



A Knowledge Management Report

INSIGHTS

OPPORTUNITY INSIGHTS

INSIGHTS

KNOWLEDGE MANAGEMENT INSIGHTS

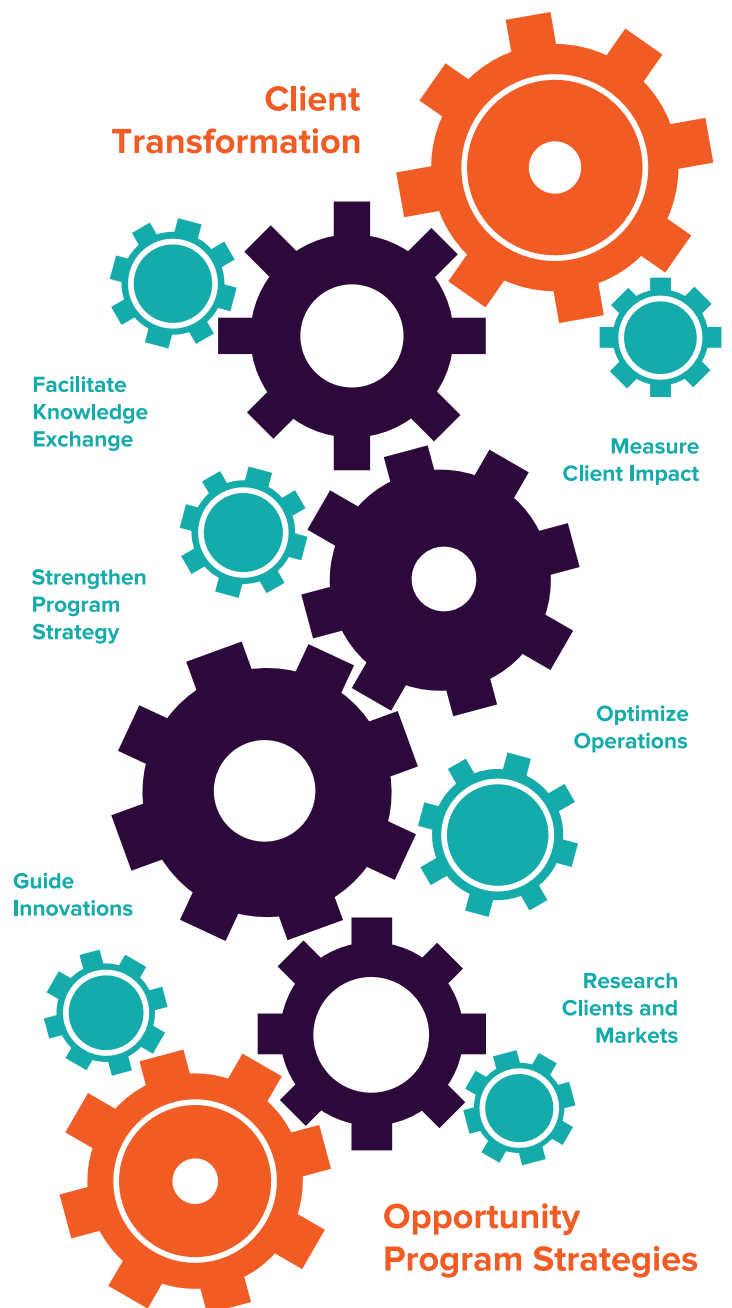
at Opportunity International

OPPORTUNITY INTERNATIONAL

is committed to the constant improvement of our work through monitoring, evaluation, and research. A critical contributor to this learning culture is Opportunity's Knowledge Management (KM) team.

Opportunity's KM team is responsible for **generating, capturing and disseminating knowledge** throughout the Opportunity network. Knowledge is generated and captured through **rigorous, groundbreaking research on clients, markets, operations and innovations**. When the KM team disseminates this knowledge, it helps optimize operations, strengthen program strategy, further client understanding and facilitate knowledge exchange within the network, the financial inclusion industry and the broader poverty alleviation community. Ultimately, this knowledge provides valuable insight for understanding how Opportunity can transform our clients' lives.

The following report shares a taste of the valuable insight the KM team has brought to Opportunity strategies and to client transformation.



