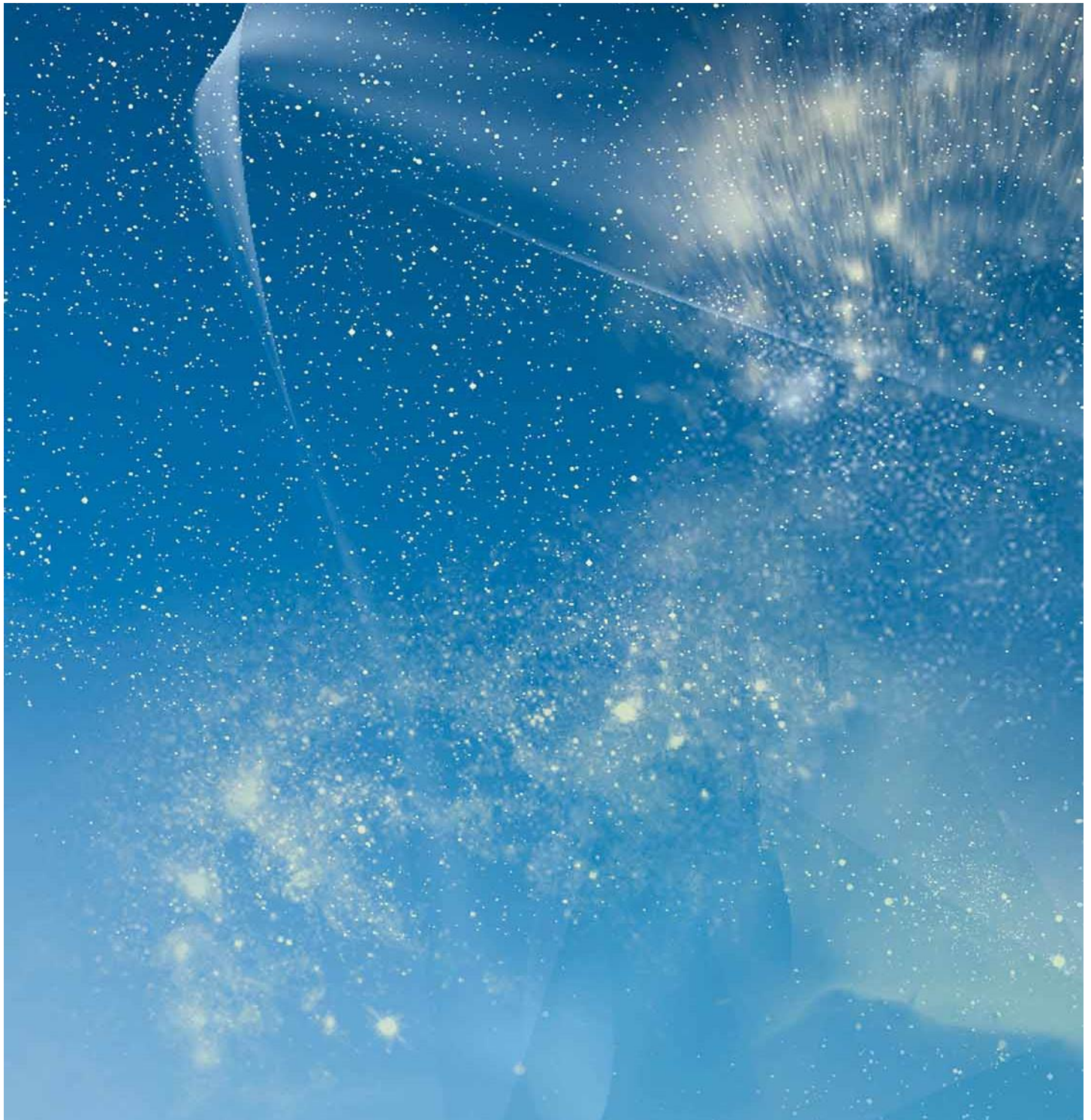


# Social Impact Assessment of Livelihood Promotion Programmes in Coastal Kenya

## Advocacy Brief

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This exploratory study carried out in Coastal Kenya by TUM - funded and supported by CBM – draws attention to monetisable social factors in the measurement of impacts of livelihood promotion.

When NGOs in development cooperation try to capture the effects of livelihood promotion programmes for the target group (e.g. persons with disabilities) and their families, it is not enough to only look at the individual's income or consider common business economics measurements (like Return on Investment) but to look more widely on the changes in the Quality of Life. This study tried to apply the so called Social Return on Investment (SROI) approach in the field of livelihood promotion. For this goal a general formula was developed and field-tested to account for a broad range of (social) impacts.

## Research gap: Impact of Livelihood Promotion

Livelihood promotion programmes aim at the financial and social **empowerment** of their clients. Earning a living not only affects the economic situation (and the ability to cater for different needs) but also the social status of the individual and/or household members.<sup>1</sup> However, persons with disabilities do not seem to benefit equally from mainstream employment<sup>2</sup> and livelihood promotion programmes<sup>1</sup> and “commonly earn less than their counterparts without disabilities”.<sup>2</sup>

But how to account for those wider impacts on the lives of the beneficiaries' and their families and/or communities is an open question.

