

*Kashf Foundation Focus Notes Series*  
October 2017

## Assessing the Impact of KASHF's Capacity Building and Social Advocacy Interventions

*Kashf Foundation commissioned a third party impact assessment of its Financial Literacy and Business Development Skills for Women program to assess the efficacy of its microfinance plus program in building the capacities of low-income women entrepreneurs and improving conditions for their economic participation. This focus note provides the key findings from the report.*

### KASHF's MICROFINANCE PLUS APPROACH

Kashf Foundation offers an integrated micro-finance program to low-income households in Pakistan. Called the microfinance plus approach, Kashf's program provides low-income households with access to micro-credit, insurance services, capacity building trainings, and social advocacy interventions.

During April 2011 to November 2016, Kashf received grant support from Global Affairs Canada to develop and implement a vibrant capacity building and social intervention program that could help create enabling conditions for women's economic participation. Through this grant support, **Kashf was able to train over 400,000 women in Advanced (Systemized) Financial Education, graduate over 22,000 women entrepreneurs through a Business Development Program, train over 175,000 men, boys, and women in gender trainings, and undertake over 1,100 theatre performances on social issues and themes.**

Kashf commissioned a Third Party Evaluation to evaluate the impact of these interventions. Semiotics Private Limited Pakistan was

selected to undertake the evaluation after a due-diligence and shortlisting process. The study covered 8 districts: Attock (north Punjab); Lahore, Faisalabad and Sialkot (central east Punjab); Sargodha (central west Punjab), Multan (south Punjab), Karachi (Sindh) and Haripur (Abbottabad).

### RESEARCH METHODOLOGY

Using a mix-data collection strategy, the research firm undertook surveys with program beneficiaries and in-depth interview with key informants.

Within one district, the list of beneficiaries was randomly selected for each program according to the number of Kashf branches in the said district. Based on the relatively high numbers of beneficiaries for each service line, approximately 500 beneficiaries from each were

selected to allow for statistically significant results at 95% confidence with a margin of error of 5%. This translated into 2,056 women across 4 activities. An additional category of men/adolescent boys has been included as part of gender trainings, since separate training was also provided to them (402 men/boys were surveyed). The total sample size was thus 2,458 beneficiaries.

### PRIMARY RESEARCH

Separate versions of the instrument were devised for each service line which were translated into Urdu and pre-tested in a non-sampled district with Kashf clients. Once the instruments were finalized, enumerators were hired and trained by the research company with a special emphasis on implementing instruments with women (who formed a majority of the respondents).

Service Line	Number of Beneficiaries	Assessment Tool
Systemized Financial Education	515 women	Survey
Business Incubation Labs	514 women	Survey
Gender Trainings	515 women 402 men and boys	Survey
Social Theatre	512 women	Survey
Women Entrepreneurs Council	8 women	In-depth Interviews
Respondents Distribution		

The data collection was supervised and verification and monitoring was undertaken with a sample of respondents. Once the data had been recorded, the quantitative data was digitized and analyzed using SPSS.

### RESPONDENTS PROFILE

The average age of the respondents was 41. Around 45% of the respondents had received no formal schooling with less than 7% of the respondents having completed higher secondary level or above. Around 90% of the respondents were married, 7% were widows, 2% were single and 1% were divorced. The average family size was 6.

77% of the beneficiaries were Muslim while 23% were Christian. The sampling was not done based on religion so this showed the inclusive nature of Kashf's program.

