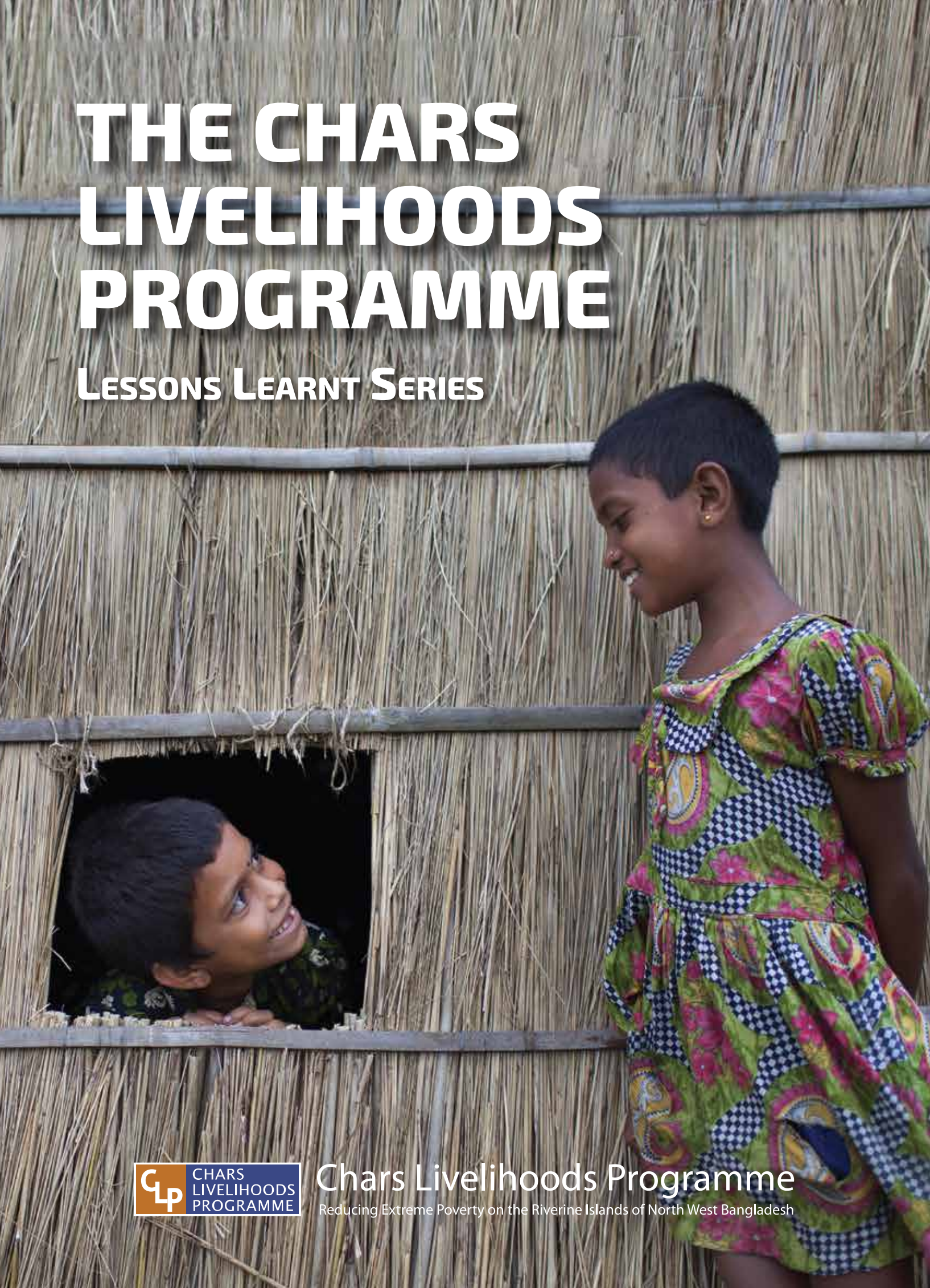


# THE CHARs LIVELIHOODS PROGRAMME

LESSONS LEARNT SERIES



Chars Livelihoods Programme  
Reducing Extreme Poverty on the Riverine Islands of North West Bangladesh

**THE CHARS LIVELIHOODS PROGRAMME**  
**LESSONS LEARNT SERIES**



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## CLP ACRONYMS

|          |  |
|----------|--|
| CBO      | Community Based Organisation   |
| CDOs     | Community Development Officers   |
| CLP      | Chars Livelihoods Programme  |
| CLP1     | Chars Livelihoods Programme Phase 1, implemented from July 2004 to March 2010  |
| CLP2     | Chars Livelihoods Programme Phase 2, implemented from April 2010 to March 2016 |
| CPHH     | Core Participant Household   |
| CPK      | Char Nutrition Workers (Char Pushti Karmi)                                     |
| CSK      | Community Health Workers (Char Shasthya Karmi)                                 |
| CSS      | Customer Satisfaction Survey   |
| DEMO     | Data Entry and Monitoring Officer  |
| DFAT     | Australian Department of Foreign Affairs and Trade                             |
| DFID     | UK Department for International Development                                    |
| DNIP     | Direct Nutrition Intervention Project  |
| EBF      | Exclusive Breastfeeding  |
| F&A      | Finance and Administration Division  |
| GoB      | Government of the People's Republic of Bangladesh                              |
| HR       | Human Resources  |
| IEP      | Infrastructure Employment Project  |
| IMLC     | Innovation, Monitoring, Learning and Communications Division                   |
| IMO      | Implementing Organisation  |
| IWS      | Improved Water Supply  |
| IYCF     | Infant and Young Child Feeding   |
| IYP/YP   | International Young Professionals  |
| LF       | LogFrame or Logical Framework  |
| LGRD & C | Bangladesh Ministry of Local Government, Rural Development and Cooperatives    |
| M&E      | Monitoring and Evaluation  |
| NGO      | Non-Governmental Organisation  |
| NO       | Nutrition Officers   |
| NS       | Nutrition Supervisors  |
| ODI      | Overseas Development Institute   |
| RDCD     | Bangladesh Rural Development and Cooperatives Division                         |
| SSPs     | Special Service Providers  |
| Tk       | Taka (unit of currency in Bangladesh)  |
| UP       | Union Parishad (local government body)   |
| VDC      | Village Development Committee  |
| VfM      | Value-for-Money  |
| VSLA     | Village Savings and Loans Association  |
| WASH     | Water, Sanitation and Hygiene  |



# AN OVERVIEW OF THE BRIEFS

CLP was co-financed by the UK Department for International Development (DFID) and the Australian Department of Foreign Affairs and Trade (DFAT). It was managed by Maxwell Stamp PLC and sponsored by the Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C) and executed by the Rural Development and Cooperatives Division (RDCD) of the Government of the People's Republic of Bangladesh.

CLP operated in two phases – CLP1, from 2004 to 2010, and CLP2, from April 2010 to March 2016. Over that time, CLP accumulated substantial experience from working with the extreme-poor in remote areas.

CLP is widely recognised as having been a very successful programme. CLP2 directly (and in many cases dramatically) transformed the lives of over 78,000 core participant households, and improved the livelihoods of one million poor and vulnerable people. Moreover, it achieved this while operating in one of the most challenging environments in the world: the riverine island chars in the Jamuna (Brahmaputra), Teesta, and Padma rivers of north-western Bangladesh.

During the course of its implementation, CLP needed to undergo a number of major changes, to respond to a range of new challenges, and to test out a variety of approaches. It involved itself in many different activities, spanning everything from livelihood improvement to market development, from social protection to land reform, from education to nutrition, and from health to veterinary services.

## BACKGROUND

Escaping the cycle of poverty is especially difficult in the char context of Bangladesh. Households not only need to withstand environmental challenges, they also have to carve out a livelihood in a place where access to markets is difficult. The poorest households are susceptible to the effects of the annual floods, which can destroy their homes and deprive them of nearly all their possessions. In addition, their usual source of income – agricultural day labour – has seasonal fluctuations in demand, so there are regular times when there is not enough work.

Besides lacking adequate food, housing and land, the geographical isolation also means that char-dwellers often do not get access to basic social safety nets or health and education services. Women on the chars face an additional set of challenges because social norms are patriarchal, opportunities for education are limited and they have little control over family finances or decision-making.

CLP's programme focused on improving livelihoods; food security; water, sanitation and hygiene practices; nutrition; and building women's empowerment and resilience. CLP's support was largely provided to adult females in the form of an integrated package. At the end of the 18 months of assistance, CLP aimed for participants to have "graduated" or moved out of extreme poverty.

A cornerstone of CLP programme was the provision of an asset that could generate an income. Households were able to use the initial asset to gradually accumulate further income-generating assets, typically livestock and land. These provided diversified incomes for participants and decreased their reliance on wage labour. In addition, by helping to move homesteads above the flood level by building raised plinths, CLP was able to help provide residents with greater resilience to environmental shocks.

The Programme's goals sought to address a number of vulnerabilities across different dimensions: physical, economic, It was inevitable that certain challenges would arise. The set of Lessons Learnt Briefs developed by CLP cover a vast range of activities and take a hard look internally at many of the Programme's operations. While naturally not an exhaustive investigation of the entire range of CLP activities and impacts, the collection of Briefs focuses on a series of issues related to selecting extreme-poor participants and developing specific programmes to cater to their needs; monitoring and assessing success across certain programmes and priorities; managing internal corporate structures and systems; and evaluating the long-term ramifications of CLP's work.

## THE BRIEFS

Over the years it operated, CLP learnt a number of very important lessons. These lessons are now documented in a series of Lessons Learnt briefs which are intended to share CLP's experience with donors and practitioners, both in Bangladesh and further afield.

The following overview offers an introduction to the topics covered by the various briefs.







## SELECTING PARTICIPANTS & MEASURING SUCCESS BRIEFS

Selecting the right participants is one of the core challenges for any poverty reduction programme because it determines how efficiently the investment reaches the targeted population. It is important, therefore, to examine the practical aspects of establishing criteria for targeting beneficiaries and selecting participants. At the same time, developing a set of indicators to measure graduation can be an integral part of estimating success, not only for the programme's donors but also its participants.

The credibility and effectiveness of development efforts is challenged when resources fail to reach those most in need, so well-resourced and well-managed monitoring and evaluation systems are essential to monitor progress and outputs.

This subset of Briefs examines how, in some cases, definitions needed to be broadened and adapted to local contexts. The Briefs also explore the challenges that were encountered when disagreements arose about such definitions and how delays were created when over-review became a phenomenon. It is clear from these briefs how important it is to collect reliable information, measure progress and conduct regular internal analysis and audits.

### **Defining who to target and how to develop selection criteria:**

- A set of selection criteria for defining extreme poverty that takes the wider context into consideration resulted in a finer selection of participants and greater acceptance in the communities than narrow, income-based criteria.
- Adopting a broader definition of "char" helped GoB and DFID reconcile their understandings of the targeted working area and allowed CLP to add more households in need to the programme.
- Targeting women served to increase women's empowerment as well as providing an additional income to the household.
- CLP2 broadened inclusion to those not selected as direct participant households. This was done to reduce possible social division arising from supply of high value inputs to a targeted group within a population in which there is an undoubted, pervasive general need for support.
- A range of interventions like sanitation, behavioural change and disease control are best tackled with a community-wide approach.

### **Developing graduation criteria:**

- Be clear on the purpose of your graduation criteria and ensure stakeholders agree.
- Establish your graduation criteria early on and don't over-review.
- Make sure there is a logic to the criteria you select, and their thresholds.
- Think through the data collection, analysis and reporting framework early.
- Changes to the LogFrame might affect your graduation criteria.
- Once agreed, make sure staff are aware of the graduation criteria.
- Don't forget to track sustainability of graduation.

### **Developing Monitoring & Evaluation systems:**

- Consider tracking a range of important indicators rather than over-emphasising household income and expenditure.
- The pipeline control can be a good approach to demonstrating a level of attribution.
- Develop a set of themes for packaging information.
- Involve the community in setting indicators and thresholds (targets).
- Develop a simple activity / output monitoring system and don't overdo it.
- Outsource the quality control of activities / outputs.
- Integrate M&E and Communications functions

## **DEVELOPING & IMPLEMENTING SPECIFIC PROJECTS**

Among the many efforts of CLP, there were specific projects that were implemented during the course of CLP's operations. A small set of these projects are explained and critiqued in the Lessons Learnt Briefs. Included here is an evaluation of the direct nutrition programme, a discussion of the benefits of mobile cash transfers, and the tricky issue of how to measure women's empowerment. In this subset of Briefs, issues of adapting traditional values, dealing with low levels of literacy and the significance of community-wide implementation and involvement come to the fore. A number of innovations were developed in these projects, which are explained in greater detail in the individual Briefs.

### **Implementing direct nutrition interventions:**

- Low literacy and capacity levels can hamper the gathering of accurate data.
- Implementation approaches must be flexible and context-oriented.
- Systemic change is catalysed when a community-wide approach is used.
- Understanding the gender implications of nutrition interventions is important for efficacy.
- Staff requirements should be planned from project outset to ensure efficiency of resources.
- Coupled with awareness training, implementing an effective patient referral process can change the health-seeking behaviour of the extreme-poor.
- A visual-oriented training / counselling curriculum approach can be more effective in increasing awareness among extreme-poor populations.

### **Using mobile banking services:**

- Mobile financial services can be used to include people with no access to formal financial services.
- Mobile transfers can be used despite the absence of national identity cards; core participants also do not need a mobile phone.
- Transfers through mobile phones have positive knock-on effects, such as: providing a secure way to save; an alternative means to transfer remittances; and enhancing women's empowerment.
- Use of mobile transfers has value-for-money benefits.
- Scaling up to reach all participants can be hampered by a shortage of agents in remote areas.

- Problems can arise that cannot be resolved locally, which means delays in participants receiving their money.
- Programme participants need assistance and instruction in opening mobile banking accounts.

### **Measuring women's empowerment:**

- Getting the community involved in defining women's empowerment results in a defensible approach.
- Use mixed methods to collect data.
- Recognise that the definition of women's empowerment is context specific and likely to change over time.
- Account for the possibility that respondents will tell you what they think you want to know.
- Acknowledge the risk that questions can be interpreted in different ways.
- Even some obvious things can be overlooked.

## **MANAGEMENT SYSTEMS, STRATEGIES AND CULTURE**

When it comes to an analysis of CLP as an organisation, an additional level of organisational impact and effectiveness is examined in the set of Briefs that consider management systems, strategies and culture. These elements inform subtly, but importantly, how the project ends up performing.

Dealing with risk was a primary management issue. It required the innovative implementation of appropriate financial strategies, the monitoring of potential and actual fraud, and the development of a healthy corporate culture. Across all of these areas, the degree to which value-for-money principles were followed also became integral to the success of the Programme. Transparency and evidence-based decision-making are critical.

### **Designing good risk management strategies:**

- Implement systems that are empowered to monitor and audit.
- Internal audits serve as a deterrent.
- Fraud management starts with a zero tolerance approach.
- Verification surveys with third-party providers can be effective
- Institute real-time verification processes for high-cost activities
- Use the element of surprise to optimise verification, supervision and deterrence.
- Staff in outlying areas can play a crucial role in monitoring.
- Regular communication about risk management demonstrates high expectations and commitment
- Recognise demands will be placed on resources.
- Technical risk management and enforcing contracts is essential to keeping all components in sync.



#### **USING VALUE-FOR-MONEY PRINCIPLES:**

- A good Value-for-Money Strategy uses the "3Es" conceptual framework based on the three VfM building blocks of Economy, Efficiency and Effectiveness.
- In order to calculate the various aspects of VfM, a project needs to have good systems and data.
- It is worth investing in quality systems.
- A marginal incremental gains approach is useful; any and all small improvements can add up.
- Regular monitoring and evaluation contributes to good VfM through identifying challenges as well as "what works".
- Output monitoring and verification processes and surveys are important. These help to hold contractors accountable for quality standards and pick up on challenges and / or fraud or misappropriation.
- Invest time and effort into developing appropriate measurement indicators for success.
- Be realistic, strategic and proportionate when it comes to data gathering efforts. It is not good VfM to collect data that is not analysed; but it is also not good VfM to have an inadequate evidence base for decision-making.

### **Building a good corporate culture:**

- Define what you mean by a successful organisational culture.
- Policies are implemented by people and require political will.
- Clearly set out expectations in formal contracts that are enforceable.
- Good evidence-based decision-making requires having solid monitoring and evaluation (M&E) structures in place, and then using them.
- Use failure as an opportunity to teach and encourage as well as to reiterate core values and principles.
- Sanctions and discipline can serve as tools to reinforce elements of corporate culture, but so can reward and demonstrations of fair process.
- Words and deeds must match.
- Make a commitment to transparency and evidence-based decision-making.
- Listen to the stories people tell about their work.

### **LOOKING FORWARD**

CLP's work was aimed at assisting char-dwellers not only to begin a journey out of poverty but also to maintain it. Identifying and working with a variety of stakeholders to produce linkages and/or provide additional resources to the chars, therefore, became very important. Given limited resources, difficult decisions always needed to be made on how and where to best focus efforts.

These kinds of questions about how best to balance strategies and activities also inform many of the ongoing debates about social protection initiatives. Having spent over ten years engaged in this work, one of the final activities CLP engaged in was a careful self-analysis of its programmes. The last brief in the series, therefore, outlines the ways in which CLP's lessons learnt through the course of its operations can offer insights into social protection debates.

### **Forging good partnerships:**

- Recognise that additional resources from other organisations will be required to sustain outcomes.
- Find ways to improve and incentivise sustainability.
- View partnerships as if you are selling a "product".
- Forging long-term relationships depends in part on regulatory frameworks.
- Plan ahead about how to form partnerships.
- Developing partnerships is more than a technical skill, it requires real relationships to be developed.
- Always be thinking about partnership potential.

### **Contributing to ongoing social protection debates:**

- There is a fine balance between being inclusive or exclusive when targeting beneficiaries
- Tough decisions will need to be made across the key dimensions of depth, breadth and length of a programme
- When working with NGOs, give credit where credit is due
- Recognise the incapacity problem
- The private sector has a role to play in a livelihoods programme

## **UNIVERSAL LESSONS**

Each Brief offers a unique set of specific lessons learnt within its domain. However, across many of these Briefs there are also some universal lessons learnt. First and foremost, it is important to consistently ask the tough questions about challenges, lessons and successes. CLP was a complex, lengthy and always-evolving project and the Programme itself was redesigned along the way, resulting in two phases: a CLP1 and CLP2. A constant theme was finding ways to balance that which was doable with that which was desirable, and many times a compromise was required to get the best of both. There are choices every time – long or short, narrow or wide, high-cost or low-cost – and engaging in regular self-reflection, auditing and improvement can help inform these decisions. Other universal lessons include:

- Low levels of literacy will hamper data gathering and adoption of new technologies.
- Traditional values and beliefs will shape the capacity to adapt to new knowledge.
- Programmes should always consider the local context when attempting to define where to assist and how to measure success.
- It is beneficial to act with transparency and use failure as an opportunity to learn.
- Give credit where credit is due and act decisively when policies are violated.
- Determining whether programme assistance should be targeted at households or at communities can be tricky.
- Encourage the community to help define indicators, criteria, thresholds and goals.
- Being aware of sustainability issues and opportunities should start from the beginning.

Working with the poorest of the poor on the chars in Bangladesh was a challenge and a privilege.

We hope you will find this series of Lessons Learnt Briefs of use. For more information about CLP please visit the CLP website [www.clp-bangladesh.org](http://www.clp-bangladesh.org).

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# CHAPTER 2

# CLP'S EXPERIENCE IN SELECTING CORE PARTICIPANTS

CLP can share many lessons on establishing who to target and how to develop selection criteria for poverty reduction programmes.

**LESSONS INCLUDE:**



A set of selection criteria that considers the wider context results in a better selection of participants and greater acceptance in the communities.



Adopting a broader definition of "char" helped GoB and DFID reconcile their understandings of the targeted working area and allowed CLP to add more households in need to the programme.



CLP2 broadened inclusion to reduce possible social division arising from the supply of high value inputs to a targeted group within a population in which there is an undoubted, pervasive general need for support.



A range of interventions like sanitation, behavioural change and disease control are best tackled with a community-wide approach.



Targeting women increased women's empowerment as well as providing an additional income to the household.



### CLP SELECTION CRITERIA

From the beginning, CLP used a set of rigorous criteria: every participant needed to be land-less, asset-less, income-less, credit-less. Each of these criteria had specific indicators. A potential participant also had to be able to meet certain residency and participation requirements. Together, these criteria were considered good proxies for the identification of extreme poverty in the context of the chars.



