital for business loans and group adaptation activities.



- ▶ Encourage the establishment of social insurance funds as integral components of SHGs.
- ▶ Assess the feasibility and desirability of other forms of savings protection that could complement social insurance funds in the event of crises.

### Strengthen linking social capital

The research found that while bonding social capital (relationships between SHG members and group facilitators) was strong, linking social capital (linkages between the bonded group and other institutions) was relatively weak. A few groups had some interaction with local government and other experts, but, overall, the potential benefits of such linkages for access to critical information and SHG development were not being maximised.

- ▶ Strengthen SHGs' understanding of the wider context that they operate in, and help to facilitate linkages with relevant institutions. This should include strengthening the capacity of cluster-level associations (CLAs) to act as advocates for their member groups.

### Increase business development and livelihood support

As SHGs become more successful, business-development training and enterprise mentoring will be increasingly important. Where planned SHG enterprises are drought-vulnerable, risk and business management are crucial for the protection of group capital. Linked to this is the need for specific agricultural and DRR training to strengthen SHGs' livelihood risk awareness and management capacity. Such training and support is crucial if SHGs are to reduce poverty levels, but requires more technical and sustained mentoring than group facilitators alone are able to provide (although this happens with some groups already).

- ▶ Ensure that business planning is integrated with the savings approach. Review the most appropriate and sustainable means of providing sufficient technical training and support to SHGs in

business development and disaster risk management, as well as the role played by group facilitators and CLAs in supporting SHGs.

### Explore gender-related issues

Gender analysis revealed that the savings capital of women's groups was significantly lower than that of men's groups, linked to higher poverty levels and reduced access to lucrative income-generation activities. Consequently, women's groups are at greater risk of capital depletion and have less investment potential. The research also raised a concern about the low level of women's participation in CLAs.

- ▶ Explore issues related to gender, so that measures to promote gender equality can be established in SHG and CLA structure development from the outset.

### Conclusion

Social cohesion and solidarity play a critical role in building group members' coping capacity in the face of adversity. This factor, along with the groups' savings ethos and practice, provide a strong foundation for developing livelihood resilience – but must be accompanied by sufficient and appropriate livelihood advice and support.

The research report concludes that there is 'significant potential for the SHG approach in further developing livelihood resilience in the poorest and more vulnerable areas, particularly when it is combined with training and advisory services in drought risk reduction and more adaptive and diversified agricultural practice.'

<sup>16</sup> The review was commissioned by USAID's Agriculture Knowledge, Learning, Documentation and Policy (AKLDP) project, with Tearfund. The full research report is: Meehan F, Mengistu E (2016) *Drought, Resilience, and Self Help in Ethiopia: A review of Tearfund Self Help Groups following El Nino*. Available at [www.tearfund.org/savingforaverydryday](http://www.tearfund.org/savingforaverydryday). All citations in 'Research study 4' are from this report unless otherwise indicated.

Farmer Alemayehu Anjulo is being supported by Tearfund's partner to follow conservation agriculture techniques Photo: Louise Thomas/Tearfund



RESEARCH  
STUDY 5

## SELF-HELP GROUPS AND FOOD SECURITY

**Introduction**

In 2017 Hilda van Hulst-Mooibroek led an evaluation of a three-year self-help group (SHG)/food security programme in the Horn of Africa.<sup>17</sup> The SHG programme was run by Tearfund with funding from BuZa – in close partnership with five implementing partners – in drought affected areas of Ethiopia, Somaliland and Kenya.

The goal of the evaluation was to answer the question: *'To what extent has the Self Help Group – Food Security Programme in the three countries increased the food security of marginalised groups and their resilience to crises in a sustainable way?'* The evaluation used OECD Development Assistance Committee (OECD-DAC) criteria to assess the programme. The methodology combined analysis of quantitative monitoring data with qualitative data collection, stakeholder consultation and a document review. A total of over 675 people were consulted across the five sites of the implementing partners.

**Key findings**

The key finding of the evaluation was that beneficiary households were more resilient to shocks compared to non-beneficiary households within the same community. SHGs had increased food security among beneficiary households by between 30 per cent and 50 per cent.

The programme was evaluated against OECD-DAC criteria of relevance, effectiveness, efficiency, impact, sustainability, coordination and coherence. Evaluators concluded that the

programme showed 'evidence of satisfactory contribution/evidence of good contribution' to these criteria.

**Effectiveness and impact**

**SHG quantity vs quality:** A total of 1,452 new SHGs were established over the programme period – meaning 24,000 new families were benefiting from SHGs.<sup>18</sup> This is highly significant as it means 24,000 families have adopted a savings culture whereas previously they had none. In all project sites SHGs were enabling members to borrow at low interest rates and avoid moneylenders, and social insurance funds were benefiting members in times of crisis. However, while many new SHGs had been established, not all were reaching the desired standard for quality – or regularly engaging in self-assessment and self-adjustment in order to improve.<sup>19</sup> New groups require substantial nurturing and mentoring by facilitators on the core elements of saving/loan management, financial literacy and business/marketing, yet this was being compromised by the rapid establishment of new SHGs, demanding facilitators' time and energy.