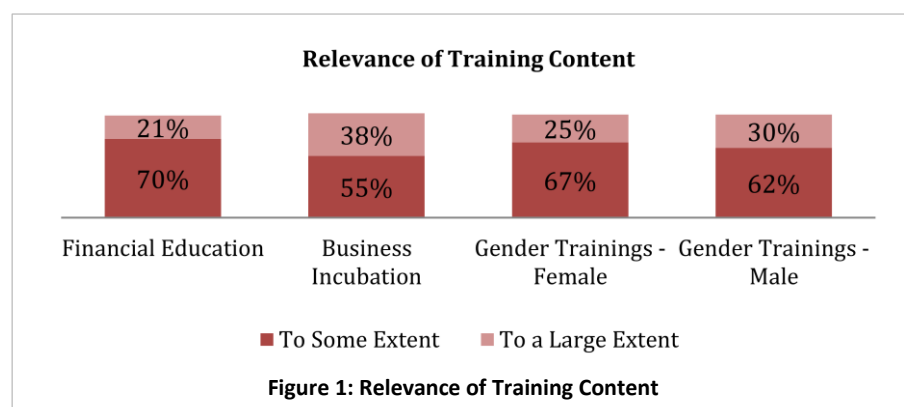
### TRAINING RELEVANCE

#### *Systemized Financial Education Training*

94% of all Systemized Financial Education trainees found expenditure management relevant in their day-to-day lives. Moreover, 89% of the sample respondents found the SFE training relevant to starting or running a business and 87% felt that the training enhanced their knowledge on financial management. These indicators highlight the relevance and practicality of the SFE training.

#### *Business Incubation Labs*

94% of Business Incubation Lab (BIL) respondents found the sessions relevant for starting a



business, 93% for expanding a business, and 94% for creating and fostering market linkages. This reflected positively on the practicality of course material and its relevance to the target beneficiaries.

#### *Gender Trainings*

Amongst the female cohort around 33% of the trainees stated that they found "improved understanding of women's roles" the most helpful topic, followed by 26% who cited "convincing household to allow women to work." Participants generally felt that the content of the training was relevant for managing day-to-day relations.

Amongst the male cohort, around 32% of male trainees found "improved understanding of gender roles" the most useful followed by 26% who stated "convincing household to allow women to work." All respondents found the contents relevant in regard to the local culture to managing day-to-day relations.

#### *Social Theatre Performances*

All of the respondents were of the opinion that the issues raised improved their understanding of issues women face in their daily lives which testifies to the relevance of the themes and

methodology of the Social Theatre Performances.