#### Land-less

- Absolutely zero decimals of land ownership, including homestead land
- No access to agricultural land, including share cropped land
- No land to be inherited under Bangladesh law
- Households renting homestead land are still eligible



#### Asset-less

- Ownership of no more than 2 goats / sheep, 10 fowl & 1 shared cattle
- Must have productive assets valued at less than 5,000 taka



#### Income-less

- Not receiving cash or asset grants from any other asset transfer programme
- Irregular Income



#### Credit-less

- No loan outstanding from any microfinance or credit programme



#### Residency

- Must be a resident for at least 6 months in a village which has been classified by CLP as an island char



#### Participation

- Must be able and willing to participate in weekly meetings

## LESSONS LEARNT

Selecting the right participants is one of the core challenges for any poverty reduction programme because it determines how efficiently the investment reaches the targeted population. The credibility and effectiveness of development efforts is challenged when resources fail to reach those most in need.

To address this, poverty reduction programmes should identify specific criteria with very limited potential for inclusion and exclusion errors to help identify the extreme-poor more precisely. These criteria need to be clearly defined and agreed upon between the programme and the various stakeholders so as to avoid any ambiguity. Targeting women in the selection process can have wide-ranging positive impacts. Also, including mechanisms that allow for engaging with the broader community is sometimes not only necessary for effectiveness but more productive.

### SELECTION CRITERIA MUST ANTICIPATE INCLUSION AND EXCLUSION ERRORS

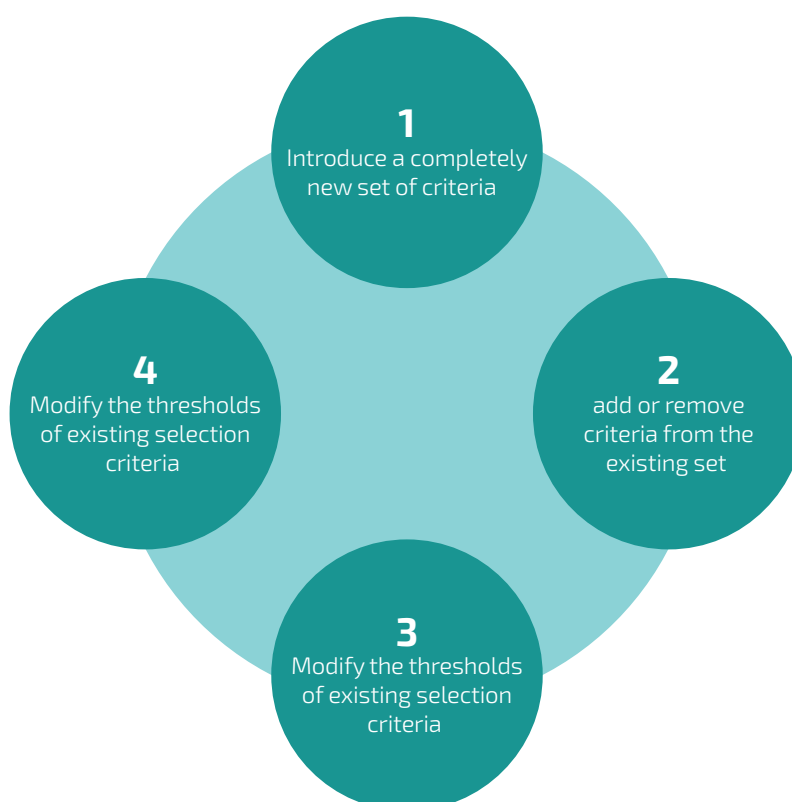
The Government of Bangladesh (GoB) defines extreme poverty as income below Tk 19 pp/pd. However, unlike GoB, CLP chose not to simply emphasise income as the single most important measure of extreme poverty. At the poorest levels of the chars community, the main driver of income is labour – not land and assets. As assets and land are not driving income, it is possible to have no assets and/or no land but still have an income above the Tk 19 pp/pd threshold (resulting in inclusion error). Similarly, it is possible to have high levels of productive assets and/or land but an income below Tk 19 pp/pd (resulting in exclusion error).

Although income was taken into consideration in the criteria, CLP believed the indicators needed to be expanded beyond simply pp/pd data and be put into the context of living on the chars. For instance, the composition of a typical char-dweller's income is largely homogenous: CLP's baseline data showed that between 67-91% of participants relied on irregular day labour as their main (and sometimes sole) source of income. In addition to the unpredictability of income, char-dwellers also face munga, an annual season of underemployment for many rural day labourers that occurs from September to November and from March to April after crop harvesting.

Baseline data also showed that an overwhelming majority of CPHHs did not have access to land. It has been noted that "the lack of ownership of and/or access to land and poverty are synonymous in rural Bangladesh." Thus, so as not to exclude this population, landless-ness was made a criterion.

CLP continued to use the original set of criteria until March 2011 when the second phase of the Programme underwent its first annual review. The review team concluded that, based on CLP's selection criteria at the time, the Programme may have been excluding extreme-poor households. They suggested that the Programme undertake a poverty assessment (PA). This PA would determine whether or not the then-current criteria were the most effective, and, if not, what new selection approach could be taken to ensure that it captured as many extreme-poor households as possible and ensured the lowest possible inclusion and exclusion errors.

The exercise considered four possible options to reduce the exclusion and inclusion error:





The PA exercise found that options 1-3 were not preferred because they either exacerbated the problem, or failed to address it adequately. Option 4, however, drove down both exclusion and inclusion error. Thus it was suggested that CLP incorporate a combination of asset levels and types, as well as various social criteria, into its existing selection criteria. Based on these suggestions, CLP adapted its selection criteria to include one proxy indicator in the asset-less criterion, i.e. ownership of no more than 2 goats/sheep, 10 fowl & 1 shared cattle.

Any targeting system is likely to face difficulties with borderline cases that may result in the exclusion of similarly extreme-poor households. Overall, however, CLP's criteria proved to be clearly understood, easy to apply in practice and transparent.

At the scale CLP conducted its work, combined with sufficient oversight and verification, this final set of selection criteria proved to have relatively low inclusion and exclusion errors. The criteria, therefore, gained acceptance in the char communities and facilitated a relatively rapid and cost-effective selection process for CLP.

## **SELECTION CRITERIA DEFINITIONS CANNOT BE AMBIGUOUS**

After the first year of operations, in June 2005, DFID began to emphasise that the Programme's funding was primarily intended for residents of the unattached chars who, by definition, were the most remote from mainland because they had been "cut off by a major river". These areas, by virtue of their remoteness, were also the least likely to be served by the GoB or non-governmental organisations (NGOs). However, it seems the GoB had a different, broader interpretation of the meaning of the word "char". The definition of a char according to GoB is any "low lying, flood-prone area".

In the working areas of CLP1, there were a sufficient amount of households that were deemed as eligible under DFID's original definition. However, with the shift in geographical focus under CLP2, the number of people located in the new working areas that qualified as living on chars was much lower than anticipated by the Programme designers. In fact, if the original DFID definition of chars was used, CLP2 would not have been able to achieve its target of providing 67,000 households with comprehensive support. Thus it was necessary prior to the start of CLP2 to expand the Programme's definition of chars to consider attached chars, as per GoB's conceptualisation of char areas.



## TARGETING WOMEN SERVES TO INCREASE WOMEN'S EMPOWERMENT

While all members of a core participant household benefitted from the CLP package, the core participants selected into the Programme were all female. This was a decision made in the design process.

The fundamental aim of targeting women was to improve the status of women and ensure gender equality in char communities. The economic benefit behind targeting women in an extremely patriarchal society like Bangladesh is that when the woman is empowered, and the two adult household members can both contribute to the household income, then that family is much more likely to weather financial shocks, and ultimately more likely to climb out of extreme poverty.

CLP's range of interventions were designed to build women's confidence, increase their ability to take control over their livelihoods and to make decisions that impacted their life and the lives of those around them. Interventions also aimed to address negative social attitudes and behaviours and increase respect from women's family members and the wider community.

To achieve this, CLP enrolled women in Social Development Groups, comprising between 15-25 women (all core participants). The members attended weekly sessions where they followed a social development curriculum. Sessions consisted of role play, exercises and discussions aimed at making participants aware of their rights, improving their understanding of them, and strengthening their confidence in exercising them.

## INCLUDING THE WIDER COMMUNITY IS BENEFICIAL

CLP2 sought to broaden inclusion of those not selected as direct participant households. This was done for a few reasons.

Firstly, this was done to reduce possible social division arising from the supply of high-value inputs to a targeted group within a population in which there is an undoubted, pervasive general need for support. Including the wider community in certain projects helped to mitigate these potential conflicts.

Secondly, involving the community in activities which sought to have broad results, such as sanitation, could greatly improve the success and impact of the project. The inclusion of more non-core participants in CLP-provided services was desirable for long-term sustainability, as well as for ensuring equity.

There were instances where interventions, initially only offered to core participants, yielded stifled results. CLP therefore adjusted policies to be more inclusive of the wider community, recognising that certain aspects of development, for example behavioural change and disease control, were best tackled through a community-wide approach.

Building sanitary latrines is a notable example where the community-wide approach was more productive. CLP changed its policy in 2011. Instead of supplying well-constructed, relatively high-cost latrines only to CPHHs, CLP shifted to a community-wide participatory approach, involving sanitation awareness raising and self-built, low cost latrines with only a small grant and the slab and water seal supplied by CLP. The goal of this was to reduce or eliminate open defecation in the community. The result was creating a public good at no extra cost to the programme.

Other mechanisms through which CLP was able to benefit the wider community included:

- Providing access to health and nutrition activities, including public satellite health clinics.
- Establishing Village Savings & Loans (VSL) groups, which provided core as well as non-core participants with access to microfinance.
- Offering sustainable employment opportunities for char-dwellers in jobs such as CSKs (char health workers), paramedics, livestock service providers and poultry vaccinators, as well as temporary employment building plinths through the Infrastructure Employment Project (IEP).
- Initiating market development projects, such as the Char Business Centres (CBCs), which connected local char businessmen with mainland markets and purchasers.
- Supporting Community-Based Organisations (CBOs), such as Village Development Committees (VDCs), which spearheaded local social development campaigns and steered community development activities.

The design of any new programme should place a major emphasis on ensuring that it has elements that will benefit, as much as possible, the wider community. This should be viewed not as a dilution of programme resources, but rather as a mechanism for ensuring support for the programme and for better integration of the core beneficiaries into the community. Overall, this can serve as a guarantor of greater programme sustainability.

If you wish to learn more about CLP or the lessons learnt series of briefs please visit the CLP website [www.clp-bangladesh.org](http://www.clp-bangladesh.org).

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# CHAPTER 3



# CLP'S EXPERIENCE IN DEVELOPING GRADUATION CRITERIA

This brief and shares many lessons and suggestions for those grappling with developing their own graduation criteria.

## LESSONS INCLUDE:



Be clear on the purpose of your graduation criteria and ensure stakeholders agree.



Make sure there's a logic to the criteria you select, and their thresholds.



Think through the data collection, analysis and reporting framework early



Changes to the LogFrame might affect your graduation criteria.



Establish your graduation criteria early on and don't over-review.



Once agreed, make sure staff are aware of the graduation criteria.

## CLP's Graduation Criteria

The programme aimed to provide 78,000 extreme poor core participant households (CPHHs) with an integrated package of support lasting 18 months. Because not all CPHHs could be supported at the same time, six groups (called cohorts) received the package through cohorts averaging 13,000 CPHHs. The Programme's target was for 85% of households to graduate, equivalent to 66,300 households and just over a quarter of a million people.

Despite being active from 2004, it was only in March 2011 that CLP decided to develop a set of graduation criteria and it took until May 2014 for CLP and the donors to finally agree on a set of ten criteria to define graduation. This was, in part, due to the fact that three consecutive annual review teams were tasked with reviewing the criteria, and each review team came up with their own recommendations, which in turn contributed to a delay in their implementation.

The process of developing criteria began in 2011 based on a recommendation made during the March 2011 annual review. A methodology for measuring graduation was developed and reviewed by the subsequent annual review team (March 2012). The annual review team disagreed with the proposed two-step process and the use of different weights for different graduation criteria. They recommended a single-step process and equal weights for all criteria.

A year later, the annual review team of March 2013 was again tasked with reviewing the graduation criteria, which, once again, led to more changes.

Yet more changes were proposed a year later, during the March 2014 annual review, which was again tasked with reviewing the criteria. These changes were, however, relatively minor.

## TIMELINE FOR DEVELOPING GRADUATION CRITERIA

**April 2010**  
The second phase  
of CLP begins



**March 2011**  
Annual review (AR) team  
recommends CLP  
develop graduation criteria



**March 2012**  
CLP presents a two-step  
approach to graduation



**March 2012**  
AR team recommends  
changes (one-step process)



**March 2013**  
AR team tasked with  
reviewing graduation criteria



**March 2014**  
AR team tasked with  
reviewing graduation criteria



**March 2014**  
Final graduation criteria  
and methodology agreed



**November 2014**  
First report published  
documenting graduation rates



CLP's final set of graduation criteria related to the multiple dimensions of poverty. Progress in meeting the ten criteria enabled the Programme to assess whether a household was likely to be on the right trajectory out of extreme poverty. The criteria are shown in the table below.

## TEN CRITERIA FOR GRADUATION

### CRITERIA DOMAIN

### CRITERIA



Income/  
expenditure/  
consumption

1. Household has had more than one source of income during the last 30 days
2. Household eats three meals a day AND consumed five or more food groups in the past week



Nutrition

3. Household has access to improved water
4. Household has access to a sanitary latrine with an unbroken water seal
5. Presence of ash/ soap near to water point or latrine



Asset base

6. Productive assets worth more than Tk 30,000



Status of females

7. Participant is able to influence household decisions regarding sale/ purchase of large investments e.g. cattle



Vulnerability

8. Homestead is above highest known flood level
9. Household has cash savings of more than Tk 3,000



Access to  
services

10. Household has membership in a social group

To graduate, a household was required to have met any six of these ten criteria within three months of completing the 18-month cycle.

## LESSONS LEARNT

### IDENTIFY THE PURPOSE OF HAVING GRADUATION CRITERIA AND ENSURE STAKEHOLDERS AGREE

Make sure key stakeholders (donors, government and programme staff) are in agreement with and fully understand the purpose of the graduation criteria. Make sure you consult with them thoroughly and reach a common understanding of the purpose of having graduation criteria.

For example, it is important to determine whether the criteria will be used as a proxy for poverty or as a set of measurements to judge the Programme's efficiency in delivering outputs. The choice will have an impact on which criteria are selected, and their thresholds. For example, if the criteria are being used as a proxy for poverty, they might be more outcomes-based. If they are more a mechanism for judging delivery performance, then they are likely to be more output focused.

CLP's criteria were used to assess whether a household was likely to be on the right trajectory out of extreme poverty and whether the Programme had delivered what it intended to. They were, therefore, a combination of output and outcome indicators.

### ESTABLISH THE GRADUATION CRITERIA EARLY ON AND DON'T OVER-REVIEW

CLP's final graduation criteria and approach to measurement was only agreed to in early 2014, just over halfway through the second phase.

The fact that the criteria were reviewed by three consecutive annual review teams meant they were in a continuous state of flux. In CLP's experience, different development practitioners have a different idea of what graduation means and how it should be measured. Practitioners must develop a logical and defensible set of criteria, with broad stakeholder involvement, and then "stick to their guns". Don't over-review the criteria at the risk of not gathering any data at all!

### ENSURE THERE IS A LOGIC TO THE CRITERIA AND THEIR RELEVANT THRESHOLDS

Bearing in mind the fact that practitioners will all have a different opinion of what should/should not be included as a criteria, it is important to develop a set of criteria that are logical and defensible. What is the best way to achieve this?

If you're clear on the purpose of your graduation criteria then this will obviously go a long way in helping you select criteria and thresholds. Try and include the community in setting criteria and thresholds, i.e. seek their opinion. This applies in particular if the criteria are being used as a proxy for poverty.

CLP learnt that it's important to back up the choice of thresholds with research, wherever possible. For example, CLP's Graduation Criteria 9 states: "Household has cash savings of Tk 3,000." In hindsight, CLP selected this threshold (Tk 3,000) without sufficient information and understanding of the reality on the ground. The monitoring data showed that many households were not achieving this threshold, which did not necessarily mean it was wrong. It could simply have been that households moving out of extreme poverty chose not to hold (relatively) large cash savings, preferring instead to buy small assets such as poultry and goats. More research was required.

In another example, Graduation Criteria 6 states: "Productive assets worth more than Tk 30,000". Again, CLP found that many households did not meet this threshold at the end of 18-month support period, i.e. the point at which "official" graduation rates were calculated. The main reason for this was that there simply wasn't sufficient time to achieve this target and participants needed more time to accumulate such assets. The data in the follow-up annual surveys showed this clearly. Therefore, the threshold of Tk 30,000 in assets at the 18 months mark was, in hindsight, overambitious.



## THINK THROUGH THE LOGISTICS OF DATA COLLECTION, ANALYSIS AND REPORTING

Agreeing on a set of graduation criteria is one thing; it's also extremely important to think through 1) who will collect the data 2) the frequency of data collection 3) whether data will be collected after support has ended (i.e. addressing issues of sustainability), etc.

It's probably fair to say that CLP did not give this sufficient thought in the early days and that things evolved. The initial idea was to collect graduation rates on an annual basis for each cohort. The problem with this approach was that CLP would have ended up by having constantly-changing graduation rates. In 2014 CLP decided that graduation rates would be established at the end of the 18-month period of support and that these rates would not change. Importantly, however, CLP would follow up on a sample of households, by cohort annually, to assess sustainability.

The approach to data collection also had an impact on Monitoring & Evaluation (M&E) resources. CLP was initially encouraged by the donors to develop a set of criteria that were objectively verifiable, easy to collect and that could be administered to all households on a census basis. As time progressed and more and more people had an input, CLP moved away from this ideal for a number of reasons:

- Gathering information from all households would have required field staff (Community Development Officers) to collect the data. This process was deemed too vulnerable to manipulation.
- It is not always possible to have good indicators that are objectively verifiable, e.g. amount of cash savings (Criteria 9) and degree of influence on household decisions (Criteria 7).
- It is not always possible to find good indicators that are also "easy" to collect. For example, CLP started with "having an acceptable food consumption score", which is a rich indicator, telling you about quality and diversity of food consumed. Later, however, it was decided that a simpler approach was required and "number of meals / day and food groups eaten" was selected as an alternative.

## CHANGES TO THE LOGFRAME CAN AFFECT THE GRADUATION CRITERIA

Some of CLP's graduation criteria were also included within the Programme's Logical Framework (LogFrame) as indicators, especially those related to assets and cash savings. It may be an obvious point, but it's important to make sure the thresholds (targets) of the graduation criteria are the same as those that appear in the LogFrame. If not, you'll be "chasing" different targets.

## ONCE AGREED, MAKE SURE STAFF ARE AWARE OF THE GRADUATION CRITERIA

The percentage of households graduating from CLP was a headline indicator for the Programme. Because the graduation criteria were a combination of output and outcome indicators, CLP could, in part, be held responsible for achieving them. It was, therefore, important that staff and management were aware of the criteria so that 1) they knew what their individual and team contribution was, and 2) they could tangibly appreciate what the importance of their contribution was. CLP realised that this could also motivate staff to ensure quality and place greater emphasis on ensuring "their" criteria were met.

## TRACK SUSTAINABILITY OF GRADUATION

CLP2 supported just over 78,000 CPHHs in total. These households were supported in six annual groups, known as cohorts, each group averaging 13,000 households. Support lasted for 18 months per cohort. Graduation rates were established for each cohort within three months of Programme support ending. This is important, but it's also equally important to track sustainability of graduation.