**Food security:** The programme had specific goals related to improving food security. There was strong potential for the groups to enhance resilience and mitigate the impact of climate change; and groups that had received training on conservation agriculture (CA), organic backyard gardening (BG) and climate change adaptation were experiencing increased food quantity and diversification. However, some of the SHG projects were operating on a 'business as usual' basis and needed more assistance with incorporating environmental issues into SHG work.

**Income-generating activities (IGAs):** Profitable IGAs are essential for attaining food security. It was observed that around 30 to 50 per cent of SHG members in the programme were involved in IGAs.

Self-help group meeting in Sololo Makutano, Marsabit County, Kenya Photo: Food for the Hungry



Financial literacy and business-awareness among members was generally low, and there needed to be a greater appreciation of the importance of administration and record-keeping. Group facilitators were clearly devoted to their work, but would benefit from further knowledge and skills related to saving/loan mechanisms and how to accelerate progress with establishing profitable IGAs.

**Gender:** For women, SHGs provide a steady base for economic improvement as well as social and political empowerment. The report noted that even in the short time-frame of the programme the SHGs had offered '...multiple benefits to many vulnerable and economically challenged women.' This was particularly noticeable in Somaliland, where 22 out of 30 female SHG members reported having more to eat/more diverse food as a result of SHG membership. The evaluation did observe that more progress could be made on addressing gender equality, including increasing women's participation in group facilitation and agriculture-related interventions.

## IN SOMALILAND 22 OUT OF 30 FEMALE SHG MEMBERS REPORTED HAVING MORE TO EAT/MORE DIVERSE FOOD

### Sustainability

Progress with SHGs becoming self-managed (functioning independently under a cluster-level association(CLA)), was generally slower than anticipated. Where CLAs had been set up, these were not yet empowered to provide comprehensive support to SHGs, and facilitators were still working with the groups. Reasons for slow progress where it existed included insufficient organisational/staff vision for CLAs coupled with an unclear exit strategy, and SHG facilitators being over-stretched.

**Self-organised learning (SOL):** Many SHG facilitators had been trained in SOL. This enables facilitators to help group members develop their own programme of learning based on the issues they are facing, and in so doing encourage SHG sustainability. However, a balance needs to be achieved between groups setting their own learning agendas and groups being given sufficient information to enable them to make informed decisions.

### Coordination

The evaluation found a number of challenges related to monitoring and evaluation of the programme, including insufficient baseline information, limited confidence in the reliability of the monitoring tool and validity of data, and ambiguous programme indicators.

## Key learning and recommendations

The following learning points and recommendations are relevant to all donor institutions and implementing organisations supporting SHGs.

### Apply additional technologies for food security

In itself the SHG makes only a moderate contribution to food security. SHG members need to engage in micro-enterprise and/or increased production to maximise economic benefits for long-term food security. Other elements such as conservation agriculture (CA) and disaster risk reduction (DRR) need to be applied to increase resilience to drought and the effects of climate change. Adapting SHGs in this way requires additional staff, technical support and training packages.

▶ Apply additional technologies such as CA, BG, DRR and business development to SHGs in a clear and agreed resilience working plan, ensuring organisational capacity and resources to implement it.

▶ Ensure facilitators are routinely and regularly trained to provide marketing analysis and business support and advice to members.

▶ Assess literacy levels within new SHGs and take measures to increase general and financial literacy, including encouraging members to keep personal records of savings and loans.

### Monitor SHG quality

It is essential to obtain sufficient and accurate baseline information at the outset of an SHG programme, and design an efficient and workable M&E framework with clear indicators to ensure SHGs attain quality standards.

▶ Ensure M&E frameworks contain simple and sufficient baseline information, and unambiguous performance indicators that measure SHG quality, including group and individual members' economic performance.

▶ Consider engaging an M&E specialist at the start of large SHG programmes involving multiple partners/regions.

### Plan for sustainability

Achieving sustainability is a slow process. It is estimated that at least six years are needed for SHGs to establish sufficient capital/systems to be self-sustaining, and a well-equipped CLA to be formed. In order for SHGs to mature they need strong financial administration and increased production through IGAs. This requires facilitators to spend sufficient time nurturing new groups. The commitment and capacity of facilitators to achieve sustainability is key.

▶ From the outset, decide on a clear strategy for SHGs to become self-sustaining under a CLA structure and ensure all project staff and facilitators are committed to it.

