

Digital Sakhi Madhya Pradesh: Year End Assessment Report

13th May 2019



AGENDA

Approach

Key Insights

Detailed Analysis and Results

APPROACH

Preparation

- Year End Assessment questionnaire was revised based on learnings from Baseline Assessment.
- Data collection team was trained to administer the questionnaire.

Data Collection

- Surveys were conducted with 97 Digital Sakhis over 10 days.
- This was done across 20 villages of Barwani, and Dhar using Social Cops*.

Data Analysis

- Data was analyzed across household profile, individual profile, adoption of financial and digital financial services, and awareness of government entitlements.
- The results were assessed against baseline results.

Results

- Insights will be used to inform implementation of Digital Sakhi Madhya Pradesh 2.0.

*Social Cops is a mobile application for data collection, designed keeping in mind the constraints of rural India. Using a lite application, it allows for remote data collection, wherein data is uploaded onto a live dashboard when the mobile phone is connected to the internet.

Overview of Digital Sakhis

- ❖ There are 99 Digital Sakhis in the program, as against a target of 100.
- ❖ Digital Sakhis have been provided trainings in Foundational Digital Financial Literacy and Leadership Skills.
- ❖ 46 Digital Sakhis dropped out of the program prior to program launch and 25 dropped out after trainings were provided. Each of these Digital Sakhis have been replaced by back ups (except for 1).
- ❖ Common reasons for drop-out included moving out of the village, maternity, lack of support from family, demise of family member and fear of going out into the community.
- ❖ Sewa MP took various measures to reduce drops out. These included:
 - ❖ Weekly village meetings with Digital Sakhis to identify risks.
 - ❖ Bi-monthly district-level meetings to enable cross-learnings across Digital Sakhis and build motivation.
 - ❖ Frequent interactions with Digital Sakhi families.

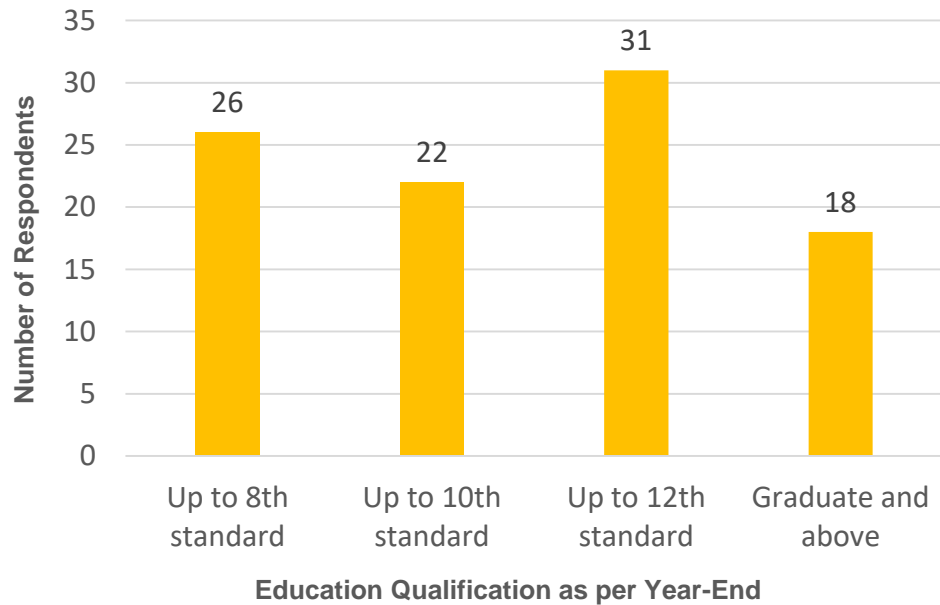
Year 1 Success Indicators – Digital Sakhis

Target for 2018-19	Achieved as of March 2019
50% increase in Digital Sakhi (DS) income levels	Average increase in income levels is over 190%. DS average annual income was Rs. 12,961 before the program and increased to Rs. 37,737 by March 2019, an average increase of Rs. 24,776.
Increase in household contribution by 100% Digital Sakhis	96% DS contributed to household expenditure as opposed to 34% at baseline. Average contribution increased from 8% to 35.2% of household expenses.
Improvement in decision making abilities at home for 25% Digital Sakhis	At baseline, 76% Digital Sakhis participated in decision making within the household. This increased to 81% DS by March 2019, an increase of 5% Digital Sakhis.
Change in brand awareness levels amongst 100% Digital Sakhis	Digital Sakhis aware of LTFS increased from 33% to 99%. DS aware of products offered by LTFS increased from 15% to 87%.
100% change in Confidence levels of Digital Sakhis	94% DS were confident in Public Speaking, 99% were confident in Meeting New People, and 99% were confident in Confronting New Situations as against a target of 100% across confidence categories.
100% change in Leadership skills of Digital Sakhis	100% DS were confident in Negotiating and Dealing with Difficult situations, 99% were confident in Making Difficult Decisions.

DIGITAL SAKHI – DEMOGRAPHIC PROFILE

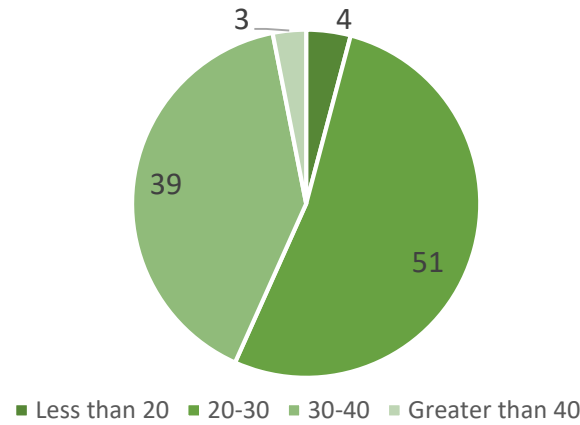
Demographic overview of Digital Sakhis

Education Qualification



Digital Sakhis (DS) are distributed across education levels, with **49** having studied beyond the 10th standard.

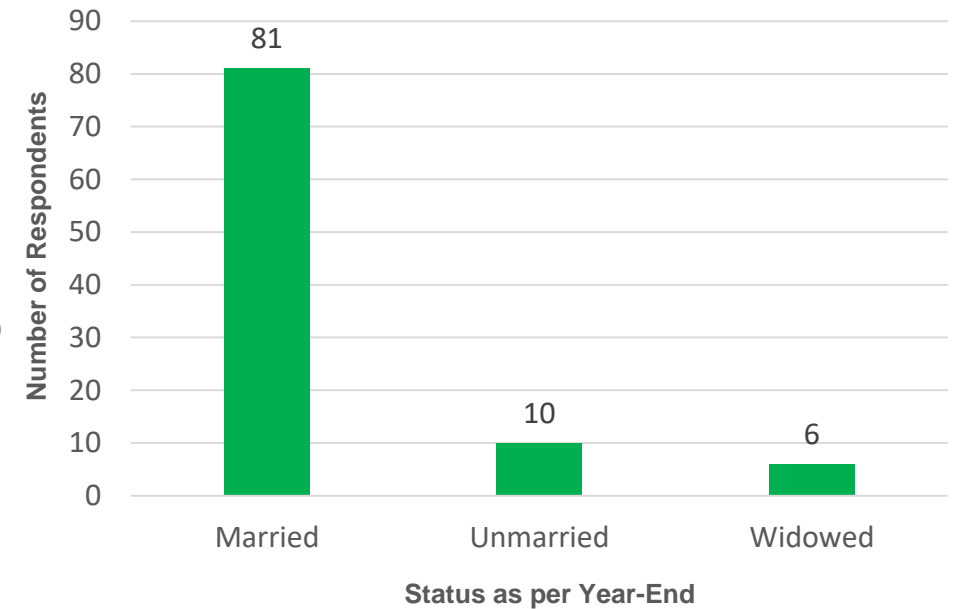
Age Distribution



51 DS are in the 20-30 age group, 39 are in the 30-40 age group, as per year-end data.

The average Digital Sakhi is a married 28 year old woman who has studied up to class 12th.

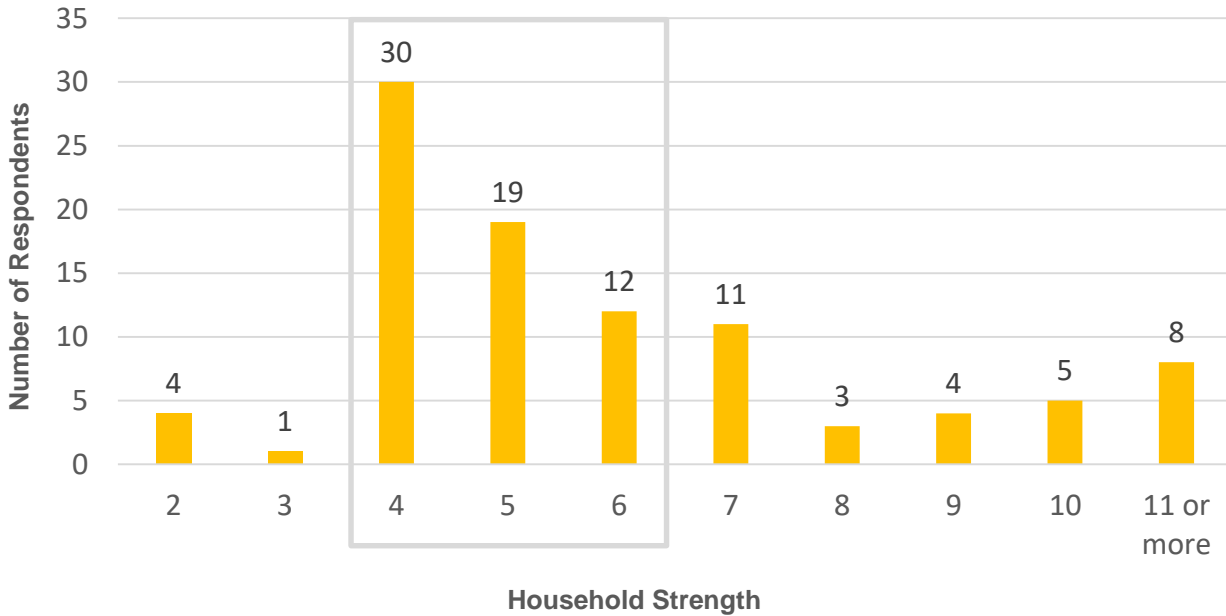
Marital Status



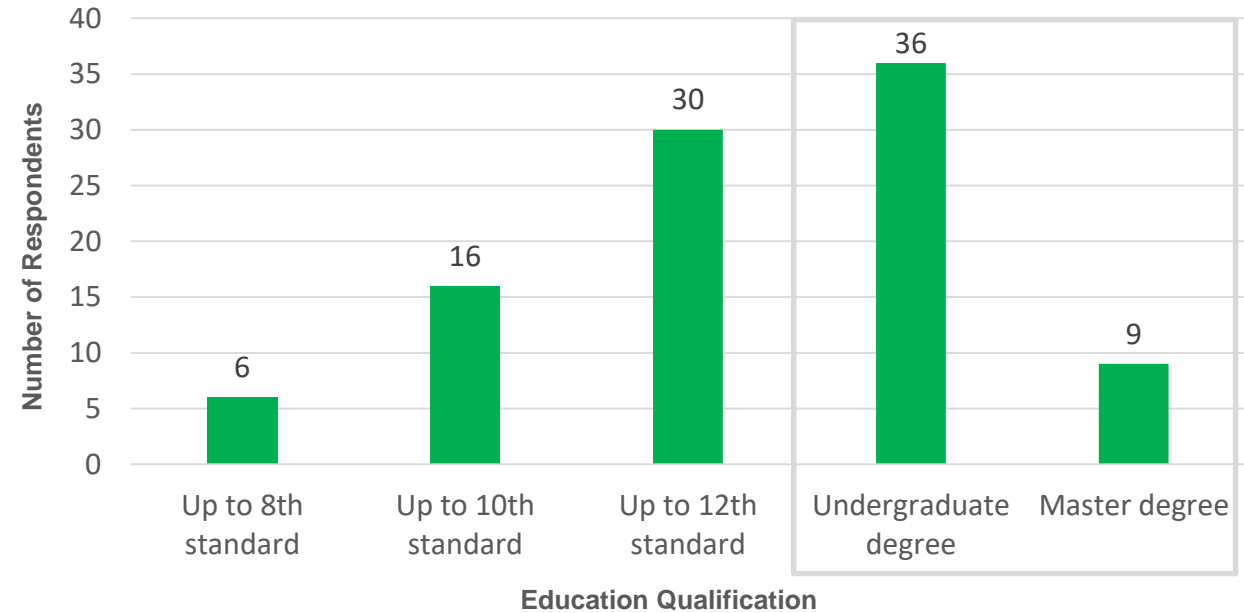
Majority of the Digital Sakhis are married, which reduces the risk of migration-related attrition.

Demographic overview of Digital Sakhi Households

Total Household Strength

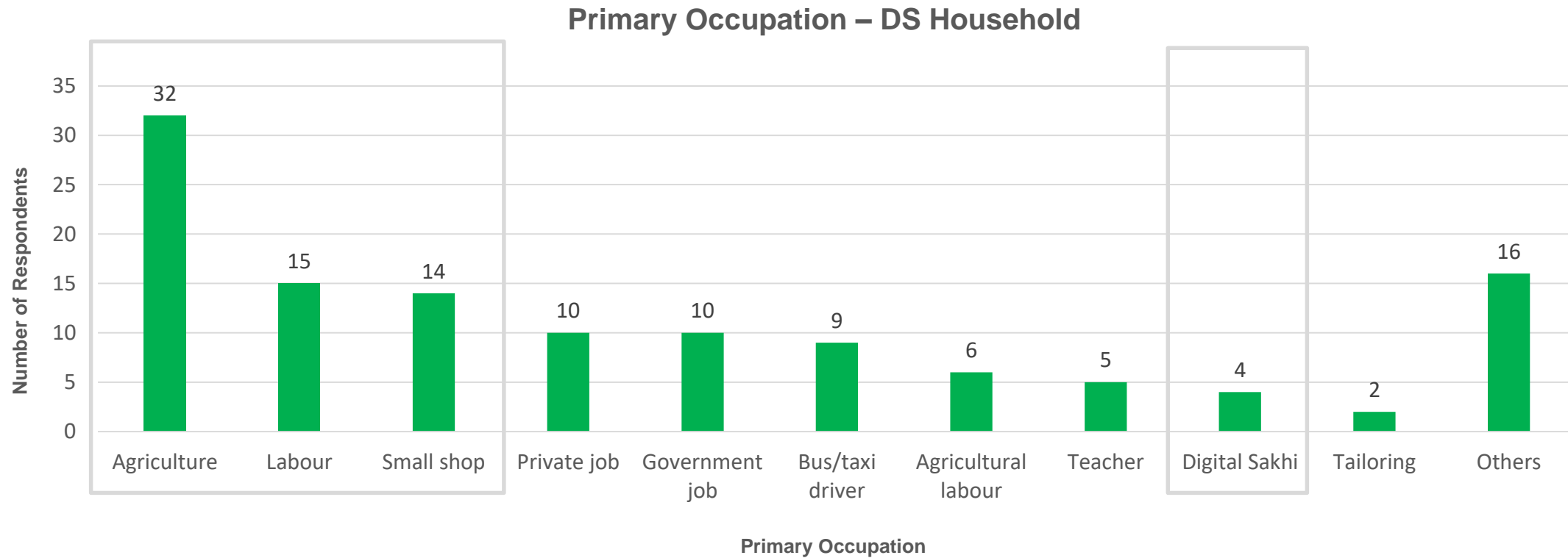


Highest Educational Qualification of Household



- **Majority Digital Sakhis (61 of 97)** reside in a 4-6 member household.
- **45 of 97 households** have at least an undergraduate degree as the highest education qualification, 30 of 97 have education qualifications up to 12th grade.

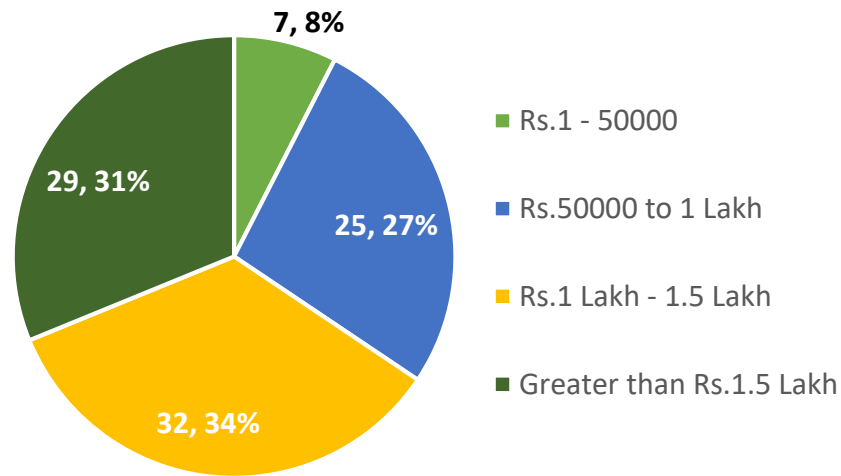
Primary Occupation of Digital Sakhi Households



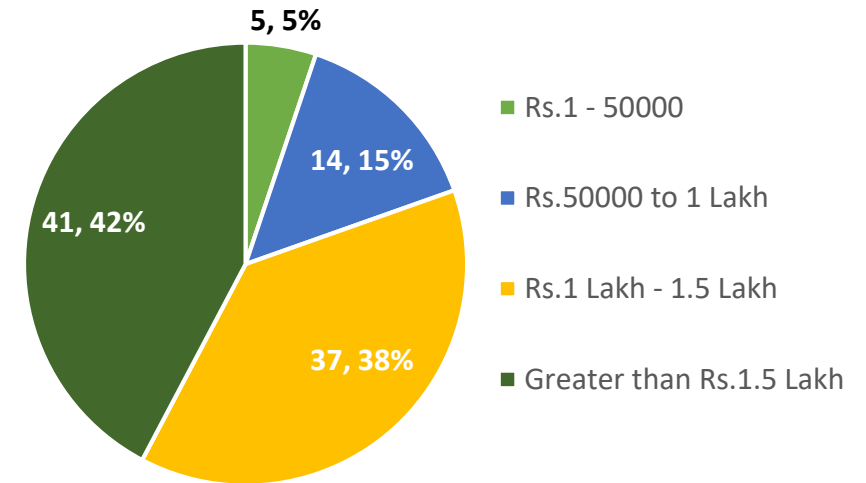
- **32** Digital Sakhi households reported **agriculture** as the primary occupation, followed by labour and small shops.
- **4** Digital Sakhis rely on the **Digital Sakhi program** as the primary occupation within the household.