### SYSTEMIZED FINANCIAL EDUCATION TRAININGS

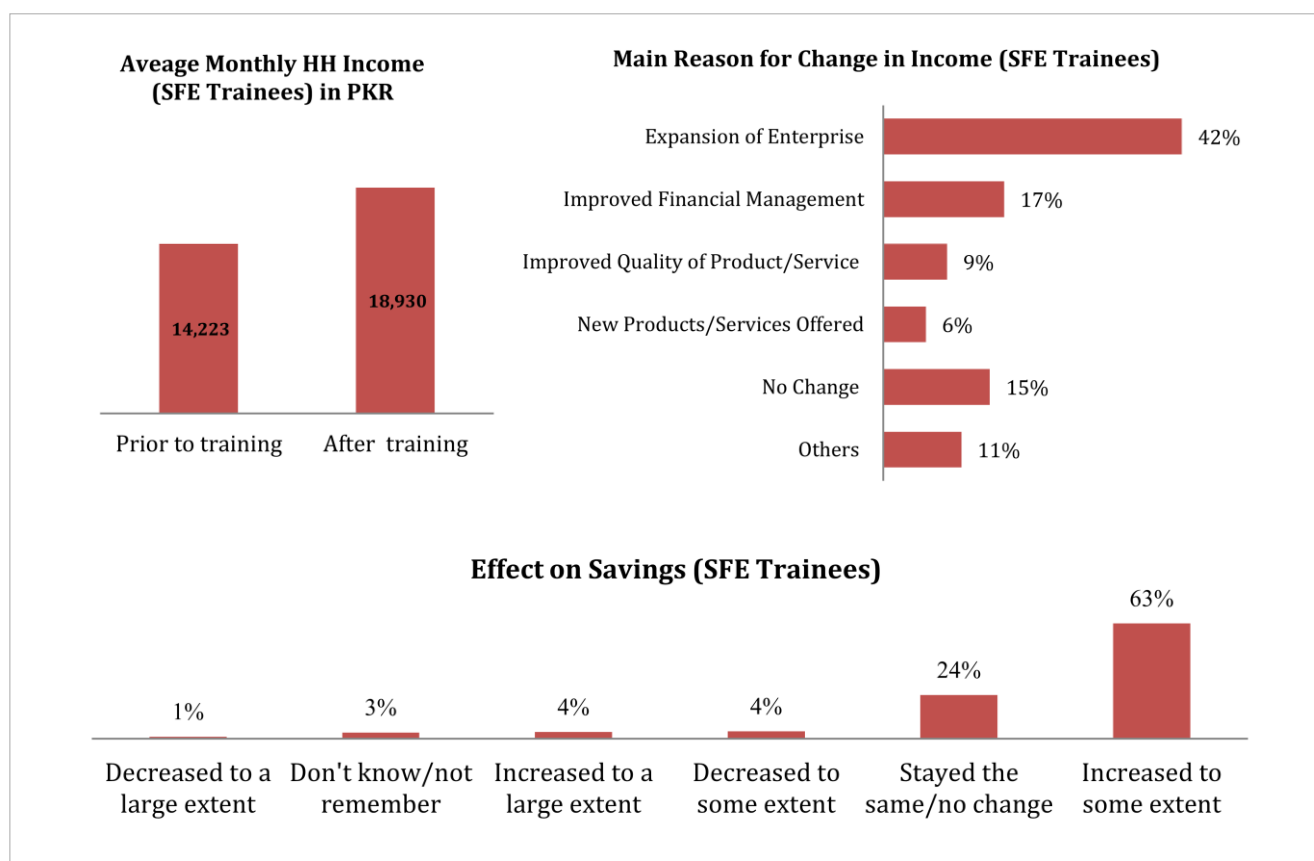
#### *Impact on Income*

Prior to training, SFE trainees estimated that their monthly income on average was around PKR 14,223 while after receiving the SFE training; trainees reported that their monthly income increased to PKR 18,930. ***This is an increase in income of PKR 4,707 or 33%.***

Trainees reported that the SFE training had a positive effect on the expansion of their enterprise (42%) and overall financial management practices at the household level (17%), both these aspects enabled them to utilize their resources more productively.

#### *Impact on Savings*

Amongst 63% of SFE trainees, savings increased to some extent, for 4% savings increased to a large extent while, 24% felt that there was no impact on their savings despite the SFE training. Hence, around two-third of the trainees were better off each month in terms of savings, attributed to the loan and the associated SFE training obtained.



Once savings were accumulated, 52% of trainees invested their savings in ROSCAs, while another 15% maintained cash at home and **8% of the SFE respondents maintained bank accounts.**

### **Women Empowerment**

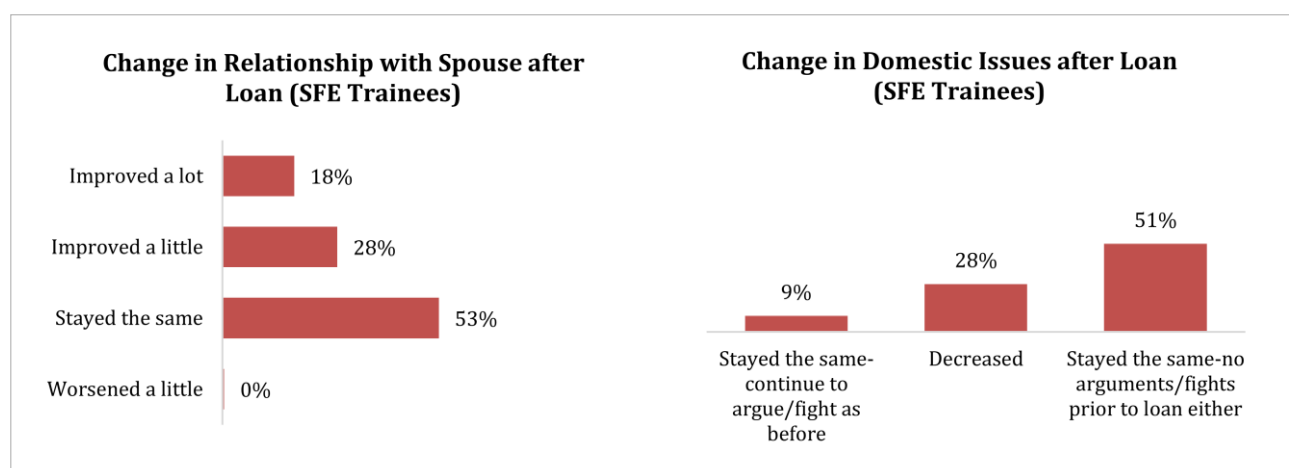
The impact of the training on decision-making authority and relationship with other male household members was also gauged. A majority of the beneficiaries believed that the training along with the loan

improved their decision-making authority. Around 85% of SFE trainees felt that their decision-making authority increased after the training; 67% felt that this was to some extent, while 11% felt that this was to a large extent.

