

# GRADUATING OUT OF EXTREME POVERTY



Save the Children

Who, why and how? evidence from save the children's SHIREE programme in Bangladesh

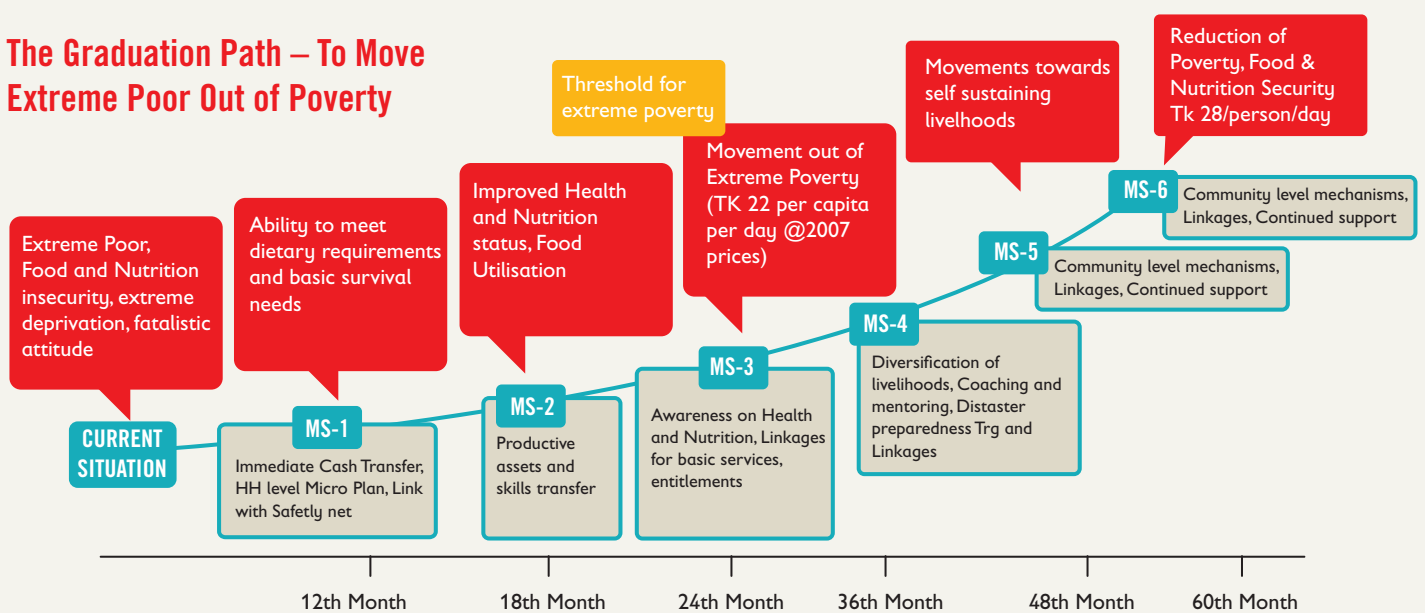
Between 2009 and 2015, Save the Children implemented an DFID-funded ambitious project that sought to lift 42,000 food insecure and vulnerable households out of extreme poverty in the Southwest districts of Khulna and Bagerhat in Bangladesh.

The project was built around a graduation model that defined a set of interventions<sup>1</sup> to move households out of poverty and prevent them from falling back into poverty. A set of criteria related to food security, income and broader wellbeing was used to calculate a graduation index and households scoring above the defined cut-off were considered to have graduated. A retrospective study of households who participated in the programme showed that **87%<sup>2</sup> achieved graduation: 64% of these graduated during the three years of the project, and a further 23% did so during the two to three years following.** The 64% of households that graduated in the first three years was able to sustain their graduation status without additional support, for at least the following three years.

## The SHIREE graduation model:

Graduation from poverty was based on a pathway of acquiring certain skills, behaviours, assets, income and external entitlements and linkages. Starting as a family-centric model, it gradually linked with community mechanisms. The project design was based on a five-year pathway illustrated in the model below which details the milestones (MS) and the time expected to achieve them. However, in practice, some households were able to graduate in 2-3 years (phase one), with the remaining households taking more time (phase two). Households that had graduated at the end of phase one in 2011 exited the project and received no further support. Those that had not yet graduated continued to receive support in phase two to give them another chance at achieving graduation.