Annual Income of Digital Sakhi Households

Total Household Income Distribution – Baseline



Total Household Income Distribution – Year-End

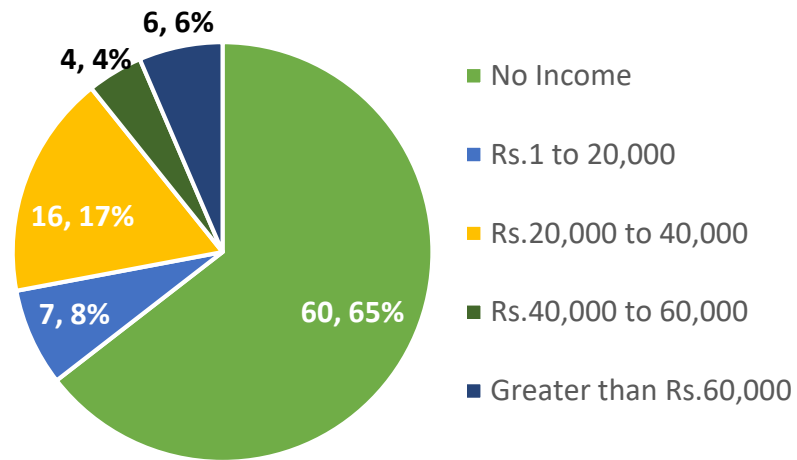


- **65% households** earned above **Rs. 1 lakh** as per **baseline data** while **80% households** earn above **Rs. 1 lakh** as per **year-end data**.
- The increase in household income could be related to **Digital Sakhi income** after the program.

DIGITAL SAKHI – INCOME & CONTRIBUTION TO HOUSEHOLD EXPENSES

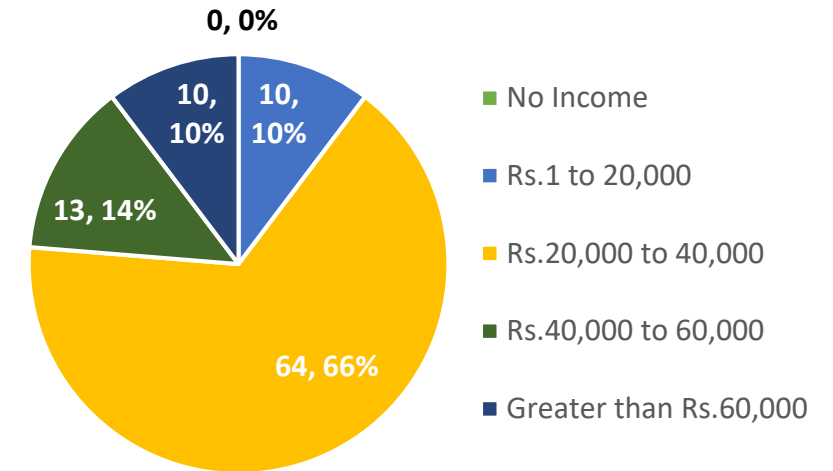
Average income of the Digital Sakhi increased significantly after the program

DS Annual Income Distribution – Baseline



Average Annual Income as of March 2018: Rs. 12,961

DS Annual Income Distribution – Year End



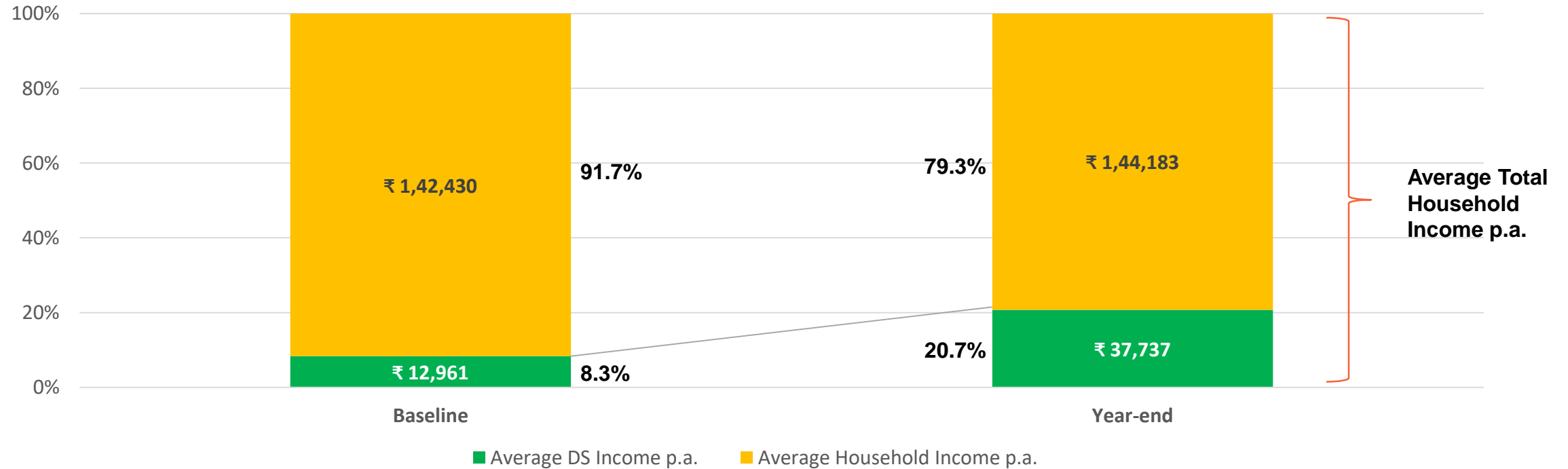
Average Annual Income as of March 2019: Rs. 37,737

Increase in average income

- Target set for year 1 was 50% increase in Digital Sakhi income levels. The average increase in income levels achieved is over 190%.
- Prior to the Digital Sakhi Program, 65% (60) Digital Sakhis had no individual source of income.

Digital Sakhi share of total household income saw a significant rise after the Program

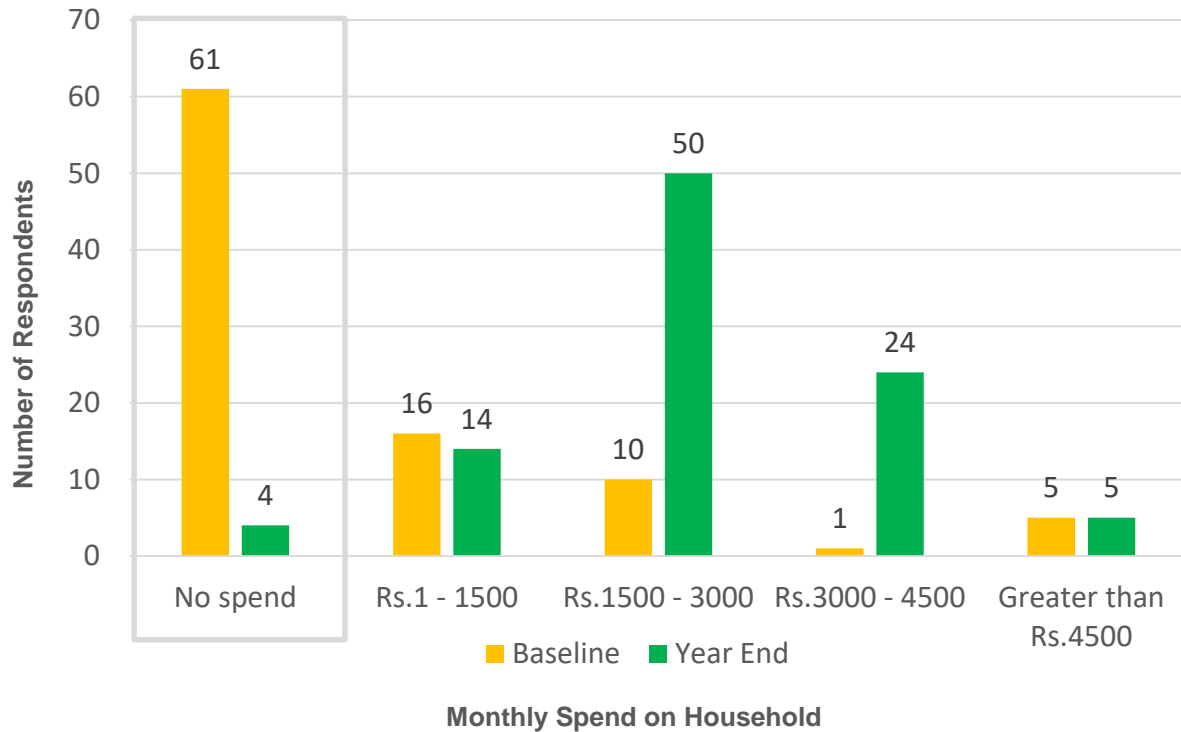
DS Income Contribution to Household Income



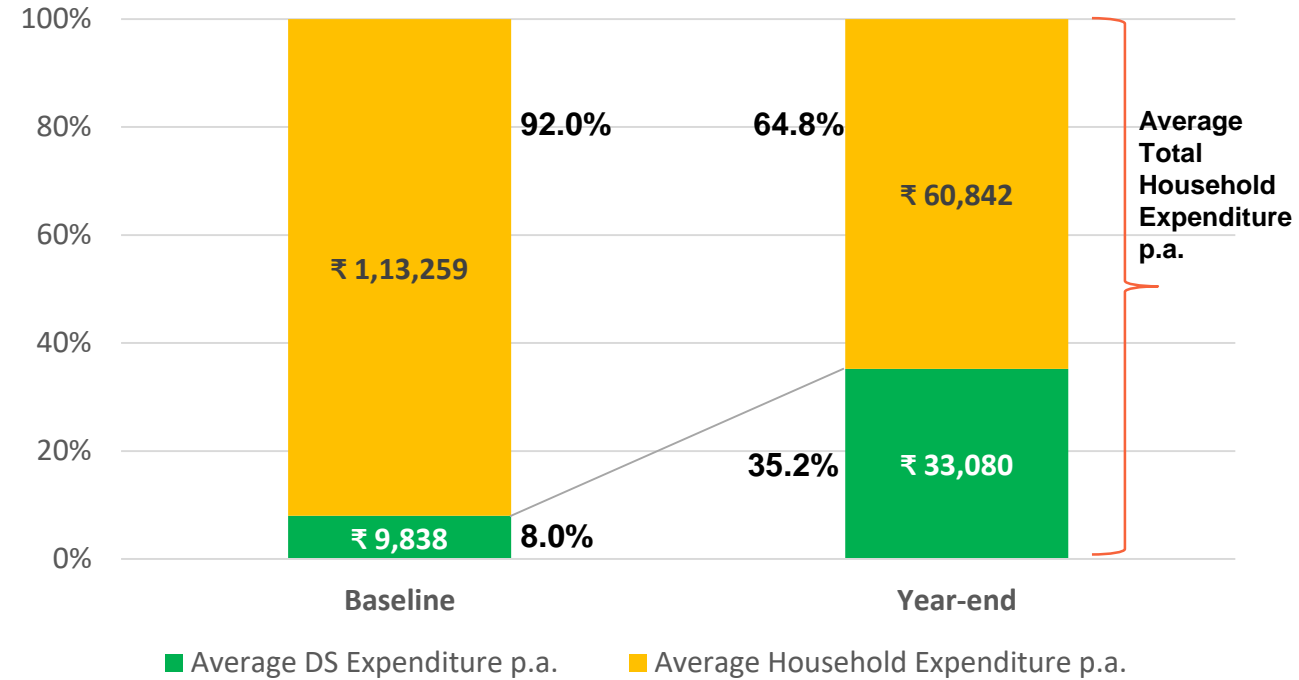
- Prior to the Digital Sakhi Program, the DS average share of household income was **Rs. 12,961**. This increased significantly to **Rs. 37,737** after the Digital Sakhi Program.

Number of Digital Sakhis contributing to household expenditure increased after the program

Monthly Contribution to Household Expenses



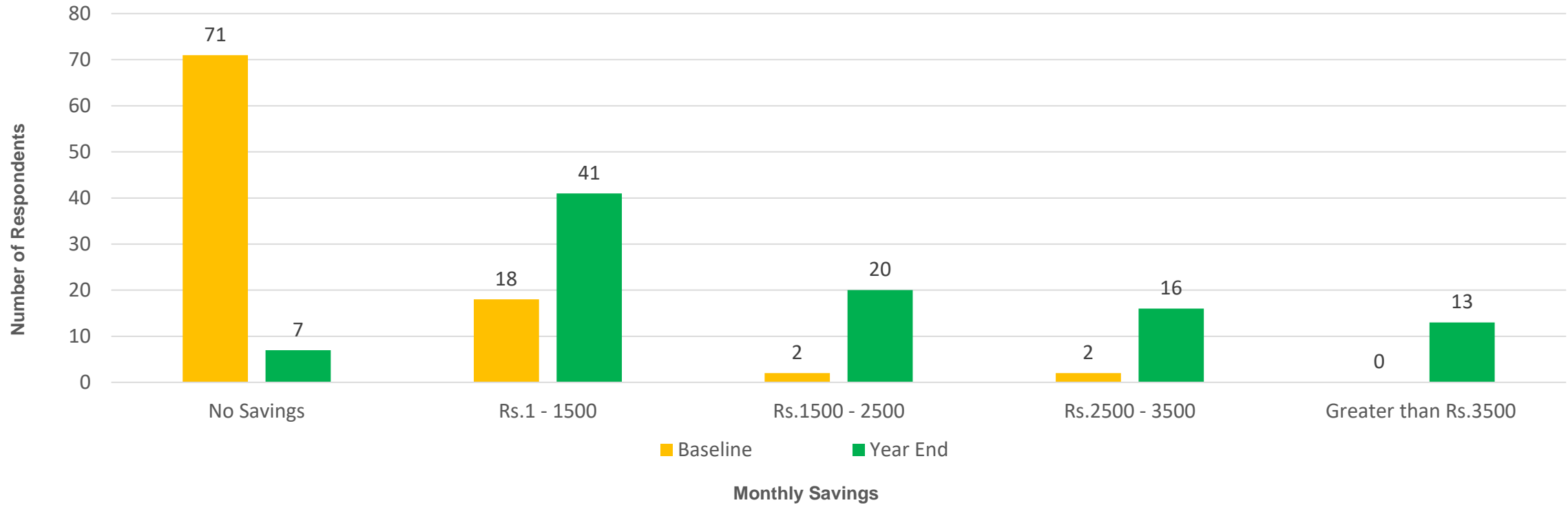
Average Increase in Contribution to HH Expenses



- **Target for year 1 was increase in household contribution by 100% Digital Sakhis: As per year end data, 96% Digital Sakhis contributed to household expenditure.**
- Prior to the Program, only 32 DS (34%) contributed their income to household expenditure.

Number of Digital Sakhis maintaining monthly savings increased after the program

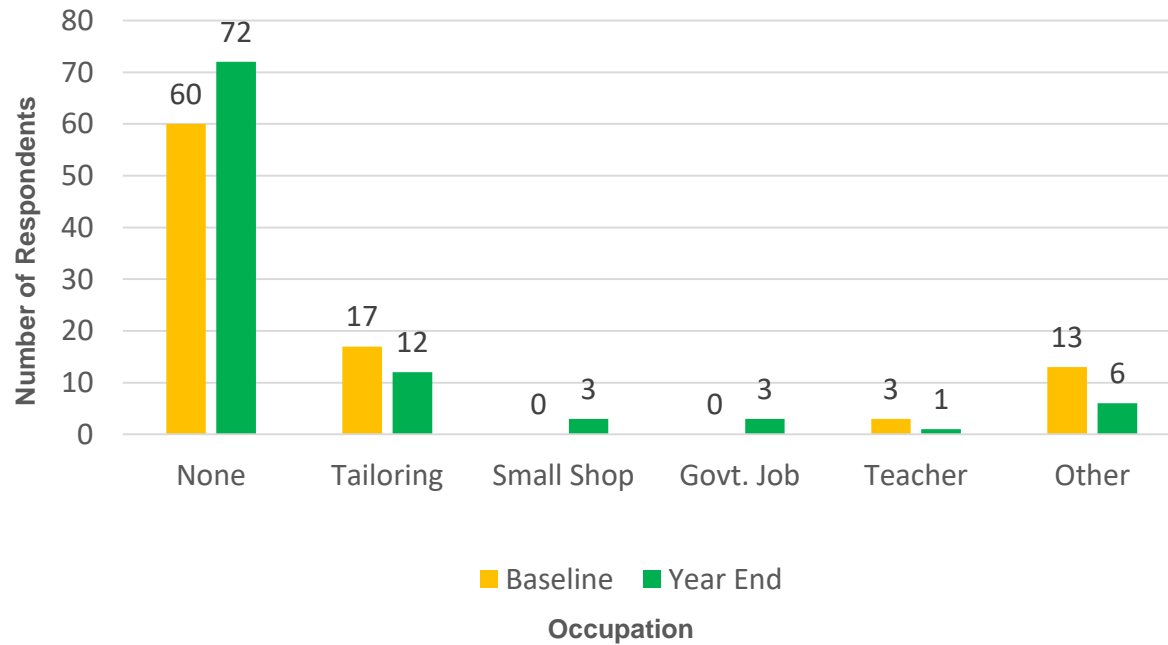
Monthly Savings - DS



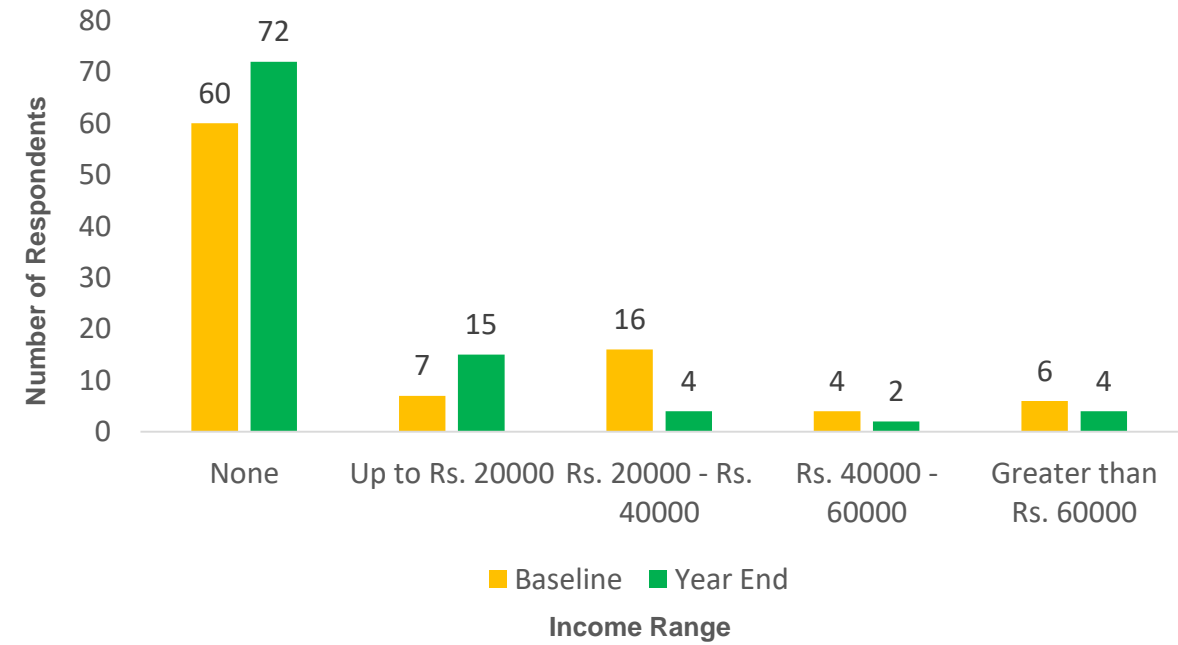
- Only **22 DS** reported maintenance of monthly savings prior to the program, which increased significantly to **90 DS** after the program.
- The average monthly savings of Digital Sakhis also increased from **Rs. 226** to **Rs. 2,009**, with 90 out of 97 Digital Sakhis reporting maintenance of monthly savings.

