



**Village Entrepreneur Program – Cambodia**

**Evaluation Report**

**November 2014**

## ACKNOWLEDGEMENTS

The CUFA staff member leading this evaluation appreciates the time and contributions by staff and community members within CUFA project sites who generously donated their time to participate in data collection, interviews and focus groups.

In particular thanks are extended to Cambodian staff, Village Entrepreneurs and their families and the participating savings banks and community leaders.

The time granted for this evaluation by project participants is gratefully acknowledged.

## LIST OF ACRONYMS

**BPR**– Business Progress Report

**BWP** – Business Work Plan

**CAC** – Co-operative Association Cambodia

**CI** – Community Investor

**FLIFLY** – Farmers Life Improvement and Future Light Youth Organisation

**PAMT** – Poverty Alleviation Measurement Tool

**Program** – Village Entrepreneur program

**QAF** – Quality Assessment Framework

**VE** – Village Entrepreneur

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## EXECUTIVE SUMMARY

This report presents findings from an evaluation of CUFA's Village Entrepreneur Program in Cambodia. The focus is results generated by the Program in regards to helping the poorest of the poor break out of poverty through micro-business development. It also assesses the impacts of program activities on local communities and individual savings banks.

The Program since its inception in 2009 has progressed considerably and achieved substantial reach with limited resources in the two countries of operation, Timor-Leste and Cambodia. Between 2012-13 and 2013-14 the Program saw a 17% increase in Village Entrepreneurs and a 30% increase in Community Investors, while maintaining the same number of human resources. As at 30 June 2014, the Program across both countries supported 201 Village Entrepreneurs, 79% female and 9% with a known disability, highlighting the Program's gender and disability inclusiveness.

This evaluation finds that the Program has performed strongly in supporting Village Entrepreneurs and their families to develop relevant skills and knowledge to help them build and maintain micro-businesses, with available data indicating average family income across both Timor-Leste and Cambodia increased by 38% in the 2013-14 financial year and average business profit increasing by \$178.89 AUD in the same time period. Qualitative findings from this evaluation further support this, with all sampled Village Entrepreneurs stating that the Program has had a positive impact of their lives and each able to provide examples on how the Program has supported their businesses growth and their families outlook such as better educational opportunities for their children and improved access to medical services.

One of the strengths of the Program is the dedication and commitment by project staff and savings bank representatives to ensure continual improvement in Program implementation and training methodology. All sampled Village Entrepreneurs stated they believe the training has helped them build their business and 67% rated the training as either excellent or very good, a testament to the Program Coordinator's innovative, interactive and engaging teaching methodologies.

Throughout the course of this evaluation, multiple examples of highly relevant and practical training were cited with various examples of interactive and practical teaching styles mentioned throughout this evaluation. Training delivery through videos, games, group activities, practical demonstrations, mentoring, study tours and training and assistance by local specialists such as veterinarians to exhibit vaccinations has been beneficial for Village Entrepreneurs. The practical training methodology is particularly useful for those who are illiterate or have lower educational levels. Training methodology would benefit from continual revision based on quarterly participant feedback and potential inclusion on financial literacy and savings mobilisation modules that could be delivered by other CUFA project staff that specialise in these disciplines.

Field support has also proven to be valuable addition to group training as it brings a localised application of skills learnt in training. Field support is highly regarded by Village Entrepreneurs, with 90% of sampled participants indicating that the support has provided them with the skills and knowledge to help expand their business, and 72% rating the support as either excellent or very good.

One-on-one field support serves as one of the most valuable components of the Program by providing the opportunity for Village Entrepreneurs to receive one-on-one feedback and advice from the Program Coordinator. Field support by the Program Coordinator is also an accountability and transparency mechanism to ensure that Village Entrepreneurs are not misusing donor funds and to ensure implementation of skills and knowledge learnt in training.

Likewise to training, quarterly feedback by Village Entrepreneurs will aid the Program Coordinator to adapt field support so that is reflective to the needs, skill levels and applicable training time duration. Continual program revision will provide the best opportunity for Village Entrepreneurs to gain and sustain life-long skills that will allow them the greatest opportunity to transform their lives through their micro-business.

Activities such as tele-conferencing, study tours and the mentoring program are further considered by participants to be valuable add-on activities and positively build on the skills and knowledge learnt in training and in the practical application of business activities. The support and assistance provided by savings banks is a valuable component of these activities and further engagement by both the savings banks and graduated Village Entrepreneurs will continue to enhance the Program's efficiency and effectiveness.

Program delivery is reliant on assistance by participating savings banks, with savings bank staff playing an important role in Program delivery. By providing support with training and field reporting the Program has been able to reach a greater number of Village Entrepreneurs and future Program deliver will benefit greatly with more in-depth contribution by savings banks. Increased integration of savings banks, as well as graduated Village Entrepreneurs in the coordination of implementation activities such as study tours and the mentoring program will provide the opportunity for continued success towards Program effectiveness and efficiency outcomes.

Several indirect benefits of the Program on participating savings banks and the wider community were also learnt during the evaluation. Partnering savings banks were overall very appreciate of the Program within their communities. The majority of sampled savings banks were able to articulate examples on how the Program has provided assistance beyond the individual receiving financial support. Examples included the transferring of skills learnt to family members and neighbours, a more price competitive market, non-VEs modelling successful business activities and a reduction in VEs requiring loans, thus increasing the availability for other members.

Savings banks, although not possible to quantify due to limited available data also believed that the partnership with both CUFA and the Cambodian Co-operative Association has led to increased trust of their institutions within communities. The increased trust has allegedly resulted in increased membership numbers and savings amounts.

Overall, the Program is performing strongly against the Australian Aid Program's Quality Assessment Framework with Program activities assessment framework with Program activities and design appropriate in supporting Village Entrepreneurs to establish micro-businesses that are supporting their families to improve their livelihoods. This evaluation has assessed the Program against the Australian Aid Program's Quality Assessment Framework and the ratings based on the findings of this report are as follows:

### **Program quality rating assessment**

- Relevance: Fully satisfactory
- Efficiency: Satisfactory
- Effectiveness: Satisfactory
- Sustainability: Satisfactory

## SUMMARY OF RECOMMENDATIONS

**Provide the opportunity for the poorest of the poor to start-up or expand an existing micro-business**

### Selection criteria and process

- CUFA to continue working in close collaboration and consultation with savings banks to identify the most suitable applicants.
- CUFA to introduce tailored PAMT assessments that are applicable to the local environment.
- CUFA along with the savings banks to routinely provide information about the VE program, eligibility and selection process to savings bank members.
- Utilising CUFA's marketing and communication channels to prioritise VEs who have been waiting for extended periods of time.

**Provide VEs with training and support to ensure they have the necessary skills and knowledge to operate a successful and sustainable micro-business that will provide the opportunity for the VE and their family to have a brighter future.**

### Business work plans

- CUFA Sydney and CUFA Cambodia and CUFA Timor-Leste Management to assist the VE Coordinators to develop a revised business work plan templates to allow VE to develop realistic business goals and timeframes and activities to achieve these goals.
- VE Coordinators to place further emphasis of working with VEs to ensure their business idea has the capacity for success through careful consideration of competition, demand and uniqueness of their business type.

### Training

- VEs provided the opportunity to give feedback post training.
- Continual monitoring of training materials by CUFA.
- Continual development of visual training materials such as posters, videos and images.
- Continuation of experts and skilled professionals to mentor and train VEs.
- Practical training methods and activities continue, such as building chicken coops, vaccinating animals and making chicken food.
- Review of the VE Coordinators work plan to incorporate more time dedicated to training.
- Inclusion of financial literacy education and savings mobilisation training into the VE training calendar.

### One-on-one support

- VE Coordinator's work plan is reviewed to allocate more time for one-on-one support.
- Savings bank representatives continue to provide assistance to VE Coordinator to conduct one-on-one support.

### Mentoring program

- VE program is expanded to provide the opportunity for more VEs to join, especially new VEs to the program and VEs are matched with VEs who have a similar business type.
- CUFA works alongside savings banks and VEs to implement the program.
- CUFA/savings banks encourage sustainable VEs to become mentors.

### **Study tour**

- Program Coordinator to explore the prospect of savings bank staff facilitating study tours.
- To explore the reasonableness of undertaking study tours further afield, and the possibility and ability of VEs to contribute a small cost towards transportation.

### **Tele-conferencing**

- Tele-conferencing to continue as scheduled.

### **Business Progress Reports**

- Quarterly business progress reports continue to be sent to community investors.
- VE Coordinators, VE Administrator and Sydney staff continue to work together to ensure continual improvement to business progress reports.
- CUFA Marketing team to work with the VE team to provide input and strategies on how to further enhance donor engagement.
- Community Investor contact register continually updated.

### **Business impact on VEs life**

- A PAMT assessment for each VE is conducted at beginning of the Program, as part of the sustainably assessment and at later intervals as part of future evaluations.
- BWP reports continue to provide an opportunity for the VE to share how the support of their CI has benefited their life.

### **Savings growth**

- A recommendation for the VE Program is that more quantitative data on savings in recorded in the quarterly reporting mechanisms to capture the ways that VEs spend and save their profits.
- Participating savings banks provide ongoing savings data to CUFA, to enable CUFA to monitor and assess the savings behaviours of VEs.

### **Sustainability assessments**

- CUFA to revise the sustainability assessment to allow for greater objectivity in assessing the relevancy and impact of the program.
- Sustainability assessments to be implemented at the 18 month and 2.5 year period, to provide the VE Coordinator an opportunity to assess performance to date and areas for continual development to ensure business success.
- PAMT assessment implemented alongside the sustainability assessment.

**Provide the opportunity for participating savings banks to leverage from the program through increase savings and membership numbers, which in turn will deliver benefits to the entire community.**

- Participating savings banks to provide CUFA with regular reporting on membership and savings data.
- Savings banks to collaborate with CUFA during the eligibility and assessment criteria.
- The eligibility and selection criteria to include assessment on VES commitment and dedication to long term savings.

**CI's are engaged and connected to the program and receive regular updates through CUFA's communication channels.**

- The VE program to continue to be promoted in CUFA's current and expanding marketing and communication channels.
- VE website content to be continually updated and revised.
- Implementation of targeted marketing campaigns such as end of financial year and Christmas time.

**Cross-cutting issues**

- CUFA's Gender and Disability Specialist actively works with the VE Program to provide assistance and guidance to VEs and community members with regards to advising on disability and gender inclusion and work place modification measures.
- Financial literacy and savings mobilisation are integrated into the VE Program curriculum.

## INTRODUCTION

### 1.1. Document purpose

This document reports the process and findings for evaluating the impact of CUFA's Village Entrepreneur Program, Cambodia from 2009 to June 2014.

The intended use of this Evaluation Report includes the following:

- To assess the current program and delivery structure.
- To assess the current progress of the program against the program goals and outputs as outlined in the 2014-15 Project Plan.
- To review areas for development within the current model.
- To provide recommendations for future program activities.
- To assess the program against the Australian Aid Programs Quality Assessment Framework (QAF).

### 1.2. Program background

The VE program was first introduced to Cambodia in 2008, with the first VEs receiving training and financial support in December 2009.

The program is designed to help the poorest of the poor in rural communities' break-out of poverty through micro-business development and continued savings with their local savings banks.

The program is funded through a 1:1 sponsorship program that connects everyday Australians to a 'village entrepreneur' in Cambodia or Timor-Leste. Funds from the Australian Community Investor (CI) go towards helping the rural savings bank member start-up or extend their existing business. Through CUFA's Village Entrepreneur Coordinators and savings bank staff the VEs are provided with basic business, financial literacy, bookkeeping, animal raising and sustainable living skills.

The principal aim of the program is for the VEs business to grow to provide a sustainable source of income for the VE's family within three years as well as the provision of life-long business and financial literacy skills for both the VE and their family.

