

Self-Help Groups in Development: Evidence from South Asia and Sub-Saharan Africa

November 16, 2014

Key Points

- Rigorous evidence about SHG effectiveness remains thin and is largely limited to East Africa and four Indian states
- Evidence base is strongest for maternal, newborn and child health (MNCH) outcomes, where SHGs are generally associated with positive outcomes
- Little systematic evidence exists on factors associated with cost, scale and sustainability
- Opportunities exist for generating systematic knowledge through:
 - Evaluations to test differential effects of specific interventions and group types
 - Generating information on costs, scale and sustainability through field studies and expert consultation

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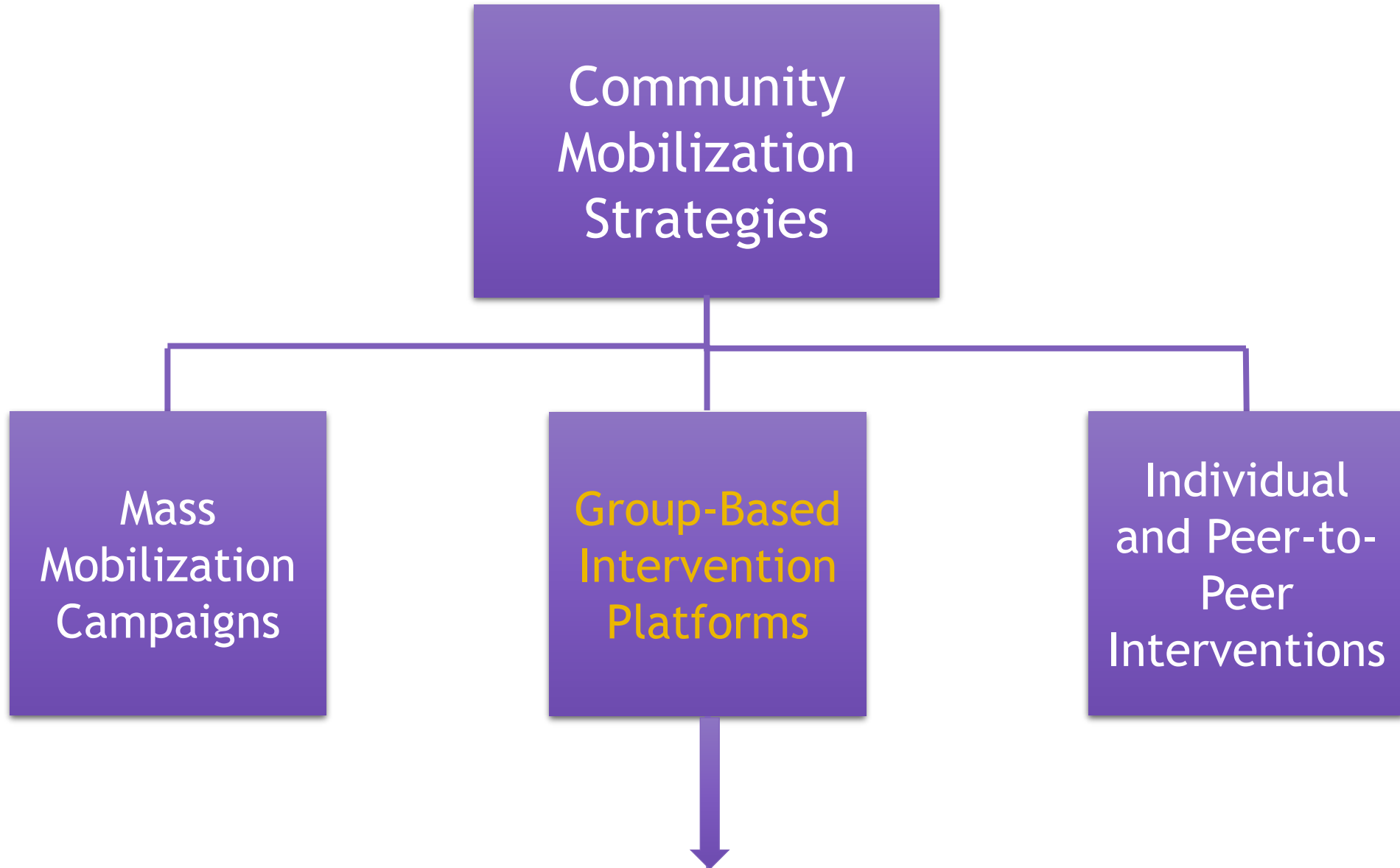
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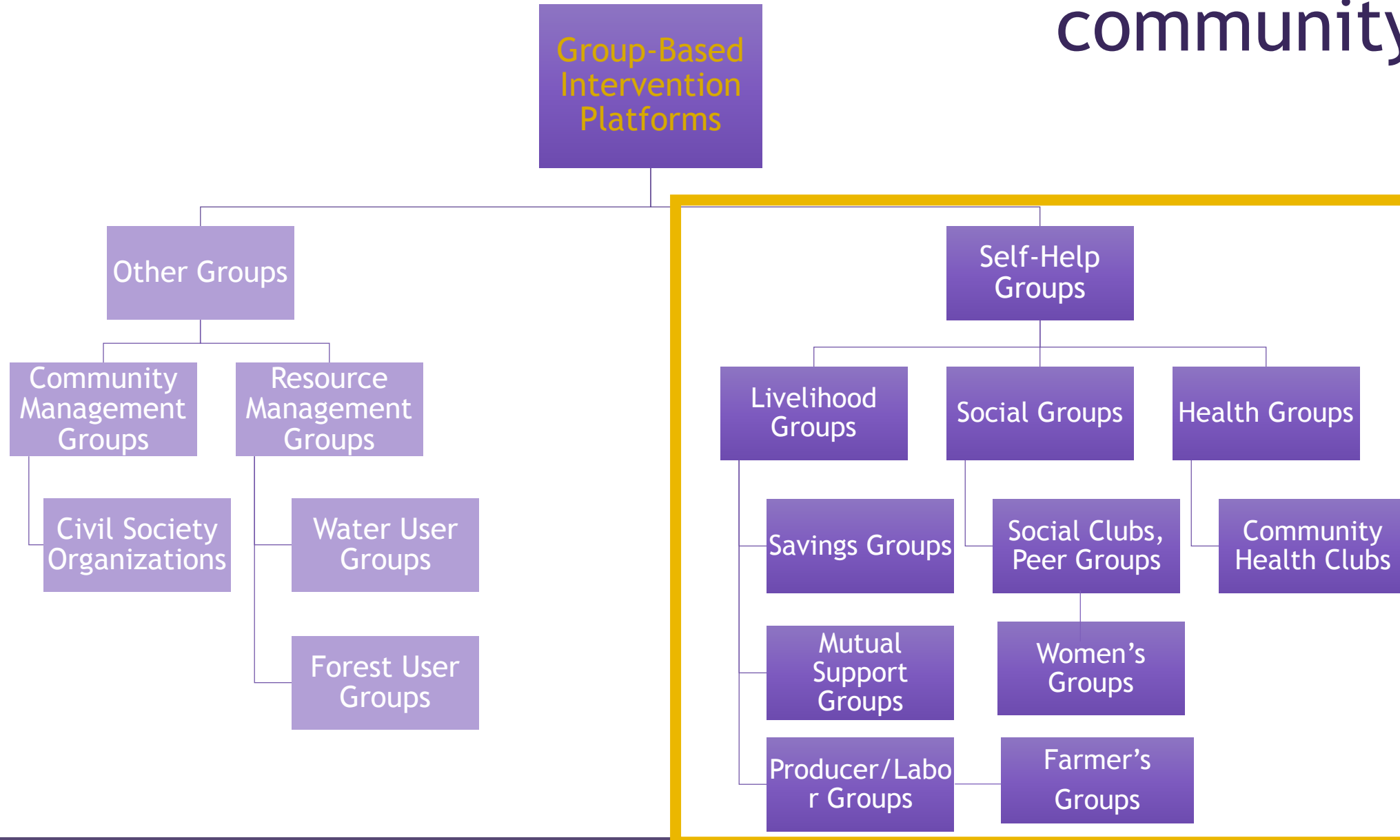
Implications of the Evidence to Date

Defining Self-Help Groups

Where do SHGs fit in Community Mobilization Strategies?



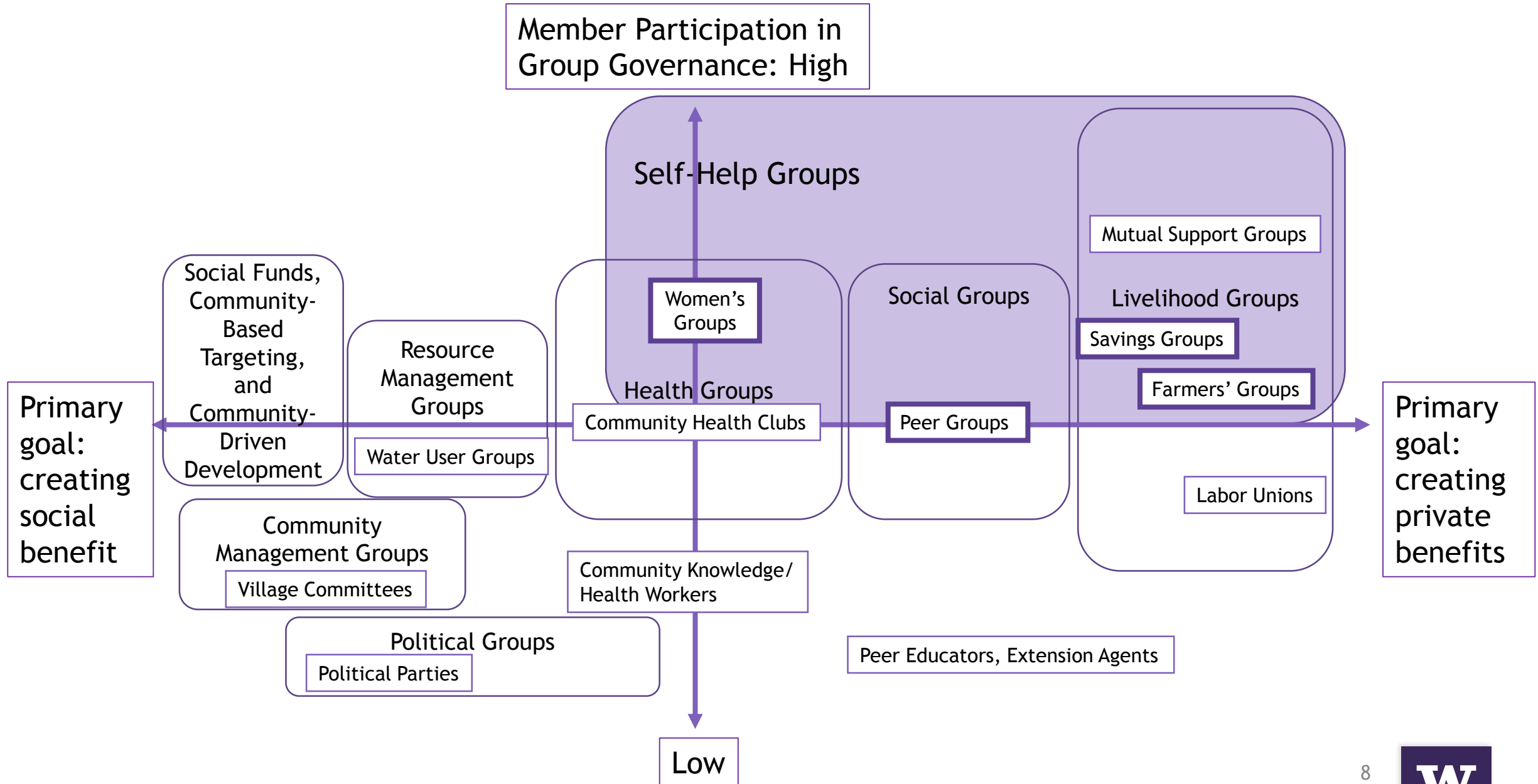
SHGs are a distinct form of community group