Digital Sakhi reliance on alternate sources of income decreased after the program

Alternate Sources of Income - DS



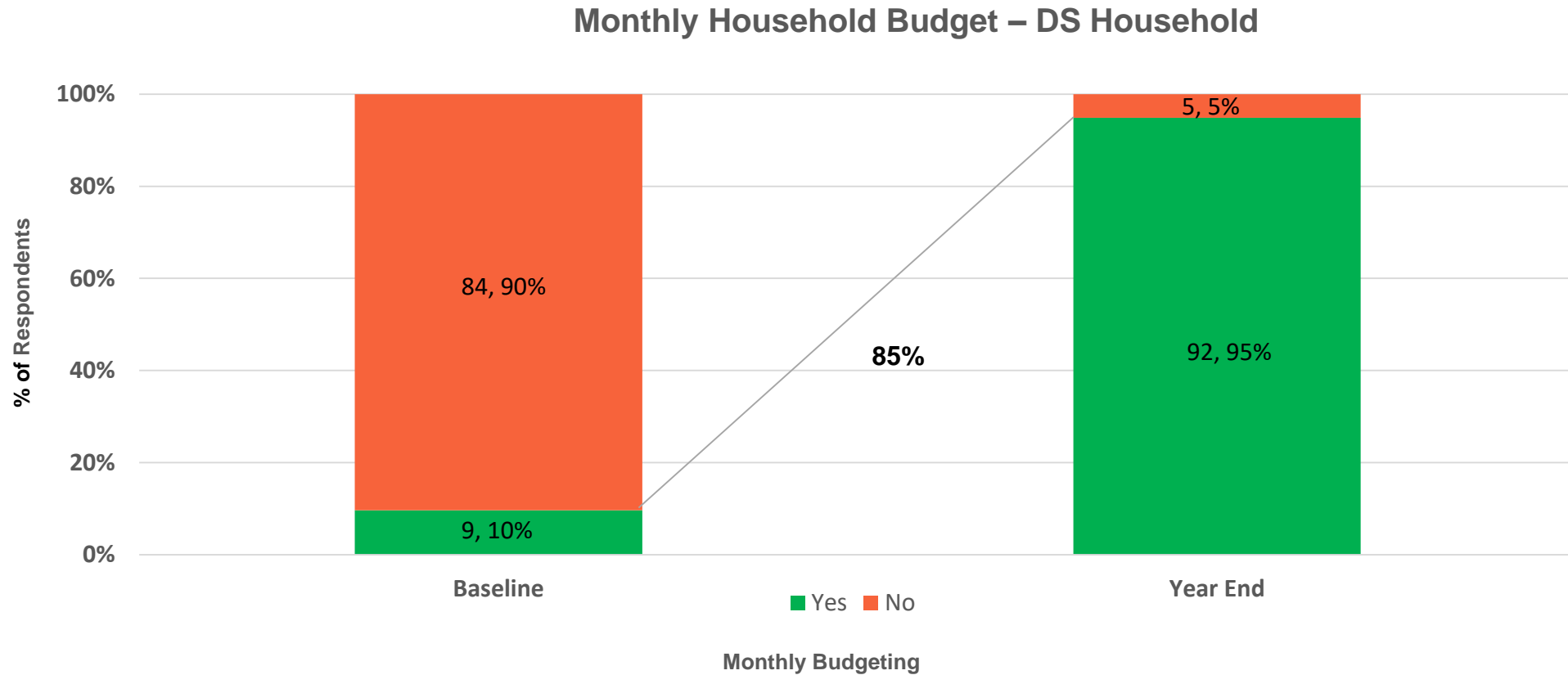
Income from Alternate Sources - DS



- 72 out of 97 Digital Sakhis have no alternate sources of income as per Year End data and rely solely on income received from the Digital Sakhi program.
- The decrease is indicative of increased focus given to the Digital Sakhi program as a source of livelihood, which provides a stable monthly income.
- This data excludes income earned from the Digital Sakhi program.

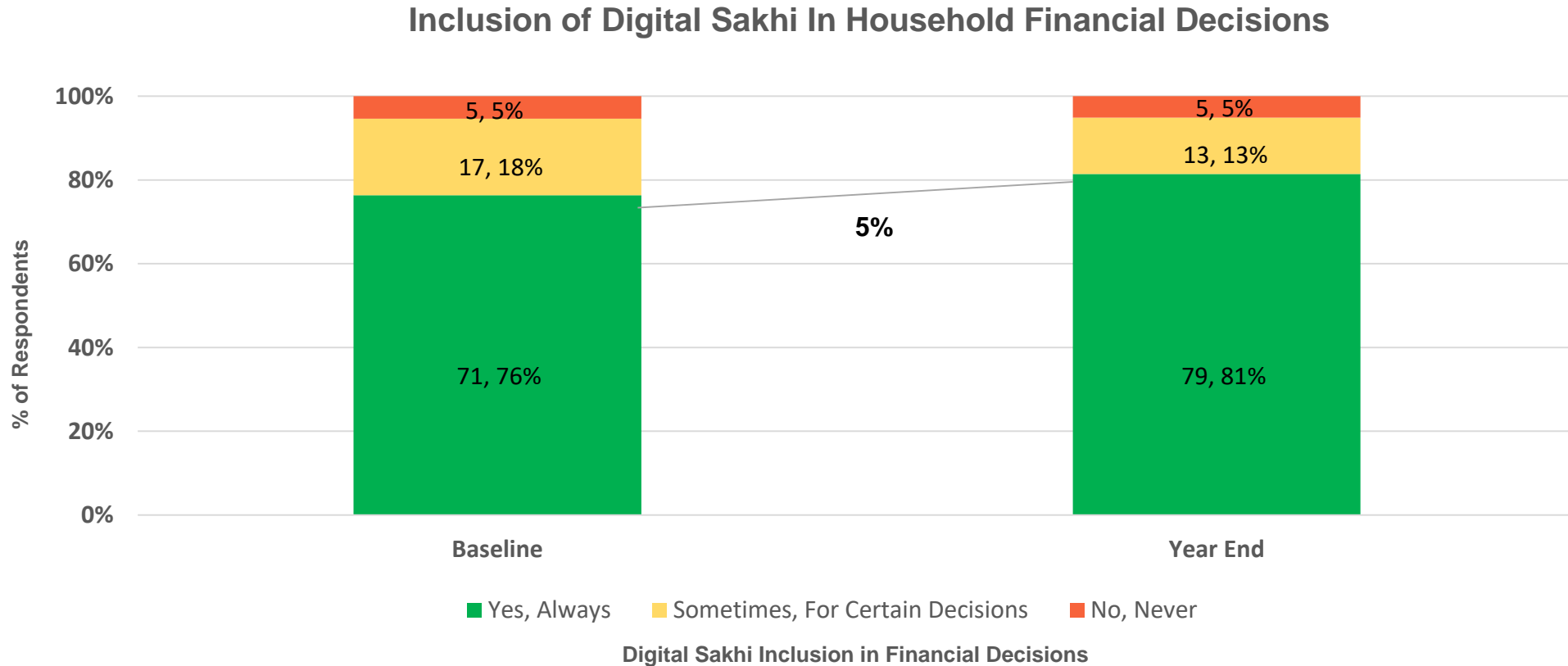
DIGITAL SAKHI – AWARENESS & ADOPTION OF FINANCIAL HABITS & SERVICES

95% Digital Sakhis reported maintenance of a monthly household budget after the program



- A significant increase was seen from 9 DS households maintaining monthly budgets prior to the Digital Sakhi program to 92 households after the program.

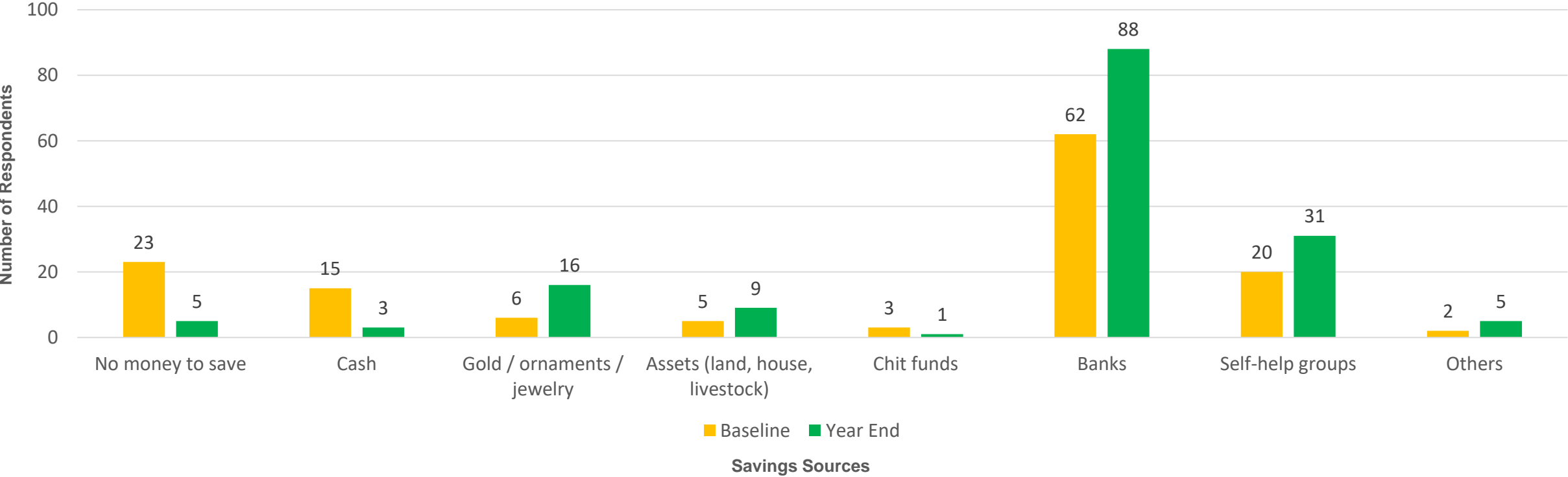
Digital Sakhi involvement in household financial decisions continues to remain high



- Target set for the program was **improvement in contribution to household decision making for 25% DS**. A 5% increase was seen because the baseline number itself was significantly high at 76%.
- Number of Households that involve the Digital Sakhi in making Financial Decisions increased from **71 before the program to 79 after the Program**.

Savings habits within the Digital Sakhi households saw a shift from saving in cash to saving in banks and SHGs

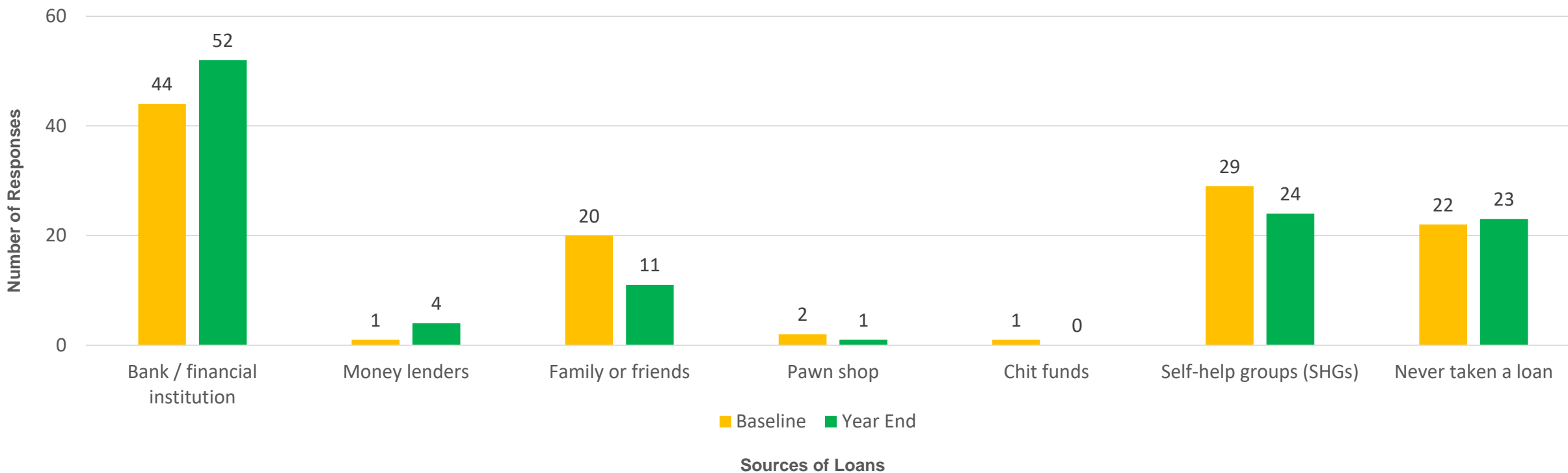
Diversification in Sources of Savings – DS Household



- **70 households** maintained monthly savings prior to the Digital Sakhi program, which increased to **92 households** after the Program.
- The households also saw a shift from no saving and saving in cash to saving in **Banks** and **Self Help Groups**.

There was a marginal increase in DS households borrowing from formal sources and reduction in informal sources

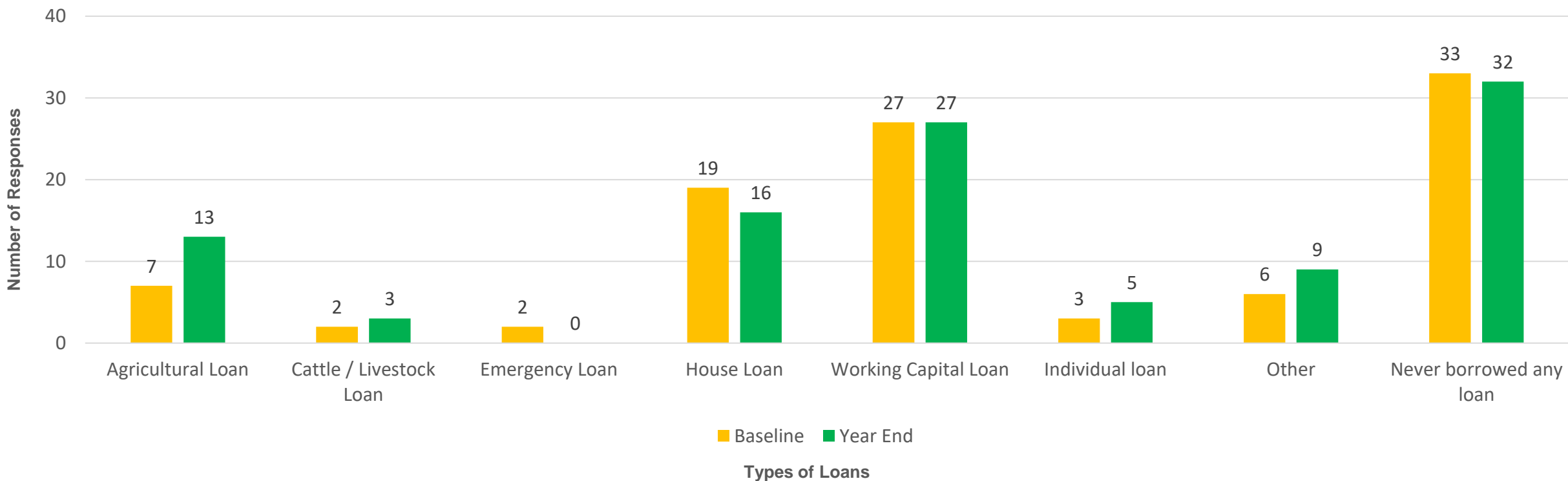
Sources Used to Avail Loans – DS Household



- Borrowing from banks / financial institutions saw an increase of 8 households and borrowing from family and friends saw a reduction of 9 households.
- Other sources, both formal and informal, saw a marginal increase or decrease of up to ~5 households.