A secondary aim of the program is to strengthen the membership and member savings of village Savings Banks and to contribute to overall community development in their villages. It is anticipated that VEs both during the program and long-term through their sustainable businesses will increase their savings; ultimately increasing the available loan pool for other savings bank members. Further, it is likely the business enterprise skills of the VEs will be cascaded to other members within the community as well increasing the availability of products and services available to the community.

The delivery of the VE program is through one allocated full time Project, a part-time VE administrator, support from CUFA Sydney as well as ongoing support from local savings banks, federation staff and committee members.

As at 30 June 2014:

- A total of 201 VEs being supported under the program in Cambodia and Timor-Leste.
- 164 unique Community Investors.

- 22 VEs graduated from the program in 2013/14 financial year.
- 9.36% of VE's have a disability.
- 78.83% of VE's are women.
- 120 VEs have graduated from the program.
- 27 VEs have withdrawn from the program.

### **1.3. Program delivery**

The VE program consists of a range of activities comprising:

#### **1.3.1. VE eligibility assessment and selection process**

From 2009 to 2011 the VE eligibility assessment selection process was administrated through the chief/leaders of the local savings banks. From 2012, CUFA began to work collaboratively with the savings banks to ensure a democratic and non-discriminatory selection and application process is delivered.

The VE Coordinator conducts scoping exercises to existing VE communities and together with the savings bank identifies potential candidates for the program. To determine program eligibility the VE Coordinator conducts an eligibility assessment which includes an interview with the candidate through a series of questions on their personal circumstances (including current household sources of income, profit margins and assets) and their business work plan such as their short and long-term goals.

Upon the discretion of the VE Coordinator, the candidate is either assessed as eligible or non-eligible. A photo of the VE and an individual profile is then created for the VE: A brief summary of the VEs family life, their business idea and how participation in the program will benefit their life. The VEs profile and photo is then uploaded to CUFA's Village Entrepreneur website, a website that is dedicated to the VE program. It includes a profile on all VEs awaiting sponsorship support, program information for potential CIs including FAQs, payment information and success stories from the program.

#### **1.3.2. Marketing and promotion of the VE program to the Australian public**

Historically, the VE program was predominately promoted through staff members of the Australian customer owned banking sector. However, in recent years the number of customer owned banking institutions has declined due to mergers and de-mutualisations and nine credit unions converting to mutual bank status. It is anticipated that this gradual decline of customer owned banking institutions/ credit unions and mergers within the sector will lead to a lower number of Australian customer owned banking employees, one of CUFA's key target markets. There is a high risk that reduced employee numbers could lead to fewer community investors, both individuals and staff donor CI groups.

As a result, CUFA has started to expand its supporter base to the wider Australian public. Through initiatives such as the Leadership Challenge program (where participants are required to sign-up three CIs), MAD day, university study tours (where participants are required to sign-up at least one CI), the VE website and through other CUFA marketing and communication activities; additional supporters of CUFA's activities can be sourced.

The VE website is the main source of information for potential CIs and is the main tool for CIs to register their support of a VE and to arrange payment. In addition the VE program is also marketed through CUFA's marketing channels such as the monthly CUFA Update, Facebook and Twitter pages and in Connexus, the Australian Credit Union's movement quarterly magazine. As well as events such as MAD Day, credit union insight days and other workshops and conferences that are attended by CUFA staff.

### **1.3.3. Community Investor welcome packs**

Upon signing up to the program and arranging payment, the Community Investor receives a 'welcome pack' that includes a welcome letter, an introduction card on their VE, their VEs business work plan and payment information.

In respect of confidentiality of both parties, neither the CI nor the VE have direct contact with each other. CUFA administers all communication from the VE to the CI. The VE is not provided details of their Australian investor.

### **1.3.4. Administration of program funds**

Community investors make monthly donations of \$37 each month into CUFA's Australian bank account. This money is then transferred to CUFA Cambodia and the VE program administrator disburses these funds to the appropriate village savings banks. The village savings bank then disburses these funds to the VE on a quarterly basis. In some instances CUFA disburses these funds directly to the VE.

An administration fee is included in the CI's monthly donation. 100% of these funds are allocated in-country to cover the Project Coordinator cost and \$5 per VE is allocated to the village savings bank to cover their administration costs as well as savings bank staff payment to conduct regular monitoring visits.

### **1.3.5. VE training**

A program requirement is that each VE attends quarterly training. If a VE is unable to attend due to unavoidable circumstances (such as an emergency) they are permitted to send a replacement; on the condition that the replacement is committed to the training and is highly knowledgeable of the VEs business.

Upon final discretion of the Project Coordinator, if the VE is absent for more than three training sessions, they are asked to withdraw from the program and their sponsorship transferred to a candidate on the waiting list.

In event that a VE passes away during the program, or unable to continue due to serious health issues the additional sponsorship may be transferred to another family member who will continue the VEs business.

### **1.3.6. Training program**

[Training program 2009 -2011](#)

From 2009-2011, CUFA project staff volunteered their time from other CUFA projects to deliver VE training. The standard training module was a morning session (3 hours) where all VEs received the same training: marketing, financial management and business plans. After this the groups were split and specialised skills training was delivered, either animal raising or grocery stall training.

In the afternoon, CUFA staff would meet with each VE to discuss their business activities from the previous quarter and their goals for the next quarter. A 'study tour' was generally conducted as the last activity for the day, an opportunity for VEs to visit a nearby small business to observe business practices.

#### Training program 2012 - present

In 2012, a full-time VE Coordinator was employed and together with staff from the community savings banks delivers quarterly training to VEs.

A series of modules were developed in 2011 by CUFA staff and Australian volunteers and these are the main source of materials used by the VE Coordinator.

The training is delivered under two streams and all VEs regardless of their business type receive the training modules outlined below:

- Business enterprise skills
  - Marketing, budgeting, purchasing goods, selling, customer service skills, book keeping, selling and micro-enterprise ideas.
- Animal raising
  - Chicken raising, pig raising, compost fertilizer, making organic food for animals and keeping animals healthy (making medicine and vaccinations).

#### **1.3.7. Training method**

The training is delivered via a variety of methods, including videos, photos, practical demonstrations (i.e. vaccinating a chicken), blackboard, course materials, group discussions and shared experiences from VEs.

#### **1.3.8. Training delivery**

Training is conducted quarterly in each province. Depending on the number of VEs being supported in each province, class sizes differ between six and 25 people.

The training is delivered by either the VE Coordinator or staff members from the local savings banks. Recently local professionals, such as vets have been guest presenters at the training, providing an opportunity for VEs to learn more advanced skills to assist their business.

The training duration is one full day, and includes an afternoon session where the VE Coordinator and savings bank staff meet with each VE to discuss their previous quarter progress and goals for the next quarter. Depending on availability of time, study tours (a visit to a nearby market or another VEs business) may occur after the training.

#### **1.3.9. Field support**

On a quarterly basis, each VE also receives one-on-one support from the VE Coordinator or local savings bank staff.

The VE Coordinator allocates time with each VE to review their business plan, their previous quarter activities, challenges, profits and expenditure and activities for the next quarter.

The support visits are an opportunity for the VE Coordinator to assess how the VE is practically implementing lessons learnt from training into their small businesses and to observe the VE in the workplace and to provide suggestions and recommendations. This could include visiting their pig pen to ensure it is built correctly, observing the VEs customer service skills or providing advice on how to keep their chickens healthy.

The visits also provide an opportunity for the VE to seek additional advice to resolve any ongoing challenges.

#### **1.3.10. Tele-conferences**

Due to time constraints, it is not always possible for the VE Coordinator to meet with each VE individually each quarter. The VE Coordinator thus conducts a tele-conference with VEs when they attend their savings bank. The tele-conference is an opportunity for VEs to not only network with other VEs within their savings banks, but to share ideas and provide each other with solutions and strategies to assist their businesses. The VE Coordinator facilitates the tele-conference and is on hand to provide additional support to VEs who are facing difficulties.

#### **1.3.11. Mentoring program**

The mentoring program is an opportunity for high achieving VEs to share their knowledge and skills with new VEs. This could include advice on how to correctly complete vaccinations or to offer assistance on alternate ways to attract customers.

#### **1.3.12. Study tours**

The objective of the study tours is to provide an opportunity for VEs to visit markets or other VEs small businesses to learn new ideas and skills – i.e. visiting a well-constructed chicken coop or observing how other grocery stalls display their products.

#### **1.3.13. Quarterly progress reports**

At the completion of training each quarter the VE Coordinator or local savings bank staff meet with each VE to discuss their progress from the previous quarter including their activities, challenges, results, profits and sales and goals for the next quarter. The progress report is then sent to the VEs CI.

#### **1.3.14. End of program sustainability assessments**

Currently, each VE receives a sustainability assessment at 2.5 years. The VE is assessed as 'sustainable' or 'not yet sustainable'. If the VE is not yet sustainable, they will continue to receive ongoing support and an additional sustainability assessment is completed at 3 years. The VE is assessed as either 'sustainable' or 'non-sustainable'.

### **1.4. Program summary**

#### **1.4.1. Program goal**

To provide the opportunity for the poorest of the poor to lift themselves and their family through the development of a sustainable micro-business.

#### **1.4.2. Program purpose**

The purpose of this program is to provide VEs with the necessary skills, knowledge and support (both practical and financial). Through this support they will be able to operate a successful micro-business that will financially support their family, and help them achieve a brighter future.

#### **1.4.3. Program objectives**

The overall objectives of the program are to:

- Provide the opportunity for the poorest of the poor to start-up or expand an existing micro-business.
- Provide VEs with training and support to ensure they have the necessary skills and knowledge to operate a successful and sustainable micro-business that will provide the opportunity for the VE and their family to have a brighter future.
- Provide the opportunity for participating savings banks to leverage from the program through increase savings and membership numbers, which in turn will deliver benefits to the entire community.
- Support grassroots savings banks to expand their membership and to increase their overall savings.
- CIs are engaged and connected to the program and receive regular updates through CUFA's communication channels.

#### **1.4.4. Contribution to cross cutting themes**

- Gender
- Disability
- Social/ Financial
- Rural development

## EVALUATION METHODOLOGY

### 1.5. Evaluation scope

This is the first evaluation of CUFA's Village Entrepreneur Program. The focus of this evaluation is on how the program is delivered in Cambodia.

The scope of this evaluation considers evaluation of the following:

- Program selection and eligibility assessment.
- Training and support provided to assist in the development of successful micro-businesses.
- Impact of the program in providing VEs the opportunity to create a brighter future for themselves and their families.
- Impact of the program within participating communities.
- Engagement and communication with community investors.

This evaluation assesses:

- Progress towards achieving program goals and objectives.
- Progress against the Australian Aid Programs Quality Assessment Framework.
- Contribution against cross-cutting issues.

### 1.6. Evaluation approach

The evaluation examines the impact of the VE program with respect to individual village entrepreneurs, the participating savings banks and participating local communities. As such the results are indicative rather than representative of the programs impact.

### 1.7. Theoretical framework

In order to evaluate the impact of the VE program, integration of the following frameworks is used:

#### **Australian Aid Programs NGO Quality Assessment Framework (QAF)**

A framework to assess the quality of NGO project implementation employed by the Australian Aid Programs Quality Assurance Group for:

- Relevance: the extent to which activity objectives and designs are appropriate;
- Efficiency: the extent to which activities have been managed in a professional manner;
- Effectiveness: evidence that the activity is likely to achieve the desired results; and
- Sustainability: evidence that the activity is likely to foster sustainable outcomes.

#### **Australian Aid Programs NGO Quality Ratings Guide**

A framework developed to report on the achievement of project objectives as required in the Australian Aid Program's AdPlan Performance Report as:

- **Best Practice:** Represents a situation where something over and above normal good aid practice has occurred, particularly something innovative.
- **Fully Satisfactory:** There are only a few minor weaknesses in the program as a whole.
- **Satisfactory Overall:** There are weaknesses as well as strengths but that the weaknesses are not severe enough to threaten the program.