After obtaining the loan and SFE training, around 46% of women cited improvement in the relationship with their husbands; 53% felt that there was no change (and included women who had a healthy inter-spousal relationship

prior to the loan and training as well).

Delving deeper, trainees were asked whether there was any change in domestic issues (arguments, fights, etc.) following the training: 51% stated that this remained unchanged, as there were no issues prior to the training while 28% reported a positive change, stating that domestic issues had decreased. A small proportion (9%) felt that they continued to fight/argue as before.



### BUSINESS INCUBATION LAB Changes in Business Post Training

Respondents from the Business Incubation Lab (BIL) training reported positive changes in their business: 43% stated that they were able to expand their enterprise, 13% cited that they were able to offer new or innovative products/services after the training. Further, improvement in the quality of products/services was mentioned by 12% of trainees, while 11% stated that they now maintained a budget for their business. This highlights the fact that the BIL intervention successfully equipped women micro-entrepreneurs with the skills and tools to grow their business and also enabled them to apply lessons learnt on a practical level.

### Change in Sales and Gross Profits

The average sales prior to participation in the BIL program were PKR 14,907 per month which increased to a monthly average of PKR 22,367 depicting an increase of around 50% in sales. When considering the gross profit, a similar trend was seen where 62% of the BIL graduates reported an increase to some extent and 12% reported an increase to large extent. The overall increase in average gross profit earned was 30%, from PKR 8,649 before the training to PKR 11,242 after the training.

### Change in Savings

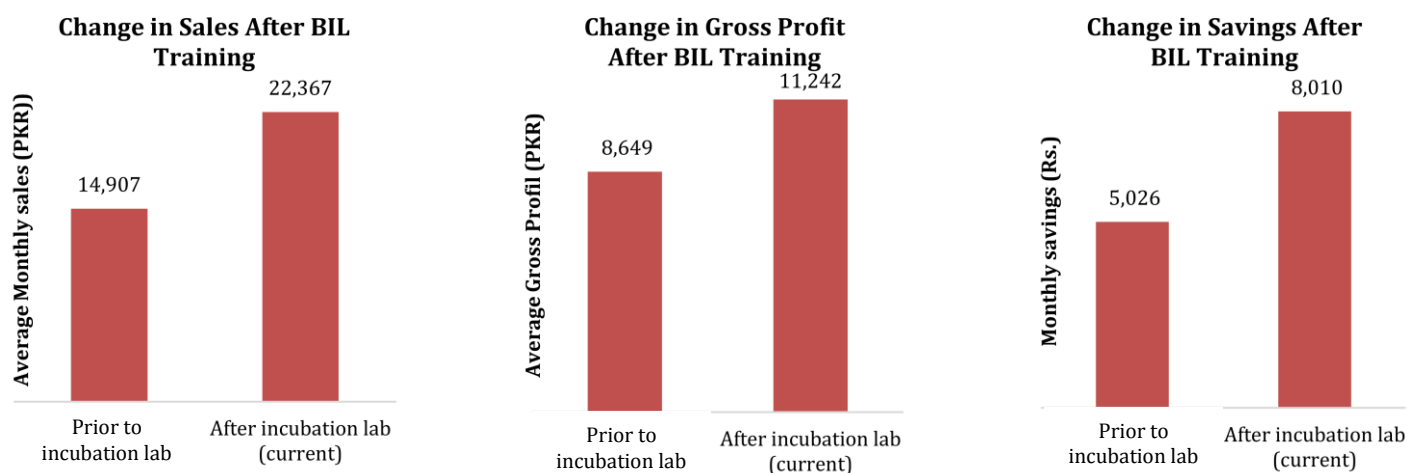
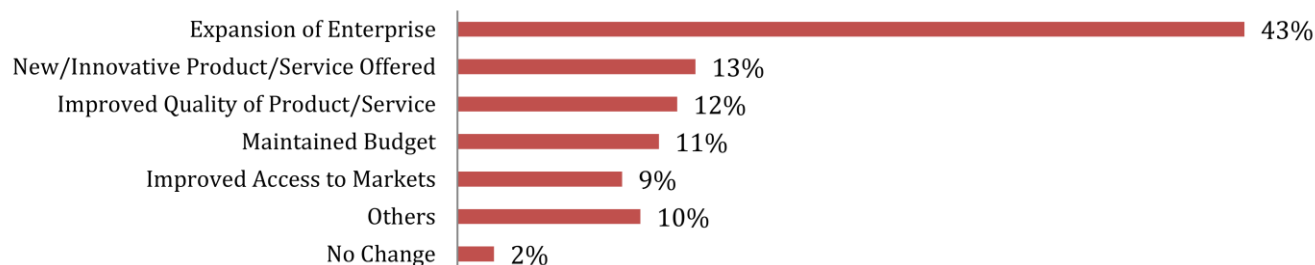
Savings were also analyzed, and almost all the BIL graduates cited an increase. The average increase