No significant changes were seen in the types of loans being borrowed from formal sources

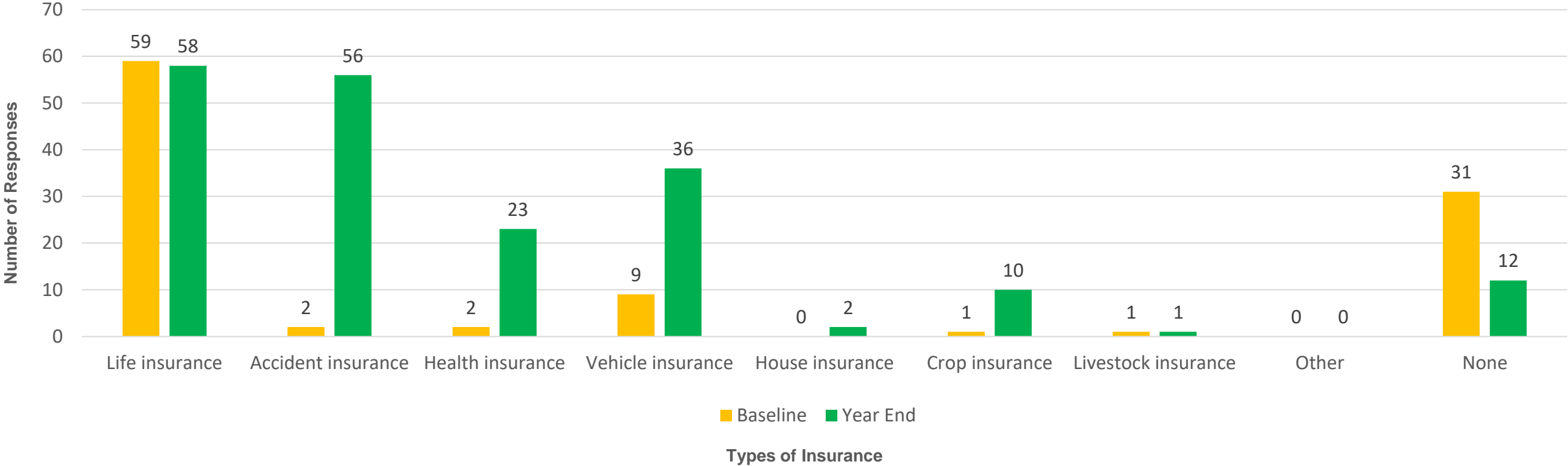
Type of Loans Taken from Financial Institutions – DS Household



• A significant shift was not expected in the loans taken from Financial Institutions and no significant shift was observed in the data.

There has been a significant increase in the number and type of insurance products availed by Digital Sakhi Households

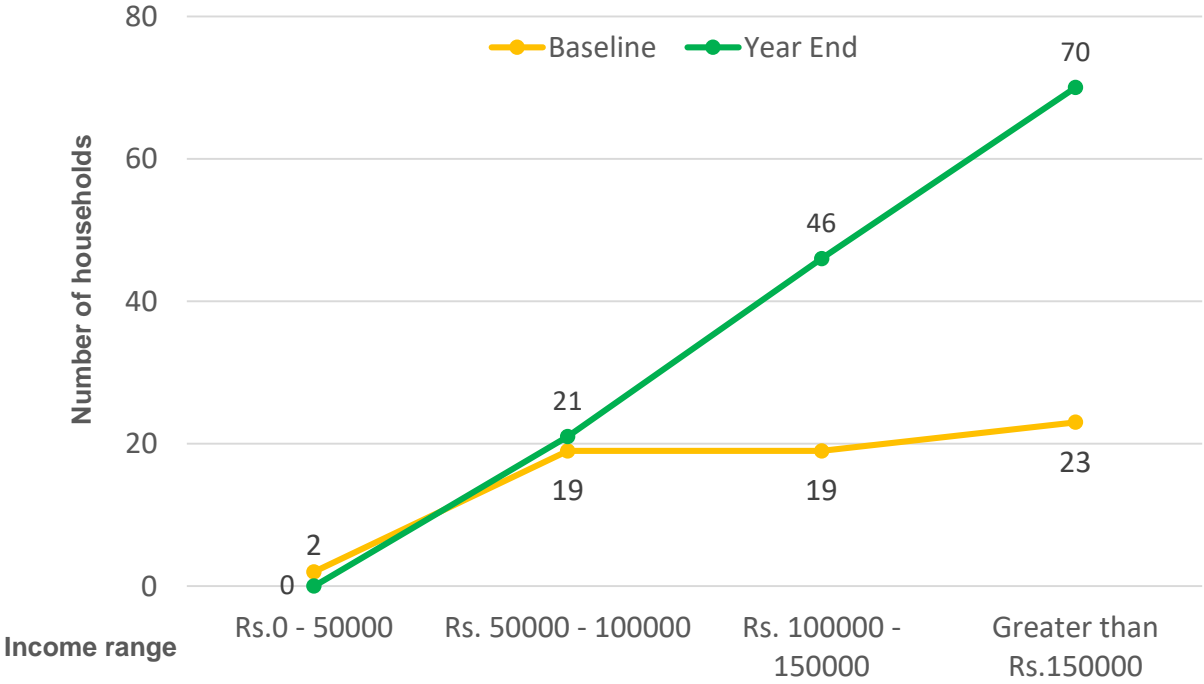
Insurance Products availed - DS Household



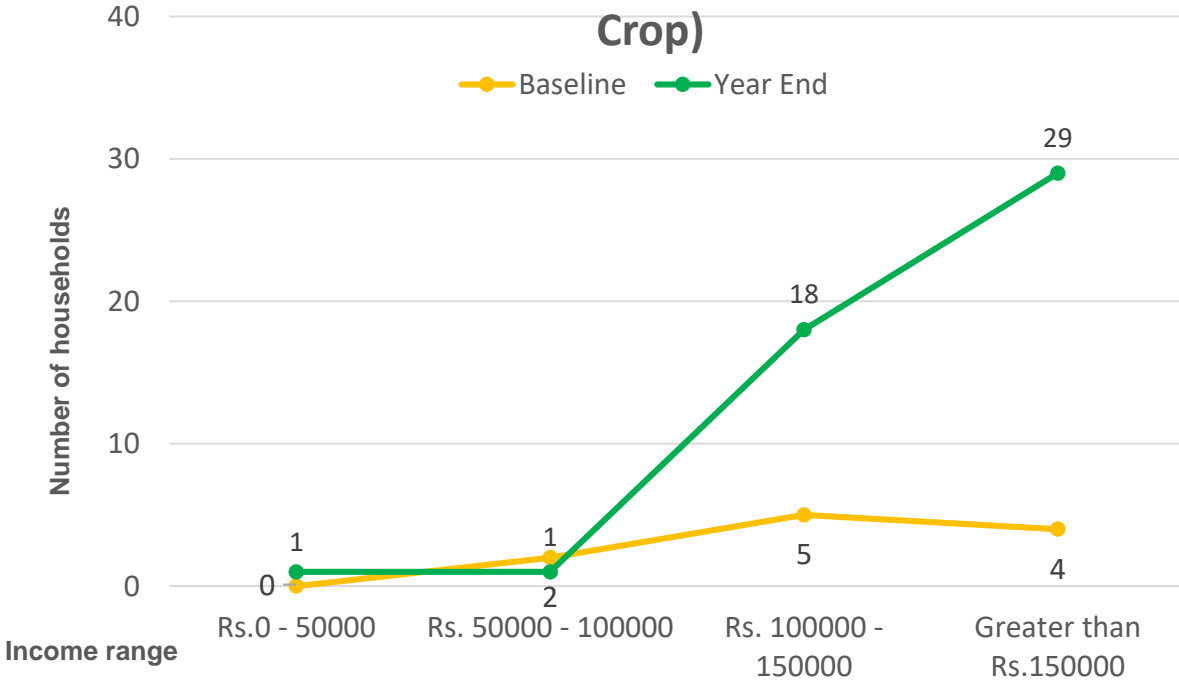
- Prior to the program, life insurance was the primary type of insurance availed across households.
- After the program, **Accident Insurance** increased from 2 to 56, **Health Insurance** increased from 2 to 23 and **Vehicle insurance** increased from 9 to 36 respectively.

As income increased, more households reported availing of insurance products

Personal Insurance (Life, Health & Accident)

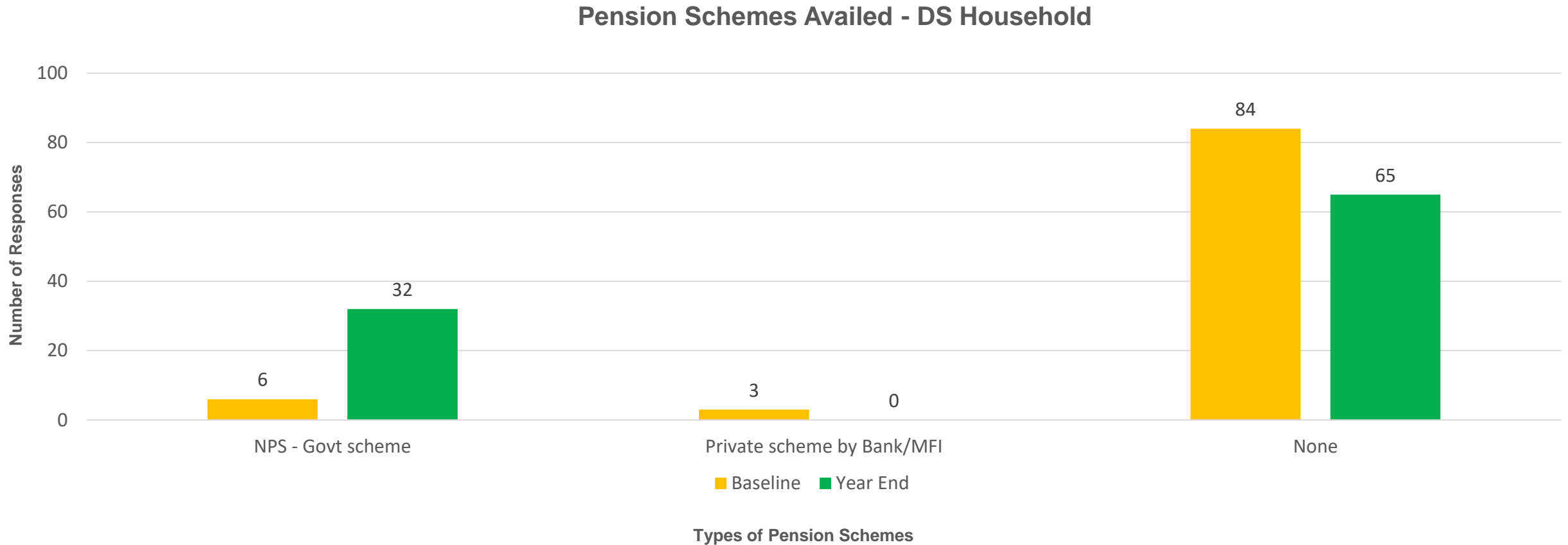


Asset Insurance (Vehicle, House, Livestock & Crop)



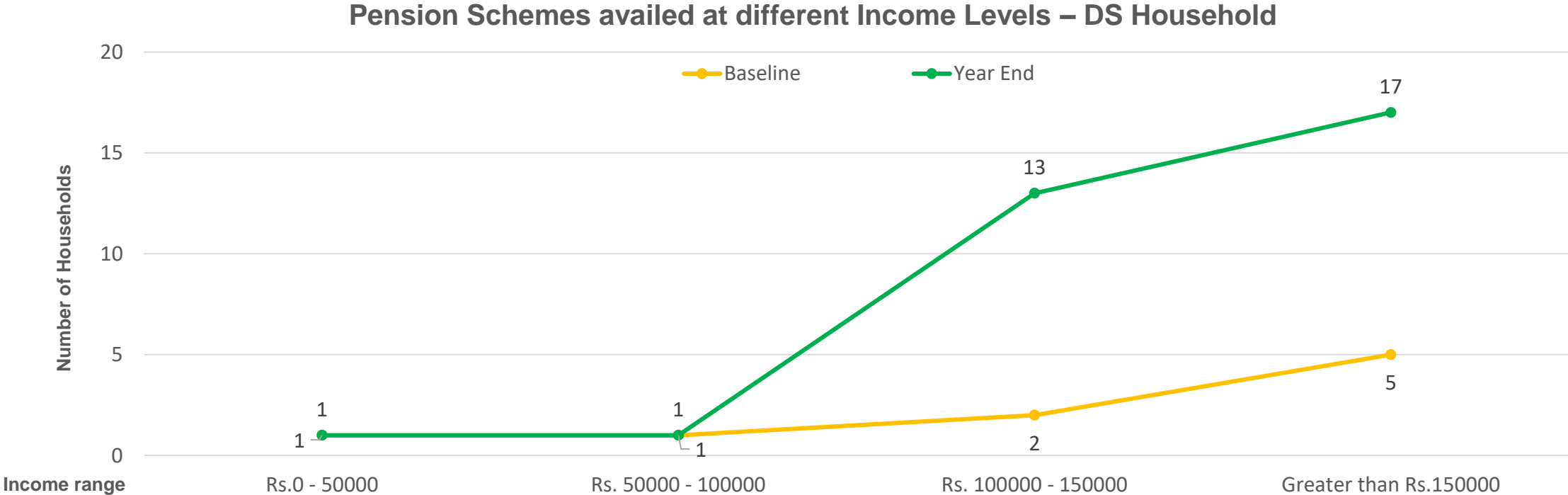
For Baseline, n = 93 Digital Sakhis
 For Year-End, n = 97 Digital Sakhis

After the Digital Sakhi Program, there is a significant increase in the number of households who availed Pension Schemes



- Only **9** Digital Sakhi households availed Pension Schemes before the Digital Sakhi Program which increased to **32** after the program.
- Number of Digital Sakhi Households who availed Govt NPS Schemes increased from **6** to **32**.

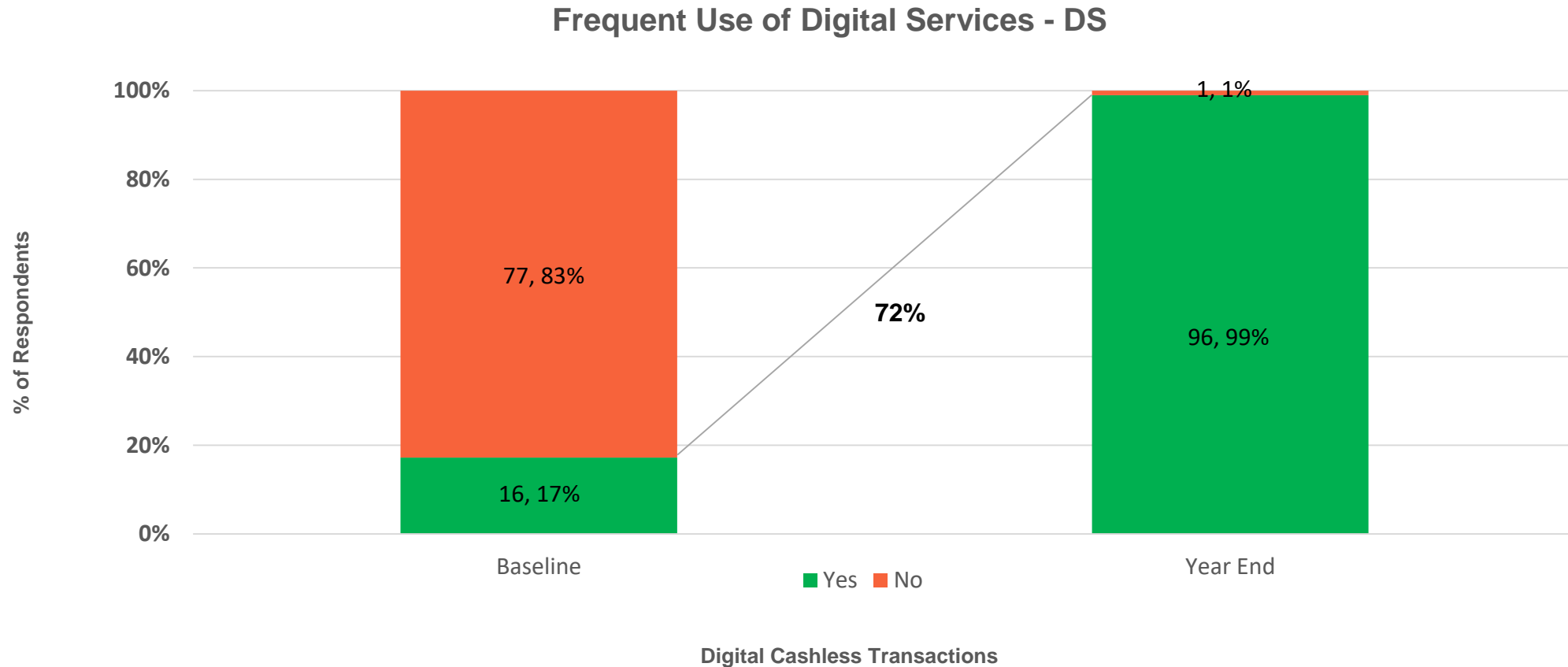
As income increased, more households reported availing of pension schemes



For Baseline, n = 93 Digital Sakhis
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DIGITAL SAKHI – ADOPTION OF DIGITAL FINANCIAL SERVICES