- **Marginally Satisfactory:** There are serious weaknesses which require early action if the program is to continue to progress.
- **Weak:** The program is seriously deficient. Problems are widespread throughout the project/program and that immediate and decisive action is needed to address them.

## 1.8. Research tools

In order to assess the impact of the VE program in progressing program goals and outcomes and contributing to cross-cutting issues, both qualitative and quantitative methods were used. The specific methods of inquiry included:

### Data review

- VE progress reports.
- VE monthly reports.
- VE sustainability assessments.
- VE work plans.
- VE desk-top review.
- Savings records.

### Interviews

To conduct the evaluation, the following interviews were conducted:

- Graduated VEs
  - *Participants:* 14 interviews (10 women and four men).
  - *Delivery:* Five individual interviews, one group of four, one group of three and two in a group of two.
  - *Duration:* Between one to two hours per interview.
  - *Location:* Interviews were conducted either at the VEs house or at the residence of the Chief of their savings bank.
  - *Structure:* All interviews followed both a structured and exploratory interviewing style with the use of likert scales and open-ended questions. A total of 30 qualitative and quantitative questions were asked, with additional sub questions to clarify responses, as required. A copy of the questionnaire is attached at appendix A.
- Eight interviews with VEs currently on the program (seven women and one man).
  - *Participants:* Eight interviews (seven women and one man).
  - *Delivery:* In a small group (between two to four participants).
  - *Duration:* Approximately one hour per interview.
  - *Location:* Interviews were conducted either at the VEs house or at the residence of the Chief of their savings bank.
  - *Structure:* A total of 25 qualitative and quantitative questions were asked, including additional sub questions to clarify responses. The questions followed both a structured and an exploratory interviewing style with the use of Likert scales as well as open ended responses. A copy of the questionnaire is attached at appendix A.

- VEs on waiting list
  - *Participants:* Four participants (two women and two men, including one with a disability).
  - *Delivery:* Individually.
  - *Duration:* Approximately 30 minutes each.
  - *Location:* At participants house or business location.
  - *Structure:* A total of eight qualitative and quantitative questions were asked, with additional sub questions to clarify responses as required. A copy of the questionnaire is attached at appendix B.
  
- Committee and board members from participating savings banks
  - *Participants:* Eight participants (Seven men and one woman).
  - *Delivery:* Individually and in groups (between two to four participants).
  - *Duration:* Between 30 minutes to one hour per interview.
  - *Location:* At the place of resident of the savings bank leader.
  - *Structure:* A total of eight questions were asked, with additional sub questions to clarify responses, where required. A copy of the questionnaire is attached at appendix C.
  
- CUFA staff involved in VE program delivery
  - *Participants:* Three participants (three men).
  - *Delivery:* Individually.
  - *Duration:* Approximately one hour each, with additional follow-up sessions.
  - *Location:* CUFA Cambodia office.
  - *Structure:* Open discussion. Each asked 10 questions relating to their knowledge and involvement with the program. A copy of the questionnaire is attached at appendix D.

## 1.9. Sampling

Participants were selected from a geographical cluster in four provinces (Kandal, Takeo, Kampong Chhang and Kampongthom). Participants represented 14 savings banks/associations. All interviews were conducted face-to-face.

### 1.9.1. Evaluation sample

Table 1: Evaluation sample

Province	Savings Bank/Association	Graduated VE	VE currently on program	Savings bank member on VE waiting list	Staff from Savings Bank/Association
Kandal	Somroang Thom Savings Bank	1 (f)			
	Korkithom Savings Bank	1 (m) 1 (f)			
	Korkithom	1 (f)			1 (m)

	Savings Bank				
Takeo Kampong Chhang	Farmer Savings for Development Savings Bank	1 (m)			
	Khvav Commune Financial Association Savings Bank	1 (f)			
	Tramkul Savings Bank	1 (f)			
	Laybo Commune Financial Community Savings Bank	2 (f)			
	Traping Kravan Savings Bank		1 (f)		
	Brochak Savings Bank	1 (f)	1 (f)		
	Tavac Savings Bank	1 (f)	2 (f)	1 (m) (d)	
	Agricultural Development Association				1 (m)
	Trapang Kravan Association				1 (m)
Kampongthom	Kampong Rotes Savings Bank	1 (f)	1 (f) 1 (m)		
	Prey Tahou Savings Bank	1 (m)	2 (f)	1 (f)	
	Achaleak Savings Bank	1 (f)		1 (m)	
	Sahakum Phum Savings Bank			1 (f)	
	Agricultural Development Cooperatives for Us				3 (m) 2 (f)
<b>Total</b>	<b>17</b>	<b>14</b> (3m/11f/0d)	<b>8</b> (1m/7f/0d)	<b>4</b> (2m/2f/1d)	<b>8</b> (7m/1f/0d)

### 1.10. Research team

The evaluation was led by a CUFA Sydney staff member. CUFA Cambodia team members assisted via collection of project data, translation during interviews and provision of logistical assistance during the evaluation.

CUFA Cambodia staff involved with the delivery of the VE program contributed as interview participants. For four of the five days, CUFA Cambodia staff not involved with the VE program acted as translators.

An external translator was hired to assist for one day, due to unavailability of CUFA staff with appropriate language skills.

### **1.11. Limitations**

- Small sample size: Due to time and budget constraints only a small sample of VEs were interviewed in Cambodia.
- Availability of data and information: Some information prior to 2012 was not available to be assessed.
- Potential for bias in sample selection: Given the limited timeframe and scope of the evaluation, the selection of provinces and savings banks/associations for interviews was facilitated by CUFA staff involved with the program, including the VE Project Coordinator and Administration Staff Coordinator. Potential for selection bias was somewhat offset by direct oversight from the evaluator. However, it is noted here that this risk could not be mitigated entirely.
- Selection of translators: Due to budget constraints, CUFA Cambodia staff were used as translators. While it is noted that this does influence the impartiality of responses by participants, this was somewhat offset by different staff being used each day.

## FINDINGS

As this is an exploratory, qualitative study the findings should be regarded as indicative rather than conclusive results of the program. However it can be reasonable to anticipate that given the detailed assessment of the data available and comprehensive interviews with a wide range of project participants that the findings below are representative of CUFA’s Village Entrepreneur Program in Cambodia.

**Table 2: Progress towards achieving program outcomes and activities**

Area	Best practice	Fully satisfactory	Satisfactory overall	Marginally satisfactory	Weak
<b>Relevance</b>					
Project outcomes and activities		✓			
<b>Efficiency</b>					
Project outcomes and activities			✓		
<b>Effectiveness</b>					
Project outcomes and activities			✓		
<b>Sustainability</b>					
Project outcomes and activities			✓		

Analysis of each rating assessment is provided in the section below.

## 1.12. Program quality rating assessment

### 1.12.1. Relevance – To what extent is the current program design and implement model appropriate?

Relevance is assessed as **fully satisfactory** and has been measured with consideration of the following questions:

- *To what extent are the objectives of the program still valid?*
- *Are the activities and outputs of the program consistent with the overall goal and the attainment of its objectives?*
- *Are the activities and objectives of the program consistent with the intended impacts and effects?*

The VE Coordinator has actively reviewed and improved materials, lesson content and teaching methodology over the course of the past 18 months. As a result the training is engaging, interactive, appreciated by participants and adaptive to different learning styles. The training duration of one day each quarter is sufficient to teach VEs essential business and animal raising skills, however as noted in this evaluation as the Program places more emphasis on reaching the poorest of the poor and the most vulnerable in communities more time to deliver training will be required.

The lower educational levels and literacy rates of these community members means that the pace of learning is slower and requires new concepts to be introduced gradually, more one-to-one assistance and support with consistent revision to make sure knowledge is retained and able to be applied on a day-to-day basis.

The structure and content of lessons is providing proven outcomes in line with the primary program objectives with all VEs interviewed as part of this evaluation able to effectively demonstrate how they have adapted skills learnt in their business and everyday life.

Teaching methodology and the interactive and engaging nature of the training has greatly assisted VEs, especially those with lower literacy levels to understand basic concepts. Demonstrations by local veterinarians on how to vaccinate chickens and participation by VEs in how to make chicken food has proven to be an effective teaching style and has been well received by VEs.

Similarly one-to-one support and tele-conferencing are a considerable benefit to the Program, allowing VEs the occasion to raise any challenges or concerns with the VE Coordinator and other VEs as well as an opportunity for the VE Coordinator to assess how lessons learnt in training and been practically applied and utilised.

The study tours and mentoring program while only in their infancy stages of delivery at the time of this evaluation are additionally a useful and appropriate value-add tool to supplement the training sessions. Future Program development will greatly benefit with added focus on these two activities, providing an opportunity for VEs to receive additional guidance and mentoring from high performing VEs.

Overall the Program activities are considered to be very relevant in helping VEs establish a micro-business that will generate additional income to support their livelihoods. Each of the activities not

only teaches VEs new skills and knowledge, but allows them the opportunity to build relationships and share ideas with other entrepreneurs who they would otherwise be unlikely to meet. Throughout this evaluation interviewed VEs consistently remarked on how the skills learnt throughout the Program have enabled them to improve their business, which in turn has improved their living situations.

### **1.12.2. Efficiency – To what extent have the activities have been managed in a professional manner?**

Efficiency has been assessed as **satisfactory** with consideration of the following questions:

- *Is the program achieving the planned outputs?*
- *Are the project resources being used adequately to achieve outputs of the desired quality and quantity?*
- *Could the use of resources be improved?*

#### **Savings banks**

The VE program has achieved substantial reach with few human resources. In the 2013-14 year, the Program supported 201 VEs, a 17% increase from 2012-13 while still sustaining the same number of human resources, one full-time VE Coordinator as well as support from a part time administrator.

Program efficiencies have been obtained through assistance by savings bank staff in program delivery, tele-conferencing, study tours and the mentoring program.

The assistance by savings banks in quarterly data collection enables the Coordinator to focus more time on training and support. Further program development would benefit greatly with continued and increased engagement by savings banks and graduated VEs, especially in regards to facilitating the study tours and the mentoring program.

Although assistance is provided by savings banks with regards to quarterly reporting, a breakdown of CUFA staff allocation of time demonstrates a substantial amount of time is required to complete the reports. As an impact of time required completing quarterly reporting there are some follow-on effects on the delivery of other program activities. A reduction in the proportion of time required to complete quarterly reporting through a revised reporting mechanism, will allow the Coordinator to place further emphasis on implementation activities.

#### **Teleconferencing and mentoring**

Teleconferencing is a cost and time effective way to provide group and individual support to VEs. Through group discussions VEs are able to discuss common issues and in many instances able to resolve issues amongst themselves. The facilitation of the discussion by the Program Coordinator enables him to gather insight into shared difficulties and take action where required, such as connecting VEs with local veterinarians.

Similarly the mentoring program is a low cost activity and although it is currently within its infancy stage has proven to be a valuable addition to the program. Findings from this evaluation indicated that in most instances successful VEs were able to provide valuable advice to new VEs, such as guidance on where to purchase medicine for ill animals and networking with suppliers. Future

program development and overall efficiency will benefit from leveraging from the knowledge, dedication and experience of graduated VEs.

### **Study tours**

Conducting study tours within the close proximity of study tours is a cost effective activity that has the potential to provide considerable value to the VE program. However a limitation of the current delivery module (study tours facilitated by the Program Coordinator) is that there are time limitations and due to a restricted Program budget the tours are generally held within the VEs own villages.

Engaging savings bank staff to assume a more active role in the tours could result in increased frequency and types of businesses visited on the tours. Further provided that VEs work schedules permit, increased time could also be dedicated to these activities.

#### **1.12.3. Effectiveness – How well are the objectives and activities being achieved?**

Effectiveness is assessed as **satisfactory** based on consideration of the following questions:

- *To what extent are the program objectives being achieved/ likely to be achieved?*
- *What were the majors factors influencing the achievement or non-achievement of the desired objectives?*

VE training and one-on-one support is highly effective in providing VEs with business and animal raising skills to assist them in building a micro-business to support their livelihoods. The value-add components of mentoring and study tours, while still in their infancy stages are also seen as effective in supplementing the skills learnt in training.

