

Enabling Sustainable Graduation out of Poverty for the Extreme Poor in Malawi

Addressing Thresholds for Graduation in Programmes

The **Graduation Programme** is designed to address the many challenges of extreme poverty to enable beneficiaries to sustainably 'graduate' from it. Amongst the questions asked by stakeholders are 'how do we know (or define) when a household has graduated', 'how many people graduated from the programme' or 'how many people graduate from extreme poverty because of the programme'. The following provides a brief overview of the global discussions on defining the graduation point, Concern's experience with setting thresholds and what the programme in Malawi plans to do.

Global Discussion to Date

A number of agencies show graduation rates across their programmes of between 80 and 95%, even though there is no common agreement on the definition of graduation. There are three general ways of defining the graduation point, specifically:¹

- **Programme graduation**, which equates to the length of time a person can remain on a programme. This could be because the programme cycle is finite (2-3 years) or based on participant characteristics (for instance age).
- **Social-economic graduation**, based on socio-economic success and may result in the removal of participants from the programme once they have met a pre-defined threshold (also referred to as threshold graduation).
- **Developmental graduation** where programme inputs might only be provided for a finite period but impacts are not limited to the programme cycle and can increase over time, even after the end of the period of support (also referred to as sustainable graduation). This is often the case where programmes offer complementary opportunities for participants alongside or following traditional social assistance including skills training, access to microfinance, livelihood promotion.

Current literature² questions the simplicity of equating 'graduation' with programme exit, strongly making the case for it to be linked to a sustainable change in a person's or household's livelihood such that the livelihood is resilient to a moderate and 'normally expected' level of shock or fluctuation.

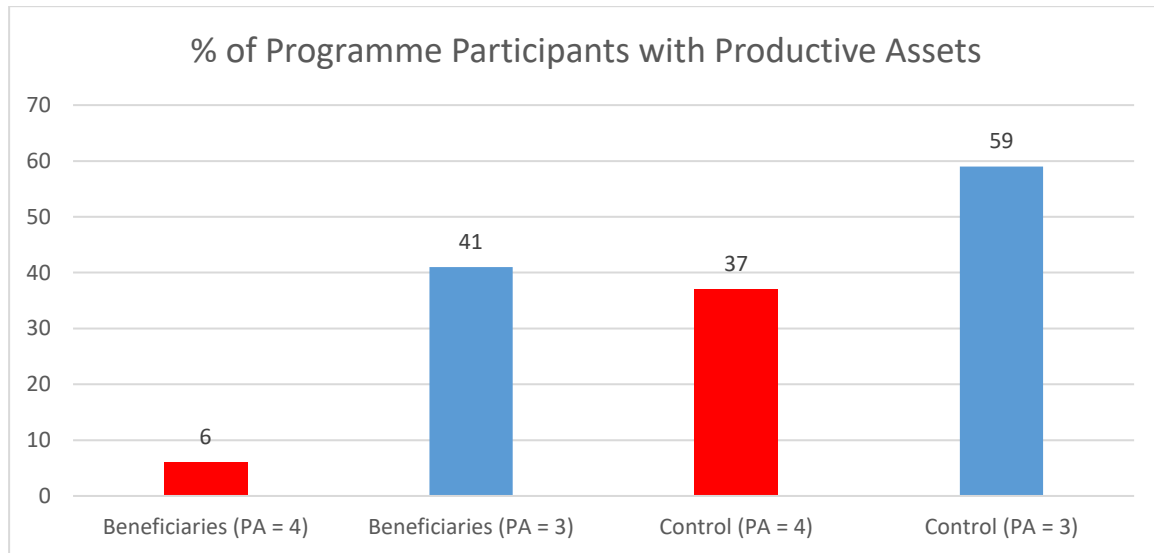
Concern's Experience

In general, Concern measures graduation rates as the percentage of programme beneficiaries who achieve a defined threshold for specific outcome indicators such as income or asset ownership. Based on our work in Haiti, Burundi and Rwanda, we have identified three key lessons that affect our implementation and understanding of long-run sustainability. The first is the need to set meaningful thresholds for the indicators we use to define graduation, second is the importance of identifying 'slow movers' during programme implementation and the third is the need to come back to programme participants a number of years after the initial investment has ended to see who has continued to progress.