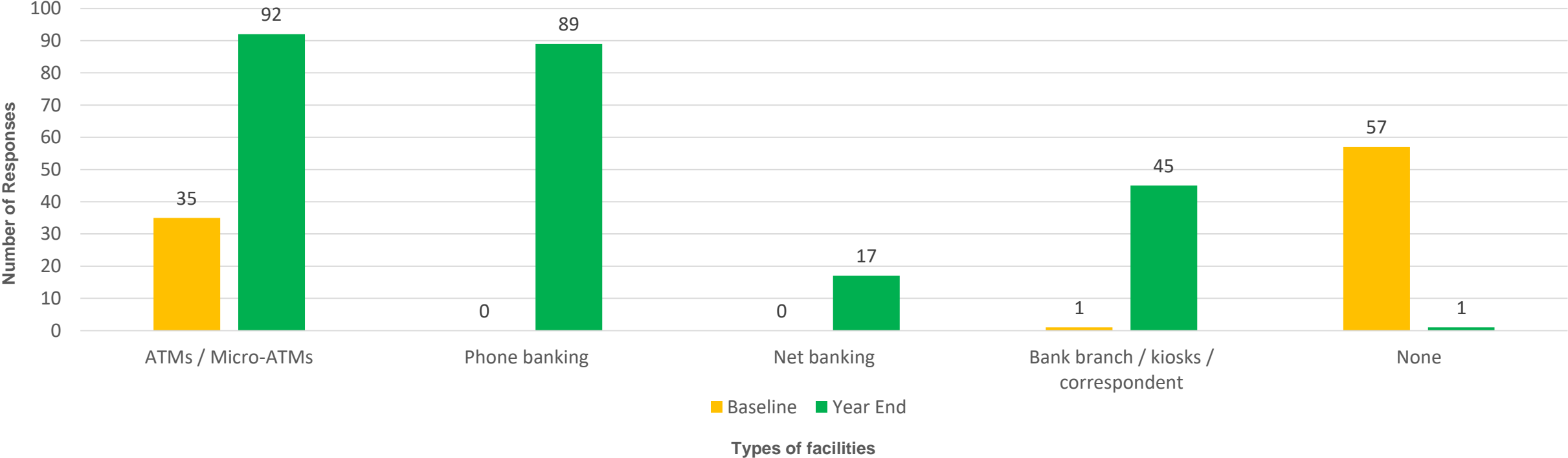
There is a significant increase in usage of Digital Financial Services by Digital Sakhis



- After the Digital Sakhi Program, the number of Digital Sakhis frequently using Digital Financial services increased from 17% to 99%

Usage of various Banking facilities significantly increased as per year-end data

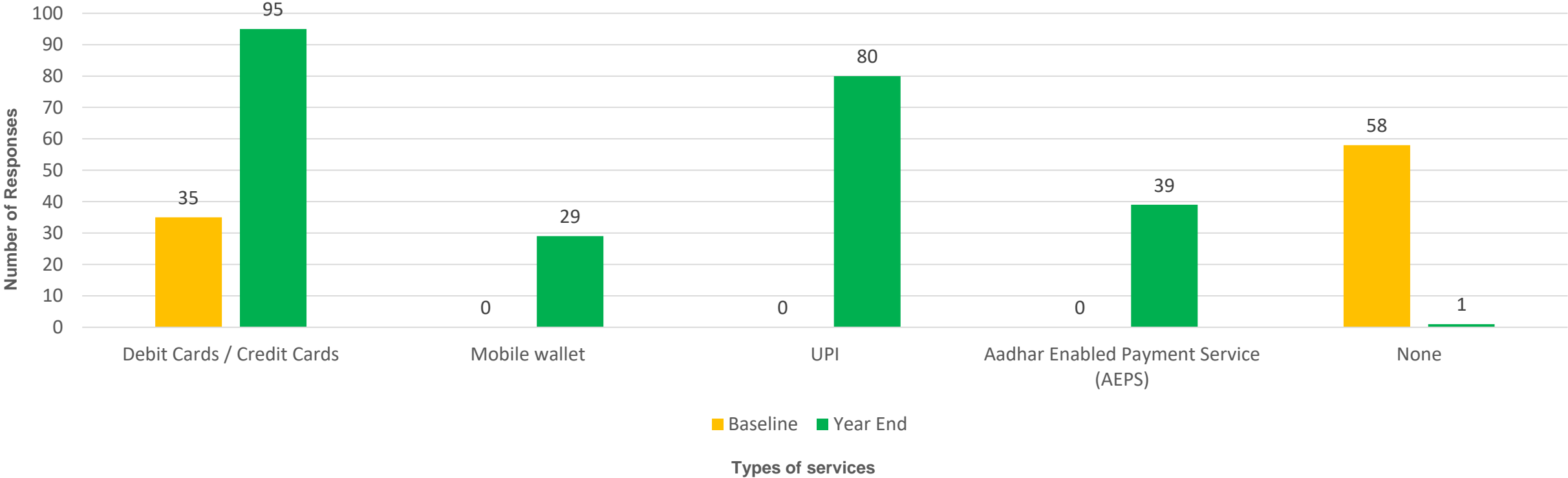
Banking / Financial Facilities Used - DS



- Number of Digital Sakhis who use various banking facilities have increased significantly from **36 to 96** after the program.
- ATM usage increased from **35 to 92**, Phone Banking usage increased from **0 to 89**, Net Banking usage increased from **0 to 17** respectively.

Usage of Digital Financial Services increased significantly after the Digital Sakhi Program

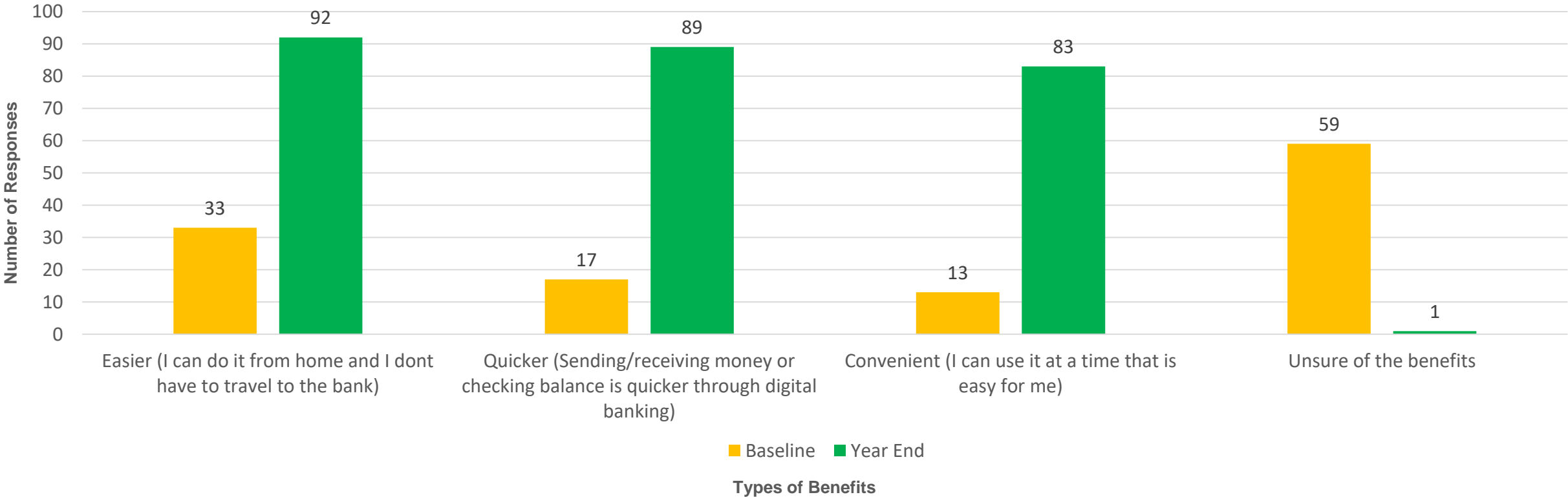
Digital / Cashless Services Used - DS



• Number of Digital Sakhis who use Digital Financial Services increased significantly from **35 before the program to 96 after the Program.**

Nearly all Digital Sakhis could articulate the various benefits of using Digital Financial Services

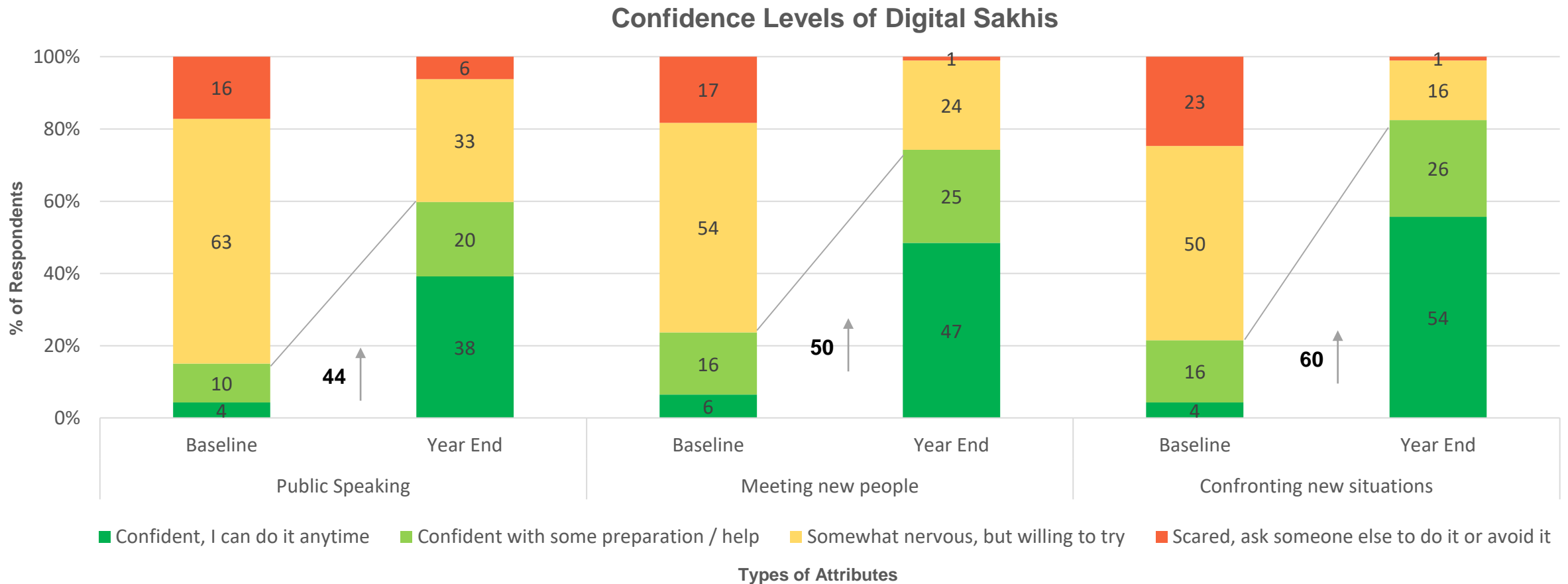
Perceived Benefits from Digital Banking - DS



- Number of Digital Sakhis who were unsure of the benefits of using Digital Financial Services reduced from **59** to **1** after the Digital Sakhi Program.
- **At least 83** Digital Sakhis perceived all the benefits of using Digital Banking, which are that it is Easier, Quicker and more Convenient.

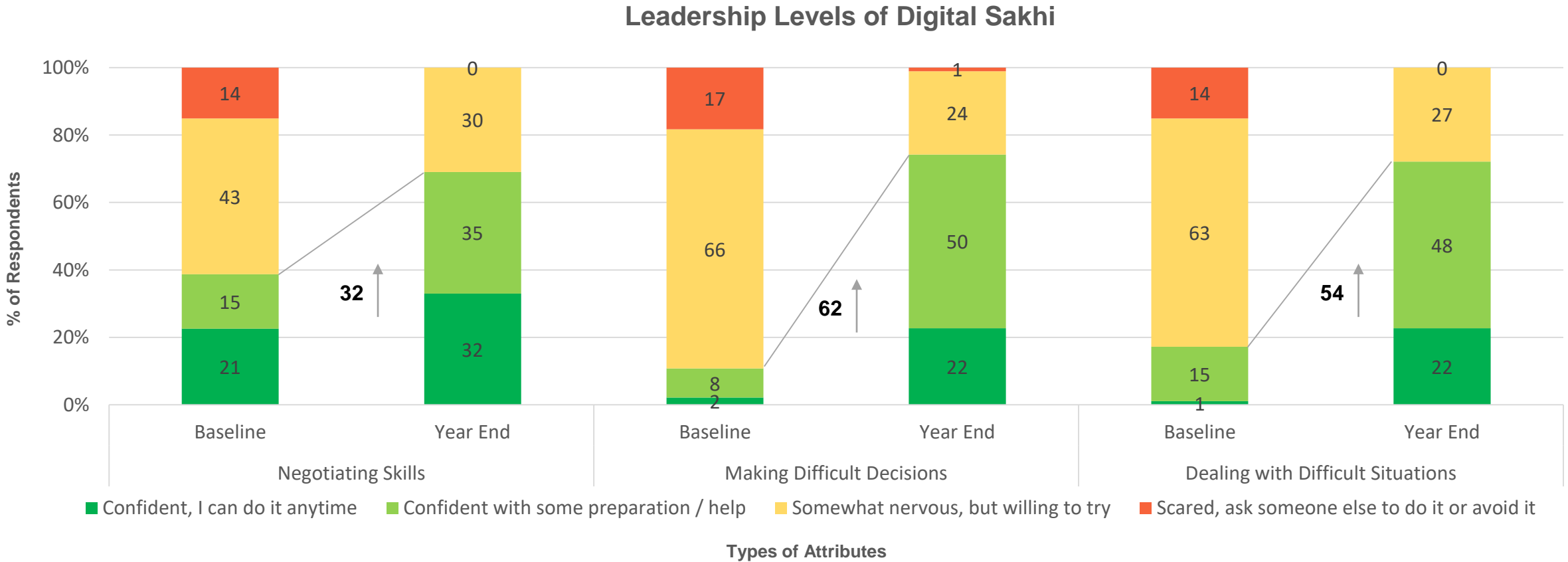
DIGITAL SAKHI – CONFIDENCE & LEADERSHIP LEVELS

There was a positive shift in the confidence levels of Digital Sakhis



- **94%** Digital Sakhis were confident in **Public Speaking**, **99%** were confident in **Meeting New People**, and **99%** were confident in **Confronting New Situations**.
- The number of Digital Sakhis who were 'nervous but willing to try', reduced from 63 to 33 for public speaking, 54 to 24 for meeting new people and 50 to 16 for confronting new situations.

There was a positive shift in the leadership levels of Digital Sakhis

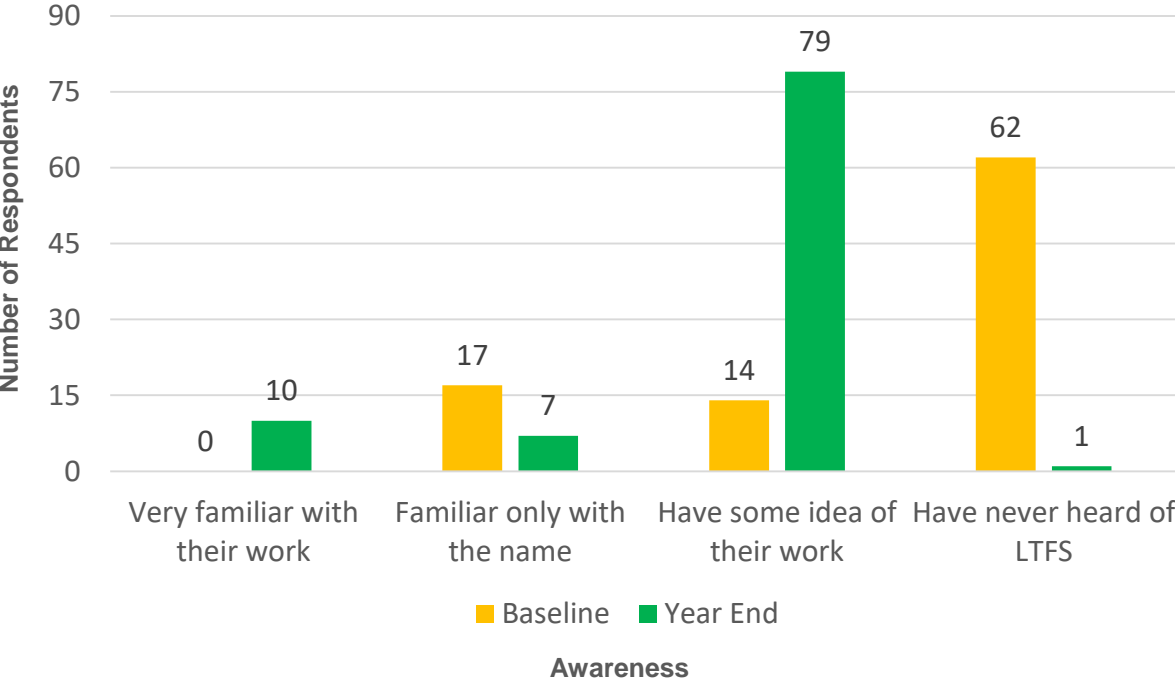


• The number of Digital Sakhis who were 'nervous but willing to try', reduced from 43 to 30 for negotiating, 66 to 24 for making difficult decisions and 63 to 27 for dealing with difficult situations.