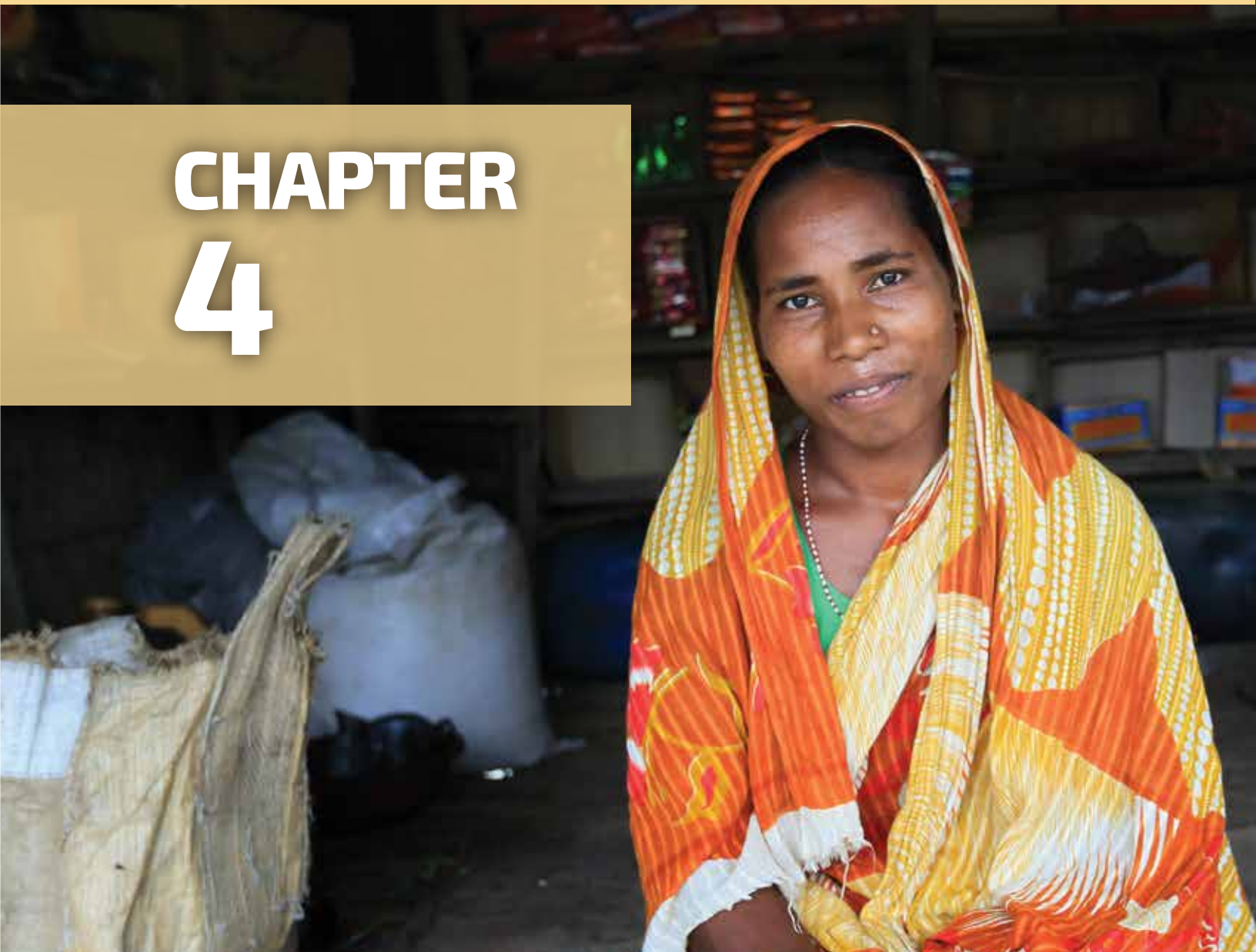
CLP tracked a sample of households through annual surveys. The number of households who met 6+ graduation criteria from a sample of CLP1 households and who ended support 4.5 to 7 years previously were also tracked. This was done 1) to understand which indicators were / were not being met 2) to understand whether CLP's logic model was right or not. Tracking sustainability of graduation obviously took M&E resources and should be factored in when designing the graduation criteria and methodology.

If you wish to learn more about CLP or the lessons learnt series of briefs please visit the CLP website [www.clp-bangladesh.org](http://www.clp-bangladesh.org).

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# CHAPTER 4



## CLP'S EXPERIENCE IN DEVELOPING M&E SYSTEMS

This brief and shares many lessons and suggestions for those grappling with Monitoring & Evaluation issues.

## LESSONS INCLUDE:



Consider tracking a range of important indicators rather than over-emphasising household income and expenditure.



The pipeline control can be a good approach to demonstrating attribution.



Develop a set of themes for packaging information.



Involve the community in setting indicators and thresholds (targets).



Integrate M&E and Communications functions.



Outsource the quality control of activities/ outputs.



Develop a simple activity/ output monitoring system and don't overdo it.

## CLP'S INNOVATION, MONITORING, LEARNING AND COMMUNICATIONS DIVISION

CLP's Innovation, Monitoring, Learning and Communications Division (IMLC) was one of four Divisions; the others were the Finance, Operations and Partnerships Divisions.

As the name suggests, the IMLC was responsible for M&E and Communications. The principal activities of the Division were:

- Coordinating activity/ output monitoring (against targets in the Logical Framework)
- Research
- Outcome/ impact monitoring
- Communications
- Managing all datasets (including registration data on all core participant households)

The IMLC, located in Bogra at CLP Secretariat, was headed by a Director with a direct reporting line to the Team Leader. Two Unit Managers, one for Communications and one for M&E, reported to the IMLC Director.

International Young Professionals (IYPs) were also attached to the Division and they proved a valuable resource in terms of support for research and communications activities. They were awarded contracts of one year with the possibility of extension.

Each Implementing Organisation (IMO) employed a Data Entry and Monitoring Officer (DEMO) on behalf of IMLC. These DEMOs were responsible for data collection and data entry.

## MONITORING & EVALUATION TIMELINE

|                     |  |
|---------------------|--|
| <b>October 2006</b> | First International Young Professionals recruited                      |
| <b>June 2008</b>    | Verification contractor recruited for first time                       |
| <b>March 2010</b>   | First Communications Unit Manager recruited                            |
| <b>October 2010</b> | Rolling baseline introduced  |
| <b>October 2010</b> | First survey which followed-up on previous cohorts                     |
| <b>October 2010</b> | Annual surveys introduced (baseline + follow up)                       |
| <b>October 2012</b> | Five thematic areas (used to "package" outcome information) introduced |
| <b>March 2014</b>   | Graduation criteria agreed   |

## LESSONS LEARNT

CLP had a rigorous monitoring and evaluation system to assess all of its activities. The system had two major components. The first was regular or output monitoring, under which data was collected on the progress of CLP's major outputs, such as the numbers of plinths raised, tubewells installed, social development groups formed, and so on. The IMLC unit produced monthly progress reports and other materials from this monitoring.

The second component was outcome monitoring. This aimed to assess the long-term outcomes of the programme. IMLC commissioned annual surveys, thematic research projects and other studies under this component. All of this activity was aimed at answering

the simple questions: how are we doing and what impact are we having? The analyses were used to tell CLP staff what changes were taking place and what they could do differently to achieve better outcomes.

### **POVERTY ALLEVIATION CAN, AND SHOULD, BE MEASURED BY MORE THAN INDICATORS OF INCOME AND EXPENDITURE**

Collecting reliable information on income and expenditure from extreme-poor households had its limitations. For example, there were often recall issues and some respondents may have been reticent to fully disclose their earnings. During the analysis there were then issues about what to include/ exclude as income, e.g. should in-kind income be included or excluded?

Headline indicators for CLP1 and CLP2 (at least during the first couple of years of the second phase) related to changes in income and expenditure and the number of people lifted out of extreme poverty (based on reference to a national poverty line). However, making comparisons to a national income poverty line also had its limitations. For the results to be comparable, the data collection tools and approach to analysis needed to be identical.

Bearing in mind the limitations outlined above there was perhaps too much emphasis on these indicators. This was certainly evident in CLP1 when the Programme's performance was largely judged against income and expenditure alone. Income and expenditure are important indicators but there are many other significant indicators that can and should be tracked with equal emphasis.

After much research, discussion and debate, and approximately halfway through its second phase, the Programme introduced a set of ten equally-weighted graduation criteria against which households could be judged. These criteria related not only to 1) Income/ expenditure/ consumption, but also to 2) Nutrition 3) Asset base 4) Status of females 5) Vulnerability, and 6) Access to services. A household needed to meet any six of the criteria to be termed "graduated". By introducing this broader range of criteria CLP was able to capture far more than the traditional measures of income and expenditure, and was able to include other forms of progress. This enabled the Programme to assess whether a household was likely to be on the right trajectory out of extreme poverty.

### **THE ROLLING BASELINE CAN BE A GOOD ALTERNATIVE TO PURE CONTROL GROUPS**

As with all development projects interested in trying to demonstrate attribution, CLP considered different approaches. During CLP1 the pipeline control was introduced. In simple terms, this is where the baseline condition of new entrants into the programme is used as a "control" against which to measure the progress made by earlier entrants.

The first and second phases of CLP supported 133,000 core participant households (CPHHs). These households were supported through annual intakes, referred to as cohorts, of which there were ten. The fact that households were being supported through annual cohorts provided the opportunity to use the pipeline control approach.

The second phase of CLP continued to use the approach based on the advantages it offered:

- No ethical concerns
- Relatively straightforward to understand
- CLP had several years of experience in using this methodology

At the time, there was also support from the UK Department for International Development (DFID) and the Overseas Development Institute (ODI), who described it as "innovative" and "best practice".

With experience, however, CLP also learnt that the pipeline control had some noteworthy limitations:

- When comparing the baseline status of new entrants with CPHHs who had already received CLP support, inflation could be built into income and expenditure but not social indicators.
- The ideal situation would have been to collect baseline data on a control and treatment group with the same characteristics at the same point in time. With the pipeline control methodology, the status of new entrants, say at year three, was assumed to be the "same" as it was for CPHHs who had been in the project for three years. This might not always be the case.
- If more than one cohort was drawn from the same village there may have been a spill-over effect on the latest cohorts. To counter this effect, from Cohort 2.3, CLP's policy was to not return to villages in which it had already worked.

Recognising that the methodology lacked some rigour, as compared to randomised control trials for example, an impact assessment of CLP1 attempted to overcome the problem by using advanced statistical methods, i.e. Propensity Score Matching.

In summary, CLP learnt that the pipeline control does have its advantages. It also, however, has limitations but these can be addressed, to some extent, by using more advanced analytical tools.

## **DEVELOP THEMES AROUND WHICH YOU CAN PACKAGE INFORMATION**

As with most Programmes, CLP2 had a logical Framework (LogFrame) that was updated from time to time.

During the first year of CLP2, IMLC collected information related strictly to the Log Frame indicators and reported against these as required, for example, during the annual review. The problem with this was that several outcome and impact indicators didn't offer a detailed enough picture of the realities on the ground. To counter this, in early 2012, IMLC identified themes around which research was to be conducted and progress monitored. The choice of research focus was, of course, driven by multiple demands.

The key thematic areas were related to the Programme's logic model and served as a focal point for packaging information. These themes were: Women's Empowerment, Water Sanitation and Hygiene, Livelihoods, Nutrition and Food Security. The theme of Graduation was added in 2014.

These themes became the pillars around which the

Programme collated and disseminated information. The advantage of doing this was that the Programme gained a much deeper understanding of its results in these areas. For example, prior to developing the themes, CLP was tracking just a couple of indicators related to Food Security. After developing the themes, the Programme began to monitor multiple Food Security indicators.

The themes also enabled the Programme to develop a range of communications products and reports that allowed CLP to better target its information and dissemination to other specialists in the development field.

## **CONSIDER COMMUNITY INVOLVEMENT IN SETTING CRITERIA AND THRESHOLDS**

During the early days of CLP2, IMLC attempted to assess the extent to which the Programme had empowered women. A review of the literature, an exploration of what other Programmes were doing to measure women's empowerment, and internal discussions resulted in the production of a very long questionnaire (over 200 questions), which took far too long to administer. Whilst the questionnaire collected some very interesting information on different aspects of empowerment, there was no real way, at the end of the interview, of concluding whether the interviewee was empowered or not.

Another issue with the methodology was that the questions were developed without considering the chars context. Women's empowerment is situation specific: the criteria to define an empowered woman in the UK are different to those used to define anempowered woman in Bangladesh, let alone a woman living on the chars. Another problem with the approach was that it was far too reliant on quantitative data.

Not happy with its approach to measuring women's empowerment, IMLC tried to think through an alternative approach. The goal was to find something that was simpler but that also considered what it meant to be empowered for extreme-poor women living on the chars of northwestern Bangladesh.

With support from the Human Development Unit, IMLC embarked on an important piece of qualitative research, collecting information from young, old, poor, the not-so-poor, males and females on the chars. The aim was to find out how they defined women's empowerment. This culminated in the Chars Empowerment Scorecard: a set of ten criteria to define women's empowerment. IMLC supplemented the findings from the scorecard with a number of qualitative studies.

Of course, the Scorecard isn't perfect. It is, however, to some extent defensible: it is context specific; it has been developed by the community; it is underpinned by solid research; and it is relatively easy to administer (at least compared to the initial approach).

The community can and should be consulted in defining indicators (and thresholds) of success. Far too often development practitioners set the indicators, for example those contained in LogFrames, with little or no community consultation.

## **DEVELOP AN ACTIVITY/ OUTPUT MONITORING SYSTEM BUT DON'T OVERDO IT!**

IMLC was responsible for coordinating a monthly progress report (MPR), which was published on the 10th of every month. This MPR tracked progress against quarterly targets, annual targets and overall CLP2 targets for approximately 120 indicators; even more when some of the indicators were disaggregated by gender.

Each month IMLC collected the relevant information from the three Operational Unit Managers. The Unit Managers collected the information from the relevant District staff who, in turn, collected the information from the Implementing Organisations (IMOs). Essentially they drew on their own internal project monitoring systems.

It is fair to say there were problems with some of the data presented in the MPR almost on a monthly basis. For example:

- The quarterly targets provided by the Unit Managers were not always updated and the issue would only be raised at the end of the quarter (and sometimes not at all).
- Problems were often found after the report had been published.

Part of the challenge lay in the sheer number of indicators. To some extent the Operational Units felt that the higher the number of indicators included in the MPR the better the amount of work they were doing could be illustrated. What they didn't realise was the burden of having to report on the indicators each month. In hindsight it would have probably been better to reduce the number of indicators to just those included in the Log Frame (at output level) and perhaps add another ten key indicators, relating to high-cost activities or activities that were of particular interest to donors and government. Of course, the Operational Units would still have had their internal output monitoring systems for each project, but they would not have had to report results on a monthly basis for the MPR.

## **OUTSOURCE OUTPUT QUALITY CONTROL MEASURES**

CLP operated in an environment that could lead to fraud and quality issues: the Programme worked with a lot of different people at multiple IMOs (between 9-18 at any given stage) and a significant staff complement (of up to 1,400). Over time, CLP put in place different systems to mitigate these risks. For example, district managers were tasked with playing an oversight role, and significant resources were devoted to staff training (and re-training). That said, where there's a will there's a way and the sad reality is that some fraud always takes place and quality is not always up to the desired standard.

From the beginning, IMLC had a role to play in developing and implementing quality control and fraud mitigation measures. The Division contracted an independent company to verify, each month, a sample of activities/

outputs delivered by the IMOs during the previous month. Any issues arising were reported to the IMLC Director who passed them on to relevant staff for further investigation.

The independent contractor employed a number of enumerators who made spot checks each month. An effective strategy was to make sure that the enumerators did not publicise when or where they would visit. The threat of a third party "verifier" turning up unexpectedly to interview a CLP-supported household, asking questions about quality and quantity, acted as an effective deterrent to leakage. This type of verification process also helped promote quality outputs and activities.

The problem with this approach, however, was that there could be a significant gap between fraud actually taking place and a case being identified and reported (because of the time lag between outputs being delivered and verification taking place). CLP, therefore, decided to introduce additional verification surveys, termed Customer Satisfaction Surveys, which were primarily focused on the high-cost activities, such as cash-for-work and asset transfer. Furthermore, these were rolled out whilst the activity (cash-for-work, for example) was ongoing, not a month or two later.

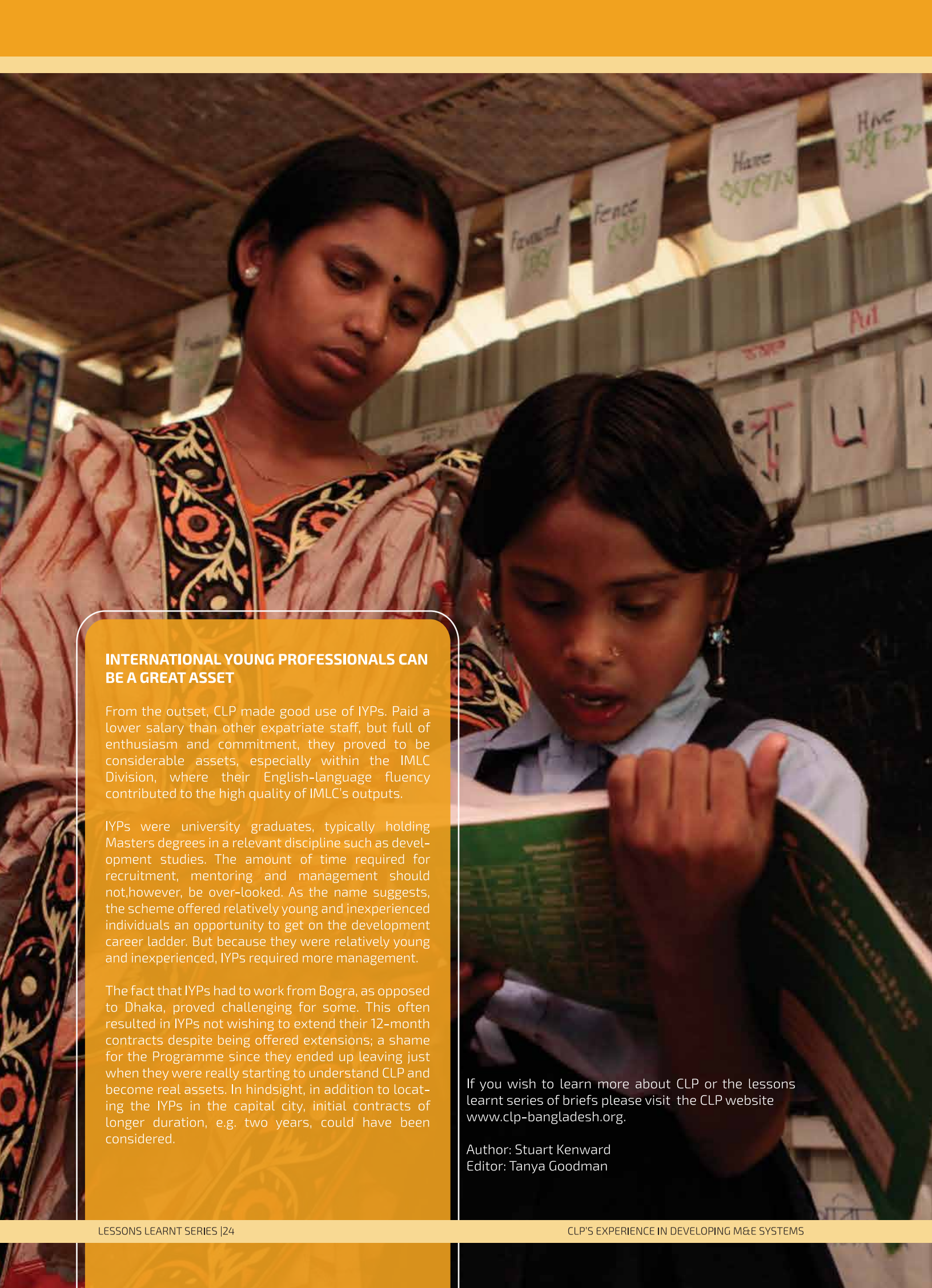
## **INTEGRATE THE COMMUNICATIONS WITH M&E FUNCTIONS**

CLP established a Communications Unit at the start of the second phase (April 2010) to help consolidate and disseminate all the information that was being gathered. The Unit comprised a Unit Manager and had support from the IYPs (normally two at any time) and managed a relatively small budget. The Unit was tasked with maintaining CLP website and developing materials such as briefs, e-newsletters, etc. The Unit was located within the IMLC Directorate, alongside the M&E Unit.

There were certain advantages to locating the M&E and Communications functions side-by-side (reporting to the same Director):

- much of the communications materials relied on data produced by the M&E Unit;
- the timing of the release of M&E data could be well coordinated

Recruiting quality Communications staff proved challenging for CLP. Part of the reason for this was the Programme's location in Bogra. In hindsight, and because a significant portion of communications work, such as writing, could be done from Dhaka, this position should have been located for most of the time in the capital. This might have resulted in CLP being able to attract staff of a higher calibre.



## INTERNATIONAL YOUNG PROFESSIONALS CAN BE A GREAT ASSET

From the outset, CLP made good use of IYPs. Paid a lower salary than other expatriate staff, but full of enthusiasm and commitment, they proved to be considerable assets, especially within the IMLC Division, where their English-language fluency contributed to the high quality of IMLC's outputs.