in savings was about 60% from PKR 5,026 to PKR 8,010. The fiscal impact of BIL therefore provides evidence on improvement in sales, gross profit and savings for trainees overall. The change has been quite substantial both pre and post training, and highlights the appropriateness of the intervention for the target segment that was provided the BIL trainings.

### Impact on Key Business Indicators

While assessing post training changes in sales, the research showed that around two-thirds (66%) of BIL trainees stated that they experienced an increase in sales to some extent and 11% felt that the increase in sales was to a large extent. Assessment of impact on gross profit showed that

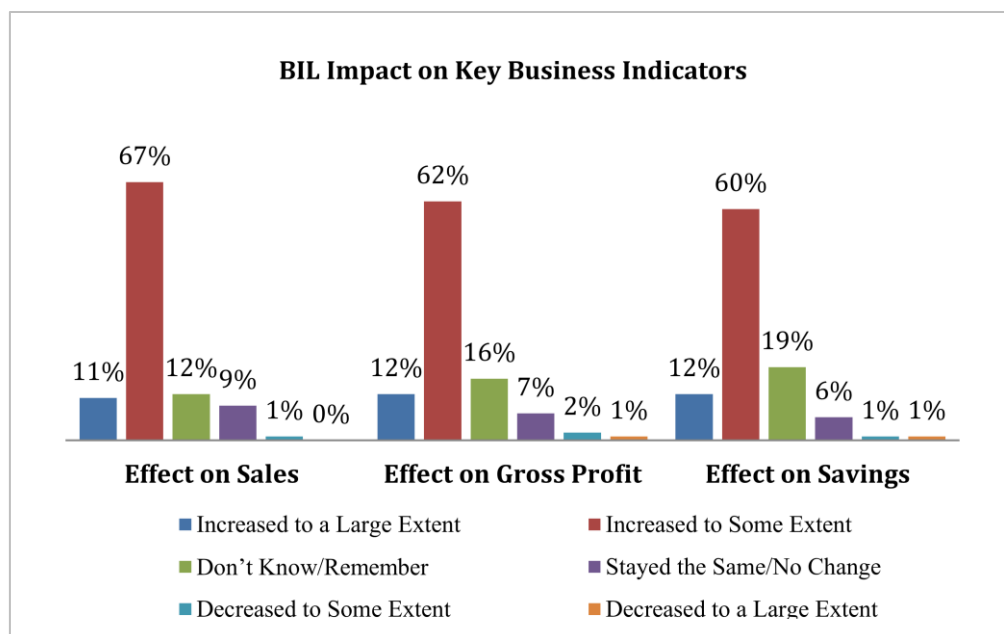
Changes in Business Post BIL Training



12% of the respondents stated that they experienced an increase to a large extent, while 62% of the respondents stated that they had seen an increase to some extent after the training. With respect to effect on savings, 12% of the respondents stated that their savings had increased to a large extent while 60% said that their savings had increased to some extent. Thus, the training was able to result in clear financial gains and benefits to the women micro-entrepreneurs.

### Job Creation

With respect to job creation, 6% of businesses graduated into small enterprises in terms of hiring other individuals. In total, for the 30 businesses that saw an increase in their employee base 102 temporary/seasonal workers and 84 permanent workers were hired. Compared to global indices: a study by the IFC in India has shown that only 2.3% of women enterprises are at the small enterprise level, while other studies conducted in West Africa and Bangladesh also corroborate the same results with less than 5% of micro businesses graduating to the next level. Keeping this aspect in view, the 6% results as seen post the BIL intervention are slightly better than global statistics and again highlight the importance of investing in the capacity and business management skills of women micro entrepreneurs.



a large extent. There was a twenty percentage point increase in the proportion of trainees who felt that their family's support to run their business increased after the Gender Training. With regard to working outside of the homes, 71% of the trainees felt that their families increased support after training in comparison to 52% before the training. With respect to family's support to running a business, 76% of the respondents said that their family's support increased as compared to 56% prior to the training.