Setting Meaningful Thresholds

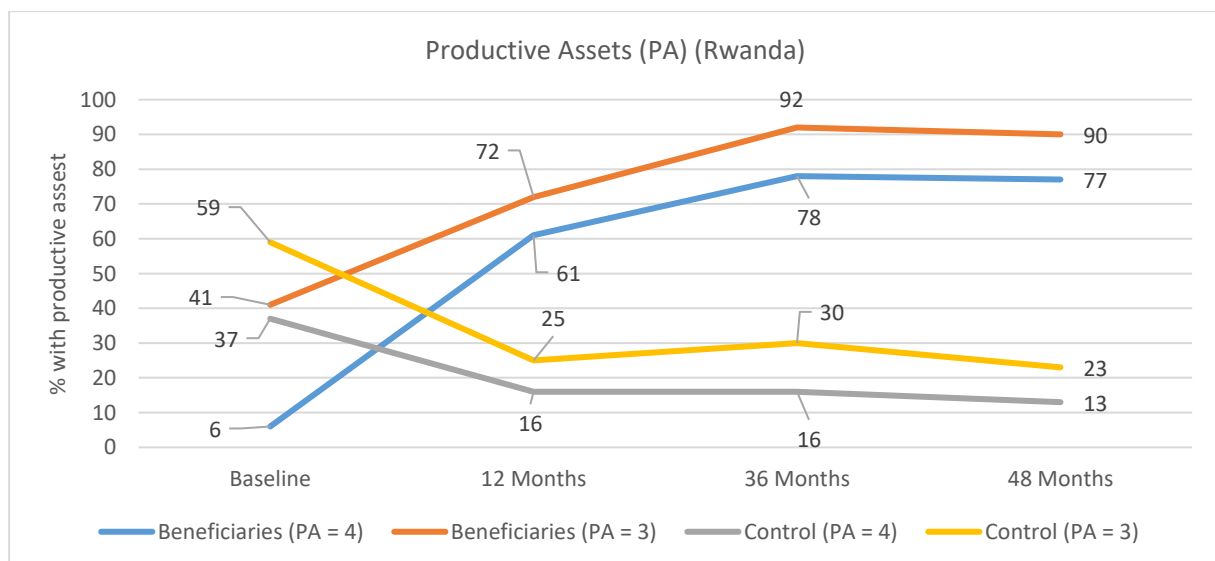
During the targeting process, community members use a number of locally specific indicators to identify who should be included on the programme, while the selection of participants is verified using simple data collection tools. However, it is only after the baseline data has been collected, analysed and fed back to communities that the key indicators to define Graduation can be collected and the thresholds set on these. One example of how to set a meaningful threshold comes from our Rwanda Graduation programme; here

we developed a simple index to measure ownership of productive assets (based on whether a household does, or does not, have each of eight productive assets, including land, livestock, farm tools and bicycles). At baseline, 41% of beneficiaries (and 59% of those in the control group) had three of the identified assets, but only 6% of beneficiaries had four, suggesting four was a much better threshold for this indicator. Otherwise having such a large proportion of programme participants above the threshold at the start of the programme, would suggest they should not have been included.



Checking Sustainability

If we are interested in sustainable graduation, then measurement solely based on having met thresholds (even if multi-dimensional) at one point in time is inadequate. Building on the indicator identified previously from Rwanda, our research showed that beneficiaries doubled their index value within 12 months, and maintained this level for the next 36 months. The graduation rate was 61% after 12 months and actually increased to 77% after 48 months. The following shows performance against this productive asset index over time. Similar results in terms of the sustainability of the benefits have been observed in other countries as well.