IYPs were university graduates, typically holding Masters degrees in a relevant discipline such as development studies. The amount of time required for recruitment, mentoring and management should not, however, be over-looked. As the name suggests, the scheme offered relatively young and inexperienced individuals an opportunity to get on the development career ladder. But because they were relatively young and inexperienced, IYPs required more management.

The fact that IYPs had to work from Bogra, as opposed to Dhaka, proved challenging for some. This often resulted in IYPs not wishing to extend their 12-month contracts despite being offered extensions; a shame for the Programme since they ended up leaving just when they were really starting to understand CLP and become real assets. In hindsight, in addition to locating the IYPs in the capital city, initial contracts of longer duration, e.g. two years, could have been considered.

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# CHAPTER 5



## CLP'S EXPERIENCE IN IMPLEMENTING THE DIRECT NUTRITION INTERVENTION PROJECT

This brief shares many lessons and suggestions for other programmes implementing direct nutrition interventions.

## LESSONS INCLUDE:



Low literacy and capacity levels can hamper the gathering of accurate data.



Implementation approaches must be flexible and context-oriented.



Systemic change is catalysed when a community-wide approach is used.



Understanding the gender implications of nutrition interventions is important for efficacy.



Staff requirements should be planned from project outset to ensure efficiency of resources.



Coupled with awareness training, implementing an effective patient referral process can change the health-seeking behaviour of the extreme-poor.



A visual-oriented training / counselling curriculum approach can be more effective in increasing awareness among extreme-poor populations.

## ABOUT DNIP

The context of Bangladesh is one that can be considered "high risk" from a number of perspectives, and the nature of CLP compounded some of these risks. The pressing urgency of the need to address extreme poverty can place great pressure on systems to deliver results fast, with less attention to issues of quality and transparency.

The capacity of many stakeholders involved was often variable, meaning that, in some circumstances, people or organisations that were expected to deliver critical results struggled to achieve them. The spectre of fraud and / or corruption was a persistent one, with the danger of "leakage" or misappropriation of donor funds a very real threat.

To cap it all, the nature of the programme – asset transfers, payments of unconditional cash transfers, subsidy payments, labour payments – required large-scale cash-handling, which presented obvious targets for unscrupulous people and organisations. The wide-ranging technical activities also brought a whole spectrum of technical risks. To address these challenges CLP produced robust risk management systems, processes and guidelines.



## CHALLENGING TRADITIONAL BELIEFS

On the chars, certain traditional beliefs about nutrition and many potentially harmful practices are still pervasive. DNIP acted as a mechanism to educate CPHHs on proper nutrition and to counter such practices by replacing them with new ones.

For example, it is common practice to feed honey, boiled water and sugar water to an infant just after birth. To counter this practice, CPKs (Char PushtiKarmi, or char nutrition workers) informed pregnant women and their family members about the potential risks associated with this practice. Additionally, DNIP conducted orientation sessions on Infant and Young Child Feeding (IYCF) with adolescents, village doctors, community clinic management support groups and newly-wed couples to help increase community awareness and adoption of traditional practices.

The IYCF approach also promoted breast feeding among new and lactating mothers. On the chars there is very little knowledge of optimum breastfeeding practices for new-borns, or exclusive breastfeeding (EBF) for babies up to six months. If there are problems with correct positioning and attachment, babies often do not get sufficient breast milk and so the mother starts feeding the baby other things.

To overcome this and to encourage EBF, the CPKs conducted counselling and intensive follow-ups in the community. DNIP trained CPKs on this issue to ensure mothers were made aware about the best feeding practices for children of this age group. The CPKs also educated other family members, such as the husband and mother-in-law, on best IYCF practices.

Children on the chars tend to lack sufficiently nutritious food, and have little variety in their diets. They are fed solid foods, such as rice paste or bananas, too soon or too late, and very often they are the wrong types of foods for a child's growth requirements. The prevalence of anaemia is particularly high among children aged 7-23 months as well as among pregnant women because their nutritional requirements for growth and reproduction are relatively high.

Nutrition-specific interventions by CLP targeted the immediate causes of malnutrition. CPKs focused a lot of their counselling time on this aspect and helped the target clients to identify locally available and low-cost food items with high nutritional value.

Other interventions undertaken by CLP under DNIP that had a direct impact on the nutrition of CPHHs included:

- One-on-one counselling related to infant and young child feeding and hygiene promotion.
- Providing iron and folic acid tablets to pregnant and lactating mothers and adolescent girls.
- Supplying deworming tablets for all family members, except pregnant women during their first trimester.

CLP also implemented several interventions under different projects that had an indirect impact on nutrition of CPHHs:

- Improving access to clean water and sanitation.
- Providing social development training on Water, Sanitation and Hygiene (WASH).
- Delivering Health and Nutrition Education (HNE) through the health project.
- Promoting homestead gardening.
- Providing an income-generating asset.

The impacts of the direct interventions were assessed by a consortium led by the Institute of Development Studies, UK, with results due to be published during the first half of 2016.

## LESSONS LEARNT

After nearly a decade of experience, the Programme can offer many lessons and suggestions to other programmes implementing direct nutrition interventions.

### LOW LITERACY AND CAPACITY LEVELS CAN HAMPER THE GATHERING OF ACCURATE DATA

The recording of accurate data was of high importance to the Programme. CPKs were all married women selected from the char communities in which they work.

The criteria for CPK selection stipulated that the candidate must have completed her education up to Grade 8. However, few women in the char areas met this requirement because women with higher levels of education tend to migrate for better opportunities to the mainland. Thus, Implementing Organisations (IMOs) faced difficulties in finding qualified candidates from all villages, and sometimes there had to be some flexibility regarding the educational criteria.

Because of the limited education and experience of some CPKs, maintaining accurate data logs proved to be a challenge for them. Although initial training, on-the-job coaching and refresher training was provided by Nutrition Supervisors (NSs) and Nutrition Officers (NOs), properly recording data in the CPK Register proved to be a complex process for a few of the CPKs.

Usually, the NSs and NOs visited CPKs once a month. During this visit, the NSs and NOs checked the data that CPKs had entered over the previous month, advising the CPKs on corrections where necessary and ensuring accuracy of the recorded data by verifying details with clients. NSs and NOs also entered the hand-written, hardcopy data provided by CPKs into the CPKR register database.

None the less, this "retroactive oversight" system proved not to be sufficient enough to prevent input errors from CPKs, as mistakes were frequently made during the recording of client details. In addition, there were inconsistencies in visit dates and discrepancies in medication distribution and consumption records.

It was decided that increasing the required educational level and offering a corresponding salary for CPKs would not necessarily have fixed the capacity issue, as the reserve of literate women was already very low. It was actually not a matter of salary, but rather a problem of finding qualified and competent personnel from within the char communities.

## **IMPLEMENTATION APPROACHES MUST BE FLEXIBLE AND CONTEXT-ORIENTED IN ORDER TO BE EFFECTIVE**

In Bangladesh, and especially in remote, rural areas such as the chars, traditional beliefs and practices remain entrenched. Changing certain behaviours, such as traditional practices related to feeding babies after birth, was difficult. Efforts to convince mothers to breastfeed were often met with resistance, and it was difficult to verify if modified behaviour had taken place.

Issues with implementation of certain awareness-raising activities arose during the course of the DNIP. Take, for instance, an awareness-raising campaign about the benefits and best practices of new-born breastfeeding. IMO staff organised a screening of an educational video discussing attachment and positioning. However, as generally tends to happen in village contexts, the whole community gathered to watch the video – including men. Women and mothers felt uncomfortable and expressed to IMO staff that they felt it inappropriate. After this incident, such videos were screened in the sheds constructed for meetings, but only with women in attendance.

The implementation scale of DNIP also holds some lessons learnt. Through DNIP's one-on-one counselling, CLP was gradually able to start changing some traditional beliefs and practices at the individual level. However, it was found that a more inclusive approach to awareness-raising was more effective at the household and community level. For example, when family members of CPHHs were made aware of and encouraged to accept certain practices that may have gone against conventional beliefs, it made it easier for the women in the family to adopt new practices.

## **SYSTEMIC CHANGE IS CATALYSED WHEN A COMMUNITY-WIDE APPROACH IS USED**

DNIP targeted the CPHHs that were selected using CLP's criteria, which identified the most vulnerable and extreme-poor households. While CLP participants were targeted so that the most extreme-poor households benefited, other households that may have been only marginally better-off – but still below the poverty line with limited access to government services – were not included. Despite this "economic" distinction, there was often no difference between core and non-core households when it came to malnutrition status.

DNIP's original project design outlined four target groups:

- Pregnant women
- Mothers of children aged 0-6 months
- Mothers of children aged 7-24 months
- Adolescent girls aged 10-16 years

But these restrictions raised many questions: What about other CPHHs who did not have a member that currently fell into any one of the stipulated groups? How could DNIP help them? What would be the impact and cost-efficiency limitations of restricting nutrition interventions to just these groups?

In the second year of DNIP's implementation, it was, therefore, decided to extend basic nutrition counselling to CPHHs even where there was no client from the

mentioned categories. With the kind of deep-rooted change required to challenge conventional beliefs and practices, CLP realised it was crucial to adopt a more inclusive, community-wide approach.

One way that DNIP broadened its ability to include the wider community in various CLP working villages was by introducing the basic concepts of the IYCF approach to village doctors, to newly-weds through couples orientation, and to the communities' youth through the CLP adolescent groups. As a result, the whole community developed a greater awareness about IYCF, which went a long way towards tackling entrenched social conventions.

If DNIP had worked with the whole community from the outset, the impact of the project would have been wider-reaching. As a case in point, the adolescent groups were comprised of youth from both core and non-core participant households. Iron and folic acid tablets, however, were only provided to adolescent girls from core participant households. If these tablets had been given to both core and non-core girls, the output, results and impact would have been much greater.

Another example comes from the distribution of deworming medication. Deworming medicine was distributed to all CLP participants and their family members every six months. However, the sentiment of community members and CPKs was that this medication should have been distributed to everybody, considering the living conditions and close contact between char-dwellers. Thus, using a community-wide approach for distribution might have rendered deworming efforts much more effective.

## **UNDERSTANDING THE GENDER IMPLICATIONS OF NUTRITION INTERVENTIONS IS IMPORTANT FOR EFFICACY**

Like so many aspects of development, gender inequality also underpins nutrition interventions and affects the efficacy of various programmes. For DNIP, a central challenge was that in CLP working areas, many of the households are headed by men. Although within the household, women are more likely to prepare food and to feed it to the family members, the women often have very little authority over what they eat and when they have rest. They often do not have their own source of income and have little to no input in how the household income is used. Social and religious decision-making for the family is rarely in the hands of women.

In accordance with the original project design, nutrition and health counselling was given directly to the female participant. So, in the case of a pregnant woman or a new/lactating mother, advice may have been given on the need for specific nutrition requirements, or taking rest, etc. However, it was found that, because of the systemic patriarchal society, women often had little authority over these aspects of their daily life.

With this in mind, CLP expanded its approach so that counselling was extended to include other family members. CLP found that when the household was educated on the importance of certain practices, such as resting and nutritional intake, especially during pregnancy, it made it much easier for the women of the household to follow the health advice given to her.



**STAFF REQUIREMENTS SHOULD BE PLANNED FROM PROJECT OUTSET TO ENSURE EFFICIENCY OF RESOURCES**

With two other major programmes – SHIREE and UPPR – also hiring NOs at around the same time as CLP was operating, a huge (albeit welcome) strain was put on the market for nutrition experts in Bangladesh. It was well known that some staff were hired in one organisation, completed the training, and then switched to work for a higher paying programme. It, therefore, would have been much better to avoid this scenario by implementing a standardised salary across all three programmes.

Within CLP there were also inter-project discrepancies in pay. Within DNIP, CPKs received a fixed monthly salary while CSKs (char health workers who were hired through the Primary Health Care and Family Planning

component of the Programme) were paid based on performance. This had two negative consequences: firstly, it caused resentment between CPKs and CSKs in the same village; and secondly, by not incentivising CPKs, productivity suffered. In hindsight, it would have been better had salaries been standardised for similar level staff as well as across programmes.

In addition to this, and following on the first lesson learnt concerning data collection and CPK capacity, more consideration should have been given to staffing requirements in terms of capacity and availability of qualified candidates from the beginning of the project. DNIP also faced the problem of getting staffing numbers right to manage the work required and balancing those numbers across the specific tasks. Although DNIP hired a sufficient amount of CPKs it could have benefited from hiring more NOs for supervision purposes.

## COUPLED WITH AWARENESS TRAINING, IMPLEMENTING AN EFFECTIVE PATIENT REFERRAL PROCESS CAN CHANGE HEALTH-SEEKING BEHAVIOUR

DNIP referral services, along with malnutrition awareness-raising at the community level, aimed to contribute to the reduction of child mortality on the chars.

Severe malnutrition is an acute medical emergency, and it requires immediate treatment and management. The DNIP team found, when tackled efficiently, that treating malnutrition could serve as a feasible and affordable means by which to bring about huge health, social and economic benefits within households and communities. To this aim, DNIP started referring char-dwellers to government and non-government hospitals and clinics specialising in Severe Acute Malnutrition (SAM) and Moderate Acute Malnutrition (MAM) patients, typically children under 5, with the help of the Bangladesh Government services. These referrals not only increased the awareness of the availability of such services, but also increased the health-seeking behaviour of char-dwellers who had previously been unaware or sceptical of hospitals and clinics.

Usually malnutrition patients require longer treatment in facility-based hospitals. This posed a challenge to many CLP participants, as it was very difficult for mothers to spend so long away from home when there were often other children to be cared for. Many mothers also feared that long-term treatment out of the locality ran the risk of their child being a victim of organ harvesting or human-trafficking. DNIP staff had to slowly earn trust within communities to overcome this. CPKs and other DNIP staff had to invest a lot of time counselling families on the government services that are available and the importance of treatment for malnourished children.

Communities now have much more awareness and are now more likely to seek medical attention for their children when cases arise.

## A VISUAL-ORIENTED TRAINING CURRICULUM APPROACH CAN BE MORE EFFECTIVE IN INCREASING AWARENESS AMONG EXTREME-POOR POPULATIONS

DNIP made impressive progress on the chars, especially with regard to IYCF.

Through effective counselling, an understanding of the importance of EBF and other aspects of early child nutrition were increased and practices significantly adapted. IYCF learning materials, provided by the NGO "Alive and Thrive", included staff manuals, flipcharts and informational videos. The videos, in particular, proved very effective as they drew in a large crowd. As mentioned previously, videos on certain sensitive subjects were shown exclusively for women and adolescent girls in a private location.

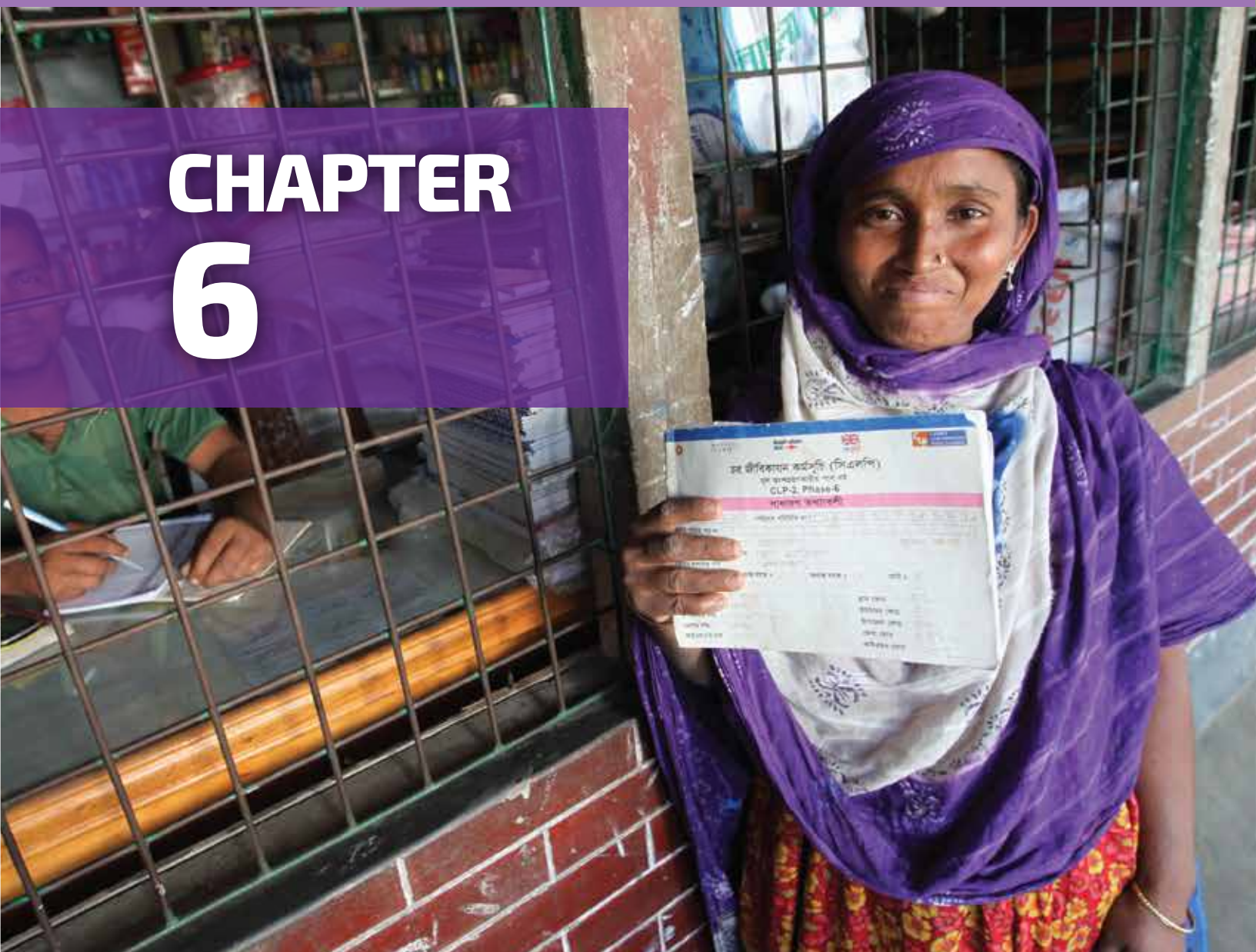
This visual approach has since been taken up by the Government of Bangladesh.



If you wish to learn more about CLP or the lessons learnt series of briefs please visit the CLP website [www.clp-bangladesh.org](http://www.clp-bangladesh.org).

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# CHAPTER 6



# CLP'S EXPERIENCE IN MOBILE MONEY TRANSFERS

This brief and shares many lessons and suggestions for those who plan to use mobile banking services to dispense stipends or transfer cash to beneficiaries.

## LESSONS INCLUDE:



Mobile financial services can be used to include people with no access to formal financial services.



Mobile transfers can be used despite the absence of national identity cards; core participants also do not need a mobile phone.



Problems can arise that cannot be resolved locally.



Use of mobile transfers has value-for-money benefits.



Scaling up to reach all participants can be hampered by a shortage of agents in remote areas.



Programme participants need assistance in opening and managing mobile banking accounts.



Transfers through mobile phones have positive knock-on effects, such as: providing a secure way to save; an alternative means to transfer remittances; and enhancing women's empowerment.

## MOBILE MONEY TRANSFERS

CLP provided 78,000 extreme poor core participant households (CPHHs) with an integrated package of support lasting 18 months.

Central to CLP's approach was the Asset Transfer Project. CLP's core participants received a grant of Tk 17,500 (around £153) to purchase an income-generating asset of their choice, normally cattle. Alongside this, a monthly stipend was provided to each participant for 18 months from the month the asset was purchased. In July 2012, CLP began using mobile phones as a way of transferring these stipends through bKash (the service provider). This gave char-dwellers formal access to financial services.

Over the 18-month period, each participant received a total stipend of Tk 8,100 (around £68), which was broken down into Tk 650 for each of the first six months, and Tk 350 for the following 12 months. The stipend was transferred straight to participants' mobile phone SIM cards, which could then be converted into cash through a bKash agent.

CLP's role was primarily to support the participants in opening their mobile money accounts, work with the provider to overcome operational challenges, and monitor the stipend transfers. In addition to the Tk 8,100 stipend transferred, CLP covered the costs of opening each mobile money account (which included the cost of photographs, photocopying of a National Identity Card (NID) or birth certificate, and purchase of a SIM card, but excluded the purchase of a mobile phone), and the monthly stipend transfer and commission costs over 18 months. These additional costs totalled approximately Tk 312 (about £2.60), or 3.85% of the total stipend value of Tk 8,100 per participant. CLP considers this method of stipend transfer to be cost effective.

