Program Quality Guidelines for Savings Groups

- Common understanding of program objectives
- Realistic benchmarks for both quality and scale
- National level coordination
- Identification and measurement of intended participants
- Program processes that reach the intended population
- Messages that are inclusive of vulnerable populations

www.seeplearning.org/sg-guidelines.html
Avoid signing contracts that do not provide adequate resources for quality and scale; keep in mind industry averages on trainer workload and work with donors to agree on the targets and measures of group quality and outreach.

Develop a strategy with a description of the program objectives, expected outcomes, target population, and exit plans. Ensure that all stakeholders buy into the strategy.

Define the profile of the people that the program would like to reach, determine if and why they are being excluded, and develop a deliberate strategy to include them in the program.

Regularly consult other SG implementers when designing new projects to avoid geographic overlap.

Choose messages that will be welcoming to the populations you want to serve. A message like “Everyone needs to save—SGs are for all, rich or poor, farmer or farm worker” is inclusive.

Develop clear program processes to reach intended populations. Consider assigning trainers to cover remote villages, developing guidelines for reaching the disabled, or working with local health officials to target areas with a high incidence of HIV/AIDS.

Program Quality Guidelines for Savings Groups

www.seeplearning.org/sg-guidelines.html
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<th>Group procedures that reflect the needs of vulnerable populations</th>
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Program Quality Guidelines for Savings Groups

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www.seeplearning.org/sg-guidelines.html
Provide trainers with adequate and appropriate incentives to include the most vulnerable, which may range from recognition and praise to in-kind or monetary bonuses.

Keep program elements appropriate to the intended population, and let members adapt procedures to meet their particular needs. For example, overly complicated record-keeping or high share values can be a barrier for the poorest.

Provide trainers with tools, manuals, and training curricula that have been tested and proven to give good results. Do not alter proven methodologies.

Develop written criteria, and apply these criteria consistently and objectively throughout the trainer selection process. Ensure that the trainer has the profile and skills necessary to deliver on the job and do not underestimate the ability of ethnic groups, age groups, and genders.

Establish a range of payment that is fair for the trainer. Keep in mind that while financial incentives are essential, intrinsic motivations are also important.

Avoid multi-step, cascade training structures. Ideally, SG trainers should be trained by a master trainer, who has near-perfect understanding of principles and procedures.

Program Quality Guidelines for Savings Groups

www.seeplearning.org/sg-guidelines.html
Clear trainer monitoring criteria and responsive feedback

Commitment to the group constitution

Caution with tempting shortcuts

Attention to the security of group funds

Respect for both borrowers and savers

Transparent communication of expectations

Program Quality Guidelines for Savings Groups
Ensure that trainers empower members to develop their group constitutions in a participatory, informed, and democratic way, as this will promote ownership of and commitment to its policies.

Evaluate trainers both on the number of groups they form and on the inclusiveness, performance, and sustainability of these groups. Clearly communicate expectations, and ensure that trainers understand the criteria used to assess their performance.

Stress a practice of strict confidentiality among all members about the box location and amounts saved, and encourage the group to devise solutions that enhance the security of their funds.

Discourage practices that may offer greater efficiency but are likely to compromise group quality in the long run. For example, the practice of bringing several SGs together for training saves time but reduces the trainer’s interaction with each group.

Be clear about the intention to introduce add-ons to SGs and any ensuing responsibilities. If SGs are being introduced as part of integrated programming, inform prospective members of the expectations of participating in an SG.

Send the consistent message to groups that it is acceptable for members to save without borrowing.
Program Quality Guidelines for Savings Groups

Respect for the procedures and structure of the SG

Demand-driven quality products and services

Safety of additional services and activities

Caution with the allocation of group funds

Caution with anyone who views the SG principally as a market for products and services

Education of all parties involved in the financial relationship

www.seeplearning.org/sg-guidelines.html
Other activities need to respond to member demand, be worthy of members’ time, and have a clear benefit for the group.

Ensure that existing program structures are not inherited by the SG; stress the need for the SG set up its own leadership structure and openly select its membership.

Help trainers and external agents to understand that the decision to allocate group funds toward a new service or product must remain with the group. Stress this point with members, too.

Introduce other activities once the group is well established and has built the needed confidence, trust, and solidarity to adequately manage that activity. Discourage investment of group funds in activities that yield benefits to only a few members.

Financial service providers need to understand how SGs work in order to design products that fit a group’s process. For SGs entering into relationships with formal financial service providers, financial education is widely believed to be a necessary component of their preparation.

Beware of incentive structures that reward group uptake of such opportunities, as they tend to shift the role of the trainer from honest broker to salesperson.

Program Quality Guidelines for Savings Groups

www.seeplearning.org/sg-guidelines.html
Program Quality Guidelines for Savings Groups

- Careful assessment of the financial service provider
- Care for the interests of the group
- Understanding of the implications of mobile banking
- Varied methods for assessment
- Respect for data ownership and security
- Monitoring of post-project outcomes

www.seeplearning.org/sg-guidelines.html
Only offer the opportunity to enter into a relationship with a formal financial provider if it responds to members’ articulated needs. Before facilitating a relationship with a bank ensure that the group has the confidence to manage the relationship, and assess the interest of group members.

Assess the financial service providers’ motives for entering into a relationship with SG members. Look for financial service providers that demonstrate an interest in SG members as clients well into the future, rather than as immediate opportunities for profit.

Supplement quantitative data analysis with qualitative analysis and direct observation of randomly selected SGs. Satisfaction surveys are also a good way to gather valuable member perceptions of the program.

Consider training the financial service provider, the mobile money provider, and their agents on consumer protection, and make sure they understand and respect the needs and dynamics of the group.

Monitor a sample of groups no longer receiving direct program supervision, such as failed groups, those with members who have dropped out, and graduated groups that are no longer receiving direct program support.

Respect local regulations about informed consent and data use, and be transparent with groups about how their personal financial information will be used and who might benefit from it.

Program Quality Guidelines for Savings Groups

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Clearly planned and communicated exit strategies

Culturally appropriate post-project contracts

Carefully designed oversight structures

Responsive redress mechanisms

Program Quality Guidelines for Savings Groups

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Where fee-for-service structures will replace direct program investment, put in place simple, culturally appropriate contracts between trainers and SGs outlining the specific services, how long these services will be provided, and the expectations for payment.

Develop an exit strategy that describes what services will be provided post-project, who will provide them, and how they will be paid for.

Put in place a system for redress of grievances, such as a hotline that group members may call if they have experienced problems. Carefully monitor the problems reported and devise and execute response plans.

Create pro-consumer codes of conduct for any trainers who continue to operate in a given area, and especially for fee-for-service networks. Ensure that these networks have occasional oversight post-program.