Over the last five years, our team has conducted 50 projects and produced 90 research reports and presentations. This seminal KM report compiles highlights from this work, touching on some of our research, innovations and learnings related to financial inclusion.

KNOWLEDGE MANAGEMENT ACHIEVEMENTS

90 **OUTPUTS**
created

10 **COUNTRIES** studied

13 **THEMATIC AREAS** explored

14 **PARTNERS**
provided funding

**The MasterCard Foundation,
The Gates Foundation,
USAID & more**

12 **INDUSTRY CONFERENCES**
featured KM presentations

**The SEEP Network,
UNCDF, MicroLead,
Cracking the Nut & more**

KNOWLEDGE MANAGEMENT PLAYS A CRUCIAL ROLE IN...

Strengthening Program Strategy to further client outreach and impact | **4**

Knowledge Curation | Qualitative Impact Studies | Theories of Change

Focus on: EduFinance

Optimizing Operations through increased client understanding | **6**

Client Journey Mapping | Human-Centered Design | Portfolio Analysis | Client Segmentation

Focus on: Savings

Researching Clients & Markets to align market conditions, programming and client impact | **8**

Market Analysis | Client Surveys | Impact Assessments

Focus on: AgFinance

Guiding Innovations through critical assessment and staff capacity building | **10**

Research & Development | Innovative Research Methodologies

Focus on: Innovation Labs

Measuring Client Impact to document growth and transformation | **11**

Growth Case Studies | Client Impact Assessments

Focus on: Social Investment

STRATEGY

STRENGTHENING PROGRAM STRATEGY

Knowledge Curation | Impact Studies | Theories of Change
Focus on: EduFinance

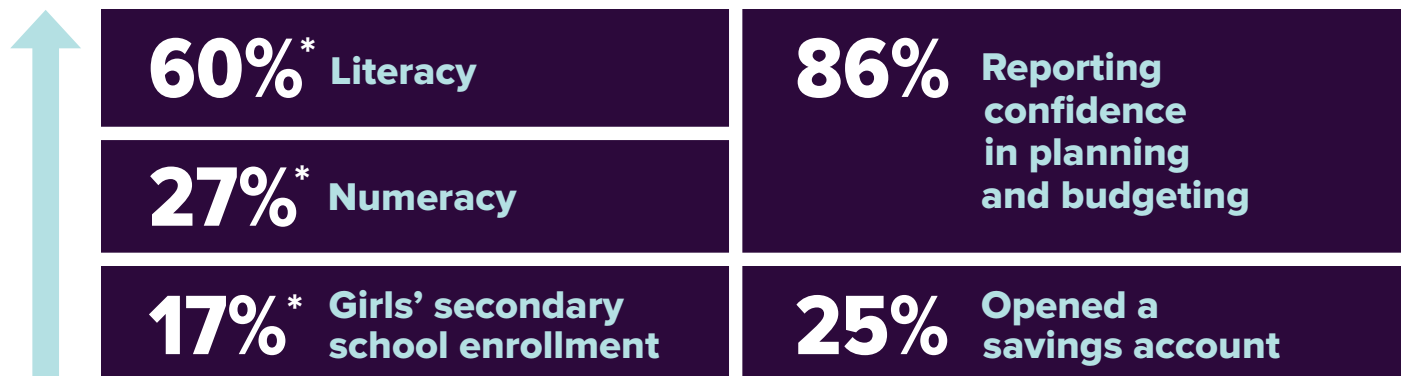
The Knowledge Management team drives insights to inform program strategies, communications and measurements. The following work with EduFinance highlights how KM conducts and synthesizes multiple research activities to inform continuous innovation and strategy improvement.

EVALUATING IMPROVED EDUCATION OUTCOMES FOR GIRLS

A key role of the KM team is to review and translate complex data produced by network partners into accessible and useful formats. For example, KM synthesized a complex evaluation of the impact of EduFinance on girls' educational outcomes in Uganda. The data indicated that financing schools and families **significantly increases learning outcomes and enhanced girls' access to secondary education by 17%**. The study also shows that financial education clubs for students and gender awareness-raising for staff has an

even greater positive impact on girls' education. This evaluation illustrated how a gender-inclusive approach to education finance can increase access to quality education for girls. The KM team's synthesis of this research has allowed Opportunity leadership to better understand, communicate and improve our unique approach to sustainable quality education through the private sector, particularly as it contributes to girls' education.