SHGs are distinguished by:

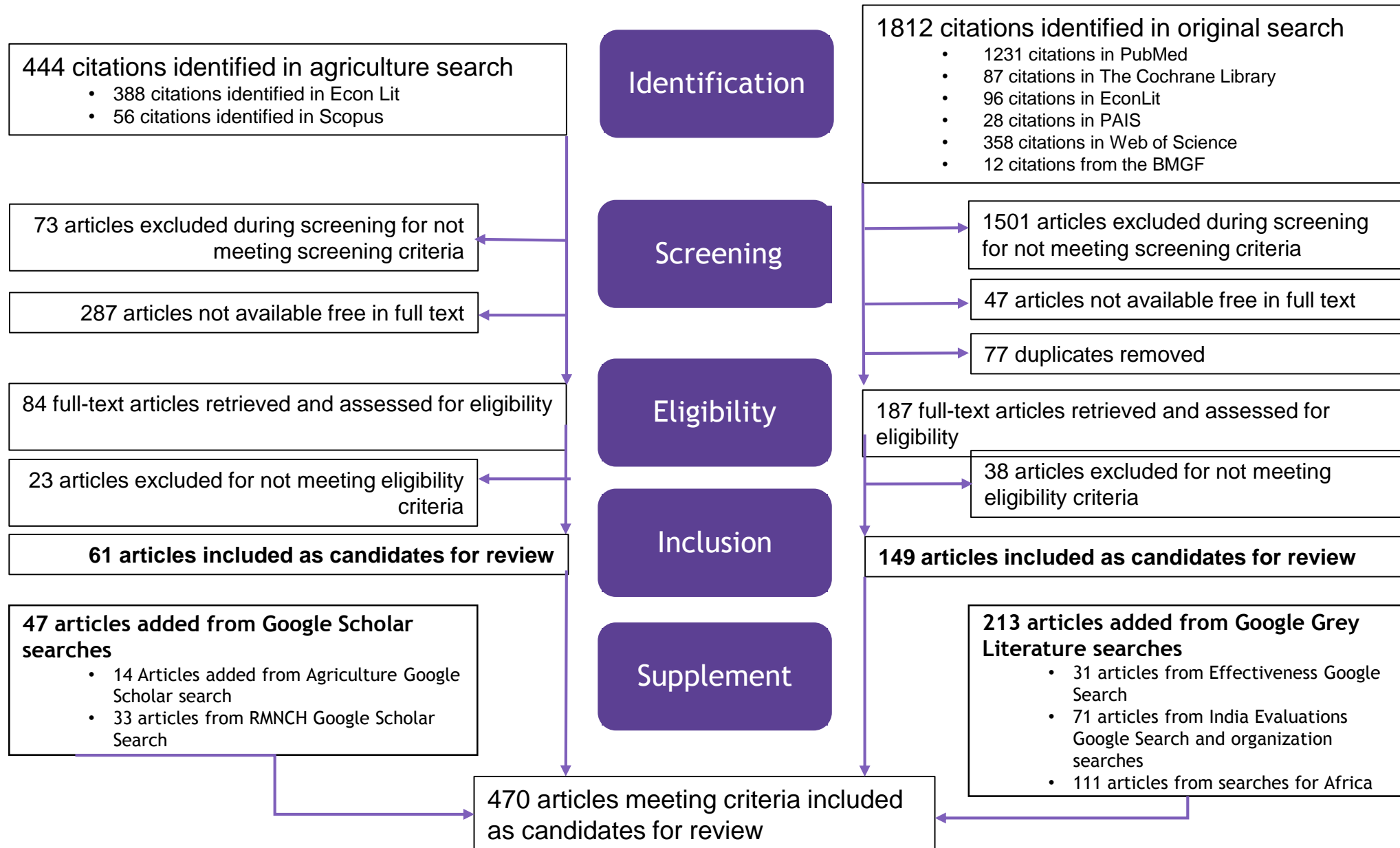
- Voluntary membership
- Member participation in group governance
- Member contribution of time, labor, and/or money
- Regular face-to-face interaction
- Primary goal is creating private benefits: improving individual member welfare