**The impact of mainstream as well as disability-specific livelihood promotion programmes on their beneficiaries with disabilities remains a research gap.**

Most programmes only consider the successful repayment of loans to determine programme success. The study at hand tried to close this gap by considering other aspects of the beneficiaries' Quality of Life<sup>3</sup>: further investments in their (small-scale) business, expenditures for health and investments in their

social networks, thus informal social cohesion and social security.

## Impact: Key Findings

- Livelihood promotion programmes can have a **wide range of impacts** in different life areas: from improvements in **self-determination** due to a changed housing situation to widened opportunities to spend leisure time and restore personal strength.
- An improved **material well-being** can enable the beneficiaries to cater to needs as diverse as housing, nutrition, education and health care.
- Livelihood promotion groups can promote **improved social networks** that enable business opportunities but also an increased visibility of persons with disabilities in an active and responsible role in their communities.
- The ability to take **financial responsibility** when contributing in critical life situations for their social relations (e.g. burials), can foster the beneficiaries' **social inclusion**.

## (Social) Return on Investment “formula”

The core of a Social Return on Investment process lies in the **definition of variables**: What is put into the programme and what comes out of it? The research team developed a formula to capture impacts of livelihood promotion. How does this work?

Fictional case example: This is Mary, a participant of a livelihood promotion programme. She made an initial contribution of 5\$ to join a group to save money. She contributes 13\$ monthly and was given a small **loan** of 174\$. She **reinvests** this money in different life areas. For instance she stocks up her small-scale **business** of chicken breeding (43\$ last year). But also she is covering **health** bills for herself and her elderly parents (22\$ last year). She further contributes when her neighbour is looking for funds to raise fees for her children

Reinvestments + Savings - Standardisation - Repayments - Meeting Costs  
Loan

who attend university (67\$ last year). In times of need she can also count on the support of her social network. If money remains, she tries to keep some **savings** (12\$ per month).

To determine the surplus possibilities generated through the livelihood promotion programme against the so called “deadweight” (i.e. what would have happened anyway), the reinvestments are standardized against regional averages from official statistics.

For the Coastal region of Kenya **standardizations** for health expenditures (3\$ annually) and for investments in social networks (58\$ annually) can be found. Appropriate statistics for investments in poultry business and savings are not available.

Now Mary of course incurs **costs** related to her participation in the livelihood promotion group. Transport forth and back to the meeting costs 2\$. She has to **repay** her loan regularly (15\$ per month). Repayments and costs incurred through participation in livelihood group meetings are subtracted because they limit surplus expenditures and savings.

The possibilities generated through the livelihood promotion programme are divided by the loan to compare the ratio of return.

## SROI: Key findings

- The SROI approach requires **adaptation** to each specific field of assessment. The choice of variables relevant in the field and societal context calls for desk research and discussions with the local stakeholders and cannot be achieved “en passant”.
- The formula can only be used if adequate **standardization** is available. The availability of official statistics in different life areas limits the choice of monetisable indicators for many countries.
- The search for an impact assessment technique to measure impacts and calculate returns **holistically** (all Quality of Life domains) remains a gap for further research.

From the experience gathered in this study, quantifying Quality of Life factors as investment indicators certainly makes sense. Monetization should be combined with other methods of quantification of social outcomes.

## Key Recommendations

- Pursue the quest for a monetisation technique that captures the “S” in SROI. In a field as complex as livelihood promotion a multi-dimensional perspective is necessary to comparably and reliably measure social participation.
- Apply the SROI approach with caution in the field of livelihood promotion, paying attention to **scientific rigour**. If variables are chosen arbitrarily, the formula cannot generate meaningful information.
- Provide **baseline data**, e.g. on expenditures and consumption for different life areas, to justify the attribution of specific developments to the effects of a specific programme –especially in a field as complex as livelihood promotion.
- Lobby for **disability mainstreaming** in general (national and international) data collections to improve the access to relevant comparison data.

<sup>1</sup>WHO – World Health Organization (2010): Community-based rehabilitation: CBR guidelines. Livelihood component. Online: <http://www.who.int/disabilities/cbr/guidelines/en/> (03.11.2015)

<sup>2</sup>WHO – World Health Organization (2011): World Report on Disability. Online: [http://www.who.int/disabilities/world\\_report/2011/en/](http://www.who.int/disabilities/world_report/2011/en/) (03.11.2015)

<sup>3</sup>Schalock, Robert L. (2010): The Measurement and Use of Quality of Life-Related Outcomes. In: Kober, Ralph (Ed.): Enhancing the Quality of Life of People with Intellectual Disabilities. From Theory to Practice. Dordrecht, pp. 3-16.

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