Girls Benefitting from School Improvement Loans



*Percent change greater than girls at non-financed schools.



Esther, the owner of Bright Community Primary School in Uganda, shared how three loans from Opportunity over the past nine years have allowed her to build more classrooms, increase enrollment, hire more teachers, introduce extracurricular activities, build dormitories and open a computer lab with 10 computers.

EXPLORING IMPACT CHANNELS

The KM team works with the EduFinance team to better understand the effect of private schools on community economic development. In Ghana and Uganda, the KM team captures the experiences of school proprietors, teachers, staff, students, parents, local leaders and business owners in the same communities where Opportunity has financed school expansion. Research thus far affirms that **a quality private school serves as an “anchor” for the community, with its benefits cascading throughout the area.**

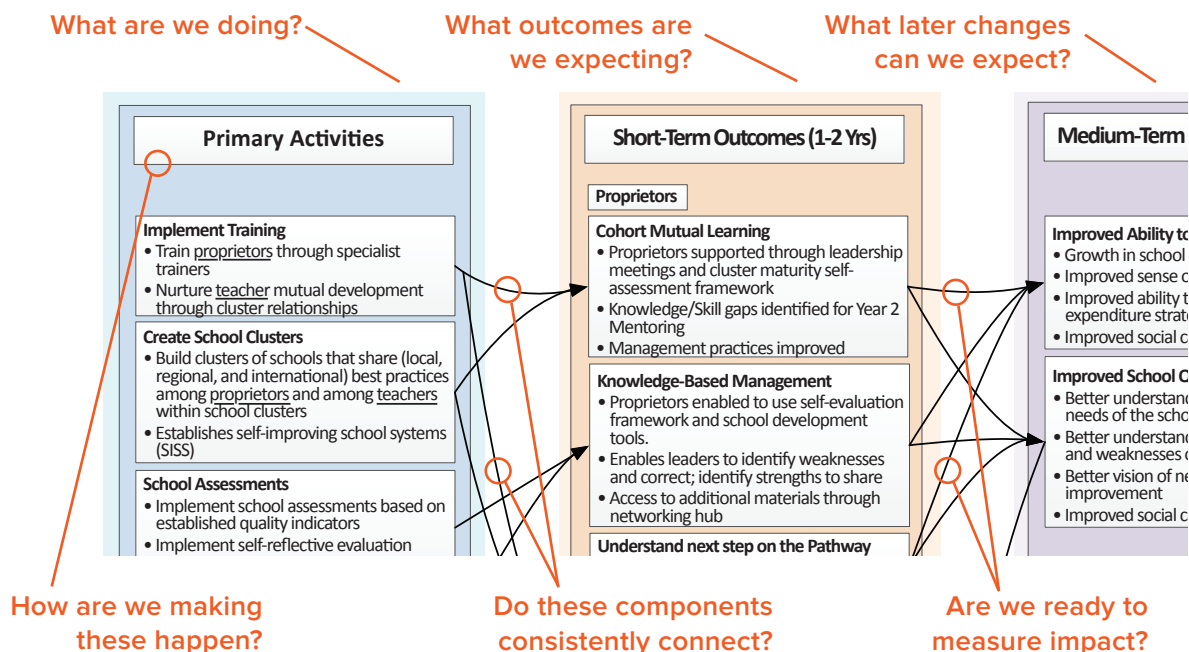
For example, building a private school can spark—

- » Community access to electricity, improved roads and potable water;
- » Entrepreneurs to open and grow local businesses;
- » Land value to increase as new residents are drawn by community economic development.

This research affirmed observations and provided clarity around specific links between School Improvement Loans—a key Opportunity product—and broader community development. These findings contribute to an enhanced articulation of EduFinance’s strategy and measurement plan, which now more fully documents the community economic development sparked by financing affordable private education and identifies program components that require further evaluation. Below is an example of an EduFinance strategy that has been mapped with assistance from the KM team.

Theory of Change: Education Quality Sample

Carefully mapping program components and their corresponding outcomes (see below) allows the KM team to support EduFinance by testing causal relationships, measuring intervention effectiveness, optimizing operations and preparing the model for scale.