As detailed below, VEs indicated that the training delivery notably the interactive teaching methodology provides them with new business skills and sustainable living skills. A revised sustainability assessment conducted by the VE Coordinator on 17 graduated VEs indicated that 100% of their businesses are still sustainable after one year since graduating from the Program.

Additionally the assessment indicated that 83% of their businesses have improved since graduating from the Program with examples of increased profits, product range, equipment, customers and buyers.

Furthermore, the assessment indicated that VEs apply skills learnt in training post program, for example pig raisers are implementing skills such as vaccinations, cleaning their pens, making organic food and ensuring their pegs have adequate water and shade. Each of the VEs surveyed were also able to demonstrate sustainable living skills learnt in training such as growing vegetables and building water sources (i.e. ponds) their homes.

The application of bookkeeping skills is one skill area that is not being applied as effectively by graduating VEs with only one of the 17 VEs demonstrated regular application of bookkeeping skills. Continued assistance by the VE Coordinator during one-on-one support visits to understand what difficulties VEs experience with bookkeeping will provide the opportunity for the VE Coordinator to tailor training accordingly. For example, more one-on-one support or different teaching methodologies may be required for VEs with lower literacy levels.

The continued application of skills and knowledge learnt during training is critical for an effective program. The importance of follow-up support and understanding the learning capacity of VEs through both feedback and observational techniques will generate increased program effectiveness outcomes.

#### **1.12.4. Sustainability – How likely will the program foster sustainable outcomes?**

Sustainability has been measured as **satisfactory** with consideration of the following questions:

- *To what extent have the program benefits continued/ or are likely to continue once CUFA funding/support ceases?*
- *What were/ will be the major factors that have influenced the achievement or non-achievement of the programs sustainability?*

As the Program is still in its infancy stage it is not yet possible to measure the long-term sustainability of VE businesses; however an analysis of 2013/14 data indicates that VEs businesses generate significant profit with on average VEs business profit surplus \$178.89<sup>1</sup> per quarter and average family income increasing by 38%.

Although long-term data is not available, the initial growth of VEs businesses is a positive indicator of progress towards helping families set up their own small businesses and to earn regular incomes which will in turn assist them to transform their lives.

As mentioned previously, the VE Program performs strongly in terms of delivering interactive and relevant training materials providing VEs with a strong foundation to improve their business, animal and livelihood skills. The business skills are seen to be retained for a period of time and sampled graduated VEs demonstrated application of lessons learnt throughout the Program into their businesses, as well some indicating sharing of knowledge and skills with family members and others within the community, signifying transferable skills.

Training and support provide the greatest potential for a VE to create a sustainable business however to be a highly influential and effective activity it is essential, especially as the Program places greater emphasis on disability inclusion and reaching out to the poorest of the poor that more time is allocated to training and support.

Furthermore, future development of the VE Program will be greatly enhanced with continual revision and monitoring of program materials, teaching methodologies and observation of how VEs adapt training techniques and skills into their businesses.

Strengthening the presence of savings mobilisation and financial literacy into the training curriculum and encouraging VEs to continue ongoing deposits with their savings banks will be the best guarantee of improved educational opportunities or life opportunities.

Finally, the inclusion of a PAMT assessment along with more robust Program reporting and monitoring of VEs profits and savings habits will in the future provide CUFA with the opportunity to more accurately assess the extent to which program benefits continue once CUFA support and CI funding ceases.

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<sup>1</sup> Calculation: average VE income per quarter – Average CI contribution per quarter = Average surplus.



## 1.13. Progress towards achieving program outcomes

### 1.13.1. Provide the opportunity for the poorest of the poor to start-up or expand an existing micro-business.

#### Findings

#### Selection criteria and process

Interviews throughout the course of this evaluation indicated that the selection criteria to join the Program changed in 2012 to better ensure that the poorest of the poor and the most vulnerable have the opportunity to join the Program.

Between 2009 and 2011, Program eligibility and selection was determined by the savings banks, generally the Chief and there was limited consultation and collaboration with CUFA to select the candidates. As a result, this evaluation learnt that there were cases of favouritism within the selection process and with only the savings bank leader being responsible to select candidates, this led to a non-democratic process that was not necessarily representative of the poorest of the poor.

As a result of this process; issues of trust and jealousy were reported during this period across all three provinces visited for this evaluation.

In 2012 the selection and eligibility model was adjusted to ensure greater collaboration and cooperation between CUFA and the savings banks. CUFA now undertakes a more active role in the selection and recruitment process by interviewing potential VEs to consider their business work plan and undertaking an assessment of their income and assets. Of the current VEs and members of the waiting list interviewed, 100% (11/11) indicated that they believed the new selection process was fair and just however understanding on why the process is considered fair is limited with respondents basing fairness on the fact they did not have to pay a bribe and they did not need to wait long to be selected.

Since 2012 the selection process for VEs has involved much greater collaboration between CUFA and the savings banks with the two working together to identify eligible participants. CUFA then interviews the VEs asking a series of background questions to assess their families' income, assets and motivation to participate in the program.

The modifications to the selection and eligibility criteria have resulted in a more democratic and transparent process. Continual collaboration between CUFA and savings banks and the consideration of including a country specific Poverty Alleviation Measurement Tool (PAMT) within the selection process will further ensure that the poorest of the poor are provided the opportunity to join the Program.

A further consideration for the selection criteria of the program is that a standardised assessment is developed that considers the VEs savings history, commitment to their savings bank, reasons for joining the Program and dedication to training and improving their business skills.

Feedback from participating savings banks disclosed that one of areas for continual improvement in the program is further collaboration and cooperation between CUFA and the savings banks to identify VEs eligible for the Program. One savings bank noted that there have been some instances where VEs have been selected within a short period of time of joining the savings bank creating some tension amongst VEs who had been waiting for longer periods of time and had strong savings and credit history.

Key benefits of collaboration between CUFA and the savings banks is leveraging from the knowledge savings bank staff have of potential VEs commitment to the savings bank, their savings and credit history and their personal circumstances. As reflected by one savings bank, identifying VEs with true commitment to the overall goals of the Program and dedication to their savings bank will also likely reduce the number of VEs who withdraw from the Program citing that the training and requirements are 'too hard'.

Although all savings banks and VEs interviewed expressed that they are no longer aware of any jealousy within the savings banks on who is selected, there does appear to be an opportunity to further communicate how the program operates to the wider membership.

One savings bank noted that there existed some confusion on who selects a VE, with some members unaware that selection is from Australian Community Investors rather than the leader of the savings bank. The savings bank stated that after CUFA explained to the members the process, there is now no reported jealousy and greater understanding from members.

To ensure the Program is widely understood within the membership of the savings banks and the wider community, it is recommended that CUFA along with savings banks continue to communicate and liaise with the community to discuss the Program, eligibility and selection criteria.

An additional challenge noted by the savings banks is the waiting period to become a VE, especially those who have been waiting for over a year to receive support with many approaching the savings banks asking questions on when they will receive support. While this evaluation notes that the waiting period is reliant on community investor support, a revised selection and eligibility process and increased communication around the process and procedures of the Program will create less angst amongst waiting VEs.

Resources pending an invitation could also be extended to waiting VEs to attend training while they wait for financial support, providing them the prospect of learning and implementing fundamental business skills prior to officially joining the Program.

Marketing and communication strategies such as showcasing certain VEs on the home page and providing the option for Community Investors to select 'who needs it the most' will also assist in ensuring VEs with longer waiting periods are prioritised.

#### Recommendations

- CUFA to continue working in close collaboration and consultation with savings banks to identify the most suitable applicants.
- CUFA to introduce tailored PAMT assessments that are applicable to the local environment.
- CUFA along with the savings banks to routinely provide information about the VE program, eligibility and selection process to savings bank members.
- Utilising CUFA's marketing and communication channels to prioritise VEs who have been waiting for extended periods of time.

**1.13.2. Provide VEs with training and support to ensure they have the necessary skills and knowledge to operate a successful and sustainable micro-business that will provide the opportunity for the VE and their family to have a brighter future.**

#### **Business work plans**

#### Findings

Once accepted into the Program, the VE Coordinators develop a Business Work Plan (BWP) with each VE to determine the business type, marketing and business activities to grow the business, future goals and anticipated impacts the business will have on the VEs livelihood.

The idea of the BWP is for the VE to focus and think about their business requirements in order for their business to become successful and to encourage them to set objective goals.

Review of the BWP's indicates that initially many of the VE goals for the next three months were for their business to succeed, a difficult goal to achieve within a three month period. More recently the VE Coordinators have placed greater emphasis on ensuring that goals are realistic and measureable, i.e. objective goals – to sell 450 kg of fish and receive 5 more customers.

Review of Business Progress Reports (BPR) indicates that some VEs change their business type part through the Program, the most commonly cited reason is due to strong competition and many similar businesses. While it can be reasonable to expect that competition will exist that may cause a business change, greater focus during the BWP stage to identifying and assess the likelihood of the business success based on competition, demand, uniqueness and quality of the offering to achieve the VEs goals and desired results will help guide success.

Continual focus on ensuring that the VEs BWP's have objective and realistic short and long term goals that enable the VE to operate a successful and sustainable micro-business will continue to provide considerable value to the Program.

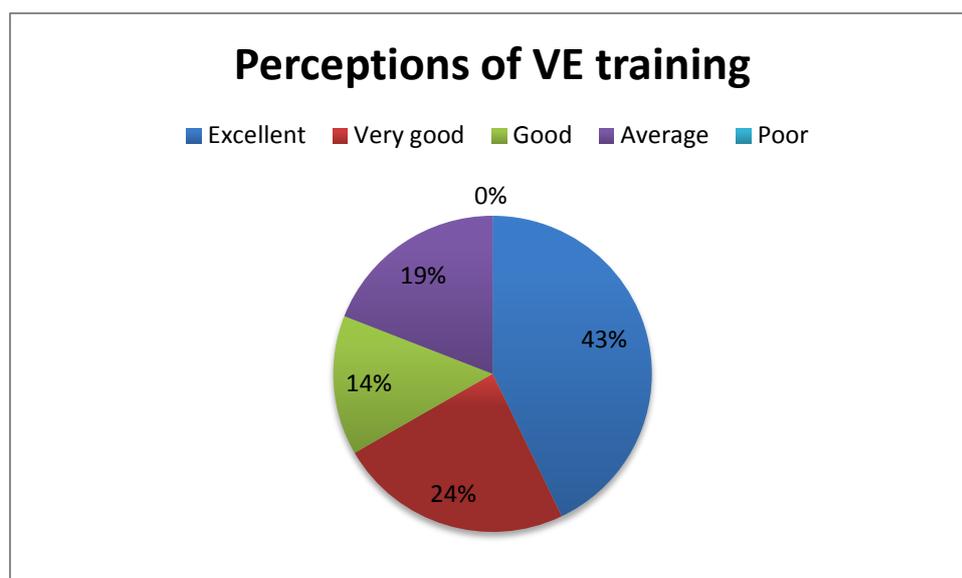
#### Recommendations

- CUFA Sydney and CUFA Cambodia and CUFA Timor-Leste Management to assist the VE Coordinators to develop a revised business work plan template allows the VE to develop a realistic business goal and processes, timeframes and activities to achieve these goals.
- VE Coordinators to place further emphasis of working with VEs to ensure their business idea has the capacity for success through careful consideration of competition, demand and uniqueness of their business type.

#### **Training**

This evaluation finds that the VE training is relevant and effective in assisting VEs to start or expand their micro-business. As outlined in diagram 1 below 67% of interviewed VE's believed the training received was either excellent or very good.