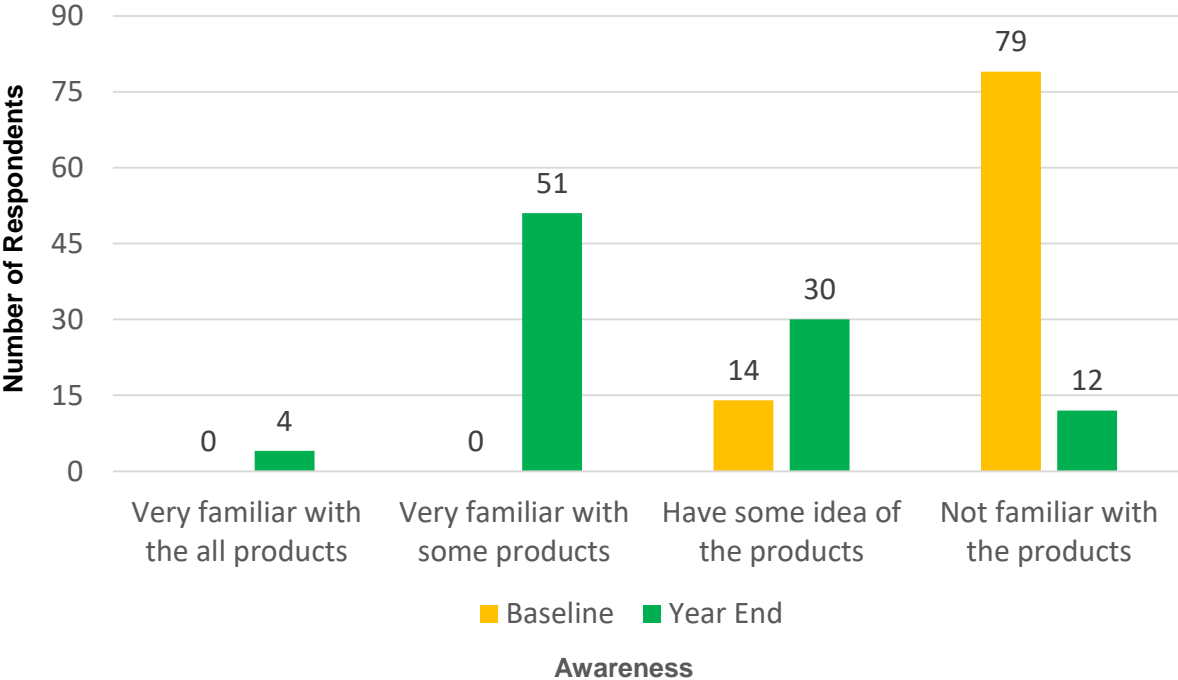
DIGITAL SAKHI – BRAND AWARENESS

An increase was seen in brand awareness and knowledge of products offered by L&T Financial Services

Awareness of L&T Financial Services



Awareness of products offered by L&T Financial Services



- Overall, there is a significant increase in the Brand awareness as well as knowledge of Products offered by L&T Financial Services.
- Number of Digital Sakhis who are aware of the **brand** increased from **33% to 99%** after the Digital Sakhi Program and those aware of **products offered** increased from **15% to 87%** after the Program.

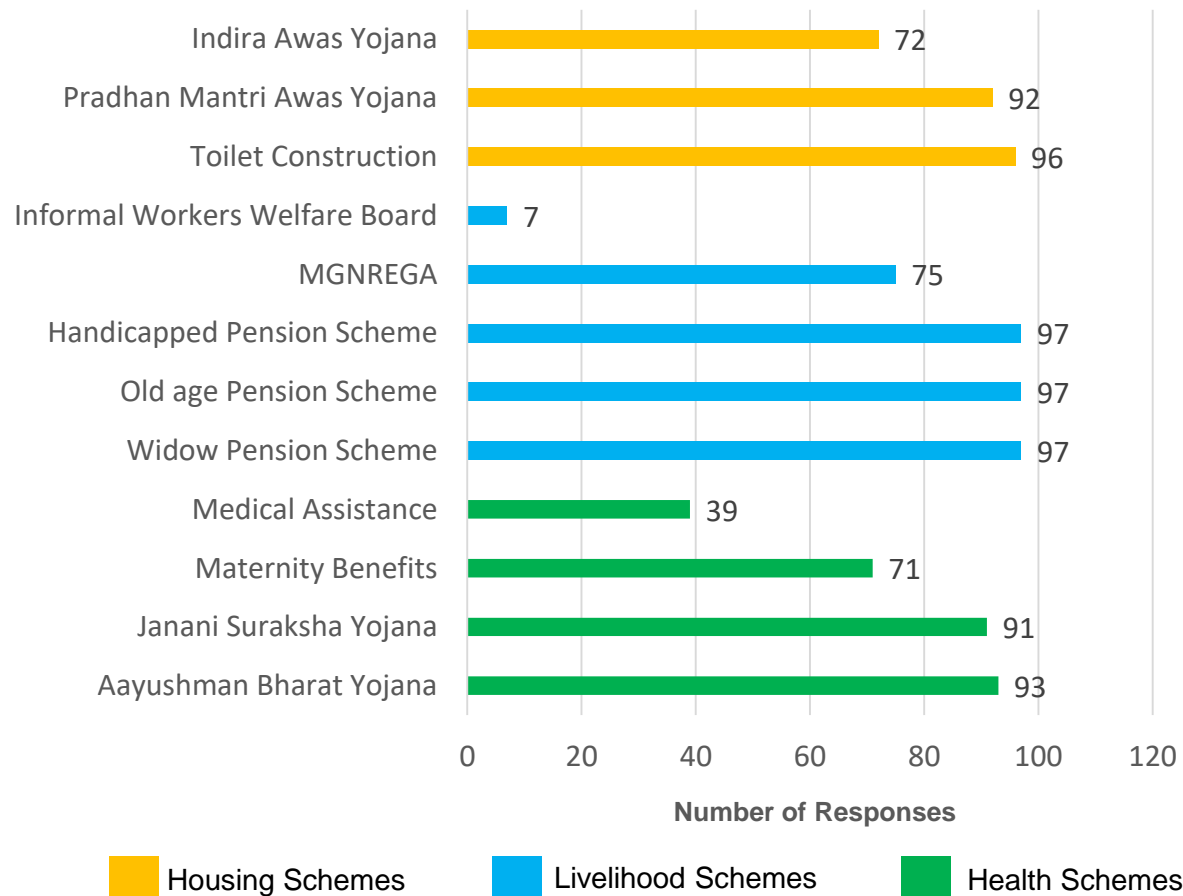


For Baseline, n = 93 Digital Sakhis
For Year-End, n = 97 Digital Sakhis

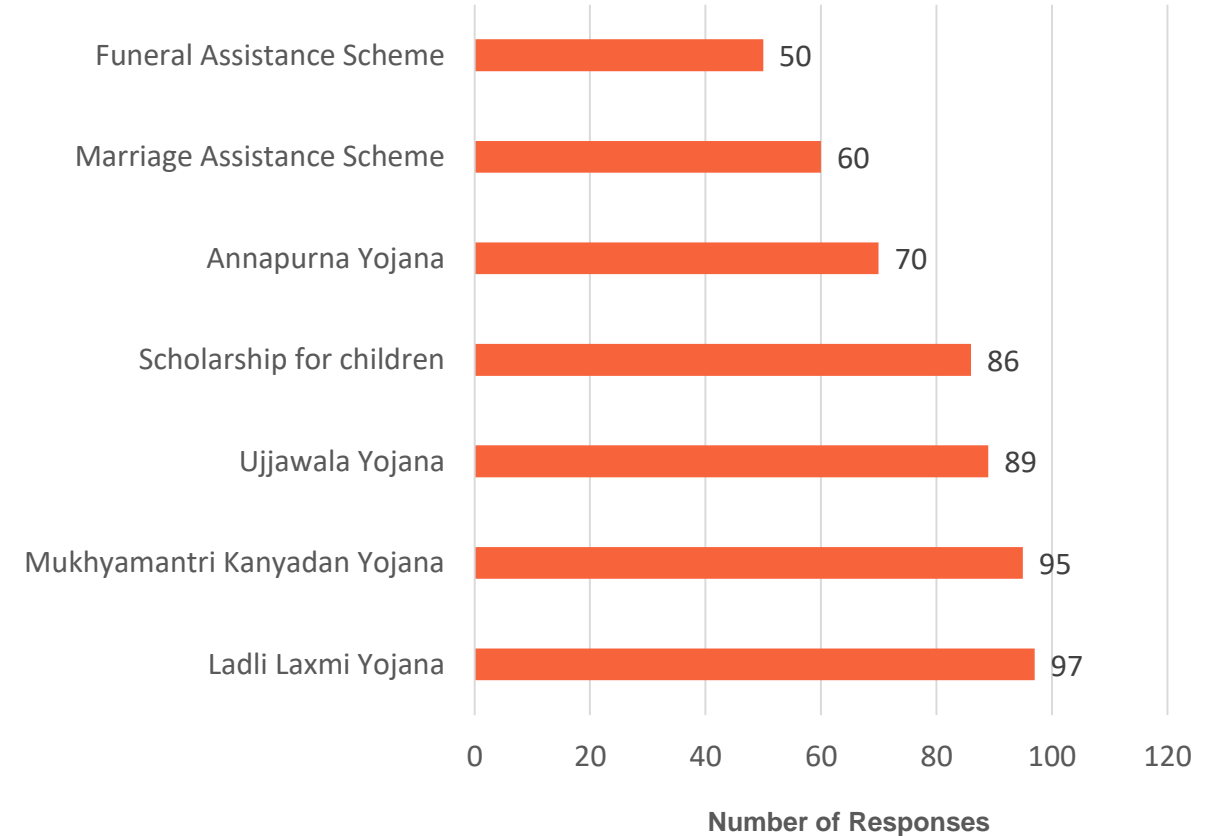
GOVERNMENT ENTITLEMENTS

Overall awareness of Government Schemes is high across most schemes

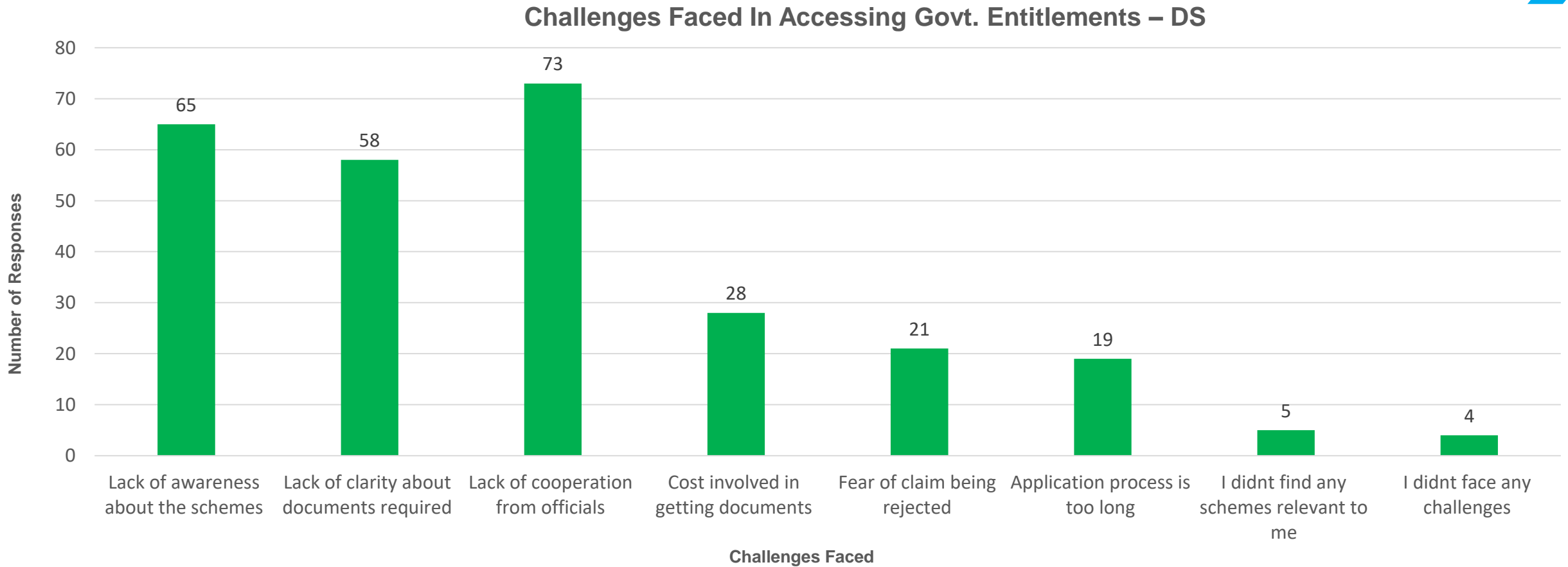
Awareness of Primary Govt. Schemes



Awareness of Other Related Schemes



Lack of cooperation from officials and lack of awareness of schemes were major challenges in accessing entitlements



• These challenges will have to be borne in mind when working on increasing access to entitlements in Year 2.

Digital Sakhi Madhya Pradesh: Community Year End Assessment Results



APPROACH

Preparation

- The questionnaire was prepared based on learnings from the baseline and with inputs from LTFS & SEWA.
- The data collection team was trained to administer the questionnaire.

Data Collection

- Surveys were conducted in 20 villages of Dhar and Barwani using Social Cops*, over 22 days.

Data Analysis

- Data was analyzed to assess shift in knowledge and adoption of financial and digital financial services.
- Data was assessed against baseline analysis conducted in Jan 18.

Results

- Insights will be used to evaluate overall implementation of the program.
- Insights will also be used to inform program design for year 2.

*Social Cops is a mobile application for data collection, designed keeping in mind the constraints of rural India. It allows for remote data collection, wherein data is uploaded onto a live dashboard when the mobile phone is connected to the internet.

METHODOLOGY

Method

Based on the objectives, it was determined that a quantitative survey would be conducted for the purpose of program evaluation. The purpose of the quantitative survey was to assess increase in levels of knowledge and adoption of financial and digital financial services amongst the community. Data was collected from **1659** respondents across **20** project villages.

Sampling

A sample size calculator from *The Research Advisors* was used to calculate the number of individuals to be surveyed per village. The sample size selected was at 95% confidence levels with 0.05 margin of error. This ensured that the number of individuals surveyed per village were a representative sample of the 50,000 community members who were provided knowledge through door-to-door visits.

Data Collection

Data collection was done using quantitative survey forms. All questions were multiple choice to ensure clarity in collected data and minimize error. Actual data collection was done across a total of 1659 respondents. 20 villages were covered for the purpose of this evaluation.

Year 1 Success Indicators - Community

Target for 2018-19	Achieved as of March 2019
20% increase in community members who are aware of Digital Financial Services	Number of respondents aware of Digital Financial Services increased significantly from 43% before the program to 84% at year end, a total increase of 41% respondents

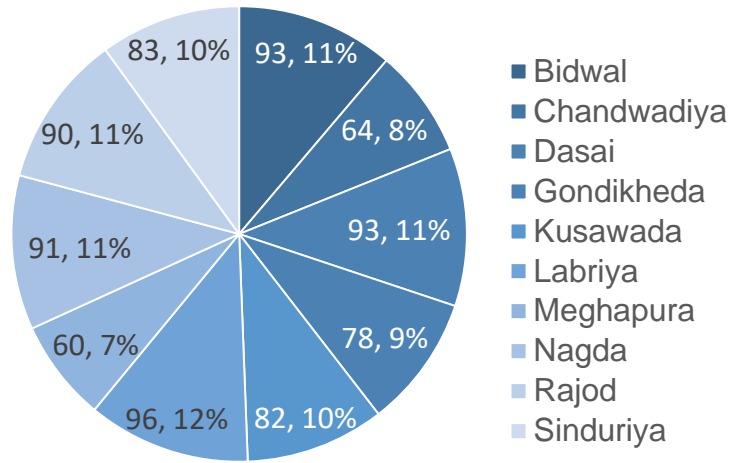
Other key findings:

- **High awareness of purpose of Digital Sakhi program**
 - Out of the **88%** respondents who had participated in the Digital Sakhi Program, **83%** respondents said that the program will help them increase their accessibility to banks while **69%** said the program will provide financial literacy.
- **Change in Financial Habits at the household level**
 - A **42% increase** was seen in the number of households saving money in banks / financial institutions, while those saving in cash reduced from 42% to 30%.
 - Households maintaining a monthly household budget increased from **40% to 55%**.
- **Increase in adoption of insurance and pension**
 - Adoption of Life Insurance increased from **11% to 38%** and Accident Insurance increased from **5% to 14%**. **Those availing pension schemes increased from 7% to 23%**.

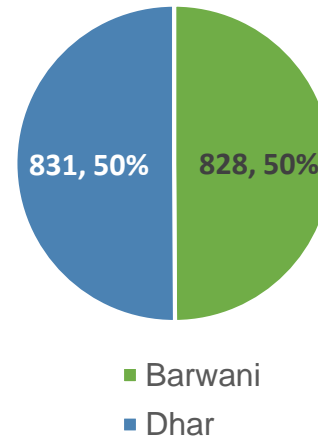
OVERVIEW OF THE COMMUNITY

Demographic overview of the Community

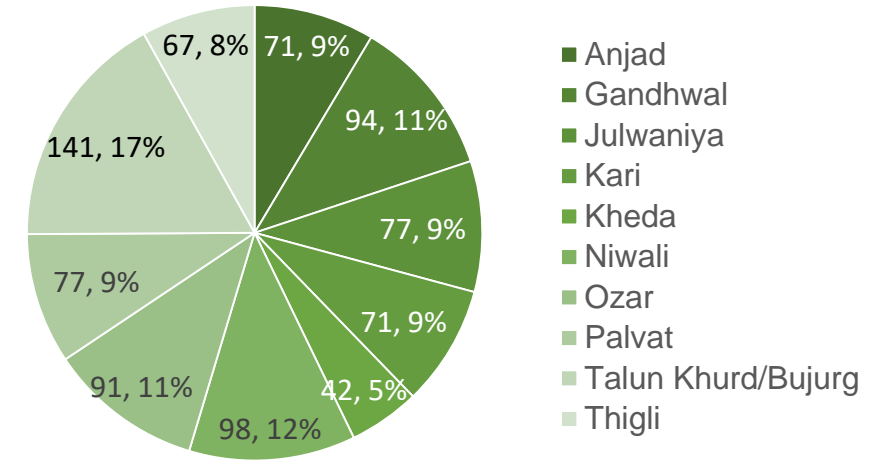
Households per Village: Dhar



Households per District



Households per Village: Barwani



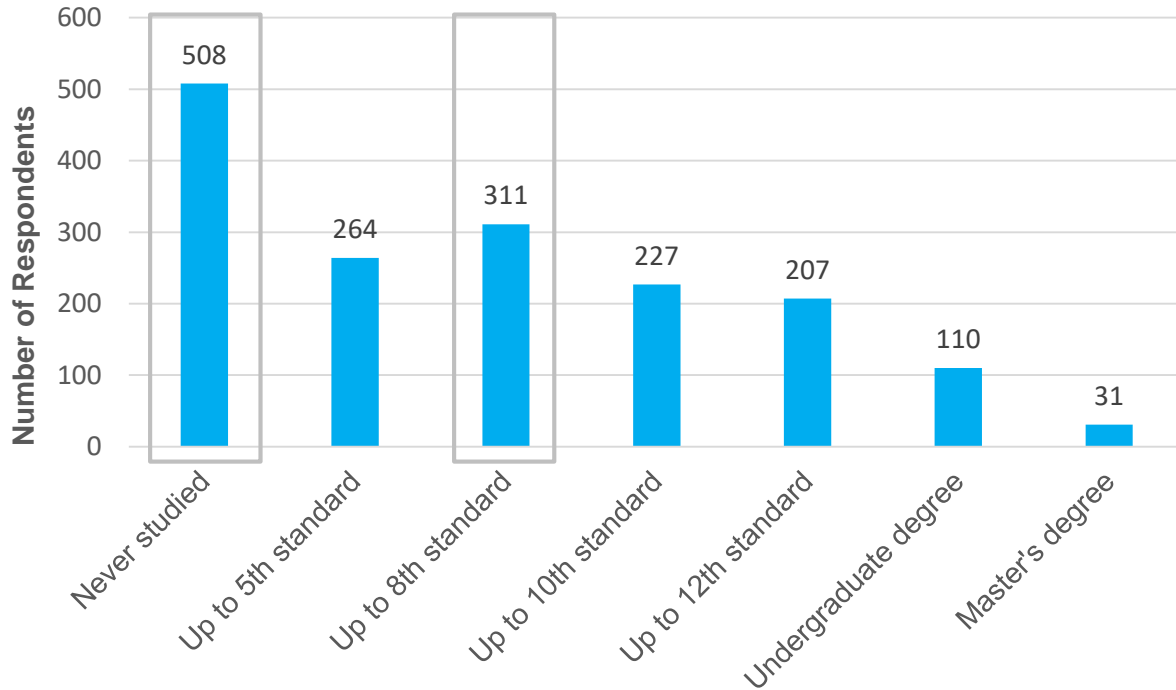
- Highest number of households were surveyed in Labriya, while the lowest were in Meghapura.
- Sample sizes were representative of total village population.