Taxonomy of Self-Help Groups



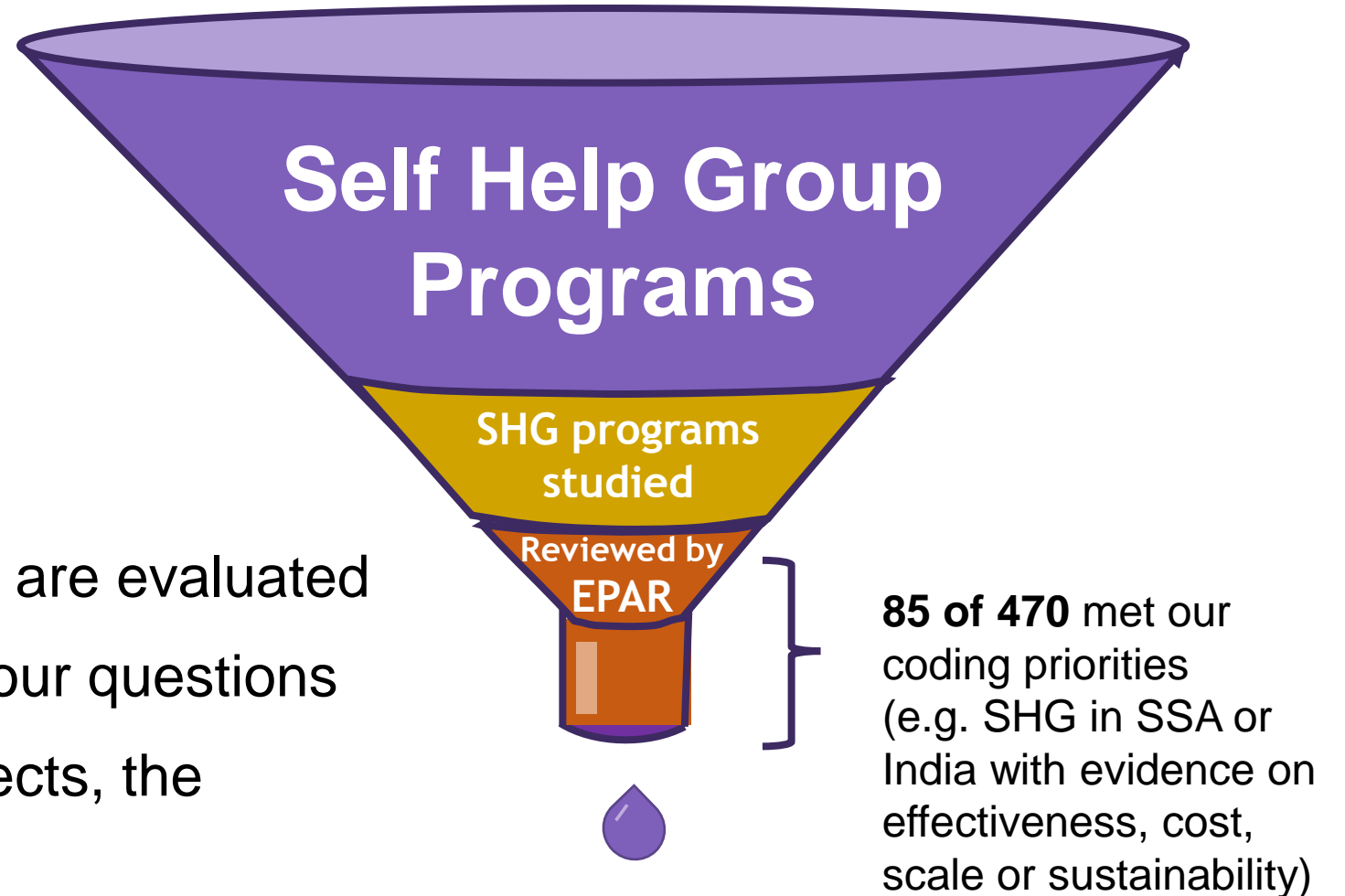
Methodology and Evidence Base

SHG Literature Selection Process



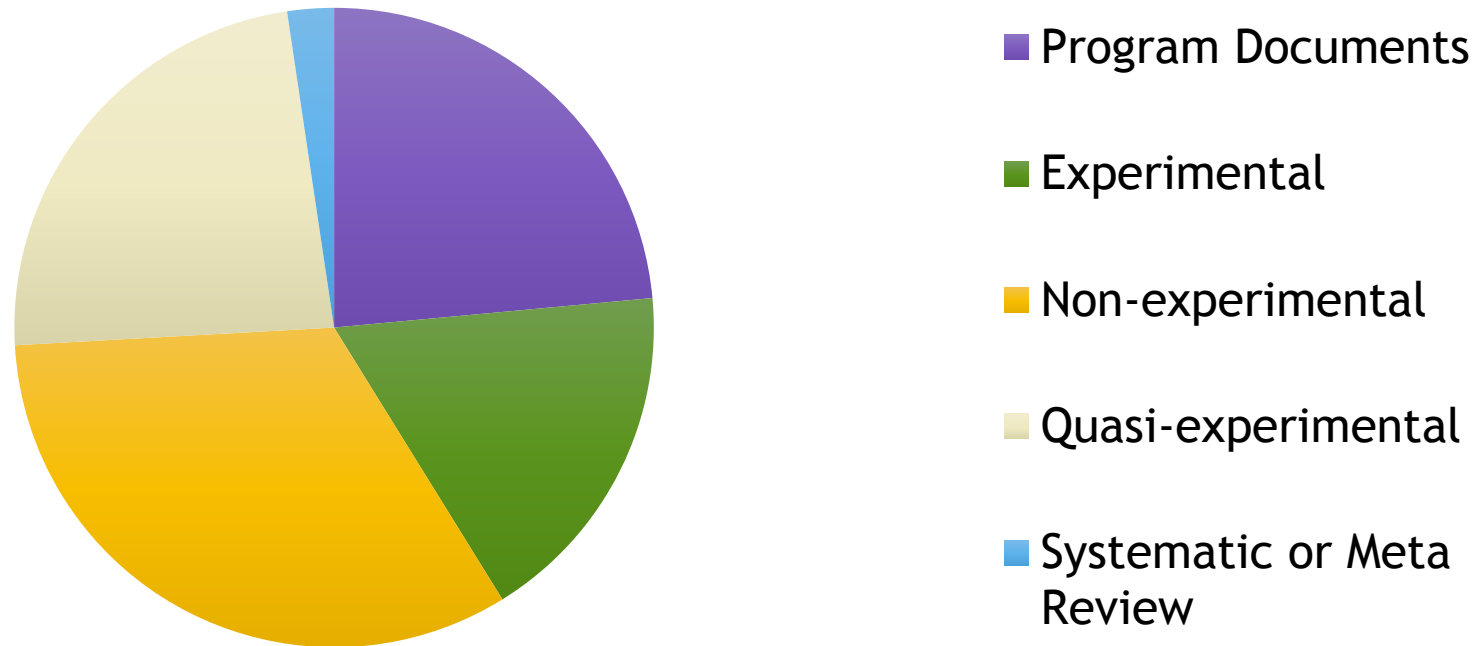
Implications

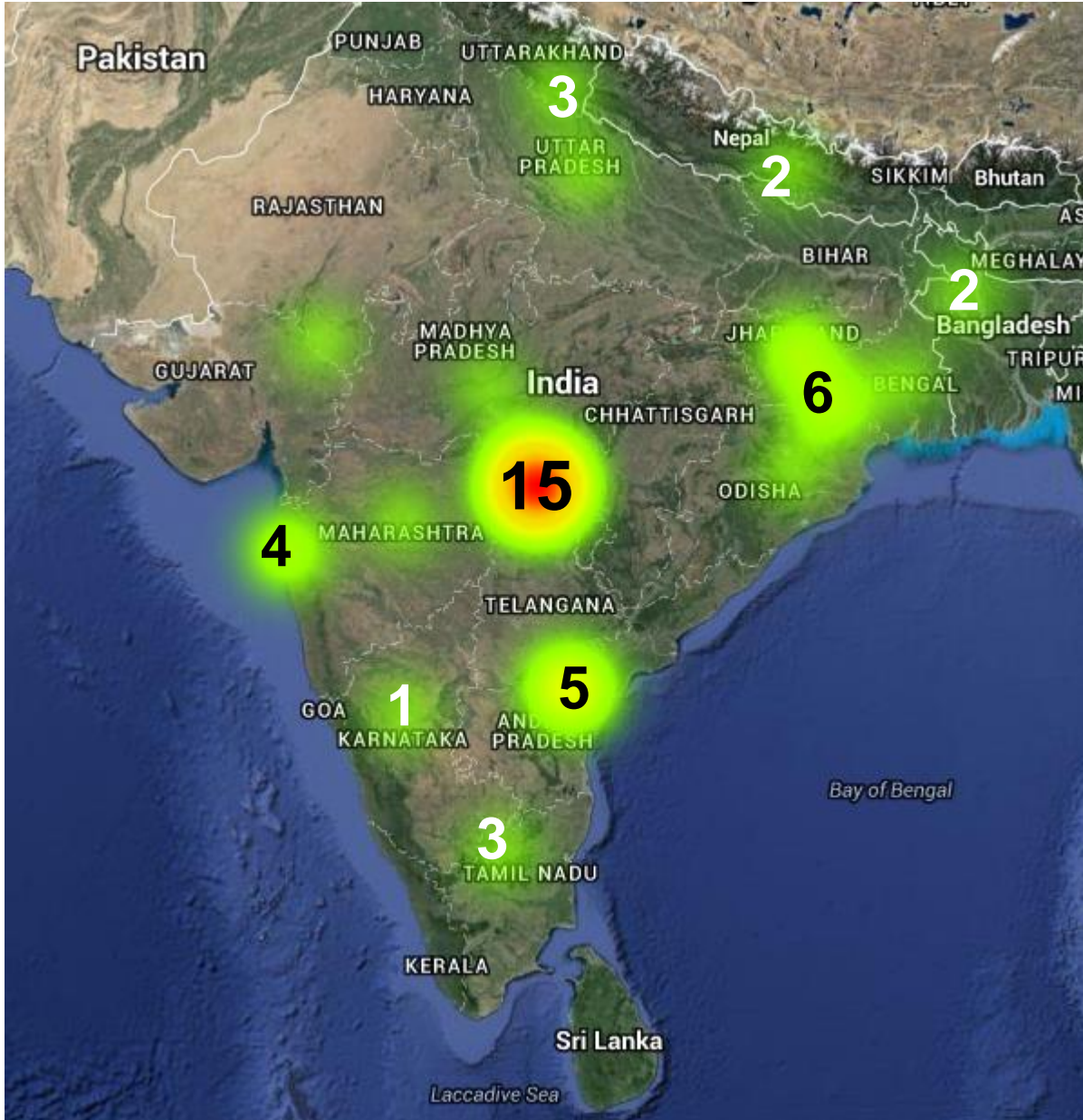
- Many more programs exist than are evaluated
- Not all evaluations can answer our questions
- Even where we see positive effects, the evidence base is quite small



Types of Evidence Reviewed

Methodology of Literature Reviewed

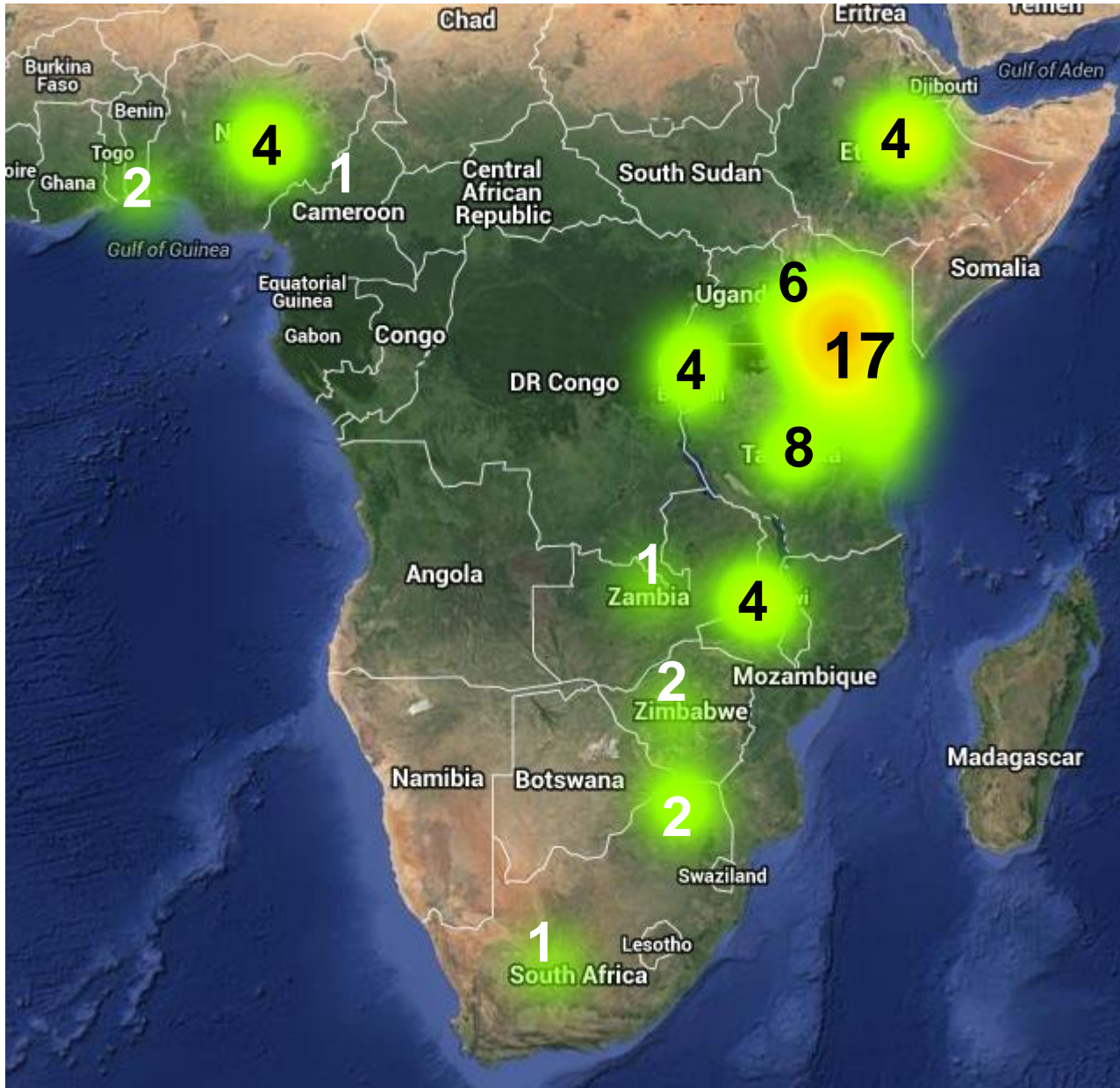




Geographic Distribution of Reviewed Articles

- 38 in South Asia
- 36 in India
 - 15 are in the states of Jharkhand, Odisha, Andhra Pradesh, and Maharashtra
 - 15 without specific states
- 2 in Nepal
- 2 in Bangladesh

Geographic Distribution of Reviewed Articles



- 44 in Sub-Saharan Africa
 - 17 in Kenya
 - 8 in Tanzania
 - 6 in Uganda
 - 5 each in Malawi and Ethiopia
 - 6 are in multiple countries
- 3 in both SA and SSA