CLP began implementing stipend transfers through bKash with a pilot project in July 2012. A number of considerations were taken into account when making the transition from cash to mobile transfers. These included: security risks; limited mobility of char-dwellers; limited network connectivity; costs of using mobile phones; and proximity of bKash agents to the chars. Cumulatively, throughout the three phases, CLP provided stipends via mobile money transfers to 22,278 households out of 64,410 households enrolled.

## TIMELINE FOR ESTABLISHING MOBILE CASH TRANSFER PROGRAMME

### July 2012

Decision taken to start a pilot programme on cash transfer through mobile. Search begins for a suitable company who can serve with a minimum cost.

### August 2012

Started with three villages in Kurigram and Pabna. bKash, a BRAC Bank company licensed by Bangladesh Bank (the central bank of Bangladesh) to operate mobile phone banking was chosen as the service provider for CLP stipend transfer.

### October 2012

Arranged meeting with bKash and agreed to continue in other CLP working areas where agents and mobile network were available. Stipends were transferred to CPHHs directly from bKash headquarters.

### November 2012

bKash staff provided orientation to CLP and IMO staff on operational activities of mobile cash transfer

### December 2012

Met with bKash again and shared experiences and technical problems. Upon agreement with bKash that they would solve all technical problems, the project was scaled up in 66 villages where bKash agents and mobile networks were available.

### January 2013

Developed a monitoring system and collected field data through IMO reports, which were completed on a monthly basis and compiled regularly to see the outputs and problems.

### July 2013

Included second set of 78 new villages where bKash agents and mobile networks were available.

### July 2014

Included third set of 34 new villages where bKash agents and mobile networks were available.

## LESSONS LEARNT

Char-dwellers do not have access to formal financial services offered by banks, primarily due to the geographic isolation of the chars. Microfinance institutions have very limited operations in the chars due to transportation difficulties and economic viability.

Consequently, people on the chars don't have a safe place to save money and no formal channel for receiving money from the migrated char labour force working on the mainland. In 2010 Bangladesh Bank (the central Bank of Bangladesh) gave licences to several banks to operate banking services through mobile phones. One of the objectives of opening banking through mobile phones was to facilitate access to financial services by hitherto unreachable people. This facility opened a door for char-dwellers to get remittances from the mainland and to save money for times of need. It also enabled organisations/projects like CLP to use these mobile money services to move cash.

CLP used this remittance facility to transfer monthly stipends to its core participants. With assistance from CLP, char households became included in formal financial services and received CLP stipends and other inward remittances through their mobile SIM. This allowed illiterate women to become familiar with modern technology and ultimately, contributed to women's empowerment. CLP's experience shows that this method could also be used by government and non-governmental organisations (NGOs) for safety net payments and other disaster or financial relief transfers.

### PROVIDING ACCESS TO THIS NEW TECHNOLOGY REQUIRED INNOVATION AND COLLABORATION

Few core participants had a mobile phone, but widespread access to such services was achieved through innovative initiatives arrived at through close collaboration between programmes and service providers.

The logistics of getting a phone and opening an account posed a challenge to those who are poor or illiterate. Ordinarily, an applicant must present the National Identity Card (NID) and provide two passport photos in order to open a mobile phone account. However, many people living on the chars do not possess a NID. Moreover, completing the application form often poses significant challenges for char-dwellers, who are often either non-literate or semi-literate. All of these processes also involve spending time and money travelling to the mainland. The net effect is that the application processes are likely to deter many char-dwellers from signing up to use mobile banking for receiving or paying back micro-credit loans.

### TRANSFERS THROUGH MOBILE PHONES CAN HAVE POSITIVE KNOCK-ON EFFECTS

Access to formal banking services was essentially non-existent for the majority of char-dwellers. CLP's experience working with bKash showed that the mobile cash transfer service could not only provide participants with an alternative means to receive remittances from family members or friends working on the mainland but also give them a safe and secure way to save money.

Through close collaboration with bKash, CLP found solutions to overcome these types of difficulties experienced by char-dwellers in accessing this service. With encouragement, bKash, for example, agreed to use other methods of identification, such as birth certificates and visual authorisation from the Project Managers of CLP's implementing partners. Staff of CLP implementing partners also assisted participants by helping to fill out the requisite forms, getting photocopies of NIDs/birth certificates, contracting photographers to take photographs and then taking the paperwork to the bKash agent who then opened the account/wallet.

Because the platform and menu used by the service provider is in English, in-depth orientation was required for participants in order for them to be able to use the service. As part of the orientation, participants were encouraged to choose an easy PIN code and emphasis was placed on the importance of memorising PIN codes, maintaining secrecy of PIN codes, and the safe-keeping of SIM cards (especially when the users do not have their own mobile phone set). For those who could not afford to purchase a cellphone, they could still access the mobile cash transfer service via a mobile handset which selected bKash agents were given for this purpose.

Close monitoring of transfers and cash-outs/withdrawals was also required for the smooth running of the whole operation, specifically for identifying and helping to resolve problems related to the replacement of lost/damaged SIM cards, account unblocking (blocked due to wrong PIN code punch), cashing out on demand, and checking on the degree of cooperation of the service provider's agents, etc.

Furthermore, having access to banking via a mobile phone meant that char-dwellers could withdraw money at a time convenient to them rather than using time that could be spent elsewhere, e.g. working.

Finally, women on the chars became more empowered through the mobile cash transfer programme. They gained access to financial services, as well as greater control over their money and time – all of which are important aspects of empowerment – and they became engaged with a new technology.

### **USE OF MOBILE TRANSFERS HAS VALUE-FOR-MONEY BENEFITS**

A value-for-money benefit analysis looks at the degree to which the money being spent on poverty alleviation is maximised. In this case, the introduction of the mobile cash transfer programme significantly decreased the time involved and the risks associated with transporting and storing cash to be distributed on the chars.

Previously, when distributing stipends to participants, CLP staff would have had to transport large amounts of cash, which carried a high risk of theft, as well as an increased risk of "leakage". This was also time consuming and required mobilising large numbers of staff. After the mobile cash transfer system was put in place, stipends could be easily sent through mobile phones and withdrawn from bKash agents already located on, or near, the chars. Participants also gained the opportunity to withdraw only the amount of money they needed and at a time convenient to them, thus reducing the chances of their full stipend being stolen.





## **IN A REMOTE AREA, SCALING UP TO REACH ALL PARTICIPANTS CAN BE HAMPERED BY A SHORTAGE OF AGENTS**

The scale of the mobile transfer service that could be offered was largely determined by the agent network of the service provider carrying out the transfers and disbursements. When CLP implemented the programme, the bKash agent networks were fairly weak on the chars. CLP intended to use the service to cover as many CPHHS as possible. However, CLP could only reach 35% of the programme participants through mobile transfers simply because there were no available suitable bKash agents in close proximity to these other CLP working villages.

bKash tried their best to recruit agents in the chars but it did not go well because of eligibility criteria set by the regulator, predicted business volume in the chars, and issues around the security of keeping cash etc. Furthermore, incentivising agents to work on the chars was found to be difficult, as carrying out business on the mainland is often more remunerative.

## **SMALL OPERATOR ERRORS, DUE TO POOR LITERACY, CAN BECOME LARGE OBSTACLES IN SERVICE EFFECTIVENESS**

Problems sometimes arose due to participants entering their PIN incorrectly or losing their SIM card. As a result, their account/wallet would become locked and the problem could not be resolved locally, which could mean a delay in participants receiving their money.

Illiteracy is common on the chars, and users often needed assistance operating their phones, sometimes having to disclose their PIN to helpers, which is also a security risk.

CLP found that creating a formal partnership with bKash made it much easier to troubleshoot logistical issues associated with using the service on the chars. For example, CLP was able to create an agreement where an alternative arrangement was set up for unblocking SIM cards in those cases where punching an incorrect PIN had caused the account to be blocked. The standard process for clients was to call a hotline and answer a series of questions in order to unblock the SIM. However, this proved challenging and costly for many char-dwellers. Instead of calling the hotline, CLP designed an arrangement where the details of these individuals were sent to bKash each month, so they could then unblock these SIMs.

It is difficult to generalise about how easy it would be for different NGOs to form a partnership with a mobile banking service provider. However, it is possible to say with reasonable certainty that this would be dependent on factors such as the:

- Size of the NGO client base and likely volume of transactions
- Nature of the special agreements required by the NGO
- Time commitments required by the mobile banking service provider to service the population





### **ON-GOING SUPPORT IS NEEDED**

Including illiterate poor people in mobile banking services can be transformative and empowering, but it is not an easy process. In order for participants to use this service, on-going support is needed, from the initial stage of registering to on-going advice about using mobile banking services, help with troubleshooting, and general problem-solving in response to user errors.

If you wish to learn more about CLP or the lessons learnt series of briefs please visit the CLP website [www.clp-bangladesh.org](http://www.clp-bangladesh.org)

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# CHAPTER 7



## CLP'S EXPERIENCE IN MEASURING WOMEN'S EMPOWERMENT

This brief and shares many lessons and suggestions for those grappling with measuring women's empowerment.

#### LESSONS INCLUDE:



Getting the community involved in defining women's empowerment results in a defensible approach.



Account for the possibility that respondents will tell you what they think you want to know.



Use mixed methods to collect data.



Acknowledge the risk that questions can be interpreted in different ways.



Recognise that the definition of women's empowerment is context specific and likely to change over time.



Even some obvious things can be overlooked.

#### CLP'S INNOVATION, MONITORING, LEARNING AND COMMUNICATIONS DIVISION

CLP monitored progress of its core participant households (CPHHs) against criteria that could be grouped under six thematic areas 1) Graduation 2) Water, Sanitation and Hygiene 3) Livelihoods 4) Nutrition 5) Food Security, and 6) Women's Empowerment.

Finding tools to measure women's empowerment proved both interesting and challenging. The first rounds of surveys conducted on behalf of CLP revealed a number of ineffective or inadequate techniques for gathering data related to women's empowerment, either in the survey instrument itself or in the indicators being measured. By grappling with these issues and seeking alternatives CLP developed an approach that generated interest both locally and abroad and has, in some instances, been replicated by other projects and programmes.

This brief does not intend to replicate information already contained on the CLP website ([www.clp-bangladesh.org](http://www.clp-bangladesh.org)) which explains in detail how CLP developed an innovative approach to tracking women's empowerment along with the key findings. Instead, this brief focuses on key lessons learnt from developing and applying the approach.

## MONITORING WOMEN'S EMPOWERMENT TIMELINE

The following timeline presents significant events in the process of developing tools for measuring women's empowerment:

**March 2010**  
CLP2 begins



**June 2010**  
First empowerment survey.  
Very detailed questionnaire  
(Baseline for Cohort 2.1)



**October 2010**  
Second empowerment survey.  
Very detailed questionnaire.  
(Baseline for Cohort 2.2)



**April-June 2012**  
Review of the approach to measure  
women's empowerment. This helped  
to define a new approach  
to measuring women's empowerment



**June-August 2012**  
First survey using the Chars  
Empowerment Scorecard  
(CLP1 and Cohort 2.3  
and 2.3 control group).



**August 2014**  
Review of the relationship  
between women having their  
own income and other  
indicators of empowerment.



## LESSONS LEARNT

The Programme's interventions were designed to build women's confidence, address negative social attitudes and behaviours, and increase respect from family members and the wider community. Activities that aimed to achieve this included the provision of an income-generating asset coupled with livelihoods training. CLP also enrolled women in social development groups and provided couples-orientation courses as well as workshops for influential males in the community.

### GET THE COMMUNITY INVOLVED TO HELP DEFINE INDICATORS

During the first few months of CLP2 it became clear that the Programme needed to assess the extent to which it was empowering women on the chars. The donors were asking for information and the Programme's Logical Framework only contained an indicator related to women's self-confidence. However, self-confidence did not adequately capture the full range of indicators that contribute to women's empowerment and it was determined that some form of data collection was necessary.

In 2010, CLP's Innovation, Monitoring, Learning and Communications Division (IMLC) began by studying the literature and investigating what other projects and programmes were doing to monitor women's empowerment. This resulted in the development of the first empowerment survey questionnaire of approximately 200 questions. However, it was found that at the end of the interview there was no real way of knowing if the respondent was empowered or not; it was too subjective. Administering the questionnaire was not only time consuming but also, because of its length, respondents often failed to complete it. In addition, it soon became clear that the indicators being used were based on CLP's understanding of women's empowerment and not on criteria that the respondents considered important.

Two years later, between April and June 2012, dissatisfied with the existing approach, IMLC undertook a review of

### WOMEN'S EMPOWERMENT SCORECARD

This scorecard shows the behaviour which people on the chars have identified as representing empowerment. CLP uses these ten criteria for monitoring its impact on women's empowerment.

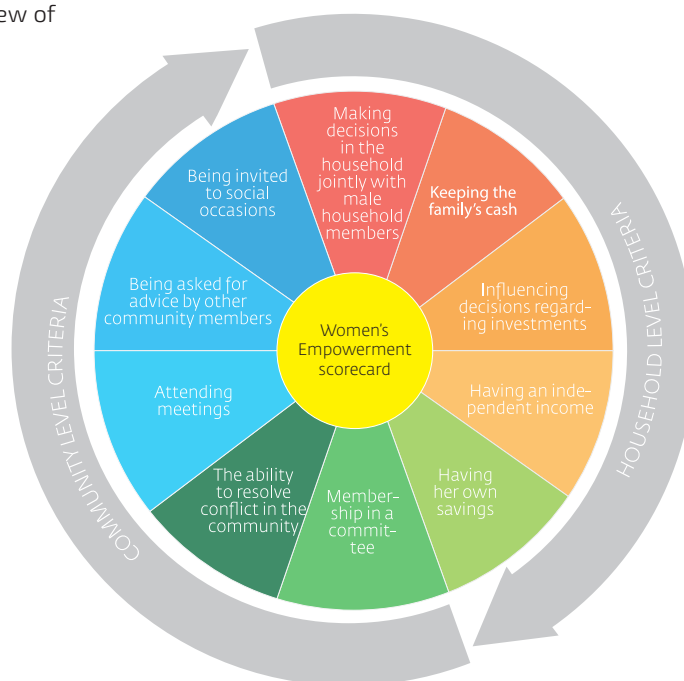
how CLP measured women's empowerment. The process enabled a greater appreciation for the fact that women's empowerment is context-specific and that char households should be consulted to see how they define women's empowerment.

As part of this review, IMLC launched a significant piece of research, the objective of which was to understand how char households defined women's empowerment. This entailed many focus group discussions with women and men of different ages and from different socio-economic backgrounds.

The research, qualitative in nature, resulted in the Chars Empowerment Scorecard (CES), which comprises ten criteria or indicators. A relatively simple and short questionnaire was developed to answer the indicators in the Scorecard. A respondent was said to be empowered if she met any five or more of the criteria. The first survey to use the CES took place from June to August 2012.

Indicators for the Scorecard were separated into two categories: household-level indicators and community-level indicators. The household-level indicators referred to a woman's status within her home and the dynamics of power between husband and wife. They also related to the influence and control a woman has within the household. The community-level indicators related to a woman's social status, including her participation and influence within the community, as well as the respect she receives from community members.

By following a very consultative process, CLP was not only able to better understand what women's empowerment meant in the chars context, but also, because of the extensive conversations held with char households, the Programme had a very defensible position when questioned why certain criteria were used as opposed to others.





### USE MIXED METHODS TO COLLECT DATA

Ideally, when it comes to describing and measuring women's empowerment, a mixture of methods – both qualitative and quantitative – is best for determining indicators and gathering data. Sufficient field research, including focus group discussions, helped in building accuracy and legitimacy for the quantitative survey, which the CES and its questionnaire became.

The final product developed by CLP – the Chars Empowerment Scorecard – was the result of a qualitative approach that was used to construct a survey-based questionnaire. The two approaches supplemented each other well and resulted in a deeper understanding of women's empowerment.

In the end, it incorporated some of the questions from the original survey but, despite that survey containing 200+ questions, there were still some important omissions. Analyses from the first surveys using the Chars Empowerment Scorecard showed some interesting results, but the data couldn't explain, for example 1) which aspects of the Programme were influencing women's empowerment the most, or 2) to what extent having an independent income impacted on other criteria of women's empowerment. It was only by using a combination of data analysis and further qualitative research that CLP came to understand this.

## **THE DEFINITION OF WOMEN'S EMPOWERMENT IS CONTEXT SPECIFIC AND LIKELY TO CHANGE OVER TIME**

It was a fairly obvious, but late realisation, that empowerment is highly context specific. Even within Bangladesh, the criteria used to define empowerment are likely to be different for women living on the chars compared, for example, to women living in urban slums.

Had CLP realised this earlier, a questionnaire with 200+ questions (CLP's first approach) that drew on what other Bangladesh projects and programmes working in different environments were using probably wouldn't have been developed.

But, just as the criteria used to define empowerment are context specific, so too are the criteria likely to change as a woman makes economic and social progress. For example, the criteria used to define women's empowerment for an extreme-poor woman just entering the Programme was likely to be different from those of a woman who had received support for several years, and who subsequently had significant assets and a greater role in household decision making.

CLP did not have the resources to assess the extent to which criteria would change over time. And, there was hesitation to change any of the survey criteria because each change would affect the degree to which the survey could present a clear set of time-series data. In future, those who design such surveys should keep this in mind.

## **THERE IS A RISK OF SURVEY/RESPONDENT BIAS**

Each year of operation, IMLC carried out an annual survey during which a sample of households that were supported in the past were revisited, i.e. panel samples. The advantage of this approach (as opposed to randomly selecting a different sample each year) was that it allowed the status of individual households, and respondents, to be tracked over time. A disadvantage of this approach, however, was that the same households were revisited and may have started providing the information they thought the enumerator wanted to hear.

Another risk associated with the CES questionnaire was that questions could potentially be interpreted in different ways. For example, to some women "influencing decisions regarding investment" actually meant they were making or changing a particular decision; whereas for other women, it was simply about the fact that the man listened when in the past he hadn't.

The same type of confusion could also have arisen for the "making decisions in the household jointly" indicator. Some women meant that they discussed decisions and took decisions upon mutual agreement, while for other women this meant that the man included them in the decision-making process when in the past he hadn't. Both can be argued to represent empowerment, but there's at least a qualitative difference between the two, even if they represent the empowerment definition.

These are not unusual risks. And they are present in all such surveys.

## **EVEN SOME OBVIOUS THINGS CAN BE OVERLOOKED**

After going through the extensive community consultation process and finally developing the CES, IMLC launched its first CES survey to assess levels of empowerment in June 2012.

It wasn't until the analysis stage that CLP realised that female-headed households had been included in the sample and that not all criteria actually applied to them, e.g. 1) having her own cash 2) keeping the family's cash etc. These female-headed households were included in the analysis, and it was actually easier for them to meet five or more of the criteria than male-headed households. During the second CES survey the authors decided to follow a slightly different approach and excluded the female-headed households from the analysis for these specific indicators. For these female-headed households (admittedly a small proportion of the sample at +/-12%) the community indicators of empowerment were, however, relevant.

It's clearly important to think the whole process through, from start to finish.

If you wish to learn more about CLP or the lessons learnt series of briefs please visit the CLP website [www.clp-bangladesh.org](http://www.clp-bangladesh.org).

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# CHAPTER 8



## CLP'S FINANCIAL SYSTEMS AND RISK MANAGEMENT STRATEGIES

This brief and shares many lessons and suggestions for those designing good Risk Management strategies.

### LESSONS INCLUDE:



Implement systems that are empowered to monitor and audit.



Internal audits serve as a deterrent.



Fraud management starts with a zero tolerance approach.



Verification surveys with third-party providers can be effective.



Institute real-time verification processes for high-cost activities.



Use the element of surprise to optimise verification, supervision and deterrence.



Staff in outlying areas can play a crucial role in monitoring.



Technical risk management and enforcing contracts is essential to keeping all components in sync.



Regular communication about risk management demonstrates high expectations and commitment.

### FINANCIAL SYSTEMS AND RISK MANAGEMENT

The context of Bangladesh is one that can be considered “high risk” from a number of perspectives, and the nature of CLP compounded some of these risks. The pressing urgency of the need to address extreme poverty can place great pressure on systems to deliver results fast, with less attention to issues of quality and transparency.

The capacity of many stakeholders involved was often variable, meaning that, in some circumstances, people or organisations that were expected to deliver critical results struggled to achieve them. The spectre of fraud and / or corruption was a persistent one, with the danger of “leakage” or misappropriation of donor funds a very real threat.

To cap it all, the nature of the programme – asset transfers, payments of unconditional cash transfers, subsidy payments, labour payments – required large-scale cash-handling, which presented obvious targets for unscrupulous people and organisations. The wide-ranging technical activities also brought a whole spectrum of technical risks. To address these challenges CLP produced robust risk management systems, processes and guidelines.