Trainees were asked whether there was any change in decision-making authority at their households after the Gender Training. Overall, 60% of trainees felt that there was change to some

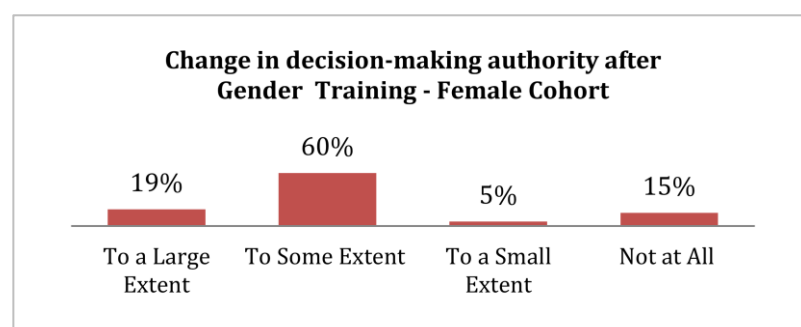
extent while 19% stated that this change was to a large extent.

After obtaining the loan and Gender Training, half the women cited improvement in relationship with their spouse; while the other half felt that there was no change. This included women who had a healthy inter-spousal relationship prior to the loan and training as well. When asked whether there was any change in domestic issues (arguments, fights, etc.) following the training: 45% stated that this remained unchanged (no issues prior to the training) while 39% reported a positive change, stating that domestic issues had decreased. Around 14% stated that they continued to fight and argue as before. At the level of a typical low income household,

## GENDER TRAININGS

### Female Cohort

The results highlighted that the overall objective of the intervention to create a more conducive and supportive environment for women micro-entrepreneurs has been achieved to

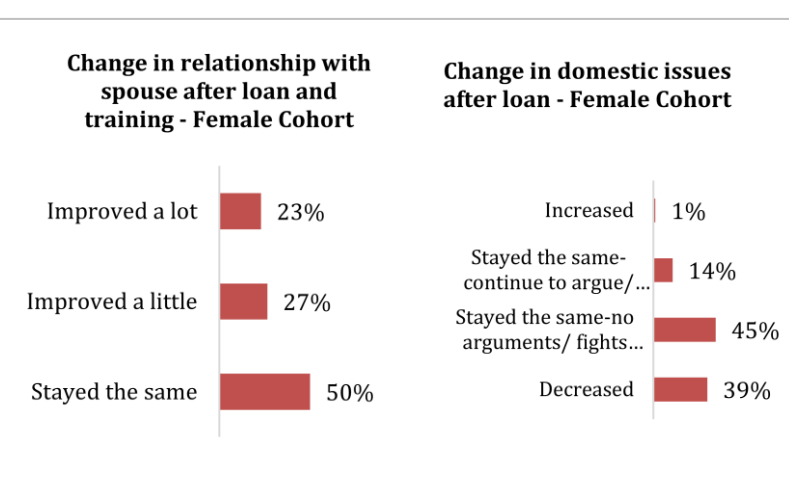


domestic fights especially those triggered over financial matters can escalate into some form of abuse. The fact that the intervention has reduced the trigger points for such escalation by 39% is quite an achievement, and highlights the need to continue such interventions in the future as well.

### Male Cohort

From the male cohort, the responses demonstrate that the training has had an impact in terms of influencing opinion. 85% of men felt that their opinion changed in regard to girls' education after the training. Opinion regarding girls' marriage age also changed overall for 86% of trainees; while 80% felt that their perception on women's mobility also changed after the training.