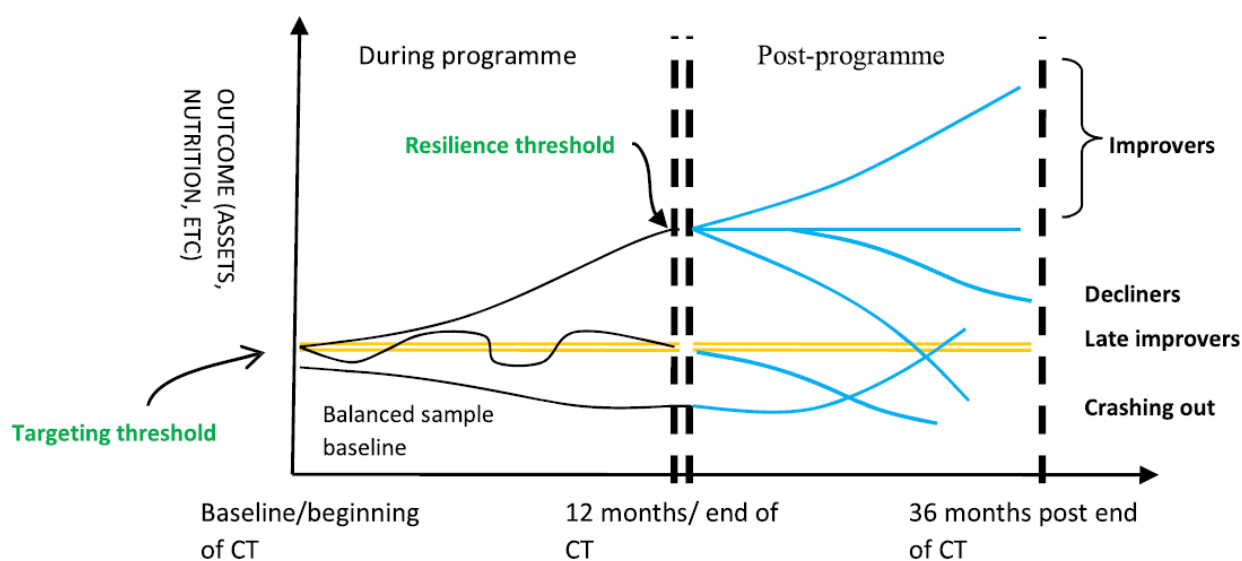
Identifying Decliners and Slow Movers

We recognise that not everybody will graduate as a result of being included on the programme, and we need to monitor this carefully during implementation and seek ways to address this where possible. Data collected across a number of our programmes have revealed that people demonstrate different trajectories after they have stopped receiving assistance and mean figures can hide this.

Early analysis of data from Haiti had suggested that almost all programme participants had improved their score on a specially designed scorecard between the start and the end of the programme. A follow-up survey was organised in 2012 over three years after the women had graduated. Over time, the mean scores showed an increase from 7.2 at baseline to 16.6 at graduation with a slight fall thereafter to 14.2 in 2012 (out of 42.5). This suggested that the ‘average’ level of household assets has increased considerably between the baseline and the survey carried out four years after graduation. However, further analysis revealed differences in the experience of different participants,³ although most were still better off than before enrolling in the programme. Three broad groups emerged, the first group (31.2%) continued on a positive/upward trajectory after the end of the programme, the second (39%) maintained the same score or registered a small decline and the third (29.9%) recorded a sizeable decline from the end of the programme.

The analysis also pointed to certain characteristics, which were linked to households being more likely to continue on a positive/upward trajectory. These participants were generally older with a smaller number of children under five residing in the household.

From our work in Rwanda and Burundi, our research partners⁴ have been able to help us refine our thinking further on this and identify four different groups in the programme. The first are improvers who have sustained positive changes after leaving the programme; the second are late improvers who have managed to rise above the thresholds after the programme; the third are decliners – those who experience positive change when included on the programme initially, but fall back somewhat after the transfer, though importantly not below the threshold. The fourth group are those who crash out, including those who have fallen back below that level having left the programme, and those who never got above the threshold level in the first place.



The Future

Concern's programmes are implemented over a fixed period; this means that regardless of socio-economic status, ability to participate in the programme is time bound. At the same time, we do not move people off the programme once they have passed a particular threshold. Our monitoring of thresholds and who falls below or above them during programme implementation is intended for us to identify slow movers who may require additional assistance in terms of mentoring visits, or follow-up visits once the programme is finished. Further, Concern's model of graduation supports the notion of sustainable graduation so we would expect positive impacts to grow or be sustained over time. In this respect, we are committed to carrying out an ex post survey as part of our research and evaluation to see how well programme participants have maintained their benefits at least one year after the programme has finished.

The key outcome level indicators that will be used to define whether a household has graduated or not include:

- Average Monthly Income from specific IGA.
- Average score material deprivation index.
- Average Household Dietary Diversity Score.
- Household Asset Index.
- Hunger Gap.
- Average score on the Agricultural Livelihoods Protection Index

The next stage is to identify the threshold in each of these, based on the data available in the baseline, and identifying how many households are below the threshold on all seven indicators, and for six and five indicators. This will be recorded at the end of the programme implementation and revisited 12 months after the programme ends.

¹ Samson, M. (2015) Exit of Developmental Impact? The Role of 'Graduation' in Social Protection Programmes. in *Graduating From Social Protection* Vol. 46, No. 2. March 2015. IDS: Brighton.

² Sabates-Wheeler, R, R. Sabates and S. Devereux (2018) Enabling Graduation for Whom? identifying and explaining heterogeneity in livelihood trajectories post-cash transfer exposure *Journal of International Development* 20 1071–1095.

³ Pain, Vautravers, E. and Descieux, A. (2015) Sustaining Graduation: A Review of the CLM Programme in Haiti. *IDS Bulletin* Vo. 46, No. 2. March 2015. Institute of Development Studies: Brighton.

⁴ Sabates-Wheeler, R, R. Sabates and S. Devereux (2018) Enabling Graduation for Whom? identifying and explaining heterogeneity in livelihood trajectories post-cash transfer exposure *Journal of International Development* 20 1071–1095.

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