Findings on SHG Effectiveness Organized by Outcome Area

Studies by Outcome Area

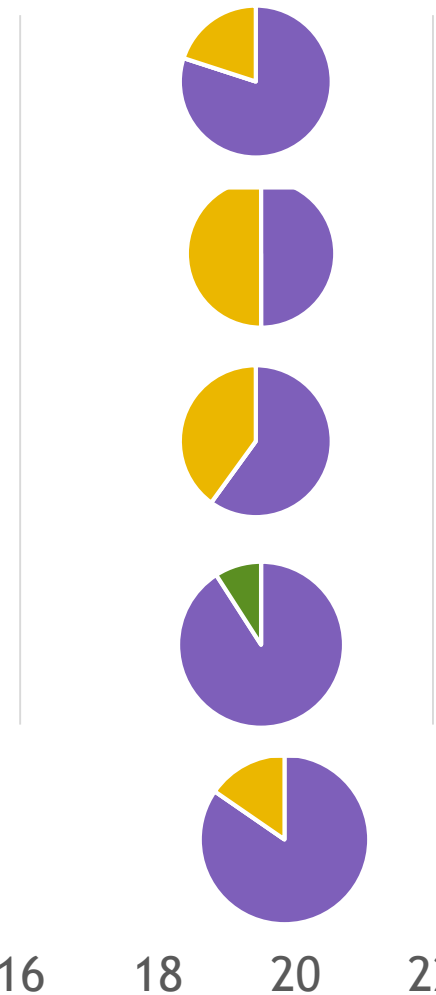
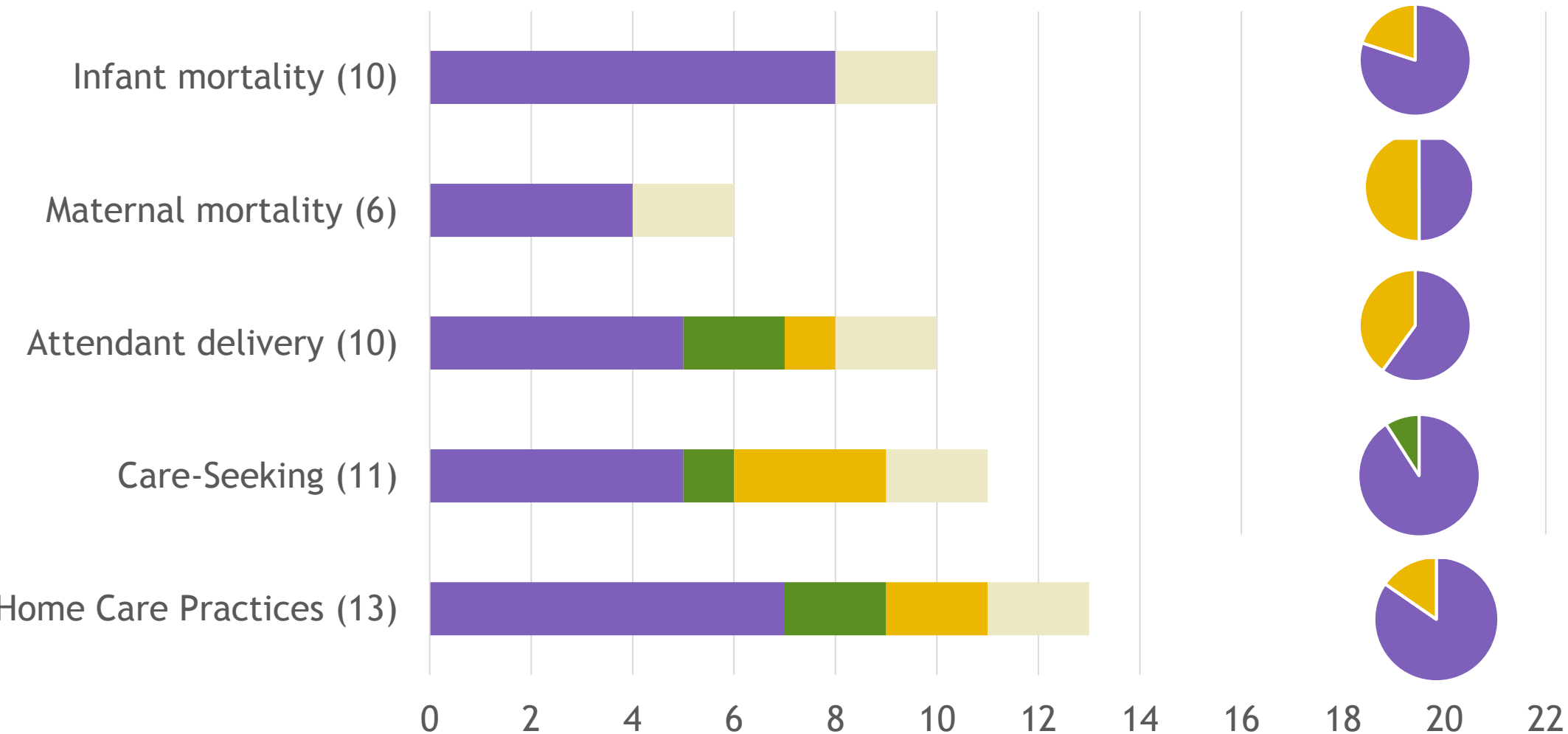
Outcome Area	Studies Reporting on At Least 1 Indicator in this Outcome Area*			
	# of studies	Geographies covered	Scale of studies	Methodology of studies
Maternal, Newborn, and Child Health (MNCH)	16 (0 not published)	2 Bangladesh, 9 India, 4 Malawi, 2 Nepal, 1 Zambia	3 local, 10 regional, 1 national, 2 multi-national	2 systematic review, 8 experimental, 2 quasi-experimental, 4 non-experimental
Reproductive Health and HIV	10 (1 not published)	3 India, 2 Kenya, 1 South Africa, 2 Tanzania, 1 Zambia, 1 Zimbabwe	5 local, 4 regional, 1 national	3 experimental, 5 quasi-experimental, 2 non-experimental
Empowerment	24 (8 not published)	1 Benin, 14 India, 5 Kenya, 1 Malawi, 1 South Africa, 3 Tanzania, 1 Uganda	11 local, 9 regional, 3 national, 1 multi-national	6 experimental, 11 quasi-experimental, 7 non-experimental
Finance	24 (8 not published)	1 Benin, 14 India, 5 Kenya, 1 Malawi, 1 South Africa, 2 Tanzania, 2 Uganda	10 local, 9 regional, 4 national, 1 multi-national	5 experimental, 10 quasi-experimental, 9 non-experimental
Agriculture	11 (4 not published)	4 India, 4 Kenya, 3 Tanzania, 2 Uganda	3 local, 4 regional, 3 national, 1 multi-national	3 experimental, 5 quasi-experimental, 3 non-experimental
Group dynamics	11 (5 not published)	6 India, 4 Kenya, 1 Tanzania,	4 local, 5 regional, 2 national,	2 experimental, 5 quasi-experimental, 4 non-experimental

*Note: Many studies report on several outcome areas.

MNCH Outcomes

Direction of Effect

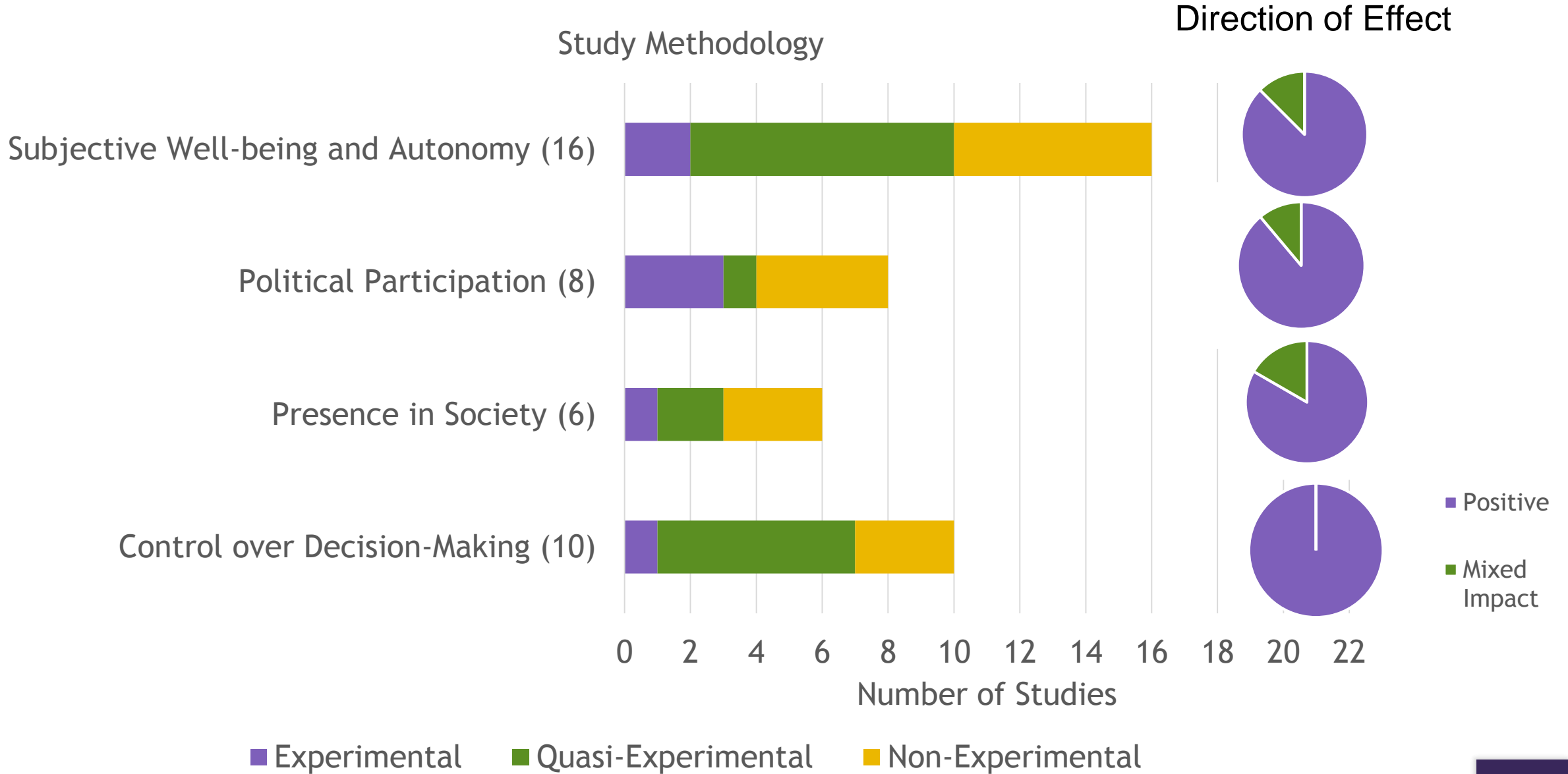
Study Methodology



MNCH Outcome Summary

- **Relatively strong evidence base**
 - 16 high quality articles, all but two based primarily in rural areas
 - 10 of the 16 are in South Asia (1 in both SSA and SA, 3 in Malawi, 1 in Zambia)
- **SHG participation is generally associated with positive MNCH outcomes.**
 - Strongest evidence base is for infant mortality rates, which are generally associated with positive outcomes.
 - Lower maternal, infant, neonatal, and perinatal mortality rates were associated with SHG interventions in most studies.
 - Improvements were largely due to improved health practices, but in some interventions were also a result of improved health care facilities or improved access to these facilities.
 - SHG participation is generally associated with improvements in care-seeking and home care practices, including:
 - Women are more aware of danger signs; likely to seek care for complications; likely to choose institutional or skilled attendant delivery.