▶ Ensure facilitators have the capacity to monitor and mentor new SHGs effectively, as well as the knowledge and skills to implement the agreed exit strategy.<sup>20</sup>

▶ Donor organisations: When working with NGOs on SHG programmes, ensure a funding window of at least five years.

## Conclusion

The evaluation found that SHG members in drought-affected areas across the five sites were coping better with the deepening food crisis than non-SHG members. However, SHGs are significantly more effective for resilience and food security when, as the evaluation report observes, 'facilitation is combined with training and advisory services in drought risk reduction and more adaptive and diversified agricultural practice; plus tailor-made training in profitable, environmentally-friendly business development.'

<sup>17</sup> The full research report is: van Hulst-Mooibroek H (2017) *Final Evaluation of the SHG/ Food Security Programme, Horn of Africa 1 April 2014 – 31 March 2017*. Available at [www.tearfund.org/savingforaverydryday](http://www.tearfund.org/savingforaverydryday). All citations in 'Research study 5' are from this report unless otherwise indicated.

<sup>18</sup> Based on an average of 16.5 members per SHG.

<sup>19</sup> Further information on progress against performance indicators can be found in the full research report.

<sup>20</sup> Continuous follow-up and monitoring is especially important among nomadic pastoral communities, such as those in Kenya. See full report for more information.

RESEARCH  
STUDY 6SOCIAL AND PSYCHOLOGICAL  
ASPECTS OF SELF-HELP GROUPS**Introduction**

In 2016 Trinity College Dublin, in collaboration with Tearfund Ireland, studied the social and psychological aspects of Tearfund-supported self-help groups (SHGs) in Ethiopia.<sup>21</sup> The economic benefits of SHGs have been well researched, but there has been less documentation (other than anecdotally) of the social and psychological benefits of SHG membership – or of the mechanisms involved in creating these benefits.

The purpose of the research was twofold:

1. to evaluate the impact of SHGs on the psycho-social wellbeing of their members
2. to identify the SHG features that promote, and hinder, achieving this impact

Ten women-only SHGs from Wolayta and Adama in Ethiopia were selected: five 'young' and five 'mature'.<sup>22</sup> The religious affiliation of the participants was predominantly Orthodox or Protestant. Standardised scales as well as self-assessment methods were used to measure social and psychological wellbeing. The impact of SHGs on spiritual wellbeing was also studied.<sup>23</sup>

**Key findings**

The research found that 'involvement in an SHG had a positive impact on social and psychological wellbeing that increased over time'.

**Assessment of impact**

Research participants made their own individual assessment of the impact of the SHGs. SHG members had experienced many positive changes in their lives, and attributed much of this change to the groups. As expected, members of mature SHGs assessed the groups as having a greater impact on their lives.

The standardised scales revealed that mature SHGs had higher psychological and social wellbeing scores than young groups. Overall the surveyed SHGs scored positively on all measures of wellbeing, with impact increasing over time.

**Themes**

Several themes emerged from SHG member discussions on the impact of SHGs. Key findings under each theme are detailed below.

**Financial security:** The research confirmed that SHGs are effective at improving financial circumstances. SHG members recorded, on average, a 143 per cent increase in their financial assets. The financial capital created by the SHG was acting as a stepping stone towards other financial opportunities, further increasing members' income. As a result, members were no longer feeling the burden of poverty and had a significant improvement in their quality of life.

**Independence:** Members noted that before joining an SHG they were 'dependent on others for survival'. Many women had been reliant on their husbands' income or on moneylenders. Since joining an SHG these women have a safety net for urgent needs as

well as access to capital, enabling them to pursue business ventures and increase their independence.

**Education:** SHG members had become more confident in their financial capacity as a result of training they had received through the groups on business management. As a result, finances had improved, enabling them to provide a formal education for their children.

THE RESEARCH FOUND THAT 'INVOLVEMENT  
IN AN SHG HAD A POSITIVE IMPACT ON SOCIAL  
AND PSYCHOLOGICAL WELLBEING'

**Social development:** SHGs promote social networking and support, not only within the groups but within the entire community. SHG members stated that before joining a group they were socially isolated and had little opportunity to establish meaningful social bonds. Since joining an SHG they had improved their social skills, were more content with their social life and were interacting more with their community. Cooperation, harmony and social support had increased within the family unit as well as the wider community.

**Psychological wellbeing:** SHG members had experienced a significant improvement in their personal skills and psychological wellbeing. They had grown in self-confidence, were more articulate, had less anxiety and felt they had more control over their circumstances. This demonstrates the way in which SHGs can facilitate a sense of empowerment, purpose and hope for the future.

**Spiritual wellbeing:** Orthodox and Protestant SHG members reported that the groups had triggered an increase in religious behaviour in their homes (e.g. prayer and praising God). This could be a result of the spiritual practices experienced within the groups, as well as the gratitude members felt for positive changes experienced through SHG membership.