**Diagram 1: Perceptions of VE training**



**Diagram 2: Training evaluation**

Percentage of current VE's that attended training	"The training provided me with skills/knowledge that helped me grow my business"	Training Excellent	Training Very good	Training Good	Training Average	Training Poor
95% (one VE interviewed had not received training as has been in program for less than 3 months)	100%	43%	24%	14%	19%	0%

VE training is highly relevant and effective for the target audience, with 100% of interviewed VEs (who attended training) supporting the statement that *'the training provided me with skills and knowledge that helped me learn new skills/knowledge that helped by expand my business'* and 43% when asked to rate the training, considered it excellent.

**Training materials and training sessions**

VE Training is focused on business and animal raising skills. Training materials have been developed from a combination of staff knowledge, other CUFA programs' materials as well as materials sourced from USAID (chicken and pig raising and natural food for animals).

The VE Coordinator utilises the majority of these materials, as well as recently adding three additional modules ('micro-enterprise ideas', 'what is selling' & successful selling ideas and 'best-selling skills').

The VE Coordinator in Cambodia is proactive in ensuring the training is interesting and relevant to the target audience. He is aware that many VEs are illiterate and has thus adapted the training to relate to the relevant education and learning levels. The training is a mixture of theory, photos and videos (i.e. how to build a chicken coop), brainstorming/sharing ideas among VEs and demonstrations (i.e. showing VEs how to vaccinate a chicken and activities to make chicken food). Recently (in the last quarter) the VE Coordinator also invited a local vet to attend one of the trainings to provide VEs with specialised knowledge on how to look after their animals.

A review of quarterly VE feedback displays that VEs find the visual training materials useful and as such the Program has begun to develop a greater variety of visual materials such as posters, videos and pictures rather than just text in training materials. To ensure that future training remains relevant an annual review of the training materials should occur and be adjusted according to VE feedback and suggestions. This will maintain that lesson content and delivery is suitable to the learning style of participants.

In 2013/14 the VE Program, Cambodia delivered 43 training days and table 3 below provides a breakdown on the training schedule (please note this includes one-on-one support and teleconferencing).

**Table 3: Training activity schedule**

Supporting activity	Who participated	Frequency	Location	Duration
Business Progress Reports workshop	VEs and savings bank staff	4 times a year	In the field	One afternoon per session
Group skills training	VEs and savings bank	4 times a year	In the field	One morning per session
Business based support/ follow-up activity (individual)	VEs and savings bank	4 times a year	In the field	40mins per VE
Telephone conference/ counselling (group)	VEs and savings banks	4-6 times per year	From Phnom Penh office	20 minutes per session
Telephone counselling (individual)	VEs and savings banks	4-6 times per year	From Phnom Penh office	15 minutes per session

### VE feedback in relation to training

The majority of VEs interviewed were able to recall skills and knowledge they learnt in training and able to provide examples of how they have applied training knowledge into their businesses.

The positive feedback below is a testament to the dedication of the VE Coordinator in applying adaptable, interactive and engaging teaching methods:

- *'I learnt how to attract more customers by having a good greeting (i.e. offering a glass of water and saying 'how are you, would you like a seat') and providing more space for customers to stand. Yes, this helped. Before I had 3-5 customers a day, and now I have 5-8 customers per day'.*

- *'The training helped me a lot to expand my business. I am a chicken and duck raiser. In training I learnt the idea that there is an order to follow to make sure I have healthy chickens. First I should build the proper chicken house, and then I make organic food for the chickens, prepare medicines and give them regular vaccinations. I should also keep the chicken coop clean every day and to change the water – this helps to prevent diseases. Now during the rainy season, the chickens are rarely sick because I give them herbal medicines and other natural medicines'.*
- *'The CUFA trainer taught me about marketing – new ways to sell my noodles. I have a noodle stall and one of the challenges I faced was the rain. In the rainy season it was hard to sell my noodles, there were no customers. The trainer told me to buy a raincoat and to cover my stall with plastic. And, if I can't sell the noodles I should go to house to house. Yes- I sell lots of noodles, my wife sells the noodles from our home and I go house-to-house'.*
- *'Before I never cared to be friendly, I felt shy. I received training on customer service skills. We do role plays in training. Now I chat to them before they buy "Please, please buy my cake – it's delicious and it's a new recipe!" I tell the customer everything about the cake. Yes- I have more customers now. My cakes always sell out. The trainer taught me some new ways to sell my cakes. I sell my cakes at other villages and at the school; I ride there on my bike. Before I had a small basket, but now I've bought a bigger basket. Now the customer can see what I'm selling. I'm really busy; I'm up until 1am baking cakes!'*
- *'Before I didn't know about keeping records. I've learnt how to keep a record of my profits, sales and expenses. Yes, it really helps I'd never done a budget before. Yes- these are skills for life, I've taught my daughter too.'*

The opportunity to share ideas and network was also highly regarded:

- *'The training is a place for people to go and share ideas. To help each other and expand our networks. We share information about suppliers and learn new skills for our businesses'.*
- *'I like that I can meet other VE's and we can share practical experiences on how to raise chickens. It helps to build relationships with other VE's, we also chat over lunch together. Another VE gave me ideas on seasonal products. It's now Khmer New Year, and lots of people buy drinks to celebrate. I'm almost sold out, I'm about to buy more. I'm expecting lots of customers next week'.*
- *'I met some successful chicken raisers. They told me where I can buy vaccinations. They also told me about medicines, I didn't know about these before. I now buy these for my chickens.'*
- *'I found the sharing of experiences very useful and practical from CUFA. It's a sharing forum rather than just training'.*

## **Retention of skills**

As part of this evaluation a revised sustainability assessment was conducted on 17 graduated VEs. The data suggests that while animal raising and sustainable living skills such as growing vegetables, making fertilizer, compost and organic food are being applied, core business skills such as bookkeeping are not being retained post program. Of the 17 graduated VEs assessed only one was considered to be applying good bookkeeping skills. Bookkeeping is a core component of any business becoming profitable and sustainable over time and the lack of bookkeeping by VEs post program is a genuine concern.

This data indicates the potential for CUFA to place greater training emphasis on the importance of bookkeeping in growing a business. A review of the VE Coordinator's work plan to allocate more time to training would be of great benefit as well continual review of training materials by the VE Coordinator and CUFA management to consider how to best apply bookkeeping concepts into VEs businesses, in particular alternate teaching methods for VEs who are illiterate or have lower educational levels.

### **Future training development**

A consideration for future training development is that additional re-occurring training focusing on financial literacy and savings mobilisation is integrated into the VE training calendar. Greater emphasis on financial literacy education will deliver great benefits in helping VEs build a sustainable future, as helping people learn financial literacy and money management skills are skills for life and will help them set up a secure future.

Additional financial literacy training will assist VEs to not only be able to articulate financial goals and aspirations for the future but to better understand how a clear plan and budget will assist them in reaching these goals.

Moreover additional focus on savings mobilisation will support VEs to develop long-term savings behaviours and also create stronger connections with their local savings banks. Findings from this evaluation suggest that linkages with graduated VEs and their local savings banks could be further developed with evidence that some VEs once graduating ceasing their membership with the savings banks. While this evaluation notes that many of the sampled VEs were in the early cohorts of the Program and discontinued their membership due to trust issues raised in the sections above, greater emphasis on VEs developing well-established savings habits will be of great benefit to the Program.

Delivery of these additional training modules could be delivered by staff from other CUFA projects that already provide these training sessions as part of the Credit Union Development program.

Overall future development of the VE training program will ideally sustain the current training delivery model and content as well as the consideration of addition of modules on financial literacy and savings mobilisation between VEs and their financial institution. The addition of these modules will further enable VEs to acquire a strong foundation of financial literacy and good savings habits that will be retained post-graduation of the Program.

### **Recommendations**

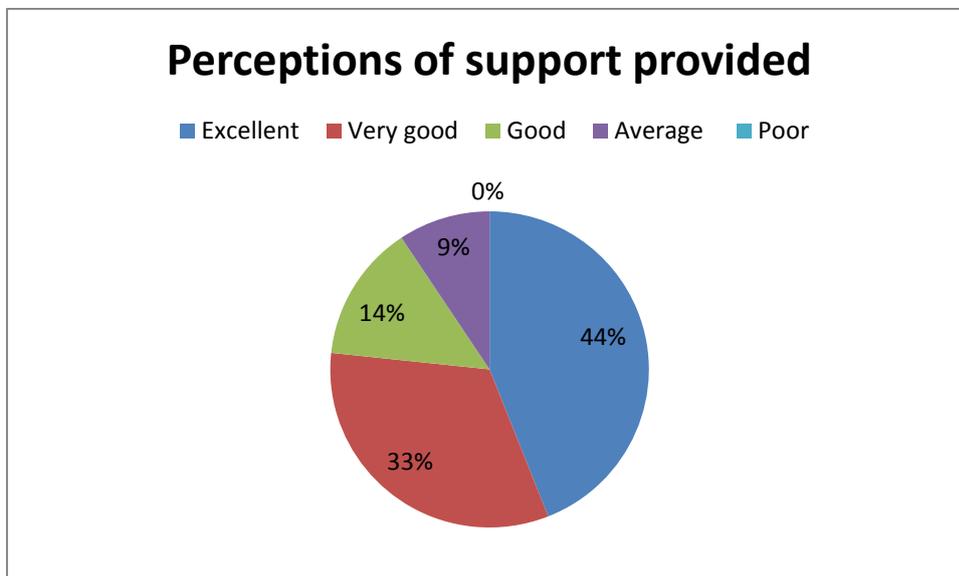
- VEs provided the opportunity to give feedback post training.
- Continual monitoring of training materials by CUFA.

- Continual development of visual training materials such as posters, videos and images.
- Continuation of experts and skilled professionals to mentor and train VEs.
- Practical training methods and activities continue, such as building chicken coops, vaccinating animals and making chicken food.
- Review of the VE Coordinators work plan to incorporate more time dedicated to training.
- Inclusion of financial literacy education and savings mobilisation training into the VE training calendar.

### One-on-support

This evaluation report finds that one-on-one support delivered through the Program is relevant and effective. As shown in diagram 3 below, 77% of VE’s interviewed stated that the support provided was either excellent or very good.

**Diagram 3: Perceptions of support provided**



**Diagram 4: One-on-one support evaluation**

VEs interview that received one-to-one support	“The support provided me with skills/knowledge that helped me grow my business”	Support Excellent	Support Very good	Support Good	Support Average	Support Poor
95% (one VE interviewed had not received support as has been in program for less than 3 months)	91%	43%	32%	14%	9%	0%

One-on-one support is highly relevant and effective for the VEs, with 91% interviewed supporting the statement that *'the training provided me with skills and knowledge that helped me learn new skills/knowledge that helped by expand my business'* and 44% when asked to rate the training, considered it excellent.

The delivery of one-on-one support is an opportunity for the VEs to receive assistance and direction from the VE Coordinator or the savings bank representatives. For example the VE Coordinator will observe the skills that the VE learnt in training such as vaccinations and building of pig pens and chicken coops. VEs stated that the VE coordinator or savings bank representatives come to reflect on the performance of the last quarter, such as profits earned, products sold, challenges faced and goals for the next quarter.

- *'Once I have a plan I know what I need to do to achieve this plan. For example if I want to buy a big jug for water, I'll put this in my plan and how much it will cost to buy. And when I sell my pigs, I then calculate if I have enough profit to purchase the jug. The Coordinator when he came to visit me helped my set up my plan.'*
- *'The CUFA officer came to my house and checked my pig pen (if it was too small) and made sure that I was giving the pigs clean water every day to protect them from disease. He also helped me record my total expenses, total income, net profit and savings.'*
- *'Each time the CUFA office comes to visit he reminds me to make sure my business activities are hygienic and helps me think of different ways I can attract new customers.'*
- *'He taught me how to clean my pigs well; he told me that I should try a bit harder to make sure that my pigs are comfortable.'*
- *'Yes he came to my house, and told me that I should make my pig pen higher to allow fresh air into the pig pen.'*
- *'Yes I received one-on-one support after three months he came to observe my business and provided me with ideas if things were not going well, i.e. he suggested that I re-order my products on the shelves.'*
- *When CUFA comes to visit they observe and provide additional ideas. He told me to try and sell in a more open place, have good quality fish and to sell at a good price. I followed all these ideas and succeeded in my business.'*
- *I learnt a lot from one-on-one support. How to record financials, learn how to raise chickens/pigs and the staff member shared with me ideas from VE's in other communities.*

Feedback from the VEs suggested that more focus and time should be allocated to one-on-one support. It is noted that one of the challenges the VE Coordinator faces is the capacity to visit all VEs businesses each quarter and in order to provide more one-on-one support conducts monthly teleconferencing calls.