Measures of Empowerment Outcomes



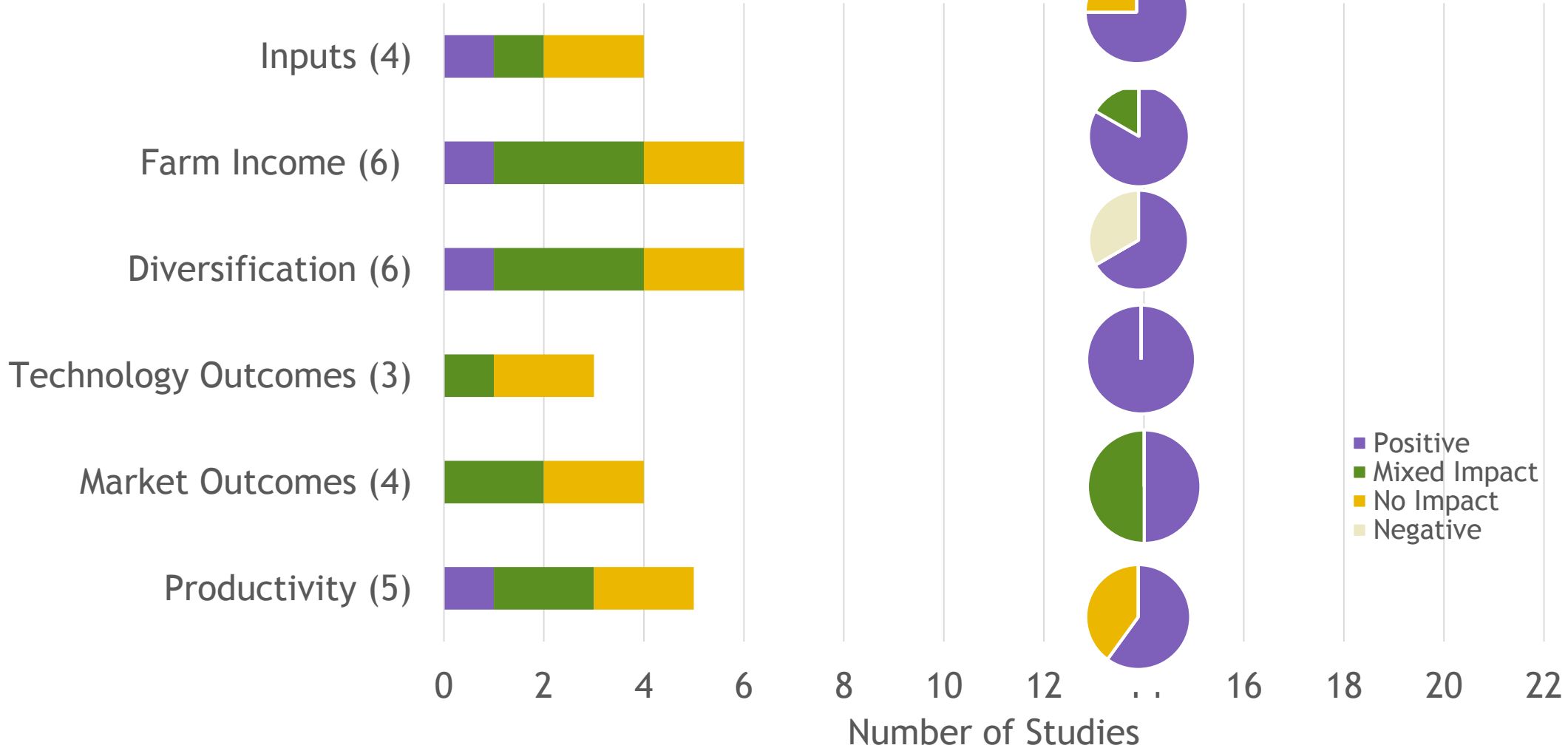
Empowerment Outcome Summary

- **Relatively large number of studies but weak technical evidence base**
 - Very few experimental studies
 - Empowerment interventions are not randomly assigned in any study
- **Empowerment is often an intermediate goal of interventions**
- **Quality and consistency of empowerment measures varies widely**
- **SHG participants consistently show positive empowerment outcomes**
 - SHGs are associated with increases in self-confidence, perceptions of autonomy, knowledge of important issues, business training, negotiation skills, financial independence, and mobility for members

Agriculture Outcomes

Study Methodology

Direction of Effect

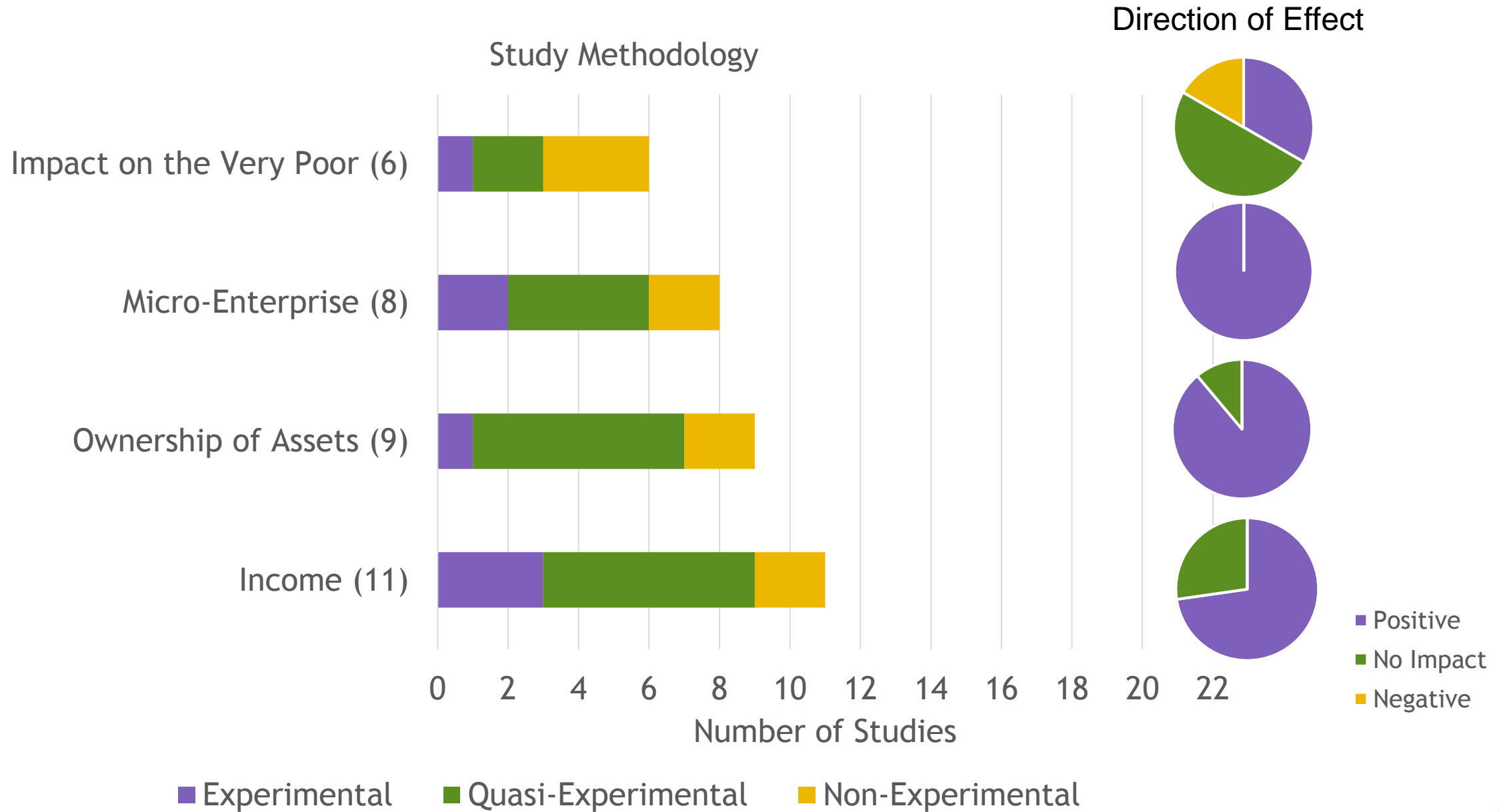


Experimental Quasi-Experimental Non-Experimental

Agriculture Outcomes Summary

- **Weak technical evidence and low number of studies**
 - Slightly more studies in SSA (7) than SA (4)
 - All SSA studies are in 3 countries in East Africa
- **SHGs were associated with mixed agricultural outcomes**
 - Most interventions worked to strengthen existing smallholder producer groups and enhance access to and better use of inputs, services, and markets
 - Other interventions included provision of loans or business training to groups that were not focused on farming but that included farmers
 - In all but one study, farmer-reported productivity, market involvement, technology adoption, income diversification, and access and use of inputs increased following the interventions
 - Productivity in many studies is not precisely or consistently measured.
 - Farm-income increased for some, but not all, group members