- 1659 household surveys were analyzed for the purpose of the year-end report.

- Highest number of households were surveyed in Talun, while the lowest were in Kheda.
- Sample sizes were representative of the total village population.

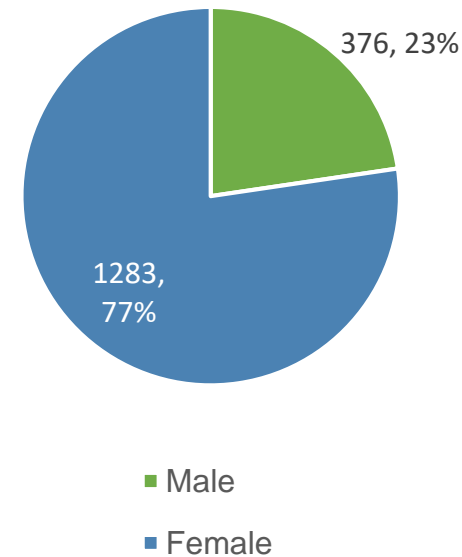
Demographic overview of the Community

Highest Education Attainment



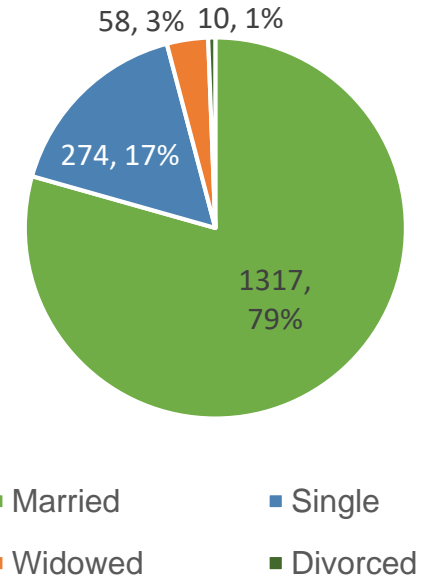
- Overall, education levels across respondent households were low. **30% (508)** households had members with no educational attainments.

Gender



- 77% women** and **23% men** were surveyed

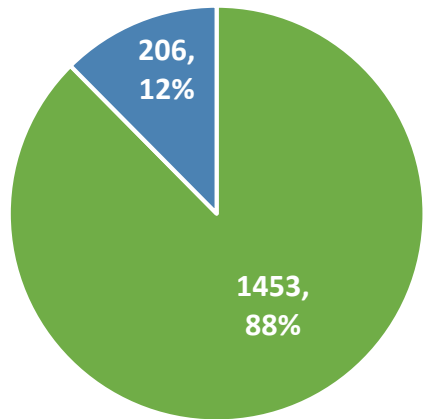
Marital Status



- More than $\frac{3}{4}$ th of the respondents were married

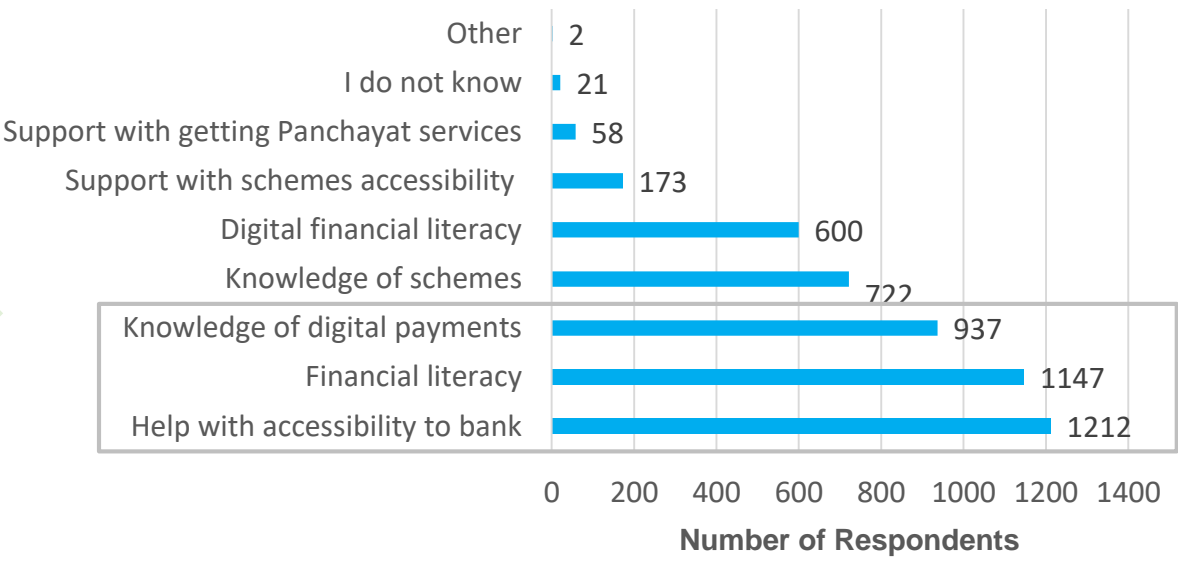
Most of the surveyed respondents have heard of the Digital Sakhi Program and have received knowledge of Digital Financial Services from the Digital Sakhis

Awareness of Digital Sakhi Program

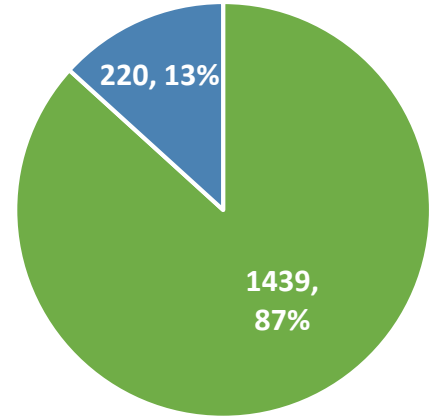


If yes

Perceived objective of Digital Sakhi Program



Participated in Digital Sakhi Program



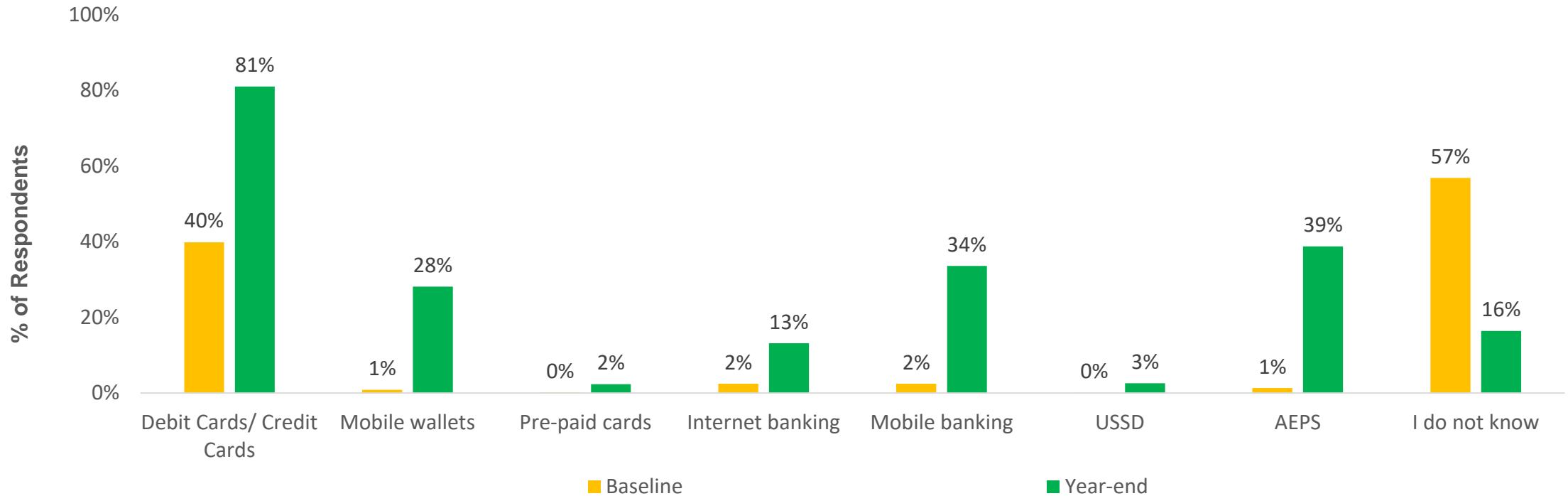
- **88% (1453 of 1659)** of the surveyed households were aware of the Digital Sakhi Program.
- When asked what the program is about, **83% (1212 of 1453)** respondents said that the Program will “**help increase their accessibility to banks**”. Other common responses included **financial literacy** and **providing knowledge of digital payments**.
- **87% (1439 of 1659)** of the surveyed households have also participated in the program, through door-to-door visits conducted by the Digital Sakhis.

For Baseline, n = 1603
For Year-end, n = 1659

AWARENESS AND ADOPTION OF DIGITAL FINANCIAL SERVICES

Awareness of Digital Financial Services has increased significantly

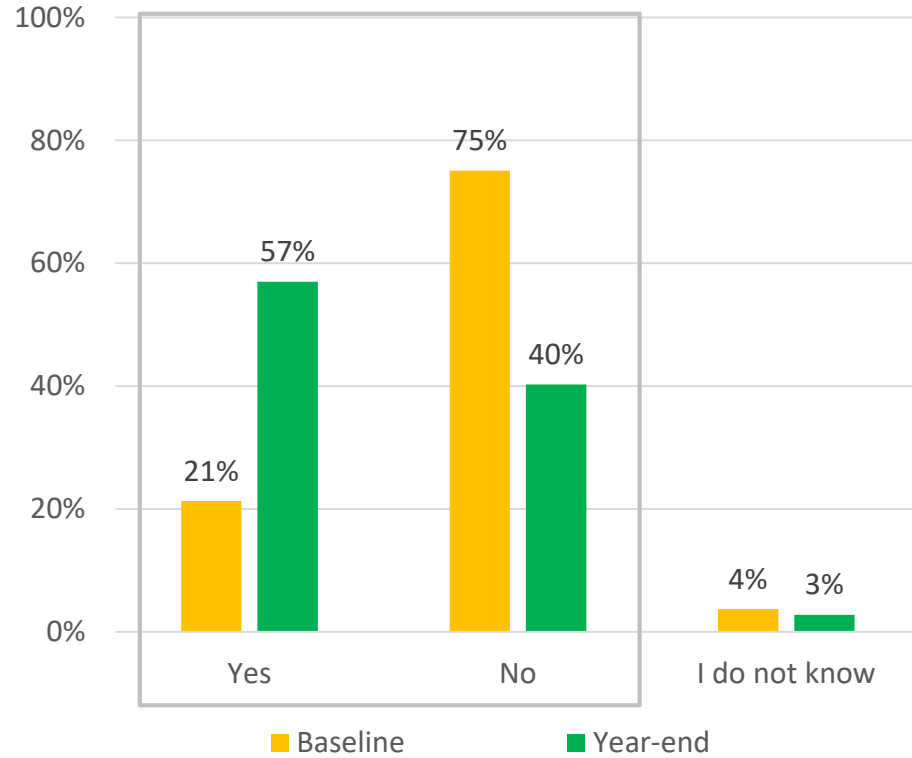
Awareness of Digital Services among Households



- There was an increase in the awareness of digital services after the Digital Sakhi Program from **43% to 84%**.
- Awareness of Debit Cards and Credit Cards increased from **40% household to 81% household**, Mobile Wallets increased from **1% households to 28% households**, Internet Banking increased from **2% households to 13% households**, and AEPS increased from **1% households to 39% households**.

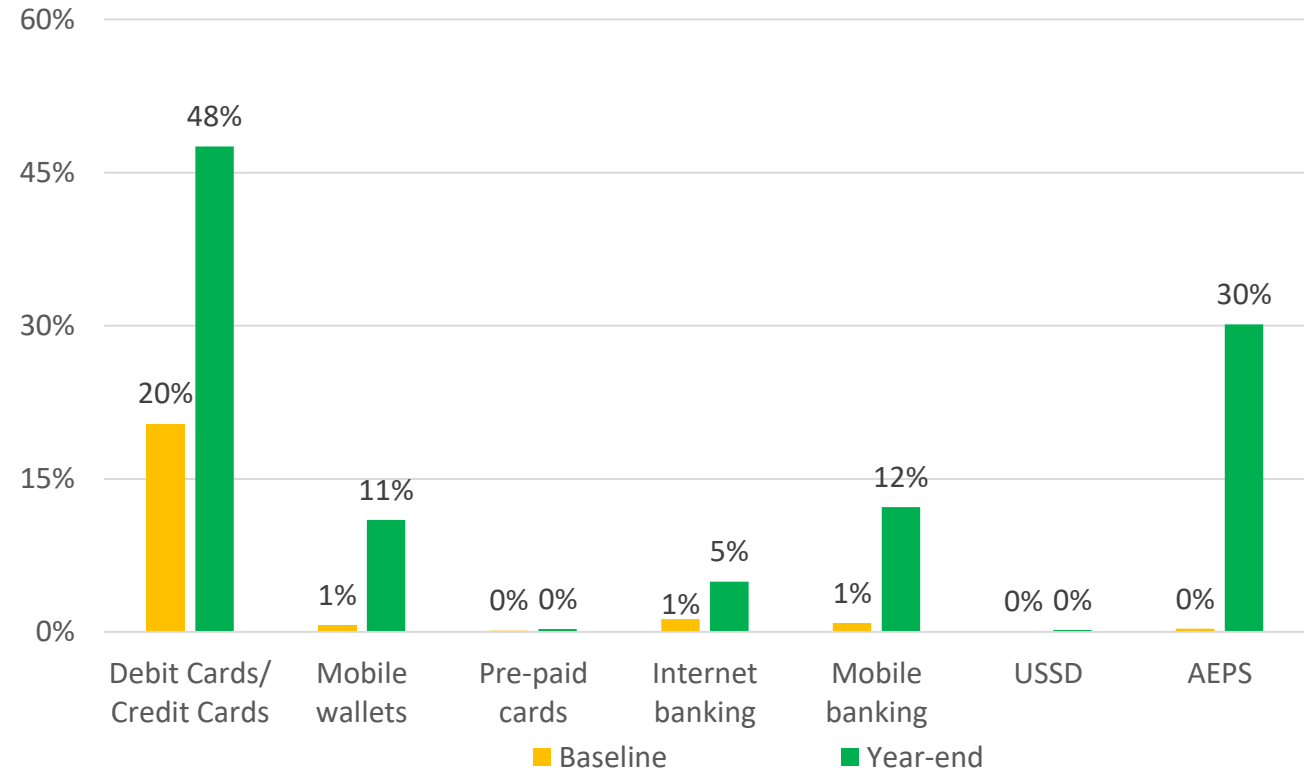
Adoption of Digital Financial Services increased from 21% households to 57% households

Using Digital Financial Services



If yes

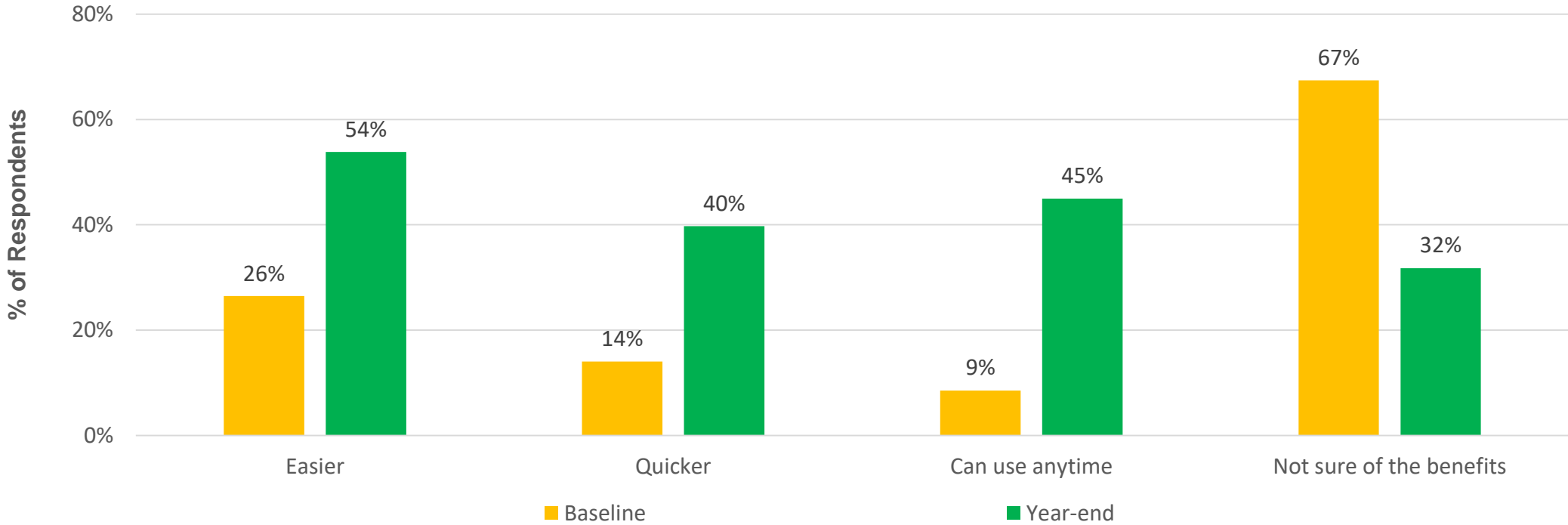
Types of Digital Financial Services Used



- After the Program, **57%** of the Households reported using some form of Digital Financial Services, showing an increase of 36% households from baseline.
- Usage of Debit / Credit cards increased from **20%** to **48%** and AEPS increased from **0%** to **30%**.