The addition of more time allocated to one-to-one support also offers the opportunity for the VE Coordinator to assess how well the VEs are applying skills learnt in training, such as bookkeeping skills and provide additional support as necessary. Therefore over the course of the Program VEs will sustain skills that will hopefully be lifelong skills that they will incorporate into their day-to-day operations.

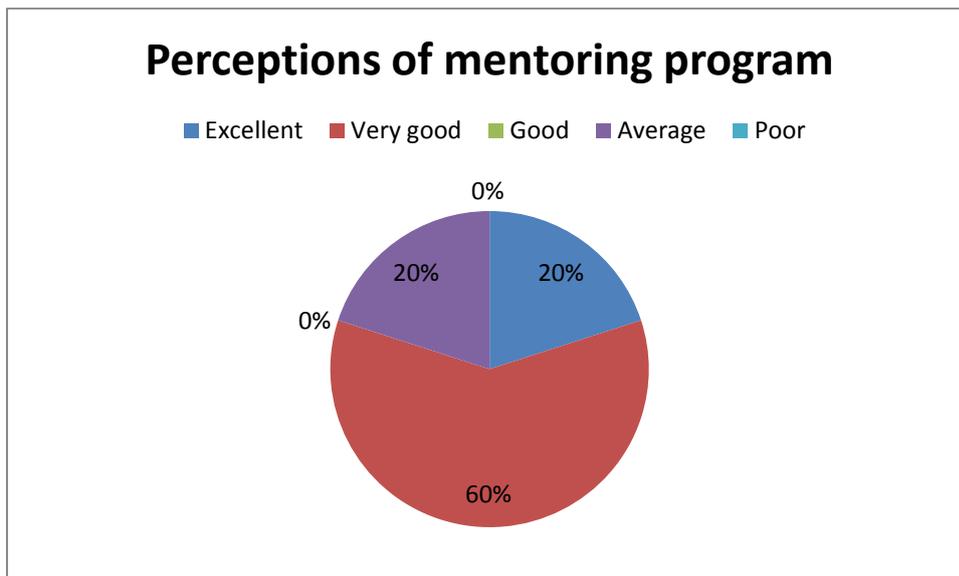
### Recommendations

- VE Coordinator’s work plan is reviewed to allocate more time for one-on-one support.
- Savings bank representatives continue to provide assistance to VE Coordinator to conduct one-on-one support.

### **Mentoring program**

The findings from this evaluation indicate that the mentoring program while commenced has not been strongly implemented, with only 22% of the interviewed VEs having participated.

**Diagram 5: Perceptions of mentoring program**



The value of the mentoring program however is regarded as high by those who have participated with 100% stating that the mentoring program provided them with the skills and knowledge to expand their business and 80% stating that the mentoring program was either excellent or very good. All VEs interviewed who had not participated in the mentoring program believed participation in the mentoring program would assist them in their business activities.

- *‘Yes it would be very useful. They could provide creative ideas and tips on how crops could be more productive. I would be keen to become a mentor’.*
- *It would be very helpful, because people who have experience with chickens or ducks can share their good experiences’.*

- *'Yes it would be helpful, other VE's are more knowledgeable on small businesses and could become 'keys' to our success'.*
- *'I think it would be very helpful, anytime in the program it was be great but I think starting from the beginning of the Program is the best.'*

The VEs who had participated in the mentoring program were able to provide clear examples of how it has assisted them:

- *'The mentor was helping me with my pig raising business. They told me where to buy items and what food to make'.*
- *'I am the mentor to three VE's; we meet every three month and share experiences'.*
- *'Yes I had a mentor; we meet twice a month to discuss different techniques. We worked together to think of different solutions and ideas'.*
- *'I'm a VE with another VE (pig raiser) in my village, when our pigs get sick we suggest types of medicine and which pigs grow the fastest'.*
- *'My mentor and I met twice a week. I once asked her how I can keep my pig healthy in the hot season instead of always keeping it in the pig pen. She told me that in the hot season I need to find some land and make a pond and the pig can sleep in the water'.*

One VE stated that they believed the mentoring program was only average:

- *'Sometimes the other VEs didn't listen to my suggestions. One VE told me that I could use the money (from the CI) for whatever we like. But I didn't listen to them because I know I can only use the money to support my business. I listened to his suggestions but only accepted the right things'.*

VEs noted that CUFA provided them with advice on how to be a good mentor, such as to support each other and not to hide information.

A recommendation of this evaluation is that CUFA expands the mentoring program and encourages more VEs to join. It is suggested that CUFA facilitate the program, however provide opportunity and scope for the savings banks and VEs to organise activities and visit schedules. In order to motivate VEs to become mentors the provision of the token of appreciation such as a savings calendar or a money box

### Recommendations

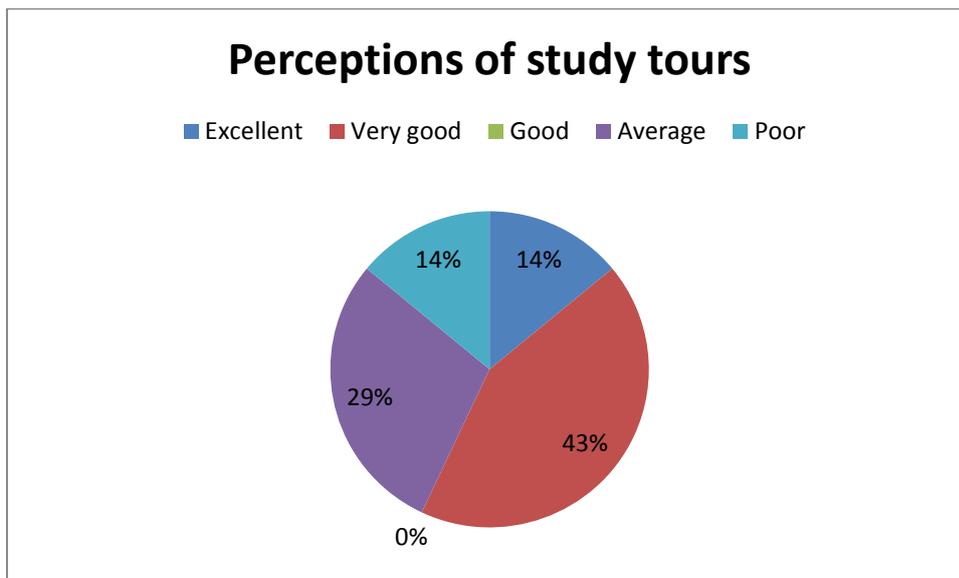
- VE program is expanded to provide the opportunity for more VEs to join, especially new VEs to the program and VEs are matched with VEs who have a similar business type.
- CUFA works alongside savings banks and VEs to implement the program.
- CUFA/savings banks encourage sustainable VEs to become mentors.

## Study tours

Similar to the mentoring program, the implementation of the study tours has been limited with only 32% of the interviewed VEs having participated in a study tour. It is noted however that greater emphasis on the study tours has begun in the past few months and the VE Coordinator is placing more focus on this area of the program. Study tours are generally held close to training/workshop locations thus reducing transportation costs.

The diagram below illustrates perceptions of study tours.

**Diagram 6: Perceptions of study tours**



Feedback from the study tours was varied, with only 43% of VEs indicating that they believed the study tour was very good. VEs who attend the study tour stated that study tour could be improved with greater time spent on the study tours, tours occur more frequently and businesses related to their own.

Feedback from the VEs is as follows:

- *'Yes I learnt a lot. Before I went on the study tour I had not seen a good/well-made pig pen before. Once I saw the pen, I thought it was a good idea and copied it. Some other VEs had made fertilizer and a vegetable patch and I also learnt things from them.'*
- *'The study tours take us to visit successful businesses in other provinces. We are taken to visit these VEs so we can see what the VE did and adapt these skills. I.e. how to build a chicken coop, how big it needs to be and what materials are needed. I learnt real practical ideas, such as making fertilizer to grow vegetables.'*
- *'I got experience from other VEs, such as what is beneficial and what isn't beneficial. I visited a pig farmer and he explained to me what food is fast and slow for the pig to grow. I also visited a grocery stall, but it wasn't that helpful as I only have a few customers and couldn't use these skills in my business.'*

- *'CUFA staff facilitated one trip to the markets. I learnt a lot about how to order at the markets and I tried to intimidate the stalls that were good'.*
- *'I went on one study tour. I learnt about the way market stall people talk to their customers, how to sell vegetables and about the ordering of vegetables (i.e. the good ones on display at the front. Now when I go to sell I also observe other people's products to gain ideas'.*

All of the VEs who had not yet attended a study tour indicated that they believed the tour would be beneficial in assisting them to grow their business and would supplement the skills they had learnt in training.

As mentioned previously, savings bank staff could assume a more active role in the coordination of small group study tours. The facilitation of the tours by savings bank staff would provide the opportunity for study tours to occur more frequently and at minimal cost. A recommendation of this evaluation is that the Program Coordinator explores the prospect of further engagement with participating savings banks to undertake such activities.

Consideration could also be given to savings banks facilitating study tours further afield, provided VEs work schedules permit time to undertake such activities. The use of tuk tuks especially when used for a small group of VEs would be a relative inexpensive exercise and evidence from this evaluation suggests that many VEs would be willing and able to contribute financially to attend these tours.

#### Recommendations

- Program Coordinator to explore the prospect of savings bank staff facilitating study tours.
- To explore the reasonableness of undertaking study tours further afield, and the possibility and ability of VEs to contribute a small cost towards transportation.

#### **Tele-conferencing**

Each month VEs deposit savings with their savings banks. Twice per quarter the Cambodia VE Coordinator conducts a group telephone conference with each saving bank and the VEs talk to each other about the progress and any challenges faced. The VE Coordinator facilitates the session and provides solutions and advice where required. If VEs require any individualised consultation or special assistance the VE Coordinator in collaboration with the savings bank staff and local experts will guide and mentor the VEs to try and find a solution.

For example, the VE Coordinator explained that the tele-conferencing calls provide an opportunity for the VEs to share ideas about how to combat diseases to their pigs and chickens, how to build a coop and agricultural advice. The VE Coordinator will first try to resolve the problem, however if unable to assist will contact a local expert to provide assistance.

Due to time constraints the VE Coordinator is unable to visit each VE each quarter thus the teleconferencing provide a time efficient and cost effective way to provide tailored assistance and support.

## Recommendations

- Tele-conferencing to continue as scheduled.

## **Business Progress Reports (BPR)**

Each quarter the VE Coordinator and savings banks conduct reviews with the VEs to discuss their recent business activities, challenges, new goals and how the business and profits have assisted their livelihoods, the BPRs are then sent to community investors to keep them up to date with their VEs process.

Overall the BPRs are a useful mechanism to engage community investors with the Program and provide a personalised account on how their support is assisting their Village Entrepreneur to achieve a brighter future. However the time required to complete the quarterly reports has resulted in inefficiencies that are impacting the overall program delivery. Reporting is weakened through time taken to collect data, time to translate data into English, collating the data into reports and editing the reports by the VE Coordinator, VE Administrator and Sydney staff and volunteers.

A finding of this evaluation is that reduced time spent on reporting would be a great benefit to the Program, in particular providing the VE Coordinator additional time to focus on training and in-field support.

The evaluation notes that in the recent months significant changes to the reporting process have begun, with a comprehensive reporting template formulated that will not only improve the quality of reporting but also generate greater time efficiencies.