OPERATIONS

OPTIMIZING OPERATIONS

Client Journey Mapping | Human-Centered Design | Portfolio Analysis | Client Segmentation

Focus on: Savings

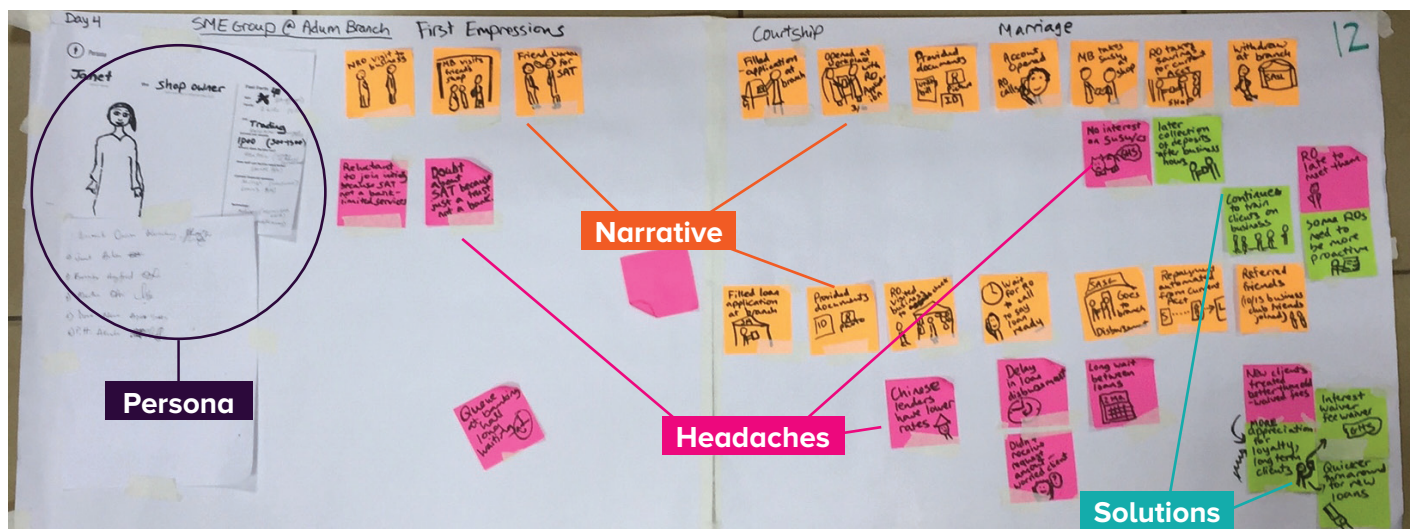
The KM team employs a unique combination of financial analysis and qualitative, client-centric methods to tackle some of the major challenges facing the financial inclusion industry as we seek to connect rural, low-income clients with the benefits of modern savings services.

MAPPING CLIENT JOURNEYS

In Ghana, the KM team used Client Journey Mapping, a participatory research methodology, to understand the client experience in detail, with a focus on identifying specific challenges at each step of the client journey. The research was conducted with our local partner, Sinapi Aba Savings and Loans (SASL), which recently began offering savings services. Results indicated that nearly half of the challenges expressed by clients were previously unknown by SASL; as a result, bank management devised solutions to address challenges. A number of these solutions were then implemented by SASL, such as 1) eliminating fees for SMS alerts and statements and 2) retraining all market-based banking staff to improve their client engagement and client education.



Researcher Dana Lunberry recording a client journey during a focus group discussion