Moreover, 77% of the respondents overall felt that women should be allowed to work outside of their homes; this proportion stood at

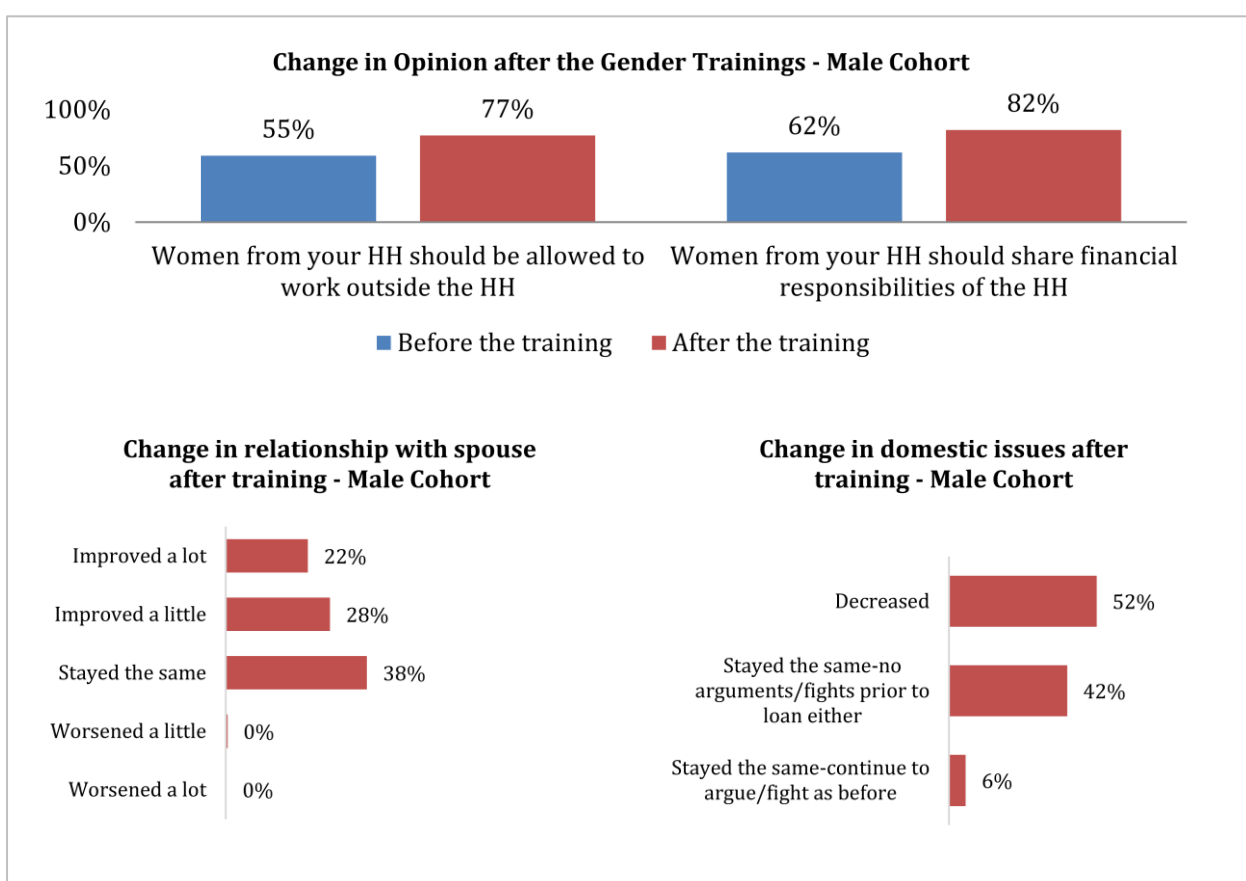


55% prior to training. Turning to financial responsibility, 82% of male trainees felt that this should be shared between men and women at the household level, up from 62% prior to training. These results again highlight the collaborative approach that the training has generated amongst male respondents.

In regard to change in domestic issues (arguments, fights, etc.) following the training: 42% stated that these remained unchanged (no

issues prior to the training) while 52% reported a positive change, stating that fights over domestic issues had decreased.

From the difference between the genders, it does appear that male participants have been more receptive in terms of change in domestic relations, and any future interventions should continue to build on this transformation. As has been seen other cases, building male champions for women's empowerment can have far





reaching results.