## LESSONS LEARNT

### DEVELOP AND IMPLEMENT SOUND SYSTEMS THAT ARE EMPOWERED TO MONITOR AND AUDIT

A large programme such as CLP required sound financial systems and watertight approaches to financial risk management to ensure minimal "leakage" of funds through misappropriation, as well as promoting maximum efficiency. The Chars Livelihoods Programme was consistently judged to have had good financial control systems in place.

The starting point of good financial systems is to have a Finance and Administration (F&A) Division that is resourced and empowered to deliver good financial systems and financial risk management. CLP's F&A Division was headed by a Director who reported directly to the Team Leader. Programme staff and systems also worked closely and integrated well with the staff and systems of the company that managed the overall Programme (Maxwell Stamp PLC).

CLP's financial, administrative and procurement systems were all comprehensively documented in separate manuals. All three manuals were regularly updated and were regularly used to help CLP and Implementing Organisation (IMO) staff monitor monthly expenditure, ensure procurement activities were carried out to the required quality standards, and verify adherence to administrative guidelines.

These manuals were often used in the three types of routine audits carried out during each financial year. These were: CLP External Audits; FAPAD (Foreign Aided Project Audit Directorate) Audits carried out by the Bangladesh Government; and External Audits of Partner Implementing Organisations (IMOs). All three audits occurred between March and August/September of each Financial Year. These audits often randomly selected areas from finance, procurement and administrative systems and checked practices against them. During 2015, for example, as well as auditing the finances, the audit team checked that procedures covering asset registers, vehicle use and procurement approach and reporting were being adhered to.

### ACTIVITY-BASED FINANCIAL REPORTING CAN HELP DETER AND DETECT FRAUD QUICKER

Learning from experience over the years, CLP developed additional means of detecting and deterring potential financial risks, such as cases of fraud. After a large fraud case in early 2014, a CLP investigation revealed a loophole in the control system. A corrupt accounts manager had been able to post bogus expenses to the financial system. Meanwhile, District staff were keeping track of activities on the ground, such as the numbers of income-generating assets being purchased and delivered. CLP's management realised that if District staff's monitoring of these "physical outputs" had been combined with additional detailed checks on the financial statements, it would have been clear sooner that more expenses were being entered into the accounts than could be accounted for by the physical outputs. Thus this "space"

for corruption would have been reduced or eliminated. As a result, the Finance Division instituted a system of Activity-Based Financial Reporting.

This system compared financial flows to the IMOs against expenditure for each budget line related to individual activities listed in the reporting system. District staff were tasked with checking the activities against financial transactions and could raise the alarm if there was suspicious activity. For example, during the 2014 fraud case, District staff would have spotted within one month that financial expenditure records did not match actual outputs (such as livestock purchases, water points being constructed, and so on) and could have "blown the whistle" much sooner.

While this type of reporting significantly added to the District staff's workload in some instances, reports from the field indicated that this extra line of tight control helped focus attention on quality standards in the accounts departments of all IMOs. This created a significant deterrent effect and allowed for the smooth integration of operational and financial risk management.

### REGULAR AND SURPRISE INTERNAL AUDITS CAN SERVE AS A GOOD DETERRENT

CLP also carried out internal audits by the Finance team to create further deterrence. Previously, CLP had carried out its internal audits following a sampling method, a standard accounting procedure. However, from 2014, the Finance Division began to carry out a total fund reconciliation at each audit. This audit investigated all vouchers without exception, requiring the check of approximately 2,000 pieces of documentation for each IMO.

The process was time-consuming, requiring two days' preparation at the CLP office and another full day at the IMO office. Despite being time intensive, it was found to be one of the most useful audit tools for ensuring the correct fund positions of every IMO.

In addition to these regular internal audits, CLP carried out spot-checks. Members of the Finance team would visit a particular IMO (sometimes selected randomly, but sometimes purposely chosen if weak nesses were perceived) without prior notice and verify samples of vouchers. The knowledge that such visits could occur at any time, unannounced, were an extra incentive for IMO financial staff to maintain high standards.

Many of these general financial management and risk avoidance approaches were made easier by the fact that CLP had rigorously implemented a common chart of accounts across all IMOs, as well as requiring the use of Quickbooks, a single accounting system. This ensured that all IMOs used similar approaches to posting expenses and all used the same lines of activities. IMO Account Managers were trained how to use the software and were given refresher training each year to help them maintain high standards.

CLP also regularly brought together all IMO Programme Managers (PMs), Accounts Managers (AMs) and Accounts Officers (AOs) to discuss issues and share best practices for financial risk management and value-for-money. These regular sessions also served to highlight CLP's zero-tolerance approach to fraud and financial mismanagement.

## **FRAUD MANAGEMENT STARTS WITH A ZERO TOLERANCE APPROACH**

The operating environment in Bangladesh is one that brings the danger of "leakage", or fraudulent activities aimed at misappropriating money or assets, to the fore. CLP's fraud deterrence and incident management processes evolved over time, combining to create a series of inter-related activities and mechanisms to both detect and deter fraud.

The starting point for all CLP's fraud management was the "zero tolerance" approach. Promulgated by DFID and DFAT, it was adhered to strictly by the implementation team. This approach meant that there was no level of "allowable" fraud, nor were any suspicious activities over-looked because they were not deemed serious enough to spend management time on. All potential incidents of fraud or suspected fraud were fully investigated until it could be concluded that they either were or were not fraud-related. If they were, then appropriate management action was taken immediately. If they were not, then any systemic, individual performance or other implementation lessons were identified and modifications made as necessary. This commitment to full investigation and resulting action, including swift modifications to working practices, processes or guidelines, was a major platform for ensuring that fraud was both deterred and corrected when found.

## **IDENTIFY OPPORTUNITIES FOR FRAUD AND PRE-EMPT**

Opportunities for fraud existed at every stage of CLP's implementation, so anti-fraud activities began from the start of the cycle. During identification of potential participants for each cohort, CLP's District staff accompanied the IMO's field staff on a random, ad-hoc basis, to ensure that the participatory appraisal methods were implemented fairly.

Once participants were identified, CLP's senior management team verified at least 5% of every IMO's participant list by independently re-visiting each randomly-selected household and checking the eligibility criteria. If too many instances of inclusion or exclusion errors were found, the IMO would be instructed to re-do the identification process, either for the whole cohort or for certain areas; an exercise for which it was not reimbursed. All IMOs were informed that this policy would be implemented, and this alone had a strong motivating effect. Since the early days of CLP, no IMO had to re-do its entire participant identification process.

During the identification of the final batch of participants (Cohort 2.6 during 2014), CLP Management identified the potential for increased risk of fraud. Given that it was the last cohort, CLP identified the risk that errant IMO staff might try to include non-legitimate participants in the programme in order to take kick-backs from them, as it would be their last chance to profit in this manner. As a result, CLP randomly verified 7.5% of the final cohort lists, rather than 5%. Again, the IMOs were informed that this would occur beforehand and no significant problems were found.

## **VERIFICATION SURVEYS WITH THIRD-PARTY PROVIDERS CAN BE VERY EFFECTIVE**

During CLP's implementation, there were also many opportunities for staff to potentially misappropriate money as well as scope for poor quality implementation, given the remoteness of some areas and therefore the difficulty of implementing effective monitoring. As a result, CLP instituted a Verification contract with an external, third-party survey contractor to verify that outputs being reported were actually being implemented.

For example, a large portion of CLP's budget was spent on infrastructure activities: plinths, water points, hygienic latrines. On a random basis, CLP would assign certain outputs for checking by the Verification contractor, who would then send teams to verify output reports by the IMO. These teams would visit the assigned villages to find out, for example, if the number of plinths that were reported were actually there, and were built to the appropriate quality. Where evidence of mis-reporting or quality problems were discovered, reports were immediately sent to the Innovation, Monitoring, Learning and Communications Division (IMLC) for investigation. An Incident Register was instituted to track such cases as both a management and reporting tool, and also to provide feedback to IMOs on the kinds of performance issues that were being found.

## **INSTITUTE REAL-TIME VERIFICATION PROCESSES FOR HIGH-COST ACTIVITIES**

After reviewing the lessons from the Verification surveys above, CLP realised that it might be missing potential incidents during the "big money" outputs, such as plinth-raising and asset transfer, which also involved substantial cash-handling requirements. While verification surveys usually occurred after the fact, to check on outputs, it was decided that CLP also needed real-time verification while work was ongoing. As a result, CLP also instituted Customer Satisfaction Surveys (CSSs) to interview participants directly. These surveys were aimed at gauging whether implementation was going as planned and if participants were satisfied. These CSSs were also contracted to a third-party survey provider, with reports going directly to the senior managers of the IMLC. Again, all reports of irregularities or concern were fully investigated and registered in the Incident Register for future learning.

Both sets of surveys were randomised, so no IMO ever knew when and where either team would turn up to check. CLP believes this led to significant positive pressure on IMO performance. It also helped ensure that all staff were aware that CLP took performance and anti-fraud measures very seriously and did not hesitate to act upon incidents once discovered.

## **STAFF IN OUTLYING AREAS CAN PLAY A CRUCIAL ROLE IN SUPERVISION AND MONITORING**

CLP's District staff were a major component of CLP's risk management and anti-fraud activities. Based in District towns, close to the chars, District staff were able to visit all implementation villages, even the most remote. Their overall role was to check on progress and quality of implementation, the planning and reporting of the IMOs in their area, the satisfaction of participants and also to alert CLP to potential cases of fraud or poor performance.

This role became vital as an additional form of monitoring and supervision, and also evolved over time. District staff became responsible for providing the technical insight and knowledge into the Activity-Based Financial Reporting (see above) process. In addition, District checklists were implemented, which aimed to systematise the areas for monitoring and supervision and promoted good quality supervision visits.

Several field visits by senior managers revealed that, on occasions, District staff were not investigating or questioning certain practices or incidents closely enough, to the quality expected. This resulted in the assessment that, in some circumstances, performance issues or possibly even fraud incidents could be going un-reported, and therefore un-addressed. The checklist approach, along with capacity building in its application, was designed to raise these standards and ensure better supervision and monitoring.

Regular and (usually) unannounced spot-checks by senior managers were also a source of both performance supervision and fraud deterrence. CLP learnt early that it was important to be accompanied by the respective Project Managers (PMs) of the IMOs being visited. PMs were much more likely to swiftly and thoroughly address issues they had personally witnessed, as opposed to reports that came through via email or telephone calls.

## **REGULAR COMMUNICATION WITH STAFF AND PARTNERS ABOUT RISK MANAGEMENT DEMONSTRATES HIGH EXPECTATIONS AND COMMITMENT**

CLP also instituted regular communications regarding fraud and the zero tolerance approach with all staff and its IMOs. Fraud and risk management were a regular item on the agenda of the quarterly meetings that CLP held with its District staff and IMO Project Managers and Executive Directors. During these sessions, lessons were discussed and information on "trending" fraud cases shared. CLP also carried out workshops and sessions on risk management, for example reviewing the risks associated with the six voucher schemes that it implemented. Where a pattern of worrying Incident Reports were seen from an IMO, CLP management took swift action to communicate performance concerns to the IMO concerned, as well as to follow up with action plans, field visits and performance reviews.

## **UNDERPIN ALL ACTIVITIES WITH STRUCTURED POLICIES AND PROCEDURES BUT RECOGNISE DEMANDS WILL BE PLACED ON RESOURCES**

All of these activities were underpinned by a structured Incident Investigation Policy and Procedure, which included detailed processes, clear responsibilities, strong oversight and review of cases, capacity-building in investigation approaches, and a Management Information System to record, track and report on incidents.

While this structured approach resulted in thorough investigations and appropriate responses to incidents, whether performance- or fraud-based, nevertheless it was found to be very resource intensive. During some periods, senior managers of CLP were spending around a quarter of their time on incident investigation and reporting – a significant resource allocation. It was difficult to plan and resource for such incident investigations. In some years, there were quite a few incidents which absorbed significant management resources; in other years, less. It is arguable that the level of both investigation and reporting required by the donor increased markedly over CLP's life. However, this increased expectation was not matched by additional management resources, potentially leading to shortfalls in other critical areas. While CLP's implementation did not seem to suffer significantly, these resourcing issues need to be carefully considered when designing programmes.

## **TECHNICAL RISK MANAGEMENT AND ENFORCING CONTRACTS IS ESSENTIAL TO KEEPING ALL COMPONENTS IN SYNC**

CLP was a large and complex programme, with up to 19 sub-projects in three technical areas, implemented by 18 IMOs and two Special Service Providers (SSPs). As a result, technical risk management played a critical role in ensuring that all relevant components worked well together.

Underpinning this was the approach to contract management. Each IMO and SSP was separately contracted on a yearly basis to fulfil the activities necessary to deliver poverty alleviation in their working areas. These contracts were rigorously written, checked and re-checked, and then monitored and enforced. If a contract was breached, the monitoring and enforcement of violations through management action were vital components in ensuring that performance issues and other technical risks were taken seriously.

Through the IMO Performance Balanced Scorecard, a range of both positive and constructively critical feedback was provided to IMOs, ensuring that enforcing contractual obligations was not all seen as negative. The Scorecard developed over time into a comprehensive assessment of the IMOs' performance, based on numerous data sources. These performance areas included the quality of financial systems; procurement systems; and technical delivery standards in chosen areas, such as delivery of assets and stipends, the quality of plinths, and so on.

In addition to the Scorecard, many of the fraud risk management approaches mentioned above also played a major role in managing technical risks. Through the verification and CSSs and regular visits by District staff, a constant stream of performance-based information flowed between CLP and the IMOs, ensuring that standards were maintained and problems fixed. Regular oversight from Secretariat visits also ensured that IMOs understood that quality control was taken seriously and rigorously implemented.

Getting the basics of project management right also helped to mitigate technical as well as management risks (refer also to the Lessons Learnt Brief on Corporate Culture). Good planning, budgeting and recruitment of appropriately skilled and qualified staff underpinned much of CLP's success. Performance management systems were also appropriately applied, with under-performing staff given the opportunity and support to come up to standard. If performance did not improve, their contracts were terminated. This kind of "real" implementation of performance systems was critical, in the same way that the rigorous application of the "zero tolerance to fraud" policy was critical. A check-box or whitewash approach benefits no one; neither the staff that could perform better if problems were identified nor the project which could achieve better impact, economy and efficiency if fraud or mismanagement were identified.

Regular quarterly meetings between CLP and IMO senior managers ensured there were opportunities for discussion and lesson dissemination, as well as being a forum for sharing experiences more widely. Similarly, regular internal meetings among IMO teams and the District and Secretariat teams ensured good overview and communication.

Communications and liaison with other stakeholders, particularly the Government of Bangladesh, through regular local and national-level steering committee meetings, as well as with the donor / client through regular management meetings, also ensured good oversight and opportunities for lesson learning and constructive feedback.

Finally, the full integration of monitoring and evaluation (M&E) data and reports into management decision-making was also a powerful tool to mitigate technical risks (see more in our Lessons Learnt Brief on Monitoring & Evaluation).

If you wish to learn more about CLP or the lessons learnt series of briefs please visit the CLP website [www.clp-bangladesh.org](http://www.clp-bangladesh.org).

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# CHAPTER 9

# CLP'S EXPERIENCE USING VALUE FOR MONEY PRINCIPLES

This brief and shares many lessons and suggestions for those grappling with using VfM principles.

**LESSONS INCLUDE:**



A good VfM strategy uses the “3Es” conceptual framework based on the building blocks of Economy, Efficiency and Effectiveness.



Regular monitoring and evaluation contributes to good VfM.



In order to calculate the various aspects of VfM, a project needs to have good systems and data.



Invest time and effort into developing appropriate measurement indicators for success.



It is worth investing in quality systems.



Output monitoring and verification processes and surveys are important.



A marginal incremental gains approach is useful.



Be realistic, strategic and proportionate when it comes to data gathering efforts.





### VALUE FOR MONEY

The concept of VfM has always been enshrined in CLP's operations, but the overall approach has evolved over time. CLP's VfM Strategy uses the "3Es" conceptual framework based on the three VfM building blocks of Economy, Efficiency and Effectiveness. These respectively link money with inputs, inputs with outputs, and outputs with outcomes and impacts along the results chain. Cost-efficiency spans Economy and Efficiency, and Cost-effectiveness spans all three "Es" – see the figure on the next page.

As the figure clearly shows, in order to calculate the various aspects of VfM, a project needs to have good systems and data: financial systems; regular and high-quality operational monitoring; and good monitoring & evaluation (M&E) systems.

# LESSONS LEARNT

## IT IS WORTH INVESTING IN QUALITY SYSTEMS

CLP implemented quality systems across all these areas, and paid particular attention to continual improvement. Regular reports on VfM were issued and financial, procurement and administrative systems were regularly reviewed. A lesson from this is that it is worth investing in these areas, even if it seems expensive, given that under-investment can have impacts across all three of the E's. Poor financial systems, for example, will almost certainly result in poorly controlled costs and / or fraud and misappropriation that goes unchallenged; neither is good for efficiency, effectiveness or economy.

## A MARGINAL INCREMENTAL GAINS APPROACH IS USEFUL

The Lessons Learnt brief on Financial Systems and Risk Management covers CLP's learnings on those topics, so they will not be repeated here. From the VfM perspective, CLP has learnt that taking a "marginal incremental gains" approach can be useful. This is where all aspects of a system or process are analysed, and any / all small modifications that can be made to improve its operation are implemented. Even if each individual change is small, over time and across systems, the small changes add up to greater overall impact and therefore better

VfM. CLP carried out these analyses in a number of ways: regular reviews by the senior management team; in-depth reviews of financial and procurement systems by the Finance team; and workshops involving multiple stakeholders to review technical systems such as voucher-based activities.

## REGULAR MONITORING AND EVALUATION CONTRIBUTES TO GOOD VfM

CLP's suite of monitoring and evaluation activities provided several lessons that impacted on VfM. At the end of the process under which households were identified for CLP support, for example, senior managers carried out a verification process. It is not good VfM to provide support to participants that don't really need it, so selected households were randomly sampled and re-surveyed to ensure they met CLP's selection criteria. The sample size was usually set at 5% of the cohort, but in the last round, CLP sampled 7.5% of selected households due to the perception of a possible increased risk of inclusion error through potential fraud. This verification process by senior management had a strong quality improvement and fraud deterrence effect. Although some Implementation Organisations (IMOs) had occasionally been requested to re-do their identification process in certain villages due to inclusion / exclusion problems, since the early days of Phase 1 of CLP no IMO had to re-do its entire selection process.



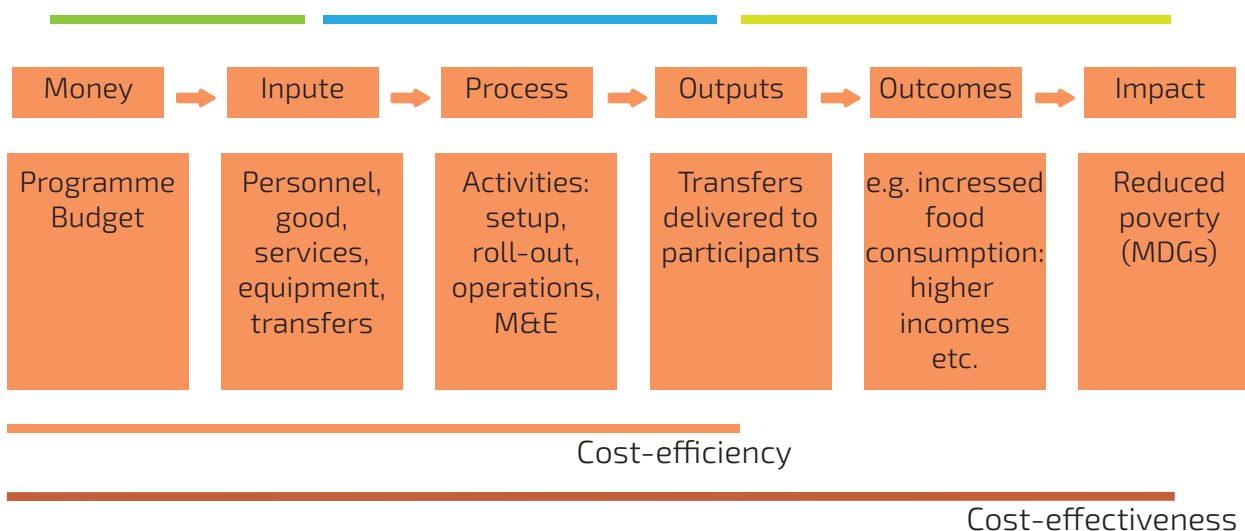
Economy



Efficiency



Effectiveness





### **OUTPUT MONITORING AND VERIFICATION PROCESSES / SURVEYS ARE IMPORTANT**

CLP also carried out additional output monitoring and customer satisfaction surveys. Output monitoring verification was contracted to a third party survey supplier, which was issued with a selection of outputs to go and verify each month. These teams would visit the assigned villages to find out, for example, if the number of plinths that were reported were actually there and were built to the appropriate quality.