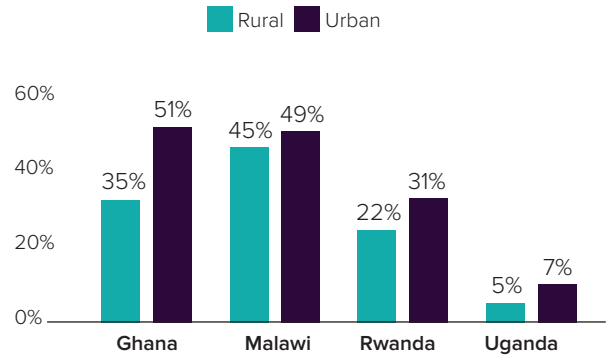


Client Journey Map created with a group of Sinapi clients in Kumasi, Ghana

UNDERSTANDING SAVINGS INACTIVITY

The KM team was one of the first in the industry to highlight the challenges of savings account inactivity. Using portfolio analysis and client surveys, our study found that savings behavior was not necessarily tied to age, gender or region. Furthermore, clients often chose not to save because they did not feel like they had money worth saving. **This led Opportunity to pilot new, innovative savings approaches specifically for those living in poverty** that motivates clients to save in various ways, such as incentivizing savings with microinsurance benefits, inviting regular savings alongside loan repayments, and encouraging immediate deposits following harvest to be followed by regular disbursements that facilitate savings.

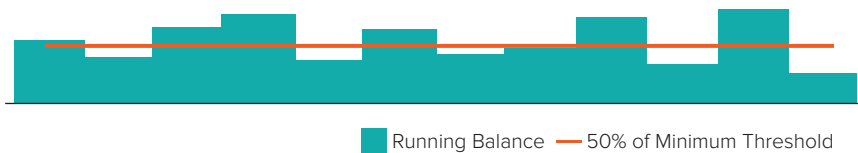
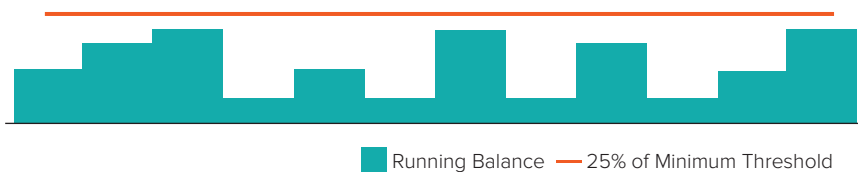
Percent Savings Accounts Inactive per Region, 2012



FACILITATING SUSTAINABLE SAVINGS BEHAVIOR

Following the study, KM chose to focus on savings behavior among clients in Uganda—a country where, according to the World Bank, 75 percent of the population saved, but only 17 percent saved in formal financial institutions in 2014. To conduct this research, KM partnered with Bankable Frontier Associates to

analyze the savings portfolio at Opportunity’s bank in Uganda and identify which clients had the highest, untapped capacity for greater savings. This analysis helped identify seven different types of clients based on their savings behaviors, with the three most distinctive typologies shown below:



- » **Active Users, but not saving (47%):** These clients deposit enough to make a loan payment or to pay other bills, which are either withdrawn automatically or by clients themselves.
- » **Balance Managers (16%):** These active clients occasionally achieve a significant balance, but the balance is not maintained over more than a few months, so they do not accumulate larger balances.
- » **Transactors (5%):** These active clients maintain a relatively high balance, but they deposit and withdraw often without ever increasing their balance over time.

Note: The minimum threshold required to earn interest on savings in Uganda is approximately \$34 USD

Examining the types of savers based on their behaviors enabled Opportunity to optimize discussions around how to better serve each group. Focus group discussions with clients and staff with a human-centered design approach provided insights into staff incentive structures, ways to touch on savings strategy in financial education curriculums and how implementing SMS messaging services could encourage healthy financial activity.

CLIENTS & MARKETS

RESEARCHING CLIENTS & MARKETS

Market Analysis | Client Surveys | Impact Assessments *Focus on: AgFinance*

The KM team helps to align programming with market conditions and document the impact of our services on the businesses and clients we serve. In AgFinance, KM has conducted crop market studies, analyzed the cost-effectiveness of technology, co-designed implementation tools, assessed impact and conducted pilot programs.