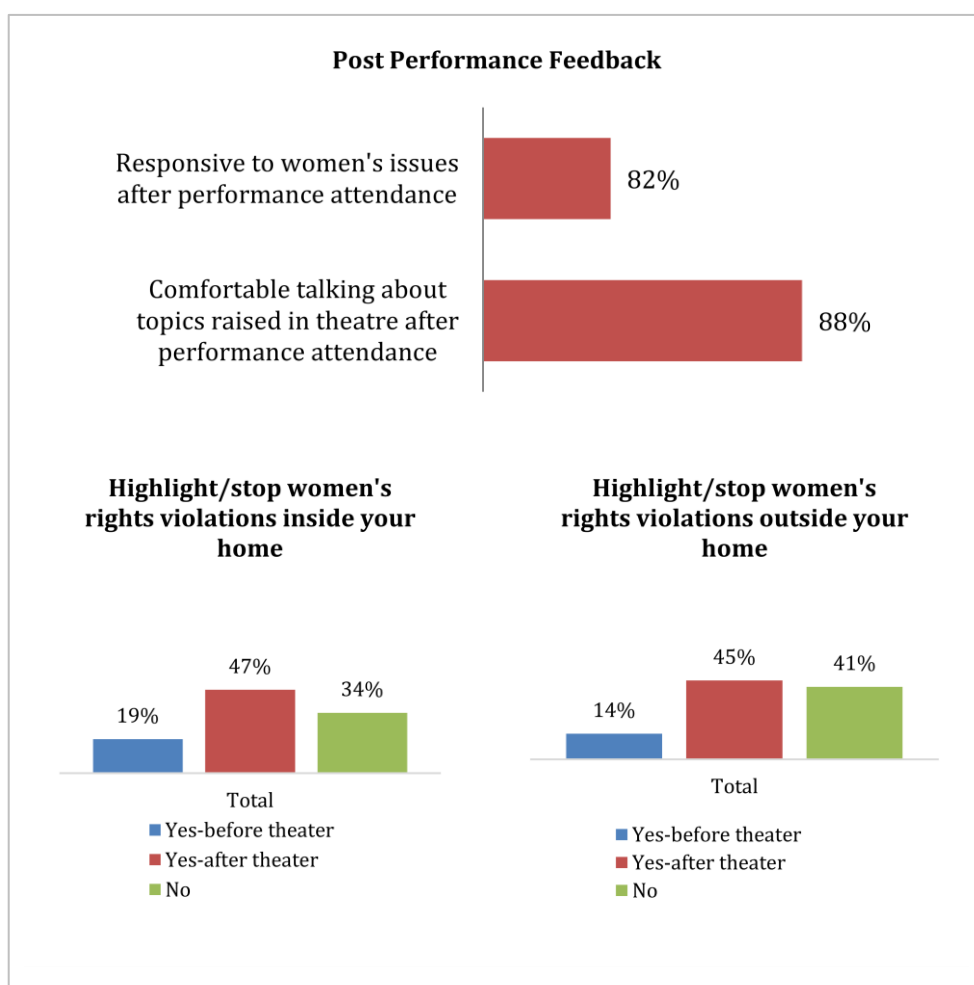
### SOCIAL THEATRE PERFORMANCES

Post-performance feedback from the women, who were part of the assessment, revealed that 88% of them felt comfortable talking about the topics/themes raised and 82% felt that they had become more responsive to women's issues after attending the performance.

As a result of the theatre performances and the awareness they helped to create, 47% of respondents stated that they highlighted or stopped violation of women's rights inside their homes and a similar proportion (45%) began doing the same outside of their homes. There has been a noticeable change in highlighting or stopping violations of women's rights post theater participation as per the findings of the evaluation, which again highlights the importance of investing in such interventions as they can positively transform attitudes.

### CONCLUSIONS

The third party evaluation has demonstrated that investing in the



capacity building of low-income women entrepreneurs reaps financial and non-financial returns for participating women and their families. Coupled with the impact of the loan which has itself been a source of empowerment, the program beneficiaries, across the board have reported significant improvements in their day-to-day financial management skills,

business returns, and decision-making abilities, which have translated into higher earnings and savings. Moreover, the community level interventions such as the social theatre performances and gender trainings with males and youth, have helped changed mind-sets around women's economic role and gender stereotypes.

### Notes

Figure 1: For SFE training relevance, an average has been taken for relevance to expense management, business management and financial management. For BIL relevance on Business Expansion has been taken as this was the major purpose of the program. For female respondents of Gender Trainings the responses for 'day-to-day management of relationships' is used in the figure, while relevance to local cultures and social norms is used for the male respondents cohort.



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Author: Zainab Saeed

Phone: +92 (42) 111 981 981  
E-Mail: [info@kashf.org](mailto:info@kashf.org)  
Website: [www.kashf.org](http://www.kashf.org)