Financial Outcomes



Financial Outcomes Summary

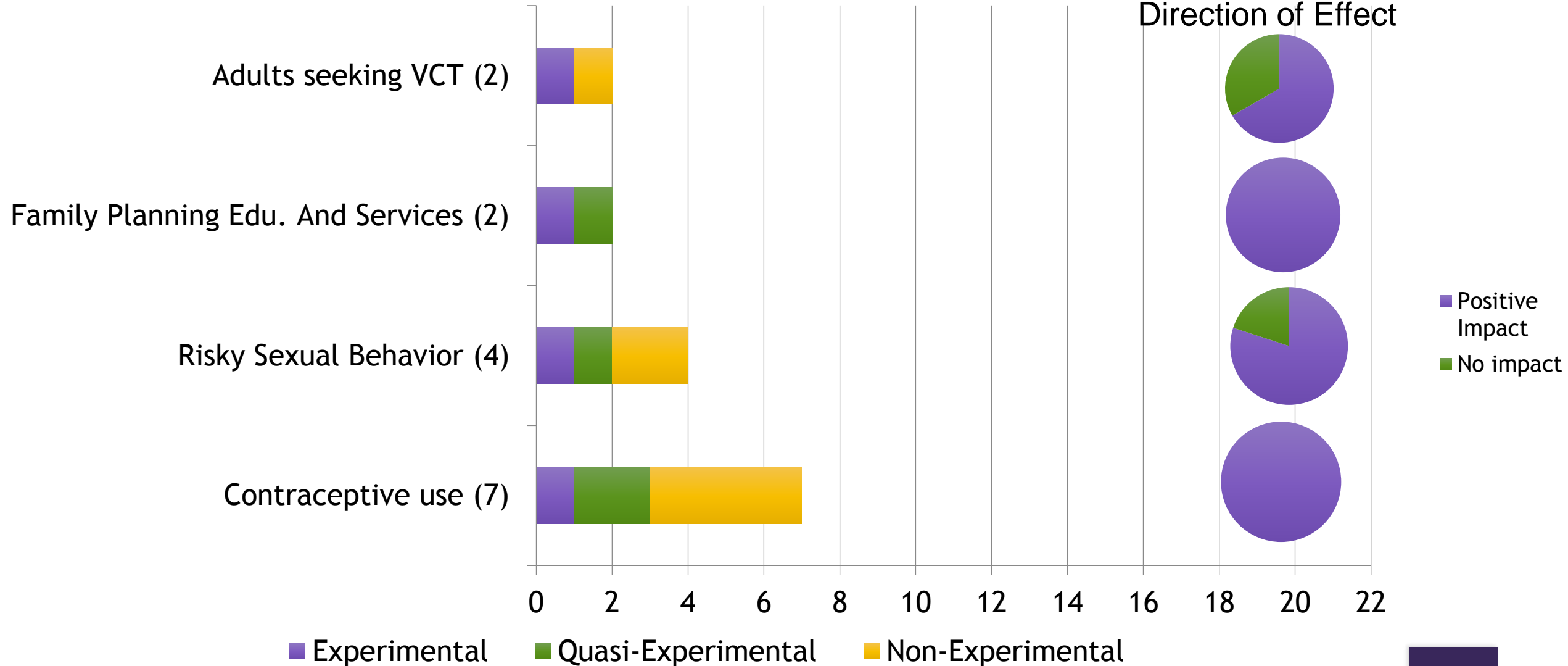
- **Medium strength of technical evidence but large evidence base***
 - More studies in SA (14) than SSA (10)
 - Half of the SSA studies were in Kenya
- **Participants in SHGs generally had positive financial outcomes**
 - Interventions typically consisted of organizing members into group savings programs, facilitating decision-making, and providing some training and support to the members.
 - 8 Studies reported growth in group members' incomes, higher farm earnings, increased income from non-sex work enterprises, income generation from microfinance, increased business profits, and increased business connections with other members. However, two studies found mixed impact on incomes, and cited risk of loss of savings.
 - None of the studies quantitatively compared the income of group members versus non-members.
 - Evidence was mixed on the effect of financial outcomes for the very poor. One study noted that even after years of membership, half of the members were still poor.

*We did not review studies on the Grameen model.

HIV/AIDS and Reproductive Health Outcomes

Study Methodology

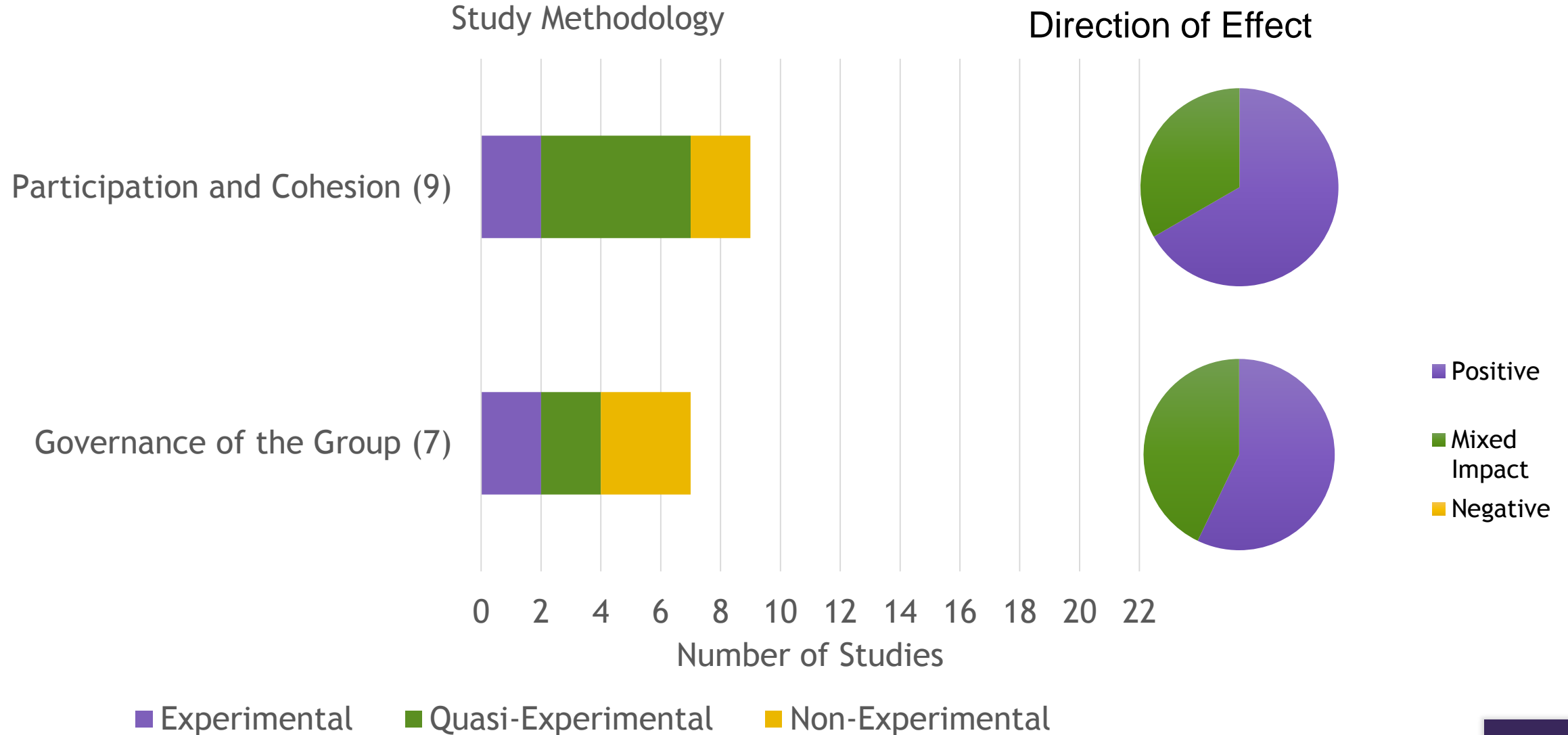
Direction of Effect



HIV/AIDS & Reproductive Health Outcome Summary

- **Weak evidence base: low number of studies and few experimental studies**
 - Higher proportion of urban-based studies, relative to other outcome areas
 - 4 in SA and 7 in SSA
- **Limited evidence that SHG participants had positive HIV/AIDS & Reproductive Health outcomes.**
 - Interventions were typically peer-mediated efforts to promote behavior change by improving knowledge, attitudes and awareness of HIV, and to facilitate early STI treatment.
 - The evidence is limited, but all seven studies observing contraceptive usage reported positive associations with SHG participation. In other outcome areas, evidence was scarce.
 - None of the studies we reviewed reported on adherence to HIV drug regimes.

Group Dynamics Outcomes



Group Dynamics Outcomes Summary

- **Medium strength of technical evidence and small evidence base**
 - Studies in both SA (6) than SSA (5)
 - Nearly all of the SSA studies were in Kenya
- **Mixed results for group governance and participation/cohesion.**
 - Several studies report that self-help groups lack skills needed to maintain records, resolve disputes, and manage finances
 - Studies reporting on group participation and cohesion found that introducing peer accountability and solidarity mechanisms such as mandatory attendance, increased meeting frequency, and social sanctions were associated with increased levels of group activity and adherence to rules
 - Few studies examined how SHG structure, including demographics, accountability mechanisms and frequency of meeting effects the levels of participation and social cohesion of the participants, but no study explicitly compared whether different forms of training or governance affected SHG effectiveness

Potential for Unintended Consequences or Harm

Is the relative absence of negative results real or reporting bias?

- Fewer than half of studies reviewed mentioned the potential for harmful effects of the intervention
- Financial harm is most frequently noted by authors, in particular:
 - Loss of savings
 - Non-marketability of goods
 - Indebtedness
- Examples of non-financial harm discussed by at least one study
 - Elite capture
 - Societal divides
 - Ability of intervention to reach the poor/most vulnerable in society
 - Differing outcomes for women from more conservative households
 - Persistence of harmful beliefs about health practices
 - Inefficient and duplicate systems for addressing societal needs

Findings on SHG Effectiveness Organized by Group Type

Types of Groups

- 3 main types of groups were included in the review:
 - Savings Groups
 - Farmers' Groups
 - Women's Health Groups
- Several other types of groups emerged that were not deeply explored, including:
 - Vulnerable Groups
 - Micro-finance groups following the Grameen Model
 - Youth Groups/Clubs/Sports Teams

Savings Groups

- May be formed by members, but often promoted by NGOs or government agencies
- Typically 10-20 members, often exclusively women
- Goals include providing reliable mechanisms for savings, increasing access to credit and/or lump sum payments, providing access to emergency funds, promoting opportunities for income generating activities, and increasing social capital
- In India especially, these groups are often linked to formal banking institutions to secure funds and gain access to external loans
- Commonly used as a platform for delivery of health and empowerment interventions
- Some models (i.e. ROSCAs) may be periodically wrapped up, while others are meant to be ongoing

Farmers' Groups

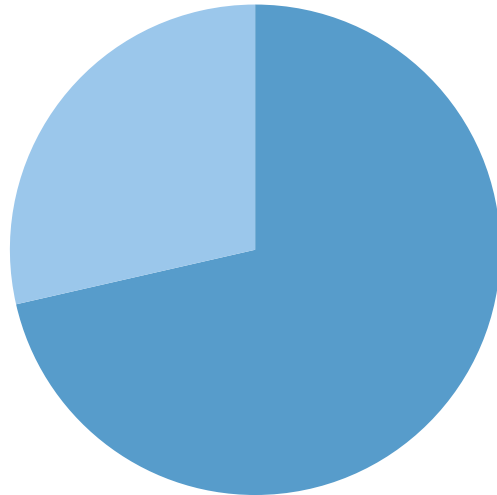
- Usually formed and supported by NGOs
- Larger than other types of self-help groups, ranging from 12-40 members, most often including women and men
- Goals include increasing access to credit and inputs, risk-pooling, accessing high-value markets to sell goods, and facilitating knowledge exchange
- Members may also participate in savings groups, and/or collective agricultural activities
- Almost always meant to be persistent

Women's Groups

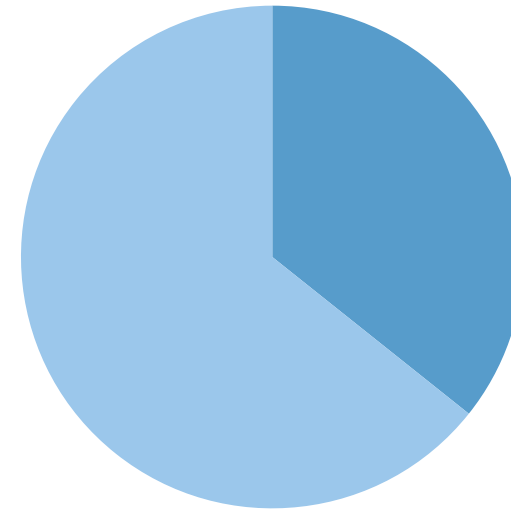
- Typically formed and facilitated by local women who have been selected and trained by intervening NGO.
- Usually, but not always, made up exclusively of women of reproductive age or women who are pregnant. Membership is typically very loose, and participation is open to any who wish to participate.
- Formed to increase knowledge about maternal and community health issues and to mobilize community responses, often through a “Participatory Learning and Action” model.
- Groups typically have a defined lifespan, usually around 1-3 years.