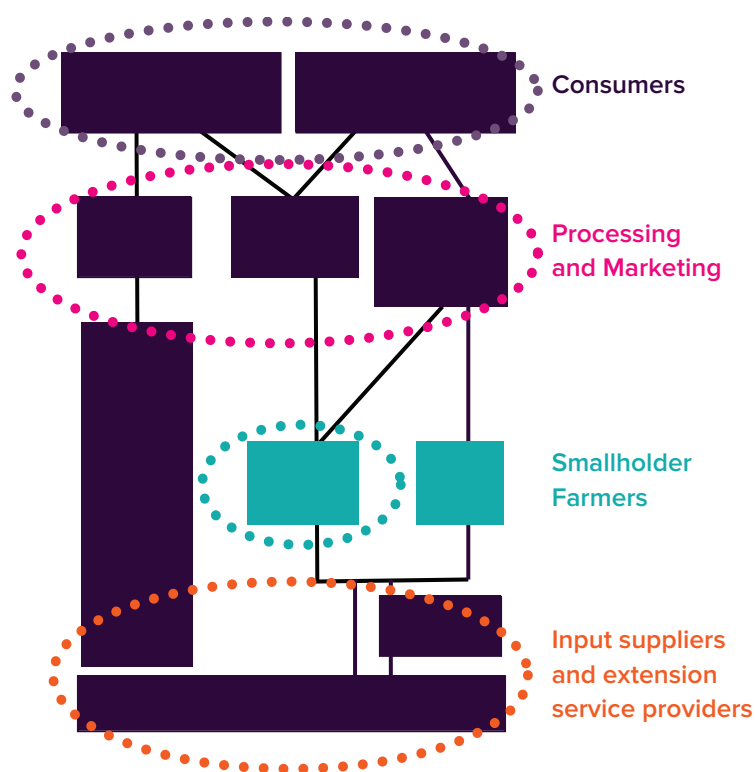
ASSESSING THE VIABILITY OF CROP VALUE CHAINS

Opportunity's AgFinance model is designed to reduce risk and cost for both the farmer and the bank by working with partners that complement Opportunity's financial services with better inputs, training, and market access. The KM team supported the application of this model by helping staff understand which kinds of partnerships are more likely to succeed in different agricultural markets. After KM inventoried all of our AgFinance partnerships and all markets for crops grown by our AgFinance clients, we took a deep dive into our partnerships in Ghana and Uganda, leveraging the hands-on experience of AgFinance staff.

Through participatory workshops, we identified four types of partnerships with relevance to different market types and determined that non-partnership financing can be viable in cases where crops are familiar and low risk and local markets are functioning well.

During the process, KM and AgFinance staff **created a user-friendly tool to quickly analyze crop markets and devise appropriate partnerships.** A large majority of workshop participants (75%) rated the tool "clear and easy to use."

Mapping the Complexities of Agricultural Markets and Partnerships: *Poultry in Uganda Sample*



UNDERSTANDING HOW FARMERS ACCESS AGFINANCE

In Tanzania, when we did not initially experience uptake from farmer associations in our Southern Agricultural Growth Corridor of Tanzania Program, the KM team conducted a survey among rice farmers to better understand their needs, barriers experienced in accessing AgFinance and how we can improve our services accordingly. This study showed that nurturing confidence in the bank and in mobile money were challenges for farmer uptake of AgFinance services in rural Tanzania. These insights were a valuable addition to ongoing improvements in our AgFinance program.



Tanzanian farmer Martin (left) meets with loan officers Emmanuel (center) and Paul (right) in his field, where they are using tablets to record information about his farm that will help him maximize profits at harvest.

MEASURING IMPACT ON SMALLHOLDER FARMERS

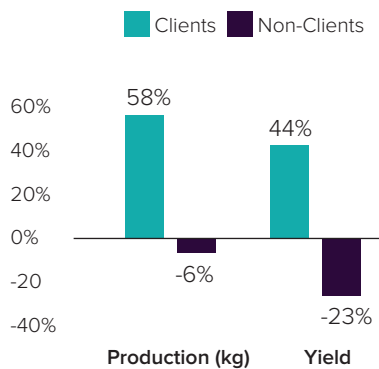
In Uganda, Malawi and Ghana, the KM team conducted an impact study to assess the degree to which clients benefit from our AgFinance program. This rigorous study of more than 1200 farmers measured direct and indirect outcomes while comparing clients with non-clients. Overall, this impact study validated the AgFinance model as Opportunity expanded the program in Africa, helped to further improve our AgFinance strategy and contributed rigorous evidence to the industry on the impact agricultural finance can have on farmers and their families.