As part of this evaluation interviews were undertaken with a small sample of Community Investors. The results indicate that CIs enjoy receiving regular updates on their VEs and 100% agreed that the VE program is helping people in Cambodia/Timor to build a better life by starting a small business.

7 out of 10 CIs interviewed stated that they enjoy receiving the BPRs; the remaining three commenting they had not received regular reports.

Data from interviews with Community Investors revealed that there have been some issues in the delivery of BWP's with 30% of the respondents stating that to date they had not received regular BWPs. A recommendation from this evaluation is that CUFA Sydney and the VE Administrator continue to work together to maintain an up-to-date contact register.

## Recommendations

- Quarterly business progress reports continue to be sent to community investors.
- VE Coordinators, VE Administrator and Sydney staff continue to work together to ensure continual improvement to business progress reports.
- CUFA Marketing team to work with the VE team to provide input and strategies on how to further enhance donor engagement.
- Community Investor contact register continually updated.

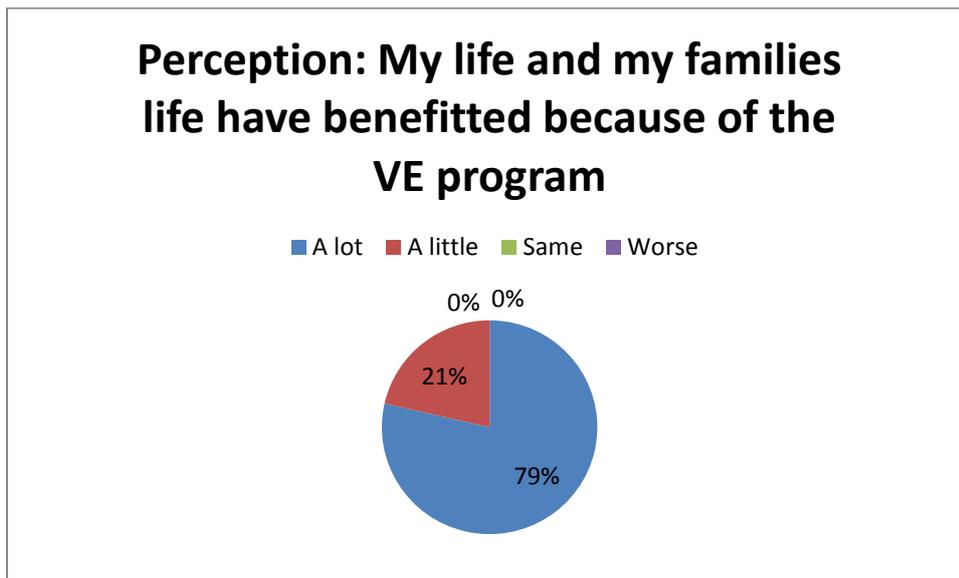
## **Business impact on VEs life**

As part of this evaluation selected VEs were asked to provide examples on how their participation in the Program has impacted their lives. Overall, feedback was positive with all VEs able to provide clear examples on how both the financial contributions and training have been able to support themselves and their families.

**Table 4: Achieving a better life by starting a small business**

“My life has improved a lot”	“My life has improved a little bit”	“My life has stayed the same”
79%	21%	0%

**Diagram 7: Perception on how VE believes program has benefitted their life**



As outlined in table 3 100% of the graduated VE’s interviewed identified that they believed that ‘my life and my families’ life have improved because of the VE program’. 79% believed their life had benefitted ‘a lot’ because of the program.

The training provides the VEs with skills and knowledge that allows them to sustain business skills and knowledge post program. All of the graduated VEs interviewed indicated that they were able to expand their business and they apply the book keeping skills they learnt (recording profits, expenses and sales).

A number of the graduated VEs identified that they had shared their newly acquired skills and knowledge with their children and family members.

- *‘I think these skills will stay with me for life. It’s easy to raise chickens at home, so I teach my parents how to do this; all the steps.’*

- *'I shared with my daughter how to greet customers, the importance of building trust and a relationship, so she can do my business one day.'*
- *'My daughter helps me sell the vegetables; she goes to the market to sell them. I teach my daughter to be professional and friendly.'*
- *'I've shared the book keeping skills with my children, and they now know how to do this.'*

100% of the graduated VEs were able to provide examples of how they believed their lives have benefitted:

- *'Before the program I needed to borrow money from other villagers to provide the basic needs for my family, and I had to pay interest. Now, I've been able to expand my business, I earn more profits and been able to pay the loan back. With the CUFA money I bought an ice box to keep the drinks cool, a sugar cane machine and tables and chairs. I have more customers because I have a bigger range of products to sell and there's a place for customers to sit. I'm now focused on saving for the children's education – before I didn't think of this'.*
- *'I used the sponsorship money to buy more mechanical parts for my bike repair shop. I bought more bike wheels and an air pump. I received training on product placement, having good quality products and competitive pricing. I now make sure I have good quality products, display for products clearly and changed the price I sell for. Other shops sell their products for \$5, I now sell for \$4. Yes, I get more customers. On average I have 4 more customers each day. Before I had to borrow money for my children's education. Before I had a loan for \$1,500 (2.5% interest) from a micro-finance institute and had to use my plot of land as a guarantee. If I couldn't pay back the loan, my land would go to the financial institution. Now I can afford my children's education costs and I have enough money to treat my sickness. Yes, I believe I can now continue to support my family and keep my business profitable without financial help from CUFA'.*
- *'There's nothing I disliked about the VE program, rather I want to say thank you. It's really changed my life a lot. Before the program, we encountered many difficult situations and had to borrow money for basic needs, like rice. My husband is a moto tuk tuk driver. Before the tuk tuk broke down a lot and we had to spend money to repair it. With the CUFA money we bought a new tuk tuk, a new version of the cycle. Someone has now hired my husband to do water deliveries with the tuk tuk. With this income we can buy chicken food. Also the new cycle doesn't break down, so we don't have to spend money to fix it. My dreams for the future have changed. The most important thing is to save money for my children's education.'*
- *'Before I joined the program I didn't have enough money and this led to many problems. I could only buy a small amount of fish to sell and not enough money to buy good food for meals and not enough money to buy a roof for my crops. The crops would die because of the weather. My husband was a construction worker, but cheated by the company; he wasn't*

*paid. When the CUFA came to observe they provided additional ideas. He suggested I sell in a more open place, have good quality fish and sell for a good price. I followed all these ideas and my business is now better. Yes, my livelihood has improved. I have more money for my children's education. Before they went to school but lacked stationary, food for school and hard for them to get to school because we didn't have a bike. Now we've bought a bike and easier for children to go to school. We also bought a cow, and now the cow is pregnant. I've saved more money and I'm about to upgrade my house (current house is a one room bamboo structure)'.*

The success stories are a testament to lesson content and structure and engaging teaching methodologies of current and previous VE staff.

As discovered through the evaluation and ongoing discussions with the VE Coordinator, VEs appreciate and enjoy the opportunity to share the success of their business with their CIs and commented that they hope their CI can hear about how their support is helping their business and subsequently their family's situation.

While these testimonies indicate that the program is having a positive impact on the participants lives, it is highly recommended that as the program expands more quantifiable data is obtained to aid CUFA in measuring the impact of the program. The implementation of the PAMT assessment when a VE initially joins the program and then applying the same assessment at later intervals (i.e. as part of the sustainability assessment and future evaluations) will provide CUFA with the opportunity to obtain more objective and verifiable data to measure impact over time.

### Recommendations

- A PAMT assessment for each VE is conducted at beginning of the Program, as part of the sustainability assessment and at later intervals as part of future evaluations.
- BWP reports continue to provide an opportunity for the VE to share how the support of their CI has benefited their life.

### **Savings growth**

79% of the graduated VEs stated that they now saved more in the savings bank than before the program. The increase in the amount of savings is however varied. Some stated a minimal increase while others a significant increase, one VE said she used to save 50 cents a month and now \$7.50 per month.

Each of the association/savings banks representatives interviewed (three provinces) indicated that current VEs savings had increased since joining the program.

One of the challenges of measuring savings is that, in addition to saving with the savings bank, VEs may save in a number of ways, including: buying gold, investing in livestock and saving at home. To support VEs to develop sustainable savings habits it is recommended that more emphasis be placed on both financial literacy and savings mobilisation, to help VEs understand the benefits of saving with their savings bank and earning interest on their savings to keep pace with inflation.

This evaluation notes that many graduated VEs from the initial cohorts were members of the Farmers Life Improvement for Youth (FLIFLY) savings banks and due to poor practices of this federation group, these VEs have become reluctant to save their money with the savings bank. CUFA discontinued working with FLIFLY, on becoming aware of these issues and many of the savings banks supported under FLIFLY became members of the more reputable Co-operative Association of Cambodia (CAC).

A recommendation of this evaluation is that participating savings banks provide ongoing savings data to CUFA, to enable CUFA to monitor and assess the savings behaviours of VEs.

### **1.13.3. Recommendations**

- A recommendation for the VE Program is that more quantitative data on savings is recorded in the quarterly reporting mechanisms to capture the ways that VEs spend and save their profits.
- Participating savings banks provide ongoing savings data to CUFA, to enable CUFA to monitor and assess the savings behaviours of VEs.

### **Sustainability assessment**

A sustainability assessment on each VEs business activities is conducted by VE Coordinators between the two to three year period on the program. The sustainability assessment reviews the average profit of the BWPs to date, average sales, overall progress of the VEs business activities, business skills acquired, work capacity, business environment, business vision and sustainability assessment guide.

To more effectively assess VEs sustainability it is recommended that the assessment is revised to ensure more objectivity in assessing the relevancy and impact of the program. For example providing examples on how the VE has implemented skills and knowledge learnt from the Program into their small business and assessing whether their business has the capacity to become sustainable without the financial support of their community investor.

Currently sustainability assessments are implemented at the 2.5 year stage of the Program, a recommendation is that CUFA considers implementation the sustainability assessment at earlier intervals in the Program, such as at 18 months as well as at 2.5 years. Earlier implementation will provide additional opportunities for the VE Coordinator to assess the progress of VEs and determine what course of action needs to be applied to ensure their business is sustainable by the end of three years. This would also allow for high performing VEs to graduate from the Program at an earlier point in time, affording the opportunity for more waiting VEs to be supported.

In order for CUFA to more effectively measure, monitor, evaluate and analyse the impact of the Program and the effect it has had on VEs lives, this evaluation further recommends that the PAMT assessment is implemented along with the sustainability assessment. The addition of the PAMT will provide quantifiable data that will assist CUFA to gain an accurate measurement for assessing movement in poverty levels pre and post program.

### **Recommendations**

- CUFA to revise the sustainability assessment to allow for greater objectivity in assessing the relevancy and impact of the program.
- Sustainability assessments to be implemented at the 18 month and 2.5 year period, to provide the VE Coordinator an opportunity to assess performance to date and areas for continual development to ensure business success.
- PAMT assessment implemented alongside the sustainability assessment.

**1.13.4. Provide the opportunity for participating savings banks to leverage from the program through increase savings and membership numbers, which in turn will deliver benefits to the entire community.**

Findings

**Impact of the Program on savings banks and the community**

Weak links between savings banks under the FLIFLY Federation in the earlier years of the program resulted in some trust and transparency issues. The Director from the Agricultural Development Cooperatives for Us savings bank noted that some VEs since graduating from the program had ceased becoming members<sup>2</sup> as they are now more focussed on their business activities rather than savings.

As noted earlier in this report, a more transparent and democratic process is now in place and part of the selection process is to ensure that VEs are committed to continued savings and membership with their savings bank.

Each of the savings banks interviewed believed that the revised selection criteria and eligibility process had resulted in increased savings from VEs, however the amount fluctuates pending VEs business profits and seasonal conditions. Savings banks noted that particular attention is now placed on ensuring that joining members are committed to long-term savings as this is the most feasible way to ensure the bank becomes sustainable.