Customer satisfaction surveys were also outsourced, and were designed to interview CLP participants directly to find out if implementation was going according to plan, if they were satisfied, or if there had been incidents of potential fraud, such as requests or demands for suspicious payments.

These verification reports led to various incidents being discovered and corrected, which led to cost savings as well as quality improvements, therefore covering all the E's. These incidents were documented and managed with the help of an online system, thus providing a database of issues to guide future reviews and risk management strategies.

## INVEST TIME AND EFFORT INTO DEVELOPING APPROPRIATE MEASUREMENT INDICATORS FOR SUCCESS

CLP's approach to assessing the technical quality and outcomes / impact of its work was headlined by its "Graduation Criteria". In order to graduate, a household must have achieved six out of ten indicators that covered income, food security, access to improved water and aspects of women's empowerment, amongst others. These added up to a balanced picture of what a household that was no longer "in extreme poverty" would look like. It avoided certain traps, such as an over-reliance on income and expenditure data, which, while important, were generally accepted as giving an incomplete picture of the variety of ways in which poverty can impact on households.

This was a very useful way of giving a broad-based, coherent easy-to-understand account of CLP's impact. It was used as one of the inputs in a cost-benefit analysis (CBA) that was carried out during 2012 / 2013. This CBA reported a benefit-cost ratio of 1.77, concluding that this "...is a very positive assessment, suggesting that CLP offers good value-for-money."

As with any approach, it brings with it potential weaknesses: Were the indicators the "right" ones? Were the chosen thresholds "correct"? Were the methods that were used to collect data accurate? Regardless, CLP learnt that the positive and useful aspects of measuring graduation rates largely outweighed the negatives, giving a rational and defensible way of assessing the impact and VfM of the programme.

## BE REALISTIC, STRATEGIC AND PROPORTIONATE WHEN IT COMES TO DATA GATHERING EFFORTS

Other aspects of CLP's VfM strategy proved to be slightly more challenging. The annual review of 2012 recommended that CLP develop a balanced scorecard to track its IMOs' technical performance across a number of criteria. The VfM Strategy and Workplan duly included this and work was carried out. However, it ran into difficulties for a number of reasons.

To begin with, the scope of the scorecard was difficult to finalise. Early ideas turned out to require more resources than expected: the amount of new data collection required was too great for the personnel and budget available; and the time needed for analysis and reporting also turned out to be much higher than originally planned.

Reviews took place and new ideas and scopes were introduced, but a certain level of "systems overload" and "assessment fatigue" set in. In addition, the internal benefits and internal or external demand for the outputs of the balanced scorecard didn't fully materialise.

While the information the proposed scorecard generated would be useful to a certain extent for IMOs and CLP management, it became clear that there was already considerable liaison, communication, oversight and review of all aspects of IMO and CLP technical, financial and administrative operations throughout the year. Thus, while the balanced scorecard provided an additional source of information, it did not become a headline or flagship system. For the same reasons, there was little call for the outputs of the balanced scorecard from CLP's Secretariat or District managers and supervisors.

It is questionable whether a system designed to promote VfM can represent good VfM itself if its outputs are useful but marginal, and for which there appears to be little internal demand. This illustrates that a strategic and proportionate approach needs to be taken at all times. While the balanced scorecard was undoubtedly a useful approach, and may in other circumstances have become a flagship system, it is possible that it wasn't necessary for CLP given the state of development of its financial, M&E and overall coordination / supervision systems; it was a solution without a problem to address.

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# CHAPTER 10



# CLP'S EXPERIENCE IN DEVELOPING A GOOD CORPORATE CULTURE

This brief and shares many lessons and suggestions for those seeking to build a good corporate culture.

**LESSONS INCLUDE:**



Define what you mean by a successful organisational culture.



Use failure as an opportunity to teach and encourage as well as to reiterate core values and principles.



Good evidence-based decision-making requires having solid monitoring and evaluation (M&E) structures in place, and then using them.



Clearly set out expectations in formal contracts that are enforceable.



Words and deeds must match.



Sanctions and discipline can serve as tools to reinforce elements of corporate culture, but so can reward and demonstrations of fair process.



Policies are implemented by people and require political will.



Listen to the stories people tell about their work.



Make a commitment to transparency and evidence-based decision-making.

## CORPORATE CULTURE

In a programme like CLP "corporate culture" is defined by the policies, values, principles, feelings, practices and stories that are told by its members about what the organisation is and does. These elements inform subtly, but importantly, how the project ends up performing. Corporate culture will often influence what "hard" elements are chosen. In this context, "hard" elements refer to things that can be seen or directly touched, such as documentation, policies, reporting structures and so on. Corporate culture also embraces "soft" elements, such as values, principles and mind-sets; things that are less easy to pick up and hold.

For an organisation, establishing the right "hard" elements and technical approaches is critical, such as hiring appropriately skilled staff; paying them properly; getting the project management systems and technical basics right; and so on. While corporate culture may influence what kinds of approaches get chosen, it will also influence how those "hard" elements are then implemented.

For example, any project can have a Human Resources system which sets out how people are supposed to be hired, their conditions of employment, the performance management criteria and so on. The crucial question is: How well does this system get implemented? And, whether it's implemented well or badly, what are the reasons for this? The corporate culture of the organisation is one of the factors that can provide some answers.

CLP believes that a positive corporate culture developed among the project's stakeholders over the life of the Programme's two Phases (CLP1 and CLP2). This Lessons Learnt brief attempts to identify some of the reasons this positive corporate culture arose.

## THE "HARD" ELEMENTS – CONTRACTS, POLICIES, PROCEDURES, APPROACHES

### SET OUT CLEAR AND ENFORCEABLE CONTRACTS

Contracts represent one aspect of the "hard" elements that inform corporate culture. Setting out expectations, results, policies and approaches in contracts ensures that all stakeholders understand what is expected of them in a transparent manner.

The various stakeholders of CLP – the donors, DFID and DFAT; Maxwell Stamp PLC; the Government of Bangladesh (GoB); the Implementing Organisations (IMOs), and others – all contributed to the policies, procedures and approaches written into the programme's contract.

The contract had a number of prescribed outputs, i.e. elements that must be delivered. These were contractually enforceable so if they were not delivered, there were defined sanctions. Examples include policies that required "zero tolerance to corruption" as well as the requirement to deliver high-quality monitoring and evaluation (M&E) results and reports.

Under the "zero tolerance to corruption" policy, any example or potential incident of fraud had to be investigated and

acted upon. For example, during a period of political disturbance that saw reduced oversight and monitoring, several staff members of an IMO colluded to steal a substantial sum of money. Because of the contractual obligations of the zero tolerance policy in their contract, the IMO was required to replace all the stolen funds and, once this was done, the IMO's ongoing contract with CLP was cancelled. In this instance, the approach set out in the "hard" policies was followed to the letter; an indication that the project's culture placed importance on doing what it is supposed to do.

### ALLOW SPACE TO LEARN FROM CHALLENGES

For CLP1, the formal contractual commitments to monitoring, evaluation and documenting lessons learnt were also actively implemented in the most practical way possible: the project was substantially re-designed. After about a year and a half of implementation, the monitoring and evaluation data increasingly indicated that certain components of the programme were unlikely to succeed, throwing the future of the whole programme into doubt. Instead of cancelling the project, the donor and consultants took the opportunity to substantially change the project, based on lessons learnt from the first months of (apparent) failure. In a culture which did not value evidence or sought only to punish rather than learn from failure, CLP would not have been given the chance to succeed.

### RECRUITMENT MUST BE FAIR AND TRANSPARENT

For any organisation, getting the "right" staff is paramount. CLP's recruitment systems were based on fair and transparent processes designed to select the most appropriate candidates for any given role. Many vacancies were advertised internationally or nationally, as appropriate. Selection panels were constituted to have staff from a variety of backgrounds, so that "groupthink" or unquestioned assumptions were less likely to occur. CLP also maintained the approach of looking to promote internal candidates for roles where possible. This aimed to "lock-in" experience, show staff that good performance mattered and would be rewarded, and to help make the learning curve a little less steep. Internal candidates were generally much better informed about a job role and its requirements than someone starting from scratch.

### JOB ROLES AND PERFORMANCE MANAGEMENT SYSTEMS SHOULD BE WELL DEFINED

CLP's job roles were well-defined, with regularly updated descriptions and clear training programmes as required. For example, each year front-line staff were given refresher training, which was updated annually to take account of lessons learnt during the previous year.

CLP also maintained a performance management system, which reviewed staff on an annual basis and had clear guidelines for performance-based rewards. Where concerns were identified, a clear range of performance warnings and supporting activities were set out.

The fact that all these systems and approaches were documented meant that all staff or applicants were treated similarly, thereby avoiding resentment and promoting transparency. All staff also knew what to expect, which again is an indicator of healthy corporate culture.

## REGULAR MONITORING AND EVALUATION ASSISTS GOOD DECISION-MAKING

Good evidence-based decision-making revolves around having solid Monitoring and Evaluation (M&E) structures and processes in place, and then using them. If a project takes a half-hearted approach to M&E, it can end up under-funded and over-looked. M&E reports can become another tick-box chore; where they are rarely analysed, and even more rarely used to implement necessary changes in project direction or approach.

For CLP, one of the strongest indicators of a positive corporate culture was the highly effective integration of the Innovation, Monitoring, Learning and Communications Division (IMLC) into the overall management of the programme. The IMLC was headed by a Director, and it was resourced to conduct good quality surveys and analysis. The results and recommendations, in turn, were regularly used to make substantial modifications to approaches or policies – an indication that the corporate culture supported evidence, analysis and learning from challenges.

For example, during 2012, IMLC data showed that many core participants were not meeting “graduation” criteria<sup>1</sup> because of lack of access to improved water supplies (IWS). As a result, CLP changed its water policies, moving from a community-wide focus to one that ensured each participant got access to an IWS. This showed that senior management remained committed to transparency – even about “bad” results! – and were willing to admit that things could be done better; a vital first step in actually doing better.

In another example, the M&E system set up to monitor CLP’s three Markets-based projects showed that the Fodder project was succeeding, just not in the way expected. As a result, CLP modified its approach by amalgamating the Meat and Fodder projects<sup>2</sup> to not only save money but also protect the very positive progress already made. Again, this showed a corporate culture that was prepared to be open about challenges and use evidence to improve results and increase efficiency.

## THE “SOFT” ELEMENTS

While the above “hard” elements are obviously a necessary component in promoting a positive corporate culture, it is obvious that they are not enough. Having a policy saying “we have a zero-tolerance approach towards corruption” is one thing. It is a good start. But actually implementing the policy – and doing so to high standards – is another thing entirely. Having the will and the drive to make sure that the policies are implemented also has to exist.

<sup>1</sup>For more details on CLP’s approach to graduation and its results, visit [bit.ly/GradBrief14](http://bit.ly/GradBrief14)

<sup>2</sup>The Fodder project aimed to encourage chars-based agricultural entrepreneurs to set up businesses growing fodder and selling it to cattle owners to improve their animals’ productivity.







## LESSONS LEARNT

### **Strong political and technical will is essential for policy implementation**

All policies are implemented by people; so the commitment to quality implementation comes from the personalities, characters, experience and expectations of the individuals involved.

This certainly played out in CLP. As mentioned above, the first phase of CLP (2004 to 2010) went through a radical shake-up after it was clear that major aspects of the original design were not delivering results. Stakeholders at the time, particularly in the donor organisation, could have ended the programme. However, there was clearly a strong political will to support efforts to set high standards and learn lessons, rather than simply punish failure. There was also the strong technical will to ensure that results could be achieved.

This political will was also revealed when CLP carried out its first assessments of "leakage", or funds that were being misappropriated rather than being used properly for programme purposes. In other circumstances, this kind of research might have been considered "political dynamite" that could have blown the project's foundations apart. For CLP, however, due to the political will and commitment of its stakeholders, it was an opportunity to acknowledge the problem and then implement solutions.

It meant that managers could start to show that the gap between words and deeds – i.e. what is supposed to happen vs. what actually does happen – was minimal. This is a critical aspect of setting a good corporate culture. Lack of will can be instrumental in producing or failing to challenge negative aspects of a programme or its corporate culture. Strong political and technical will can allow challenges to be turned into lessons.

## Demonstrate effective and fair performance management

While getting the "right" people in place is important by using the well-designed HR systems mentioned above (a "hard" element in setting a good corporate culture), it is also critical that the next step in the process is also given attention: good performance management processes that are fairly and effectively implemented. If someone doesn't come up to the standards expected, they need to be told and to get appropriate support. If they continue to demonstrate inadequate performance, they need to be replaced by someone who will perform. In CLP, this commitment to high standards and good staff was regularly tested. CLP1 saw the departure of several staff that had not been performing. According to Mr Hodson (Team Leader during the first four years of CLP1), "When national staff and other international staff saw that the project was able to actually live up to its declared values, even to the point of terminating people, then there was a chance to begin to build a culture around performance and truth telling. If there are no penalties for not adhering to high standards, a good organisational culture has no chance to develop." CLP2 maintained this approach.

However, it is not just about sanctions and discipline – there needs to be a commitment to fair processes. Accordingly, CLP ensured that both its investigations and performance management processes adhered to best practices and were as transparent as possible, so people could see that the programme lived up to its principles.

Another important step was to value staff and show them that good performance would be rewarded. CLP regularly promoted internal candidates who had performed well. This meant that staff moved up the ranks, gaining valuable experience, while also letting everyone know that merit was a principle that the project took seriously.

## Commit to transparency and evidence-based decision-making

A commitment to transparency and evidence-based decision-making is an extremely important part of the "soft" element of good corporate culture. Lack of transparency allows negative practices or attitudes to continue unchecked, while a lack of concern for evidence results in decision-making that may not be informed by realities on the ground. A corporate culture that is not dedicated to making the best possible decisions cannot be thought of as healthy.

An example of CLP's commitment to transparency and evidence-based approaches comes from its approach to the "zero tolerance to corruption" policy.

From early 2007, CLP started running "customer satisfaction surveys" to gauge the extent of potential corruption or malpractice. What's more, the results were published on the website.

<sup>3</sup>Read more from the first report of Feb 2007 here <http://bit.ly/2007Leakage> and the follow-up report in 2008 here <http://bit.ly/2008Leakage>.

<sup>4</sup>Research reports can be accessed here: <http://bit.ly/clp-reports>.

<sup>5</sup>Quarterly and Annual Reports can be accessed here: <http://bit.ly/clp-reporting>

This commitment to both investigating and transparently reporting on this sensitive topic continued. All incidents – whether fraud-based or not – were recorded, reported to the donor, and fully investigated. So, for example, during the calendar year 2014, CLP recorded 27 incidents, of which 10 turned out to be fraud with a total value of £81,756. As a result of these cases, seven people's employment contracts were terminated; three staff were reassigned out of CLP by the relevant organisation; and one IMO contract was cancelled. All the money was recovered.

In addition, almost all of CLP's research was published and freely available online as well as the Quarterly and Annual Reports, which showed that CLP took this commitment to transparency seriously.

## Listen to the stories that are told

A good indicator of corporate culture is to listen to the stories that people tell each other about their work and the organisation. For example, if a project has a "theoretical policy" of not tolerating corruption, but the senior managers and other staff tell stories of times when people were not removed, or where incidents were not investigated, there is probably a mismatch between the policy and the culture. When words and deeds don't match it is a clear indicator that the corporate culture is probably less-than-healthy.

What did newcomers first hear about CLP when they arrived? When the author of this paper first joined the Programme, he noted that the stories senior managers told revolved heavily around learning, transparency, looking squarely at the evidence and doing what was necessary to achieve the right results.

The stories were also of the times that staff and organisations did not come up to scratch: how they were initially supported, but when they proved they were not able to deliver the quality expected, their contracts were terminated. Where there was corruption, the zero tolerance policy was implemented: it was real and not to be compromised.

It was clear that the Programme walked the talk. These stories let the newcomer know that the corporate culture was valued and they were expected to fit in. The gap between words and deeds was vanishingly small. This was a prime indicator that the corporate culture that had developed was a healthy one.

If you wish to learn more about CLP or the lessons learnt series of briefs please visit the CLP website [www.clp-bangladesh.org](http://www.clp-bangladesh.org).

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Editor: Tanya Goodman

# CHAPTER 11



## CLP'S EXPERIENCE IN FORGING PARTNERSHIPS

This brief and shares many lessons and suggestions for those grappling with forging good partnerships.

**LESSONS INCLUDE:**



Recognise that additional resources from other organisations will be required to sustain outcomes.



Forging long-term relationships depends in part on regulatory frameworks.



Developing partnerships is more than a technical skill, it requires real relationships to be developed.



Plan ahead about how to form partnerships.



Find ways to improve and incentivise sustainability.



View partnerships as if you are selling a "product".



Always be thinking about partnership potential.

**PARTNERSHIPS**

The Partnerships Division of CLP was focused on identifying and working with a variety of stakeholders to produce linkages and/or provide additional resources to the chars. These resources ranged from improved goods and works to services and were aimed at assisting char-dwellers to continue their journey out of poverty.

As part of its Partnerships plan, CLP refined and developed a number of strategic principles to guide the development of these relationships and activities. These principles were centred on the following priorities:



Supporting the sustainability of CLP's achievements



Continuing or increasing outcomes / impacts



Targeting strategically-chosen organisational partners, particularly those with the mandate or aim of developing long-term and sustainable relationships and activities in the chars



Minimising the requirement for CLP to commit significant direct funding, or to play an unsustainable role (i.e. being a central implementation agent such that any agreement or activity would fail once CLP wrapped up operations)



Bringing additional resources and/or partners to the chars



Supporting access to basic services (e.g. health and education) where possible



Creating sustainable linkages between CLP-supported community-based organisations, entrepreneurs, service providers etc



Being practical and "doable" in the time and with the resources remaining to CLP



## LESSONS LEARNT

CLP achieved some significant successes in its partnerships activities, such as transferring some of the pilot education centres to be run by non-governmental organisations (NGOs); working closely with health providers to provide additional eye care and cleft palate operations; and encouraging sustainable linkages with major commercial agricultural enterprises. However, CLP also learnt a few lessons along the way.

### **RECOGNISE THAT ADDITIONAL RESOURCES FROM OTHER ORGANISATIONS WILL BE REQUIRED TO SUSTAIN OUTCOMES**

An obvious first lesson is that CLP had to focus its efforts on organisations that could bring additional resources. If CLP had to fund a specific programme, or had to play a critical role in implementation, then it was less likely to be a sustainable activity. CLP ended in March 2016, and thus certain activities would run the risk of having to cease if additional resources weren't identified. Because of this constraint, CLP did not go forward with some interventions, despite a demonstrated interest in them, because after protracted negotiations it turned out that CLP needed to provide significant and non-sustainable levels of funding or implementation of activities.

### **FIND WAYS TO IMPROVE AND INCENTIVISE SUSTAINABILITY**

Ensuring that there was an incentive or other factor to drive sustainability was also a critical factor. In CLP's market-based projects, the incentive was relatively clear: commercial and financial organisations could

develop markets and make profits from closer linkages and relationships with producers, suppliers and CLP-supported institutions, such as the Chars Business Centres. With CLP's various other partnerships, such as in health and education, the sustainability came from the organisation's mandate and focus on providing such services.

However, it must always be remembered that NGOs may face sustainability issues when or if donor / supporter funding levels fluctuate. Similarly, market-based actors face the vagaries of economic ups-and-downs. This should not be a reason not to go ahead; it just means that reasonable strategic plans and forward planning horizons need to be devised.

For the education sector in particular, time-bound programmes such as CLP are not an effective way to provide education services, which must be long-term. CLP did not have a specific partnerships strategy focusing solely on education. Developing one might have helped CLP to work more closely with various education stakeholders (government, NGOs, donors) in a more coherent fashion, thus driving greater impact. However, planners and implementers should always bear in mind whether it is desirable or feasible to have a livelihoods-focused programme such as CLP becoming involved in sectors such as education.