Of the eleven crops studied, 64% showed positive changes in agricultural production and 36% suffering temporary setbacks or suffering from unavoidable external constraints. Coffee in Uganda was a particularly exemplary crop. Fertilizer use among client coffee farmers increased by 63% over the course of three years (compared to

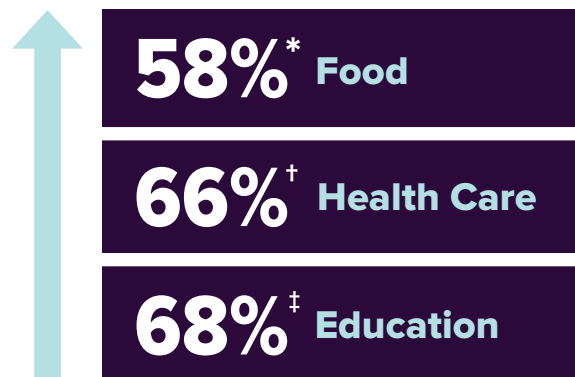
46% for non-clients), which positively benefitted farmers' production and yield (see table). As a result of this study, optimizing access to high quality inputs, such as fertilizer and seeds, and careful management of partnerships remains an ongoing focus within the AgFinance Program. Follow-up studies include an even more rigorous impact evaluation of farmers in Ghana.

Indirect results were promising across multiple livelihood indicators for AgFinance clients and their families (see chart). However, this study also indicated that a client's level of impact varied based on their gender, which has led the KM team to conduct a number of follow-up studies, including a pilot program in Mozambique to advance innovation in women's empowerment in AgFinance and a gender analysis of our AgFinance programs in Ghana and Mozambique.

Change in Production Coffee Farms



Client Farmers Improve Their Ability to Afford Basic Needs



*20% more than non-clients †12% more than non-clients ‡27% more than non-clients

INNOVATIONS

GUIDING INNOVATIONS

Research & Development | Innovative Research Methodologies

Focus on: Innovation Labs

The KM team plays a crucial role in Opportunity's focus on innovation by taking an active role in testing, assessing and recommending innovations while building staff capacity at Opportunity.

LEADING RESEARCH AND DEVELOPMENT

The KM team works to track and assess innovations being tested and implemented by our programs and partners. Such learnings help drive and equip the implementation of new, innovative pilots across the network. Over the last five years, KM has assessed innovations such as the feasibility of mobile van

banking, the cost-effectiveness of tablet land profiling and the business case for a land title service in conjunction with housing loans. These assessments measure the performance of each innovation and consider their potential for continuation and potential scale-up or expansion.



Joseph Impraim, Associate Marketing Manager (front left) and Genzo Yamamoto, Director of Knowledge Management (second from the left) create a Client Journey Map with a group of savings clients in Ghana

DEVELOPING INNOVATIVE RESEARCH METHODOLOGIES

Along with assessing innovations underway at Opportunity, KM also develops innovative research methodologies, most of which creatively blend quantitative and qualitative findings. In recent years, these innovative methodologies have included:

- » **Savings Client Segmentation:** combining big data analytics of client savings transactions with participatory client engagement to segment clients based on their savings behavior
- » **Client Journey Mapping:** engaging low-literacy clients to visually map their journeys and the challenges experienced; complemented by a statistical client satisfaction survey
- » **Narrative Story Capture:** testing a cost-effective method for capturing changes in client values through client stories that can then be scored to produce both granular insights into, and high-level summaries of, client lives