As a result, pro-social behaviour had increased, including mutual respect for other members' beliefs, tolerance, forgiveness, and praying for the sick. Members described how the groups have fostered a sense of 'internal peace'.

**Mechanisms**

The research found several key elements of SHGs that were critical to achieving the positive outcomes described above.

**Group structure:** The visited SHGs have a strong structure and clear procedures, i.e. regular meetings, rules and bylaws, transparency and rotation of roles. Members are required to attend meetings and are encouraged to participate fully in group activities. Members valued this structure as it helped to develop their social skills and self-confidence, and fostered trust within the group. People who led disorganised lives before joining SHGs felt empowered by the groups, which enabled them to have clear goals and a process to reach them.

**Training:** Training on a range of topics had imparted valuable knowledge to members, contributing to individual empowerment.



A meeting of members of Lemlem self-help group in Kerikicho area, Angacha, Ethiopia Photo: Will Boase/Tearfund

Training had enabled members to take control of their finances and enhance them, as well as improve their health and hygiene.

**Group participation/social interaction:** SHGs rely upon effective teamwork among their members, who must work together to improve their financial situations. In so doing, members develop social skills and meaningful relationships, leading to higher levels of community solidarity and support.

**Conflict resolution:** SHG members reported that they have been able to successfully resolve conflict occurring within their groups, mostly without outside intervention. Conflict resolution is assisted by the SHGs' clear codes of conduct and boundaries, which if crossed incur consequences. However, most conflicts are resolved through good communication and discussion. Effective conflict resolution is a by-product of group structure, training and social interaction.

## Key learning and recommendations

The following key learning points and recommendations are relevant to all donor institutions and implementing organisations supporting SHGs, and will help to guide the development of SHGs in Ethiopia as well as in other countries.

### Develop strong structure and culture

It is very important to ensure that SHGs have a strong structure in the form of rules and procedures that all members adhere to. However, it is also important to foster a team spirit to ensure groups work together to achieve common results. Structure provides the framework for the development of trust and collaboration within the group, but the softer element of 'culture' needs to be actively developed. Group facilitators are critical in this respect. They not only need to advise and train their groups, but also model the values and attitudes of acceptance, love and forgiveness. Facilitators need to be 100 per cent committed to this dual role.

- ▶ Ensure all SHGs establish and maintain a strong structure with clear rules, procedures and accountability.
- ▶ Closely monitor groups to ensure that SHG culture as well as structure is being sufficiently developed.

- ▶ Ensure facilitators and programme managers understand the values and principles of the SHG movement and are committed to transmitting and modelling these to new and existing groups.

### Conduct further research

The research report makes several recommendations related to further research, which if implemented could enhance SHG programming further.

- ▶ Explore the role of group facilitators in creating and maintaining the mechanisms required for successful SHGs (e.g. structure/culture, education, group participation and conflict resolution), focusing on staff selection criteria and training requirements.
- ▶ Routinely gather psycho-social wellbeing data from new members to provide stronger 'before and after' data.

## Conclusion

Economic difficulties are just one element of poverty; psycho-social factors such as dependency, isolation and difficult household relations also need to be addressed. Despite some limitations in the methodology, Trinity College's research provided qualitative and quantitative evidence of the positive impact of SHGs on social, psychological and spiritual wellbeing. The research report concludes that Tearfund's SHG model is 'working well to address, holistically, the needs of the poor' in Wolayta and Adama. It observes that the core elements of the model are valued by members and effective in what they achieve, and recommends that these are retained as they are and not compromised.

21 The full research report is: Cromie S, Quinn-Gates H, Fagan P, Rebssio M, (2017) *Psycho-social outcomes and mechanisms of self-help groups in Ethiopia*. Available at [www.tearfund.org/savingforaverydryday](http://www.tearfund.org/savingforaverydryday). All citations in 'Research study 6' are from this report unless otherwise indicated.

22 The 'young' SHGs were less than two years old and the 'mature' SHGs over five years old.

23 Spiritual wellbeing was assessed in terms of the gratitude members feel and the meaning they see in their lives.





## SAVING FOR A VERY DRY DAY

The contribution of self-help groups to building resilience in East Africa



[www.tearfund.org/savingforaverydryday](http://www.tearfund.org/savingforaverydryday)

100 Church Road, Teddington, TW11 8QE, United Kingdom

**T** +44 (0)20 8977 9144 **E** [publications@tearfund.org](mailto:publications@tearfund.org)



[www.tearnetherlands.nl](http://www.tearnetherlands.nl)

Joseph Haydnlaan 2a, 3533 AE Utrecht, Netherlands

Postal address: Postbus 8170, 3503 RD Utrecht

**T** +31 (0)30 69 69 600 **F** +31 (0)30 69 69 635 **E** [info@tear.nl](mailto:info@tear.nl)