## VIEW PARTNERSHIPS AS IF YOU ARE SELLING A “PRODUCT”

CLP also assessed that, when it came to partnerships, it was, to a certain extent, selling a “product”. In the markets arena, it was the institutions, producers, suppliers and other actors that CLP worked with to boost their business-oriented skills and abilities. Institutions, such as the Chars Business Centres that CLP helped establish and train; Livestock Services Providers, that became sustainable microenterprises on the chars; and Chars Input Dealers, who sold agricultural inputs on the chars, among others; all came to represent potentially profitable markets and dependable actors with whom to develop mutually beneficial commercial relationships.

In other developmental areas, CLP was “selling” the expertise and professionalism of partner NGOs, many of whom now have years of experience in implementing high-quality development activities. For potential funders such as corporate social responsibility (CSR) departments or even the Government of Bangladesh (GoB), this network of NGOs can now help them to achieve their mandate. CLP’s unique selling point was, therefore, that we could facilitate sustainable relationships between these actors and help them work together to design, implement and monitor development-oriented activities in the chars well into the future.

## **FORGING LONG-TERM RELATIONSHIPS DEPENDS IN PART ON REGULATORY FRAMEWORKS**

The capacity of CLP to help forge relationships for the long-term was aided by regulatory frameworks and formal governmental budgets that were in place to encourage development. The Bank of Bangladesh, the country's central bank, for example, had regulations in place that encouraged banks and other financial institutions to donate towards CSR activities. It also expected allocations towards certain sectors, such as health and education, and has also dedicated over Tk 2 billion (£17.39m) for low-interest loans, subsidised by the Ministry of Finance, for livestock development. The GoB also announced during June 2015 that there was a fund of Tk 500m (£4.35m) allocated to development of remote and under-developed regions, such as the chars. These represented concrete opportunities to access resources to support development activities.

## **PLAN AHEAD ABOUT HOW TO FORM PARTNERSHIPS**

While these initiatives, regulations and budgets certainly helped, there were some challenges too. CLP made contact with CSR partners relatively late in its implementation cycle: the last year of its operations. However, like any partners, CSR donors had project life-cycles that needed to be integrated. This meant that, for some CSR stakeholders, CLP missed the funding cycle and so activities could not begin immediately. There is little doubt that if CLP had started targeting such partners earlier, a greater number of activities could have been supported, and thus the impact increased.

However, this also illustrates another couple of lessons. While the Partnerships Division always had a strategic framework in place, the linkage between CLP and CSR partners largely came from previous connections made by the Partnerships Director who only joined CLP during 2015. CSR partners had not been a high-profile target for CLP prior to this, in part because those connections and contacts were not present in the team.

## **DEVELOPING PARTNERSHIPS IS MORE THAN A TECHNICAL SKILL; IT REQUIRES REAL RELATIONSHIPS TO BE DEVELOPED**

Although CLP had known about CSR activities for some time, and had tried to develop partnerships in this area, a boost came with the appointment of a new Partnerships Director who brought additional contacts and a good understanding of the CSR sector in Bangladesh.

This illustrates that the Partnerships approach needs to be flexible, to accommodate such circumstances when they arise. It also shows that the Partnerships Director role is one that requires skills, experience and connections beyond technical knowledge of the development or commercial sector. The ability to be able to develop such

connections and be taken seriously in various different circles is extremely important. The person responsible for helping to forge partnerships needs to know the "market" and have the ability to generate real relationships, which means the role is as much about liaison and linkages as it is about technical or management skills. It is arguable that without this aspect, CLP would not have been able to generate partnership interest amongst CSR stakeholders.

Liaising with Government and accessing development funds beyond those of CLP also presented challenges. While the GoB may have delineated a budget line for development, nevertheless CLP struggled to work out how to access it. It was not clear what processes and pro-formas needed to be used, who could make applications and how, which Ministries these applications should go to, and so on. Getting this information required political and bureaucratic knowledge from outside of CLP's home Ministry, which took time to access. This is in itself a lesson – programmes need to ensure that Partnerships activities are given sufficient time to come to fruition and are realistic. It also highlights the previous lesson again – connections, knowledge and the ability to open doors are extremely important.

## **ALWAYS BE THINKING ABOUT PARTNERSHIP POTENTIAL**

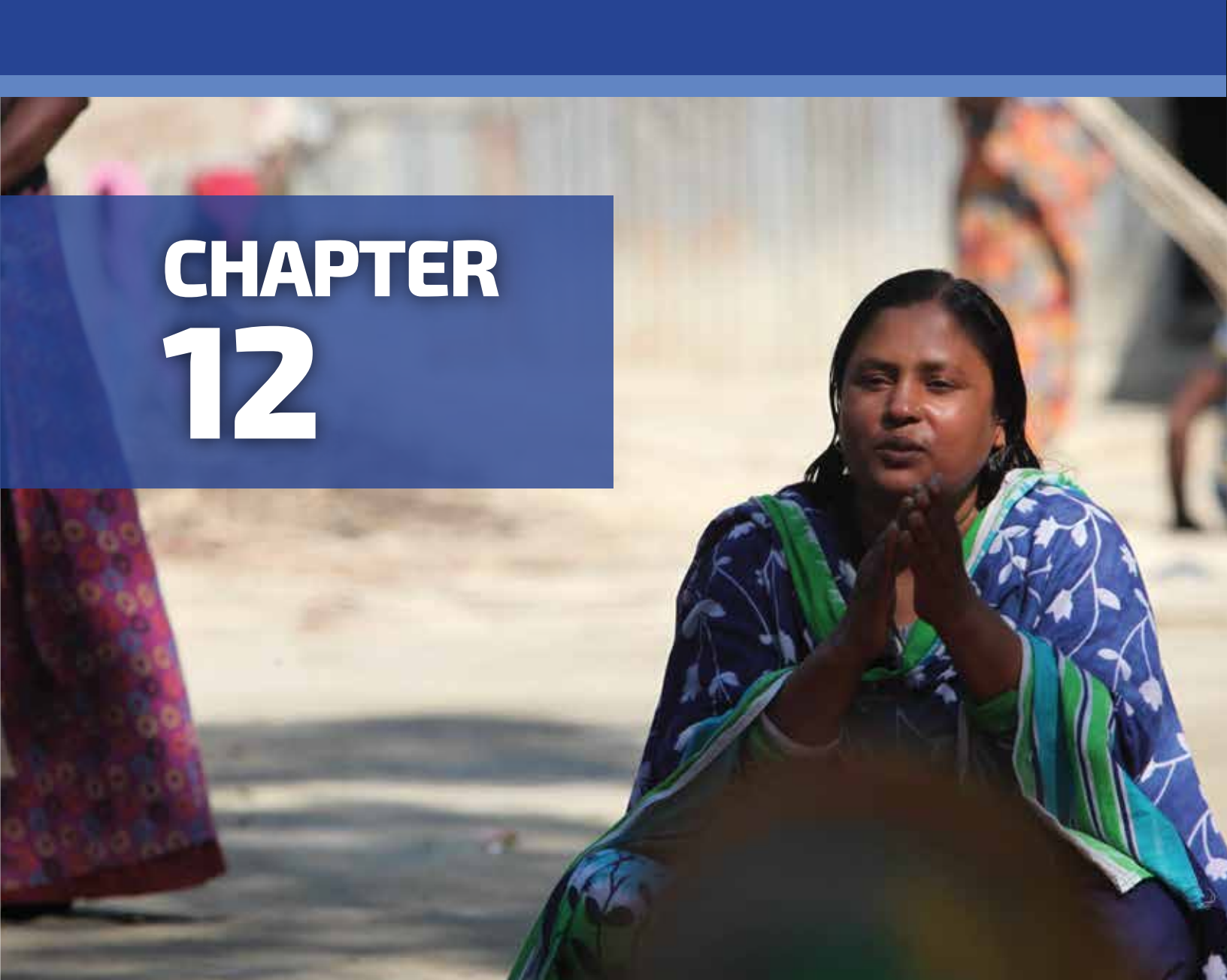
A final lesson is that one should always try to maximise partnership opportunities from all potential sources. It is likely that CLP did not make sufficient effort to liaise with different development divisions within its own donors, like UKaid and Australian Aid. It is true that the Partnerships function was focused on accessing additional resources outside its immediate donors. Nevertheless, greater contact with the health, education, private sector and climate change functions with "insiders" may have generated ideas, contacts or information on additional resources that would not otherwise arise.

A caveat could be added here, however, that CLP has always had only one position focused solely on Partnerships, and only later in the programme's life was the Partnerships function given greater priority. Given limited resources, difficult decisions always needed to be made on how and where to best focus efforts. Overall, however, CLP learnt that Partnerships are a vital tool in helping to deliver and sustain efforts to reduce extreme poverty.

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# CHAPTER 12

# CLP'S CONTRIBUTION TO ONGOING SOCIAL PROTECTION DEBATES

Between October 2014 and January 2015 CLP underwent a facilitated self-evaluation, the objective of which was to capture the key lessons learnt from ten years operating on the chars. It was intended to inform DFID-Bangladesh's (DFID-B) and DFAT's programming for its next cycle of funding to help the extreme-poor in Bangladesh. It was also hoped that the self-evaluation would contribute to the global knowledge base.

A core section of the self-evaluation report addresses CLP's contributions to ongoing social protection debates. This brief, which of lessons learnt briefs, provides a summary of that particular section. The ongoing debates summarised here include:

**LESSONS INCLUDE:**



There is a fine balance between being inclusive or exclusive when targeting beneficiaries



Tough decisions will need to be made across the key dimensions of depth, breadth and length of a programme



When working with NGOs, give credit where credit is due



Recognise the incapacity problem



The private sector has a role to play in a livelihoods programme

## LESSONS LEARNT

### THERE IS A FINE BALANCE BETWEEN BEING INCLUSIVE OR EXCLUSIVE WHEN TARGETING BENEFICIARIES

Selecting beneficiaries on the basis of their relative poverty is always going to be arbitrary; and providing selected beneficiaries with a substantial asset transfer is always going to be inequitable. CLP made a defensible decision early on that it would target those who essentially had nothing: no savings, no assets, no land. Yet the reality is that practically every household on the chars (as everywhere else) owns something. So the line of eligibility had to be drawn arbitrarily. Those households marginally below the threshold were included, while those marginally above were excluded, even though there was no discernible difference between them.

In addition, CLP's targeting (like much poverty targeting globally) looked only at one side of the household balance sheet: its assets. It made no allowance for a household's liabilities, for example, a single mother with a small piece of land but caring for two disabled children who might be excluded because she was marginally above the threshold.

Apart from making the Programme universal (which would have been prohibitively expensive), a sensible approach was to make sure that everyone in the community benefited to some extent from the Programme.

CLP recognised this early on, and was very good at evolving its approach to spread the benefits as widely as possible within the community. There are a significant number of examples of how it achieved this:

- The change of policy from providing high-cost latrines only to beneficiaries, to providing low-cost latrines to the whole community.
- Village Savings and Loan groups established for both core beneficiaries and non-beneficiaries.
- Non-beneficiaries being raised onto plinths that were built for their core beneficiary neighbours.
- The market development component with its Char Business Centres, and more generally the establishment of Community-based organisations such as Village Development Committees, which benefitted the community as a whole.

The design of any new programme should place a major emphasis on ensuring that it has substantial elements that are as inclusive of the rest of the community as possible. Activities within the programme that benefit non-beneficiaries and core beneficiaries alike should be seen as a mechanism for ensuring support for the programme, and for better integration of the core beneficiaries into the community, thereby acting as a guarantor of greater programme sustainability.

### TOUGH DECISIONS WILL NEED TO BE MADE ACROSS THE KEY DIMENSIONS OF DEPTH, BREADTH AND LENGTH OF A PROGRAMME

Given a particular budget (even a relatively substantial one like CLP's), a programme has to determine a balance between the amount of benefit it provides (depth), the number of people it gives the benefit to (breadth), and the period over which it gives the benefit (length).

CLP was consistent in its response to the difficult challenge of finding the right balance between depth, breadth and length. It opted for a very generous level of transfer to a relatively substantial proportion of households, but over a fairly short period of time (18-20 months).

The underlying assumption was that there is essentially a tipping point or threshold: if a household could be lifted beyond that by a substantial transfer and intensive support over a short period, then it would become largely self-sustaining, and would not need the continuation of support.

A majority of CLP's Implementing Organisations (IMOs), and some beneficiaries, considered the 18-month period too short. There were some objectives of CLP that required a longer period of support, for example changing deeply entrenched attitudes and traditions such as early marriage, the role of women, and maternal care practices; or the opening up of markets, the establishment of government services, or the reallocation of khas land in the chars.

Different extreme-poor programmes in Bangladesh have adopted different balances between depth, breadth and length. Yet it has always proved difficult to compare them because of different contexts, size of transfer and management approaches. It would be interesting (and could be extremely informative) within any future programme to randomly assign different permutations of support to different households, and to be able to establish whether there were more cost effective approaches.

It would also be sensible to recognise that some changes require a much longer period of support. Rather than adopting the predominant CLP approach of supporting each community for 18 to 24 months, and then essentially moving on to a new community, a future programme might consider how some support services could continue to be offered over a longer period.

## **WHEN WORKING WITH LOCAL NGOS, GIVE CREDIT WHERE CREDIT IS DUE**

CLP conducted the majority of its activities through local Non Governmental Organisations (NGOs), known as IMOs. They essentially functioned as contractors, with CLP giving them very defined roles and activities without much flexibility. They were strictly monitored, both with regard to their finances and also their field activities. The very term "IMO" seemed to show that they were not really considered as full partners to the Programme, neither by Maxwell Stamp nor by the Government.

One should involve partners in the planning and budgeting processes. In the early days, there was a slight tendency to disguise the fact that it was the "implementing partners" who were doing the bulk of the actual work on the chars. They were often not given very much of the credit: for example, they were rarely mentioned (except as recipients of CLP training or funding), let alone listed or acknowledged, in CLP's annual reports.

Latterly, CLP learnt to give better recognition to the skills of its IMOs, and to involve them in the processes of budgeting and planning, so that they felt like a more integral part of the Programme. The quarterly meetings with all IMO programme managers and all IMO executive directors provided fora for the exchange of views, for lesson-learning, and for bottom-up influencing of the Programme.

Future programmes should build performance-based partnerships with local providers and also include capacity building for partner organisations. They should recognise the accumulated expertise of locally-based NGOs, and establish mechanisms to capture this for cross-learning to inform improved programme design.

## **RECOGNISE THE INCAPACITY PROBLEM**

One of the problems with livelihoods programmes like CLP is that they may not be the best support option for every extremely poor household. When a livelihoods programme is offered in isolation, there is a (wholly understandable) temptation to target it at all of the poorest households, even those that may not be the most appropriate to maximise the potential benefit from it. Some graduation programmes explicitly exclude the elderly and disabled, or pregnant and lactating mothers, while others take the attitude that the only people they would exclude would be the physically bed-ridden. Other projects have tailored their livelihoods interventions specifically to be suitable for disabled persons. Yet it is clear from qualitative research that one of the main reasons behind those who fail to derive benefit from graduation programmes is that they were unsuited from the outset. They have in effect been shoe-horned into an unsuitable intervention, just because they were ultra-poor and therefore deserving of help...and because there was nothing else available to offer them.

CLP tackled this issue head on. It recognised that very little in the way of alternative social welfare exists on the chars; and it therefore explicitly tried to extend the reach of its asset transfers and public works to as many people as possible.

So CLP provided assets and other support to households headed by people with disabilities, to the elderly, and to female-headed households with multiple dependents. It also, at the start, allowed the physically disabled to participate in its Infrastructure Employment Project, paying them the same wage for hours worked as the able-bodied, even though they might have been less productive. It had to change this policy, however, when the infrastructure project switched to being paid on a piece-work basis: at this point it introduced an "incapacity grant" directly paid to those unable to work.

Finally, CLP implemented a range of other mechanisms to support the very poorest who were – for one reason or another – excluded from the main Programme components. These included semi-institutionalised donations (particularly of rice) from beneficiary groups to needy households, a community safety net, and the introduction of ad hoc transfers in times of disaster, such as after severe floods or during the period of rapidly-rising rice prices.

Ideally, graduation programmes should be offered as part of a comprehensive social protection portfolio. Any future livelihoods programme should do whatever is feasible, and necessary, to leverage government social welfare in the areas where it is operating.

This would allow a new livelihoods programme to identify, and focus its efforts on, those households for whom livelihood promotion is the most appropriate intervention – in other words, those among the poor and marginalised who are most likely to make a success of an entrepreneurial opportunity. Any extreme-poor who were believed to be less suited to this could be channelled towards more inclusive, better-run, government entitlements, e.g. for old age allowances, disability grants or child benefits.



### **THE PRIVATE SECTOR HAS A ROLE TO PLAY IN A LIVELIHOODS PROGRAMME**

It is increasingly recognised that the private sector can stimulate the local economy and play a role in ensuring that poor people are able to earn more by marketing their goods and services.

CLP activities have resulted in the riverine northern chars having an abundance of cattle for meat and milk which the local market cannot absorb. In order for the beneficiaries to get profitable prices for the meat or milk or any of the other products that they grow or make, they need to be able to supply them to larger buyers who will be able to absorb larger quantities.

How far the private sector will be responsive to the needs and interests of the poor and marginalised, whether their practices will be fair or sustainable, or even if doing business with the poor will be cost effective are all questions that arise. However, recent developments suggest that large agro-processing firms such as Pran, Square and others are sourcing their materials from small and medium farmers; and, in the case of Pran, they are creating their own supply networks and hubs. They are also willing to accept products from groups of poor farmers and suppliers as long as their specifications are met.

### Some of the key lessons:

- CLP helped facilitate the development of input dealers who were based on the chars. Because these businesses made a profit from selling inputs to poor producers there were clear business incentives to carry out this role. In so doing, they increased the productivity and profits of poor producers.
- A central component of CLP's market development strategy was to foster the development of two institutions – business groups and Char Business Centres (CBCs). Business groups operated at village level and were made up of producers from a single sector. They aimed to provide a focal point for producers to interact collectively with traders and input sellers, making it more attractive for other businesses to trade with poor producers. The key feature of the second institution – CBCs – was that they were not only include producers, but input service providers and buyers as well. These actors met regularly to discuss improvements to the way they did business together e.g. producers telling input suppliers how much they wanted to buy and when, so that input suppliers ordered the right amount and delivered on time.
- CLP was also able to work directly with major private sector companies to demonstrate to them that working with CLP beneficiaries, graduates and wider community producers made economic sense e.g. milk producers were getting much better prices for their milk as a result of being linked up, through CBC-facilitated milk collection points that aggregated higher volumes of milk, to the procurement units and chilling plants of the likes of Pran milk, BRAC Dairy and Milk Vita.

- CLP beneficiaries proved to be willing to pay for feed, vaccination services and veterinary services for their livestock, once they realised these services were important to ensure the health and quality of their animals, and therefore the profitability of their enterprises. The use of local providers of services was stimulated by the use of vouchers given to the beneficiaries against which they could avail services. Once they could see the benefits of such services, many demonstrated that they would be more willing to spend their own money on this in future.

Future programmes would need to begin with a thorough assessment of the private sector players, of all sizes and types, active in the geographical areas and related to the livelihoods and market systems that the programme is seeking to support. While market forces might facilitate the marketing of the programme beneficiary services and products, there will probably be the need for government, service providers, NGOs and development programmes to facilitate the linkages and ensure that the rights of the poor are protected and basic minimum standards (e.g. safety, security, fair wages, etc.) are ensured.

If you wish to learn more about CLP or the lessons learnt series of briefs please visit the CLP website [www.clp-bangladesh.org](http://www.clp-bangladesh.org).

Source: Freeland N et al; Mirror, Mirror on the chars: an Operational Review of the Chars Livelihoods Programme; January 2015  
Brief developed by: Stuart Kenward  
Editor: Tanya Goodman



## Implementing Organisations:

- ZIBIKA
- AID-COMILLA
- Rural Society Development Association (RSDA)
- Mahideb Juba Samaj Kalyan Samity (MJSKA)
- Solidarity
- Debi Chowdhurani Palli Unnoyon Kendra (DCPUK)
- SKS Foundation
- People's Oriented Programme Implementation (POPI)
- Gana Unnayan Kendra (GUK)
- AKOTA
- National Development Programme (NDP)
- Association of Socio-Economic Advancement of Bangladesh (ASEAB)
- Manab Mukti Sangstha (MMS)
- Unnayan Sangha (US)
- Eco-Social Development Organisation (ESDO)

## Special Service Providers

Partners in Health and Development (PHD)  
International Development Enterprises (iDE)

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CLP's Innovation, Monitoring, Learning and Communications Division

Concept and design by









# Chars Livelihoods Programme

Reducing Extreme Poverty on the Riverine Islands of North West Bangladesh