CLIENT IMPACT

MEASURING CLIENT IMPACT

Growth Case Studies | Client Impact Assessments

Focus on: Social Investments

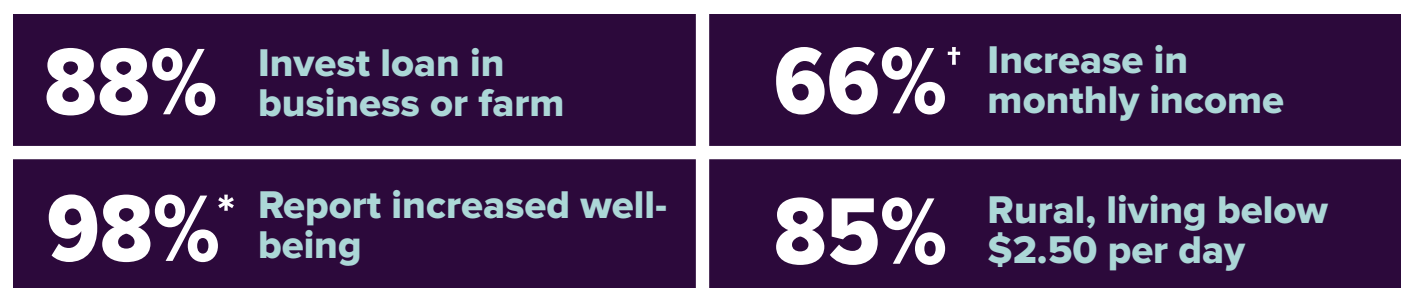
The KM team develops multi-study approaches to document growth and impact. For example, KM analyzed the effects of capital investment and technical assistance from Opportunity’s subsidiary Dia Vikas on a number of its microfinance institutions (MFIs) following the 2010 microfinance crisis in India.

DOCUMENTING PARTNER GROWTH

The KM team documented the core work of Dia Vikas’ partners, highlighting how MFI partners achieve financial sustainability and provide quality services while continuing to reach those living in poverty. Case studies produced for three key partner MFIs demonstrated their growth through improvements to social performance and operations—including the development of innovative

financial services for sustainable energy, water, and sanitation. Opportunity aided these improvements through the investment of technical assistance and, in some cases, capital investments. Supplying this backing during India’s financial crisis when many other investors were pulling out **demonstrated a shared commitment to poverty alleviation** despite trying financial times.

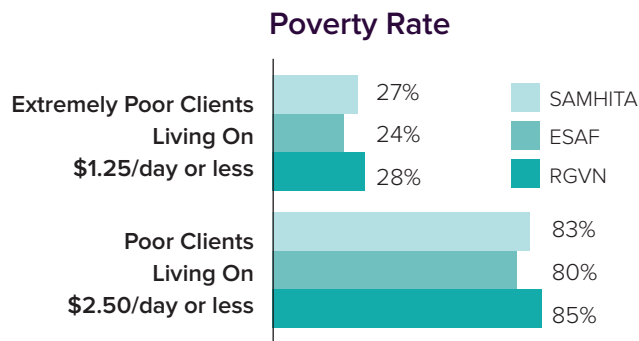
Dia Vikas partner RGVN Client Impact



*Comparison group reported 80% increased well-being. †Comparison group reported 40% increase in monthly income.

ASSESSING CLIENT IMPACT

KM commissioned a rigorous impact assessment to document client outreach and compare client and non-client status over time. This assessment confirmed that Opportunity’s partner MFIs in India are indeed reaching their target client segment—marginalized women living in poverty—and strong ties were found between improvements in client well-being and partner microfinance services. For one story of client impact in India, visit opportunity.org/prosperity.



THE OPPORTUNITY INSIGHT TEAM

Opportunity International seeks to be a thorough, yet efficient, learning organization. Much of this process is facilitated by Opportunity's Insight team, which includes Knowledge Management. The Insight Team captures, analyzes and shares information within the organization so that Opportunity can deliver ever-improving client-centered services while optimizing operational performance. The team also engages with the global financial inclusion industry to leverage and influence best practices.

We wish to thank our Opportunity network members and partners who have made this KM work possible.

We are also grateful to our many funding partners who have supported us in this endeavor. These partners include, but are not limited to (in alphabetical order): Caterpillar Foundation, Citi Foundation, DFID, ExxonMobil Foundation, FINTRAC, Gates Foundation, John Deere Foundation, The MasterCard Foundation, MetLife Foundation, UNCDF, USAID, Visa Inc. and World Bank.

For more information visit
opportunity.org/knowledge-exchange

To explore collaboration, contact us
at km@opportunity.org



Caroline, a vegetable vendor, in front of her home in Kampala, Uganda. Pictured here with two of her four grandchildren, for whom Caroline is their sole caregiver. Front cover photo: Caroline and her granddaughter greet their relationship officer Bernard in the Ggba Market where Caroline sells vegetables in Kampala, Uganda.



Mission

By providing financial solutions and training, we empower people living in poverty to transform their lives, their children's futures and their communities.

Vision

A world in which all people have the opportunity to achieve a life free from poverty, with dignity and purpose.

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