Breakdown of Studies by Group Type and Geography

Farmer's Groups



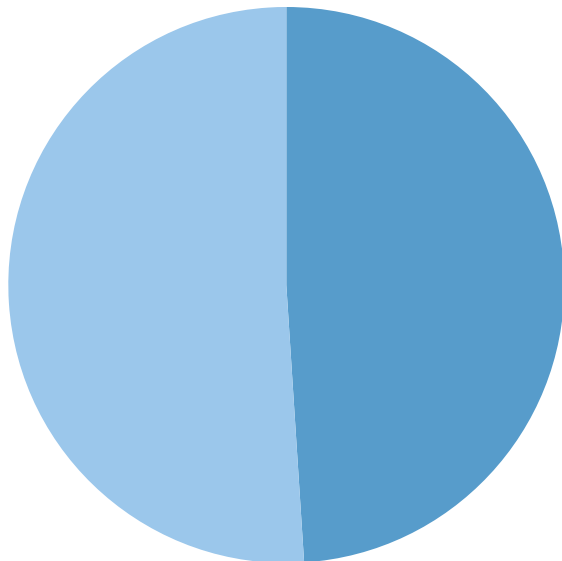
Women's Groups



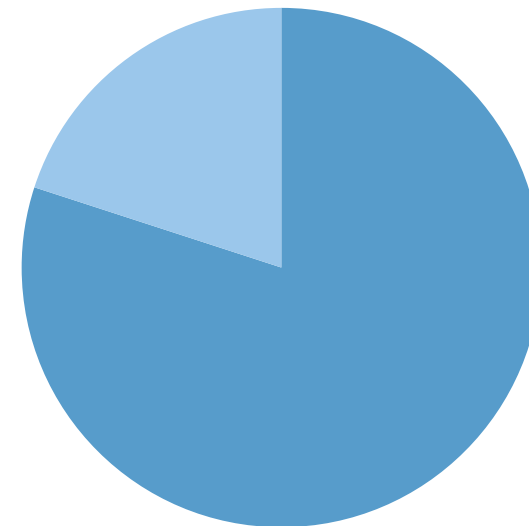
Geography

- Sub-Saharan Africa
- South Asia

Savings Groups

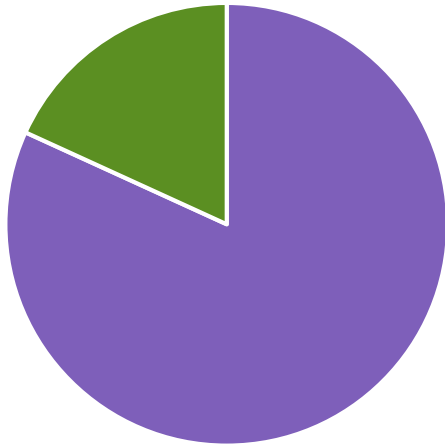


Other Peer Groups

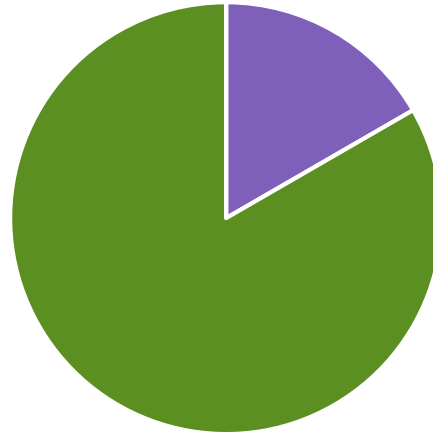


Outcome Areas by Group Type

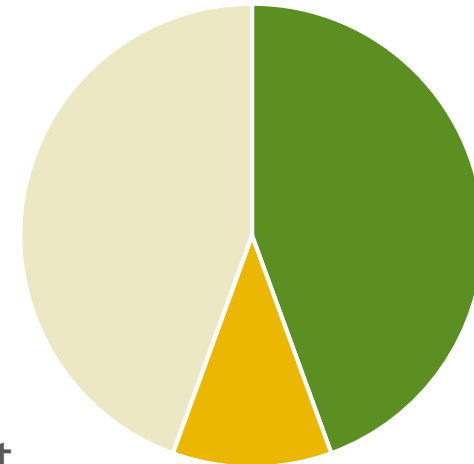
MNCH



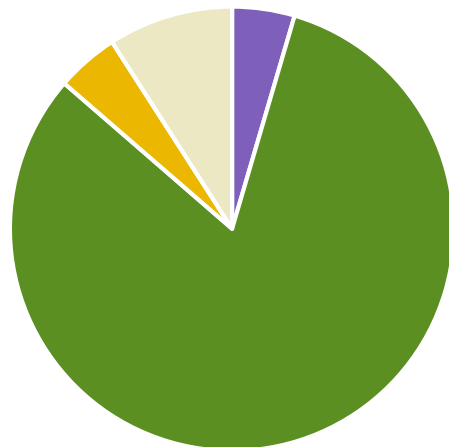
HIV/AIDS & Reproductive Health



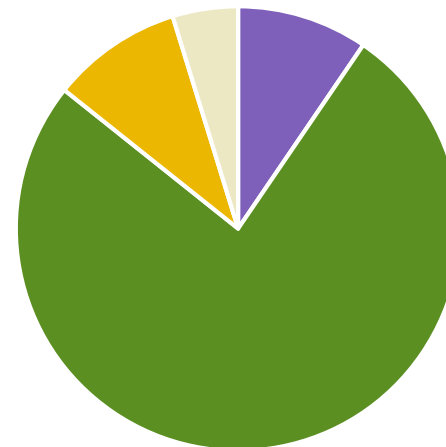
Agriculture



Financial



Empowerment



- Women's Health Group
- Savings Group
- Other Peer Groups
- Farmer's Group

Outcomes by Group Type

Group Type*	Effect of Interventions with this Type of Group on:						
	MNCH	Reproductive Health and HIV	Other Health	Empowerment	Finance	Agriculture	Group Participation and Governance
Farmers' Groups (6 studies)	No Evidence	No Evidence	No Evidence	Mixed (1 study)	Mixed (2 studies)	Mixed (4 studies)	Mixed* (1 study)
Savings Groups (53 studies)	Positive (2 studies)	Positive (5 studies)	Mixed (4 studies)	Mixed (16 studies)	Mixed (18 studies)	Positive (5 studies)	Mixed (12 studies)
Women's Health Groups (10 studies)	Mixed (10 studies)	Positive (1 study)	Positive (2 studies)	Mixed (2 studies)	Positive (1 study)	No Evidence	Positive (9 studies)
Other Peer Groups (7 studies)	No Evidence	Positive (3 studies)	No Evidence	Positive (2 studies)	Positive (1 study)	Positive (1 study)	Positive (3 studies)

Evidence Base	
	Strong Evidence 7+ Strong studies (at least regional in scale, medium or higher technical quality, and medium or higher external validity to contexts of interest)
	Medium Evidence 2-6 Strong studies
	Weak Evidence 1 Strong study
	No Evidence

Categories with 7+ studies with consistently positive effects

Note: "Mixed" indicates that while all studies report positive results, one or two studies also report mixed or not significant findings for certain outcome areas.

* 76 Studies Total. 9 Studies were excluded because they report findings from multiple group models.

Group Characteristics Summary

- Peer accountability mechanisms are an important element of savings groups, unclear how important in other groups
- Shared networks and trust appear to matter less in groups that don't involve member cash contributions such as farmers' groups and women's groups
- Unclear if more heterogeneous groups perform better or worse
- Unable to assess from literature whether variation in "group type" or platform contributes to outcomes or supports a particular layering strategy
- Difficult to analyze across other group characteristics, as they are not reported consistently
- Group size may have different effects depending on the desired outcomes.
 - For example, smaller groups appear better able to achieve financial goals but less able to achieve empowerment or other social goals.