### The Graduation Path – To Move Extreme Poor Out of Poverty



With Time Frame, Inputs, Outputs and Milestones (Reaching MS-4 is Moving Out of Extreme Poverty)

<sup>1</sup> Interventions included: household micro-plan, asset transfer, access to government social protection, courtyard sessions (awareness raising and skills building), temporary financial assistance for the poorest, disaster preparedness, group savings, and community support groups

<sup>2</sup> 11,630 of the original 14,620 households had data in both surveys in 2011 and 2014. Graduation rates are based on these households.

## About the study:

The following questions guided this study:

- What did the project teach us about graduation from poverty in this context?
- What factors were associated with success or failure: What were the key common characteristics of graduation and what was the overall impact of the project for households and specifically for children?

To answer these questions a cohort study was conducted that compared programme participants to each other and to their nearby neighbours who had not participated in the programme. Monitoring data was used to identify households who reached graduation in 2011 and those who did not and those who reached or sustain graduation by 2014 and those who did not, thereby identifying 4 distinct groups of beneficiaries as table 1 shows.

**Table 1:** SHIREE graduate groups

**Double graduates:** Classified as graduated from poverty at the end phase one and received no further support. Graduation status was sustained until the evaluation in late 2014.

**Failed and then graduated:** Classified as failed to graduate at the end of phase one, received additional support during phase two and then classified as graduated in the evaluation in late 2014.

**Double failed:** failed to graduate at the end of phase, received additional support during phase two but still classified as failed to graduate at the time of the evaluation in 2014.

**Graduated then failed:** Classified as graduated at the end of phase one and received no further support in phase two, but did not manage to sustain graduation and classified as failed to graduate in 2014.

In addition, a sample of the nearest neighbours who had not been part of SHIREE was surveyed to act as a geographic control group. By comparing the SHIREE beneficiaries to each other we learned about factors

associated with graduation and failure to graduate and by comparing SHIREE beneficiaries to their neighbours, we learned about overall programme impacts.

## Findings:

### Factors Associated With Graduation

**Pre-existing household characteristics:** Low literacy, older age of household head and single headship were all associated with worse graduation outcomes. Land ownership was not, because all households targeted owned so little or no land, that differences between them were marginal.

**Gender: Women's ability to overcome social barriers that limit their participation in the household economy can influence their graduation outcome.** Double failed households were more likely to be female headed (47% vs 31% of double graduates). Empowered women (measured through their participation in IGAs and in household decision-making) were more likely to come from graduated households. There was higher female participation in IGAs in graduated households (82%, vs only 64% in double fail households).

**Saving: Graduated households were more likely to have saved than failed ones.** Just 15% of double failed households were saving, compared with to 43% of double graduates.

**Investing: The way in which a household used the money it made from its IGAs was associated with graduation outcome.**

Reinvestment of money into livelihoods increased chances of graduating; 28% of double graduate groups re-invested in IGAs, compared with 17% of failed then graduated groups and only 10% and 12% of double failed and graduated than failed groups respectively.

**Training: Training is an expensive part of programme delivery, though in this case appears to have paid off, since there was an association between participation and graduation.** Training participation was high across all graduation groups. Double failures showed the lowest rate of training participation at 78% compared to 88.6% in double graduates.

**Food production: In this rural context, a household's ability to produce their own food was associated with graduation status.** The percentage of households producing their own food (either through IGAs or their own means) reduced with graduation group, from 54% among double graduates, to 39% among double failed groups.



## Factors Related to Managing Risk & Building Resilience

**Asset retention:** Asset retention was associated with graduation outcome: 50% of double failed households, and 40% of graduated then failed, no longer had any asset inputs being used for income-generating activities compared to only 27% of double graduates. However the rate of retention of the assets provided by the project was low across all graduation groups. By the time of the evaluation in 2014, 417 of the 800 assets distributed between 2009-11 had been 'lost'; mostly sold in distress and lost in a disaster. These shocks were both personal/economic and climatic.

**Facing disaster:** The association between a household's perception of their own preparedness and their graduation status was strong: 70% of double graduates felt more able to face disasters compared with 53% of the graduated then failed group and 48% of the double failed group.