While there is not yet any clear evidence to show that the VE program is contributing to increased members each of the savings banks interviewed stated that membership levels are continuing to increase overtime. The Chief of Agricultural Development Association noted that since partnership from CAC and CUFA in 2007, there has been increased trust within the community and more people have been motivated to open an account.

Overall, savings banks interviewed believed that the VE program was of great benefit to not only their associations, but also to the community as a whole with increased membership numbers, greater availability of the loan pool, increased competition within the community, less reliance of local authorities to support community members' livelihoods and less migration to neighbouring towns and cities in search of employment opportunities.

While the scope of this evaluation does map existing businesses prior to the Program to accurately assess the extent of impact on the community, the savings bank personnel additionally commented that a benefit of the Program is that sustainable businesses are likely to bring additional local

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<sup>2</sup> VEs were part of the first cohort

services and competition to the local community. While this may be the case, it is imperative to note that the VE businesses are micro-enterprises in their infancy stage and are not at the point (if ever) of employing others, thus the extent of this statement is difficult to measure.

Feedback from savings banks includes:

- *'I think this is a really great program and it is aligned with the development of our CU. Our CU wants to promote business ideas of the members and since the program has been introduced it has helped spread the work about our CU and I think the living standard of our community. It also helps build the trust of our CU and that means more members'.*
- *'I share the information (about the program) with the local authority, I show them reports and the amount of money that the VEs receive (\$600 last quarter). The local authorities are very happy as they don't have this amount of money to support the people. I think if we can increase the number of VEs being supported it help us towards alleviating poverty'.*
- *'The VE Program targets the vulnerable people. Before joining the Program most people did not think about financial records, but after we show them and we monitor them- they learn from this and their business is doing well. It helps other people (non-VEs) to follow the model and to implement the ideas'.*
- *'The VE Program is very beneficial to our association. Before VE program started there were only 170 members of the CU, and didn't save much at this time. The deposit amount was small. And right after the VE program started in the community – the residents opened bank accounts with CUs – the rate of savings and members was increasing at this time. Once members increased, the savings increased too. The working capital for public to get loans increased'.*
- *'The VE provide opportunities for people to build their businesses, rather than migrate to other towns/cities– and many people have businesses in the community, and they are staying here rather than migrating'.*
- *'VE can be a good example in the community. Some of the ordinary people (not members of the CU) they don't trust the bank or deposit the money – once they see the VEs progress they feel confident in the CU and open accounts. On top of this, VEs try to share information to the public/their neighbours – their experiences etc. (training/capacity building, knowledge) and share this with their neighbours'.*
- *'The VE program develops the community a lot. The 7 VEs who have graduated from VE program I noticed that their living standards have improved a lot. The VEs themselves rarely come to take loans from savings bank anymore – so now more opportunity for other people who aren't on the program'.*

## Recommendations

- Participating savings banks to provide CUFA with regular reporting on membership and savings data.
- Savings banks to collaborate with CUFA during the eligibility and assessment criteria.
- The eligibility and selection criteria to include assessment on VES commitment and dedication to long term savings.

#### **1.13.5. Community Investors are engaged and connected to the program and receive regular updates through CUFA's communication channels**

##### Findings

##### **Marketing**

CUFA's VE Program currently has a small supporter base, with 164 CIs engaged with the program at the end of the 2013-14 financial year, a 30% increase from the previous year. CIs while covering a diverse background are generally connected to CUFA through the Australian customer owned banking movement, CUFA staff and their family members or through challenger participants.

Currently the VE program has its own dedicated website: [www.ve.org](http://www.ve.org) where potential CIs can view waiting VEs. This evaluation notes that there are presently some technical malfunctions with the VE website, restricting CUFA's ability to update information and showcase marketing material.

The launch of the revised website that was underway at the time of this evaluation will provide CUFA with enhanced opportunities to promote the positive stories that are generated through this program.

There exists numerous opportunities to promote the VE program, including targeted marketing campaigns to coincide with events such as the end of financial year and Christmas.

With the expansion of CUFA's marketing channels and networks, greater presence on social media, continued newsletter/blog stories and a revised and user-friendly website it is anticipated that the VE program will continue to expand and reach a wider audience.

##### Recommendations

- The VE program to continue to be promoted in CUFA's current and expanding marketing and communication channels.
- VE website content to be continually updated and revised.
- Implementation of targeted marketing campaigns such as end of financial year and Christmas time.

## **1.14. Cross-cutting participation issues**

### **1.14.1. Gender**

Within the VE Program the participation of females is significantly higher than males. In 2013-14 the VE Program was delivered to 203 individuals, 78% females and 22% males.

This reflects the overall labour market trend in Cambodia where women are generally engaged in positions that require few formal qualifications and skills and in urban areas over two-thirds<sup>3</sup> of stall holders and market vendors are female.

The international credit union system has a set of Operating Principles, one of which is non-discrimination on the basis of gender. CUFA and its partners follow this operating principal in all program and project activities, and design is invariably based on equal opportunity and access for both females and males, and program eligibility criteria is invariably based on equal opportunity for men and women to participate in the Program.

### **1.14.2. Disability**

Currently 9% of VEs within the Program are known to have a disability. As per above, the international credit union system has a set of Operating Principles, of which a democratic structure based on non-discrimination and open and voluntary membership to all within a common mutual bond.

CUFA's Disability and Gender Specialist provides ongoing assistance and support to the Program by promoting the importance of people with a disability and encouraging and educating communities on inclusive development. The Disability and Gender Specialist also encourages and motives people with a disability to become members of their local savings banks and partake in management and committee member roles.

A recommendation for the Program is that CUFA's Disability and Gender Specialist continues to actively work with the VE program to support implementation to make existing businesses more accessible by people with disabilities in the community, as well as to work in collaboration with VEs who have a disability to implement workplace modifications necessary to maximise their business potential. This assistance would be measured through the quarterly reporting and questions related to disability inclusion.

### **1.14.3. Social/ Financial**

A key indicator of trust in a savings institution is the amount of cash or near cash individuals store unproductively in alternative locations and which could be converted to deposits in savings accounts (Matthews, 2005)<sup>4</sup>. The VE Program is closely interrelated with local savings bank with membership a core component of Program eligibility. However, membership alone is not enough to encourage VEs to save money for short, medium and long-term saving goals and a recommendation of this evaluation as noted throughout this report is that further focus on financial literacy and savings mobilisation is incorporated into the training curriculum.

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<sup>3</sup> [Gorman, S. Gender and Development in Cambodia: An Overview \(2009\)](#)

<sup>4</sup> [Matthews, B. Internal Control of Community Finance Institutions in Cambodia \(2005\).](#)

#### **1.14.4. Rural development**

100% of VEs in Cambodia and Timor-Leste are based in rural setting. While there is limited quantitative data to demonstrate this, qualitative anecdotal evidence suggests that the VE Program has contributed to a reduction in migration by VEs to other communities in search of work and bringing local services and increased market competition to local communities.

#### Recommendations

- CUFA's Gender and Disability Specialist actively works with the VE Program to provide assistance and guidance to VEs and community members with regards to advising on disability and gender inclusion and work place modification measures.
- Financial literacy and savings mobilisation are integrated into the VE Program curriculum.

## **2. REFERENCES**

- Gorman, S. Gender and Development in Cambodia: An Overview (2009).
- Matthews, B. Internal Control of Community Finance Institutions in Cambodia (2005).

### 3. APPENDICES

#### 3.1. Appendix A: Interview with graduated VEs

Interview VE's			
Basic data			
VEs name			
Location:			
Local credit union:			
Business type:			
Year joined the VE program:			
Year joined their local savings bank:			
Interview Date:			
	Core Questions	Follow-up Questions	Responses
VE's life before the program			
1.	Background on the VE:	Family members What they did for income	
2.	Describe the VE's life before joining the program:		
3.	Was the VE able to access loans through financial institutions?		
VE program			
2.	Why did you join the VE program?		
3.	What did the VE like about the VE program?		
4.	What did you not like about the VE program?		
5.	How did this help their business (Money):		
6.	What skills and knowledge did they learn from VE program to help their small business?		
7.	What challenges did the VE experience while on the program?		
8.	What training did the VE receive?	- Why did they receive this training? -How often	
9.	The VE training provided me with new skills/knowledge that helped me grow my business		Yes No

10.	Explain response	Excellent Very good Good Average Poor	
11.	What one-on-one support did the VE receive?	-Why did they receive this support? -How often	
12.	The VE support provided me with new skills/knowledge that helped me grow my business		Yes No
13.	Explain response	Excellent Very good Good Average Poor	
14.	Did the VE have a mentor while on the program		Yes No
15.	What support did the mentor provide?	How often?	
16.	The VE mentor provided me with new skills/knowledge that helped me grow my business		Yes No
17.	Explain response	Excellent Very good Good Average Poor	
18.	Did the VE visit any other VE's businesses?		Yes No
19.	What visits?	-How often -How did this help them?	
20.	The visits to other VE businesses provided me with new skills/knowledge that helped me grow my business		Yes No
21.	Explain response	Excellent Very good Good Average Poor	
22.	My life (and families life) has improved because of the VE program	A lot A little Same Worse	Yes No
23.	Explain response		

24.	I would recommend the VE program to others		Yes No
25.	Explain response		
26.	Did the VE receive income/support from any other agency (i.e. micro-finance)?		
27.	Do you have any suggestions to improve the VE program?		
<b>Post VE program</b>			
17.	How has the VE's business developed/expanded since the end of the VE program (profit/savings)?		
18.	How has their life changed?		
19.	What are the main challenges that the VE has faced since leaving the program?		
20.	What are the VE's hopes and dreams for the future:		
21.	Is the VE still a member of the savings group?	-How much do they save? -How often	
22.	Other comments on the program		

### 3.2. Appendix B: Interview with waiting VEs

<b>Individual questions for VE's for are waiting to be assessed:</b>	
<b>Basic data</b>	
VEs name	
Location:	
Local credit union:	
When did you become a member of your credit union?	
When did you apply to become a VE?	
Why do you want to become a VE?	
Do you understand how the selection process works?	
Do you believe the process is fair and just?	
Have CUFA project officers explained how the process works?	
Do you believe the VE program benefits the whole community ?	
Other comments for CUFA	

**Appendix C: Interview with savings banks**

<b>Questions for savings banks</b>	
<b>Basic data</b>	
CU person	
Location:	
Credit union name:	
1. CU info	
2.How many VEs does your CU have?	
3.Do many people in the community want to become VE's?	
4.What is the CU's role in the VE program?	
5.Does the VE program benefit the community ? How?	
6.Are there any difficulties associated with the program? (community perspective )	
7.Would he change anything about the selection process/VE program?	
8.Does the VE program encourage people to become	

members of the savings bank?	
9.Are the VEs now saving more with the savings bank?	
10.The VE program is good for all everyone in my community ?	
11.Do you have any feedback on the program or for CUFA?	

## Appendix D: Interview with CUFA staff

Staff questionnaire	
Basic data	
Staff member	
Position:	
Roles and responsibilities with VE program	
What are the strengths of the program?	
Any challenges you experience with the VE program?	
Do you have any recommendations/suggestions	
How does the selection process work?	
What is the criteria to become a VE? Is this the same for all CUs/ every person (vulnerable)?	
Once a VE is on the waiting list, can they be removed?	
What support is provided to VEs	

waiting? (or others who want to apply)	
What support is provided post- program?	
What is the max and min. number of VEs on the waiting list?	
Are all waiting VE's on the website?	
How are VEs sorted on the website?	
When waiting list is low, how do we decide which CUs to approach?	
What communica tion is provided to waiting VEs?	
Is there a strategy on which CU's are chosen to be supported?	
When do we decide to expand to a new area?	
When do we decide that the VE program is 'exhausted'	

in a township?	
What happens to VEs who are not going well/lack of motivation ?	
Business plans – what’s the process to ensure ideas are sustainable and realistic?	
Progress reports: How much time is spent on progress reports each quarter?	
Other comments	