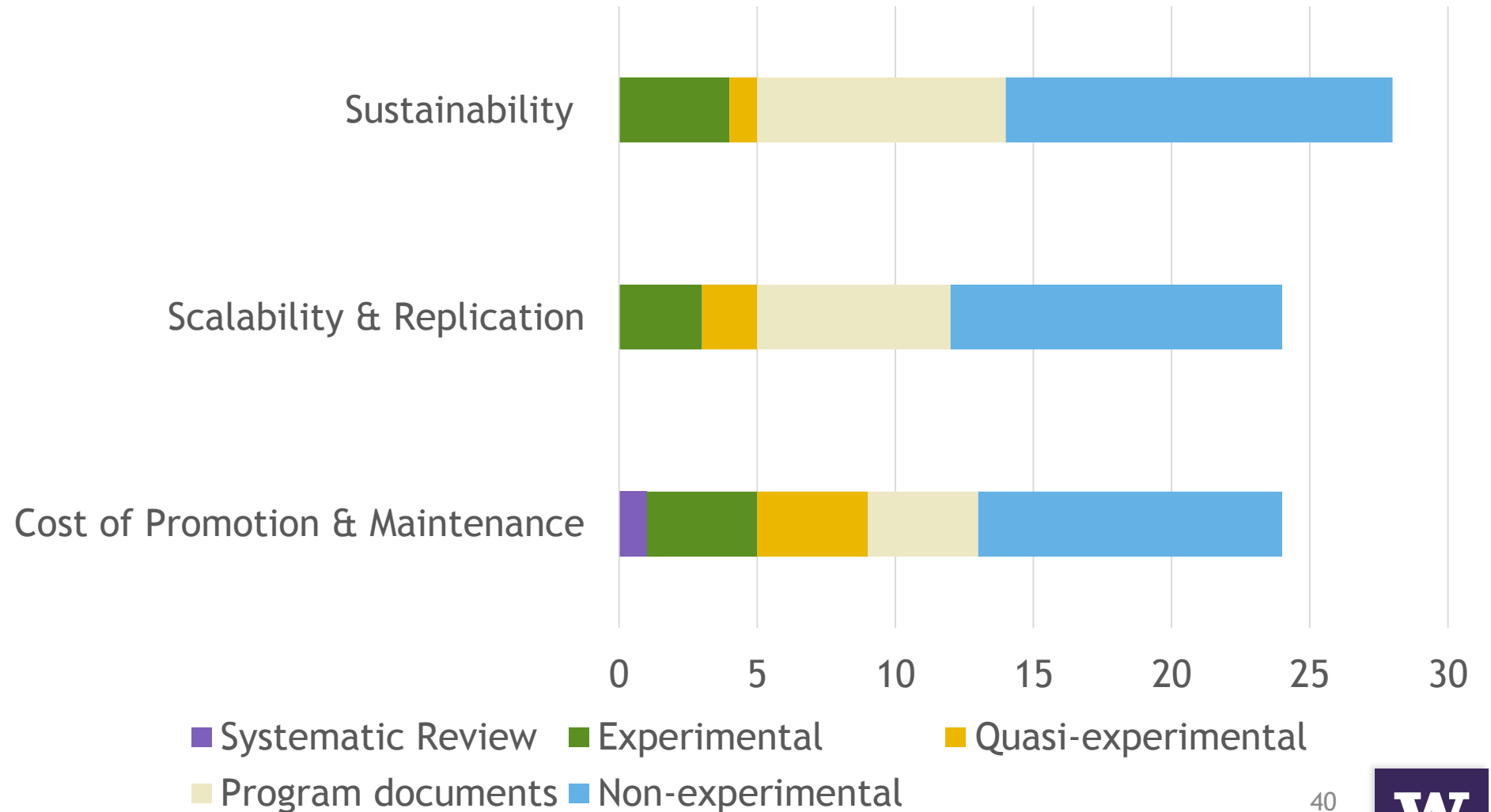
Evidence is Limited on Costs, Scalability, and Sustainability

Evidence Base - 42 Studies

Geography



Study Methodology



Limited Information about Costs or Evidence of Cost Effectiveness

Consistent data on costs are relatively rare.

India

- Estimated cost for savings group promotion (from group formation and maintenance until they are ready to receive loan):
 - \$222 per group - Indian Ministry of Rural Development estimate in 2005
 - \$130-260 per group - NGO estimates in 2012

Africa

- Cost to date of savings group intervention per member:
 - Aga Khan Foundation \$34.50 CARE \$26.20
 - CRS \$25 Oxfam \$24.60 Plan International \$22.90
- One intervention in Zambia (Ensor, 2003; Safe Motherhood Action Groups) estimated:
 - Start up costs of training volunteer facilitators cost \$408 per neighborhood which served average of 4 SHGs
 - Annual cost of running the program was \$0.46 per group member, equivalent to \$15 per delivery involving a skilled birth attendant
 - Incremental cost per additional skilled delivery was \$68, including start up, annual costs, and transportation costs

Mechanisms for scale

• SHG Federations

- Range between 25-250 member groups and provide auditing services, group promotion, trainings, and dispute resolution.
- More prevalent in India: DAHN, SERP, APMAS, Jeevika, and MYRADA
- Relatively high startup costs:
 - DAHN estimates promotional expenses of \$48,936 per SHG federation or \$196 per SHG member for support over a 5 year period.
 - SERP estimated a cost of \$92,222 per Federation or \$437 per SHG member million dollar budget to organize 38000 SHGs into 180 mandal-level federations
- Common assumption that federations lower transaction costs by aggregating loans, lowering monitoring costs and reducing defaults - not well tested
- Financial and organizational sustainability of federations is an issue

Limited Evidence on Going to Scale

• Replication

- Village agent model being tested in Africa by CARE, Oxfam, Plan International, CRS
- Forging linkages with existing institutions or resources
 - Banks
 - 7 million Indian savings groups now linked with banks, according to NABARD in India
 - Mobile banking linkages in Africa, although transaction fees and mobile access may prevent some groups from using
 - Transportation to health centers via bicycle ambulances or other transport
 - Linking groups to community health workers
 - Linking agricultural groups to buyers and markets

Challenges to Scale

- Recruitment drives can sacrifice group quality
- Unclear what level of group density is required across settings
 - One MNCH study suggests ratio of one group per 450-750 people & participation by 1/3 of pregnant women is needed to maintain effectiveness of the intervention at scale

Limited Evidence on Sustainability Over Time

- More studies or information needed over multiple points in time to understand group evolution and other SHG dynamics
- In some cases, SHG life cycle is intentionally limited
 - Periodic wrap up to allow for program exit may increase long term sustainability
 - Many health intervention groups are intended to wrap up at end of project
 - Some savings groups models (i.e. ROSCAs and ASCAs) designed to allow entry and exit at end of cycle
- Group failure most commonly results from loan default or mismanagement in savings-based groups
 - 11 studies report financial mismanagement as a barrier to group sustainability.
- Indian experience suggests sustainability at scale requires supporting policy framework & government commitment

Beneficiary Motivation to Join SHGs

Factors motivating beneficiaries to join and participate in SHG programs

- Social and educational motivations over material gain
- Increased opportunities: markets, business, access to credit, leadership roles
- Insurance: shared risk, emergency financial support, stability

Implications and Opportunities from the Evidence

Implications by Outcome Area

MNCH

- The preponderance of experimental evidence on SHGs is associated with positive neonatal, infant, and child outcomes in South Asia

Empowerment

- SHG interventions are strongly associated with positive empowerment outcomes
 - But the quality of evidence is relatively weak & measurement of empowerment inconsistent

Agriculture

- Weak evidence base, hard to draw conclusions

Opportunities: Specific Outcome Areas

- **MNCH**

- Evidence gaps are mostly in urban areas
- What explains the relatively weak results for maternal morbidity?
- Strong evidence in South Asia, but limited evidence in Africa

- **Empowerment**

- More evidence using experimental methods that can speak to causality
- Explicit attention looking for negative effects or unintended consequences such as increased labor demands or household conflict
- Establishing common and effective measures of empowerment

- **Agriculture**

- More evidence using experimental methods that can speak to causality
- Establishing common and effective measures of (sustainable) productivity
- Are the “mixed effect” results, all from Fisher and Qaim, 2011, robust?

Opportunities: Across All Outcomes

- **Explore the changes on effects, cost effectiveness, scalability and sustainability of:**
 - different group characteristics
 - different models and platforms (group types)
 - group versus individual interventions
 - different types of interventions promoting the same outcome
- **Follow interventions over time, especially to better understand start-up time, scalability and sustainability**
- **Broaden the geographic scope of evidence base**
 - Broadening the geographic scope within SA and SSA, particularly for outcomes without studies using experimental studies

Evans School Policy Analysis & Research Group (EPAR)

Professor Leigh Anderson, Principal Investigator
Professor Mary Kay Gugerty, Principal Investigator

Pierre Biscaye, Chris Clark, Zoe True, Professor Leigh Anderson, &
Professor Mary Kay Gugerty

EPAR's innovative student-faculty team model is the first University of Washington partnership to provide rigorous, applied research and analysis to the Bill and Melinda Gates Foundation. Established in 2008, the EPAR model has since been emulated by other UW Schools and programs to further support the foundation and enhance student learning.

Please direct comments or questions about this research to Leigh Anderson and Mary Kay Gugerty, at eparx@u.washington.edu.

The findings and conclusions contained within this material are those of the authors and do not necessarily reflect positions or policies of the Bill & Melinda Gates Foundation.

Appendix

Summarizing What we Know

- Programmatic effectiveness
 - Adolescents: weak evidence; Social norms: medium evidence
- Cost-effectiveness
 - Medium evidence, largely in MNCH, some in grey literature. An area for more research.
- Relevance in different geographic settings and settings (rural, urban, etc.)
 - Stronger evidence for rural settings. Urban is an area for more research.
- Time to start up
 - Some of this info is available in the grey literature, but the evidence base is weak.
- Reach/scalability
 - Some of this info is available in the grey literature, but the evidence base is weak.
- Sustainability
 - Some of this evidence is available in the published literature, but it is more available in the grey literature. Very context specific and little evidence on groups that failed.
- Critical drivers to success - including drivers to quality (e.g. facilitators)
 - some of this info is available in the grey literature, but the evidence base is weak and very context specific.
- General observations about how non-SHG models compare on these factors to SHGs
 - SHGs as we defined them include these types of groups and we did not compare to groups outside of our definition. We compared group type within our definition of SHGs which included Indian SHGs which dominated the Indian landscape.

Coding Priorities for Ranking Articles for Review: from 470 to 89 Studies

- **Relevance of the research question**
Rank from low to high by how directly SHGs and outcomes of interest are addressed.
- **Evidence of effects**
Assign articles a rating indicating overall technical quality of the study.
- **Publication date post-2005**
Prioritize recent information, assuming that more recent articles will refer to earlier findings and evidence.
- **Focus on adolescents**
Prioritize evidence that addresses the effects of investments on adolescents.
- **Publication status**
Prioritize published articles that have undergone peer review.
- **Number of citations**
Use as a market test of influence, while considering that more recent articles will have fewer citations.
- **Cost and scalability information**
Evidence that can inform investment decisions beyond effectiveness, including costs, scalability, and sustainability.
- **Organizations with expertise**
Prioritize program documents from respected organizations working with SHGs.
- **Negative, null, or controversial outcomes**
To avoid bias towards positive outcomes, note evidence of potential negative or controversial outcomes.

Survey Measures of Empowerment*

- **Autonomy**
 - Reported control over own life
 - Ability to go to the doctor, market, community center
 - Financial independence
- **Subjective Well-being and Confidence**
 - Attainment of skills
 - Reported happiness with own life
 - Ability to negotiate over condom use
 - Assertiveness over business decisions
 - Increased income
- **Presence in Family & Decision-Making**
 - Increased contribution to household finances
 - Increased role in household decision making
- **Presence in Society**
 - Ability to participate in community events
 - Participation in village meetings
 - Knowledge on where to report grievances about public services
 - Community responds to grievances about public services

*Measures collected from the following articles: de Hoop, et al. (2014); Deininger & Liu (2009); Desai & Joshi (2012); Odek, et al. (2009); Swain, et al. (2009)