**Health shocks:** While the occurrence of ill health incidents is not significantly different between groups, the way in which the household is able to deal with them was a factor in achieving and more importantly, sustaining graduation. Qualitative information indicated common reasons given for non-graduation included having to sell assets or use savings to pay for treatment, and primary earners not being able to work due to sickness. Double graduates, with better incomes and savings described being better able to manage these shocks.

**Wellbeing:** A household's faith in a brighter future may have contributed to their drive and motivation to engage in the project activities, potentially contributing to their graduation outcome. While the graduated households reported that they aspire for a brighter future and believe they can build one for themselves, the failed households exhibited a sense of despondency and the belief that their lives cannot turn around, no matter what.

## Impacts of Graduation On Households and Children

**Higher household expenditure:** Graduated households reported spending more than failed households, and the double graduates had the highest average per capita daily expenditure. Expenditure on debt repayment, religious ceremonies and weddings were prioritised by all households regardless of graduation type.

**A reduced hunger gap:** Double graduate households were almost twice as likely as both failed groups to have 3 meals per day for 9 or more months per year.

**Higher consumption of nutritious foods:** A higher number of double graduates had adequate food consumption scores than the other graduation groups. 53% of double graduate households had an adequate food consumption score compared with 38% of recent graduates, 36% of graduated then failed and 29% of double failures. Furthermore, graduates consume more fish, meat, dairy, fruit and legumes than failed households.

**Improved infant & young child feeding (IYCF) practices:** Of the households that had young children, graduated households were more likely to increase food intake during their last pregnancy (62% compared to 39.7% in failed households). SHIREE households also performed better than their controls in key IYCF practices; only 29% of SHIREE households gave children prelacteal food (i.e. any food given before the colostrum), compared with 40% of control households. Half of SHIREE households reported exclusively breastfeeding children under 6 months, while only 31% of controls reported the same. This indicates that the nutrition education added in phase 2 may have positively influenced behaviours across all graduation groups compared with their non-beneficiary neighbours.

**Higher expenditure on education:** 62% of both double graduate and failed then graduated households reported spending money on education, compared with only 38% of graduated then failed and 49% of failed households.

## Conclusions

SHIREE achieved an impressive level of graduation. Furthermore, the majority of households that achieved graduation were able to sustain it for at least 3 years without further support. The path to sustainable graduation was not a linear journey however, and positive outcomes were not uniformly achieved or sustained in the long-term. Shocks are to be expected, and a household's ability to manage these will impact their graduation outcome. Graduation programmes can lead to improved child wellbeing, if designed with these outcomes in mind; in this case nutrition-related.

Graduation models may not work for the very poorest and most marginalised – 5% of households failed to graduate after almost six years, and 8% were unable to retain graduation status beyond three years. Temporary financial assistance and links to government social protection were two measures in place to protect the poorest, but were not sufficient to ensure graduation.



## Recommendations

- **Financial literacy and savings** should be an integral component of the graduation pathway
- **Maintain a focus on gender and resilience** throughout the graduation model, due to the demonstrable effect of women's empowerment, preparedness for shocks and food production on graduation outcomes.
- **Support self-efficacy and psychosocial well-being** to instil a belief that families' situation can improve, and have a positive impact on speed of recovery following a shock or stress.
- **Consider whether regular cash transfers are necessary to protect assets.** The absence of cash transfers in SHIREE could explain the high levels of asset loss identified. A form of consumption support may be needed in a context of frequent shocks and stresses.
- **Community-related efforts should be included early in the pathway** to ensure a model which is more scalable and sustainable than household-level interventions alone.
- Similarly, the identification of systemic changes needed to sustain graduation is important. **Market systems strengthening** for example, should be a core part of graduation programmes in order to overcome the barriers which can perpetuate poverty.
- **Adopt a flexible approach that not only prepares for, but expects shocks.** Incorporate designs and regular M&E that respond to households' changing circumstances. Sustaining graduation in a context of vulnerability may call for a longer programme duration.
- Graduation programmes should articulate and work towards **outcomes specifically for children.** Tackling child poverty and other deprivations must be an explicit goal with corresponding interventions, rather than an assumed outcome of graduation.
- Rethink graduation models for the very **poorest and most marginalised households** as some do not have sufficient means to follow the same graduation pathway as others, and may require a greater focus on social protection.