Increase in the number of respondents who could articulate the benefits of using Digital Financial Services

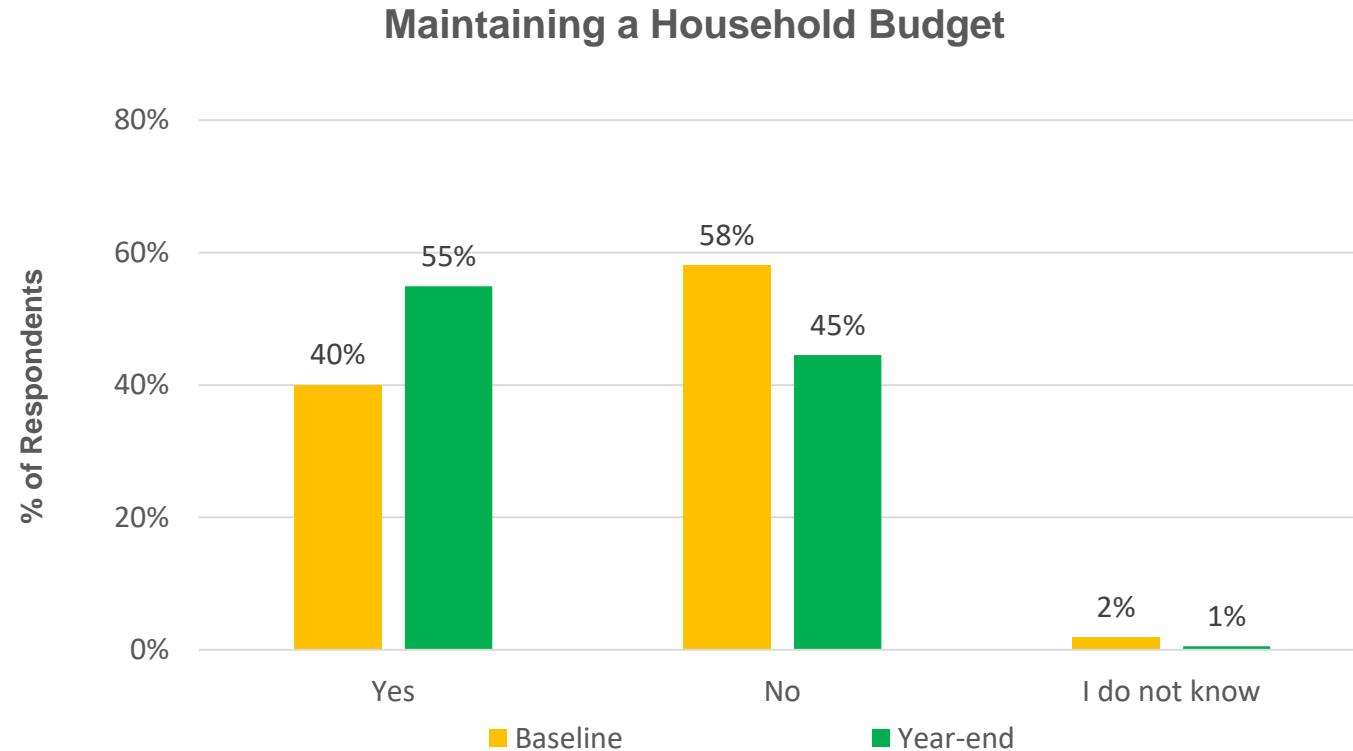
Perceived benefits of Digital Financial Services



- Significant increase in respondents who are aware of the benefits of using digital financial services, from **33%** at baseline to **68%** at end of year 1.
- Each category of perceived benefits i.e. easier, quicker and conviction, saw an increase in the number of respondents that could identify that benefit.

HOUSEHOLD FINANCIAL HABITS

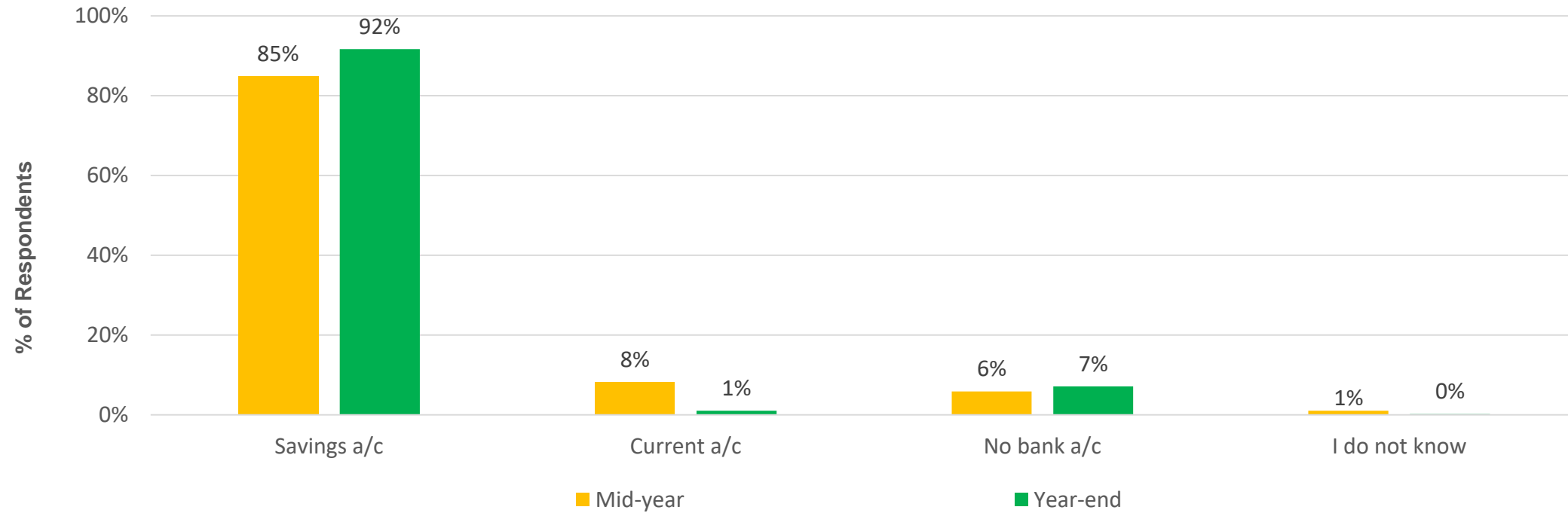
15% increase in the number of households maintaining a monthly budget



- There has been an increase in the number of households who maintain a Household Budget, from **40% at baseline** to **55% at the end of year 1**.
- Through discussions with community members it was found that the module on 'Savings' had a significant impact on the community and maintaining a monthly budget was seen as a way of improving financial decisions and increasing savings.

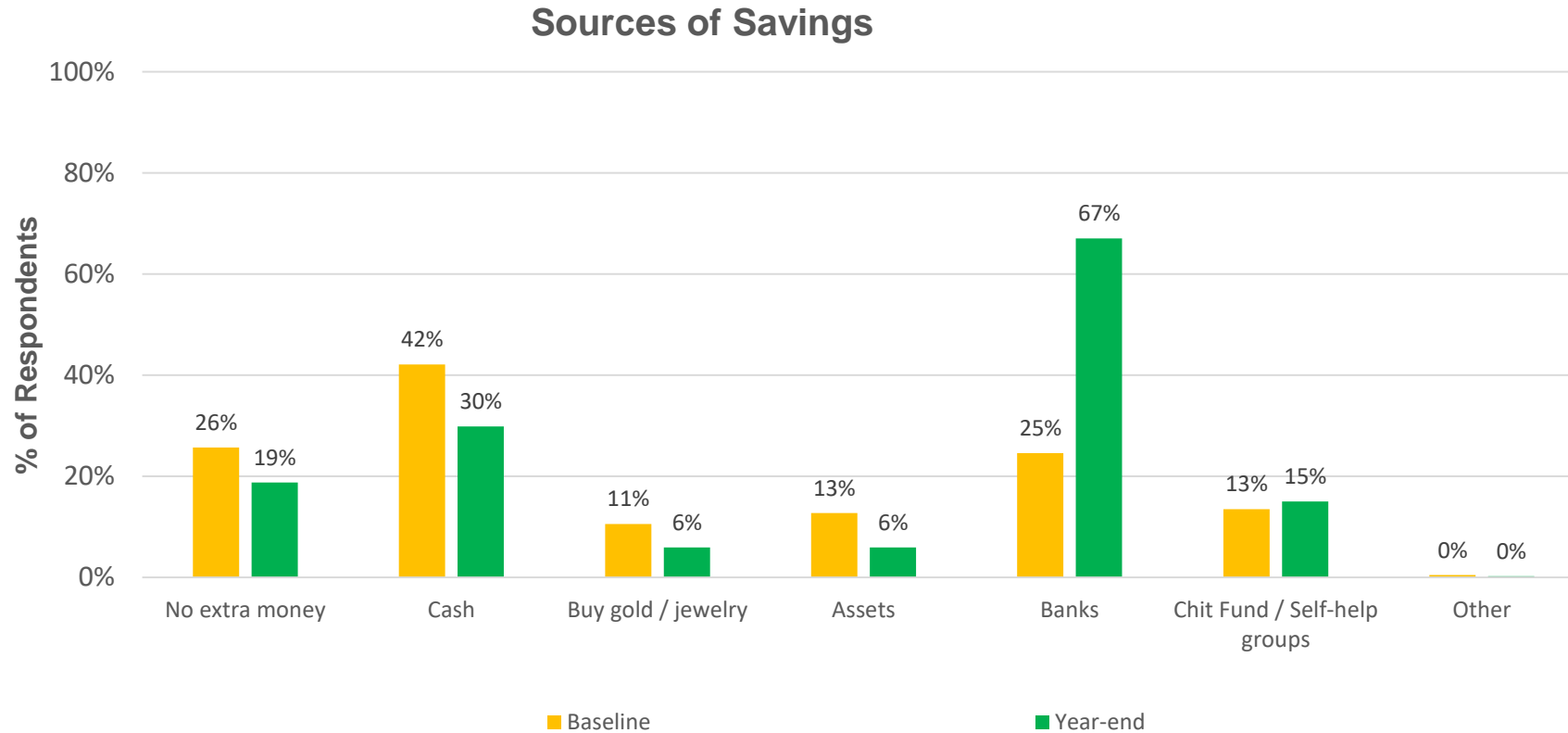
93% respondents own a bank account

Bank Accounts owned by the Respondents



- 7% increase was observed in the savings bank accounts owned by the Respondents from **85%** at baseline to **92%** at the end of year 1.
- A 7% decrease was seen in the number of respondents who held current accounts.

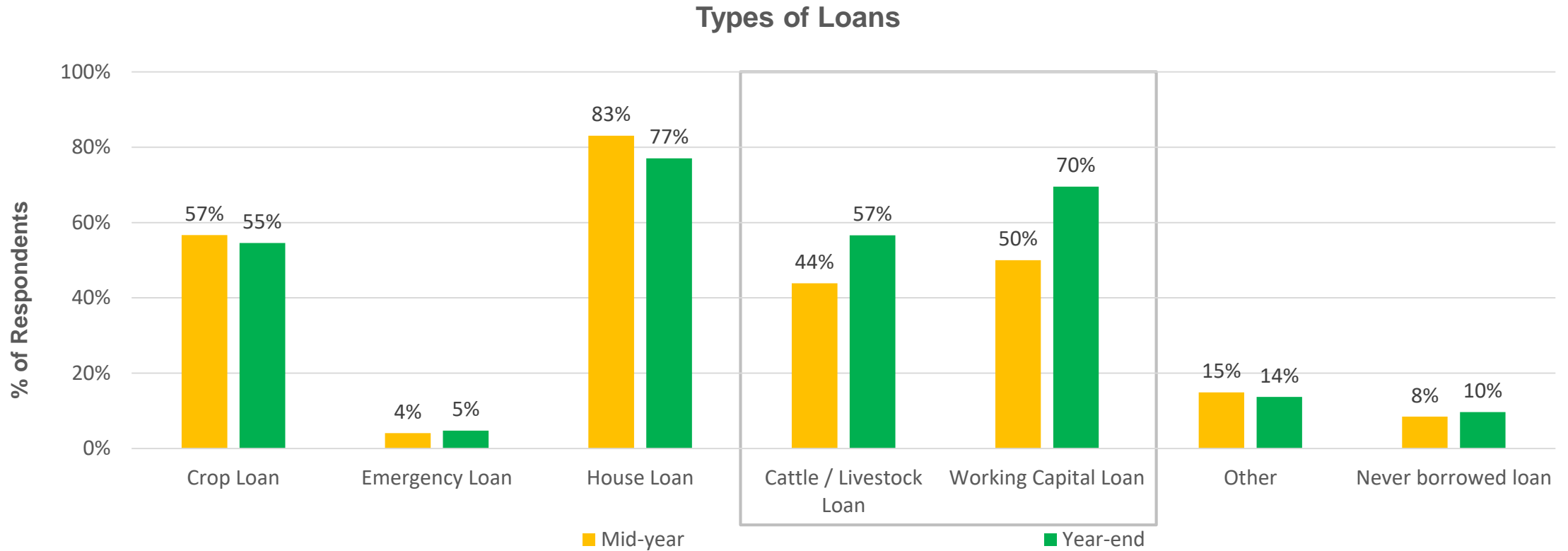
There is a shift in saving patterns from saving in cash to savings in formal sources



- After the Digital Sakhi Program, there was a reduction in the households that saved in cash, from **42%** at baseline to **30%** at end of year 1.
- Consequently, savings in Banks and Financial Institutions increased from **25%** to **67%**.

AWARENESS OF FINANCIAL SERVICES

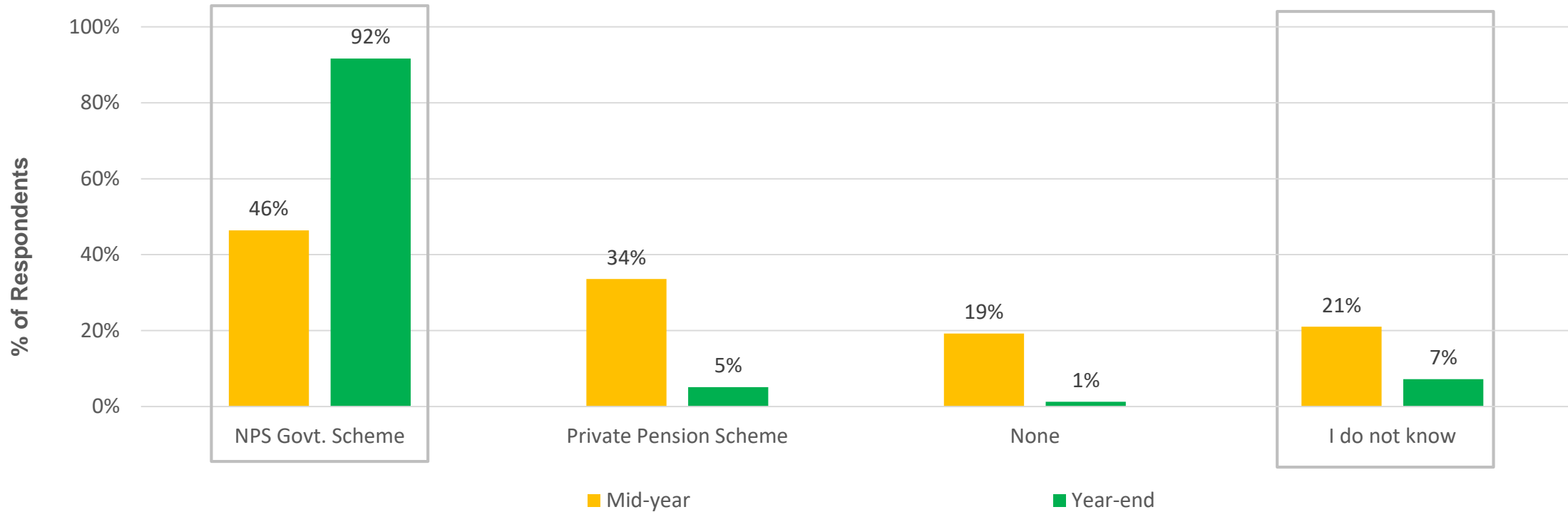
Awareness of cattle / livestock loans and working capital loans saw an increase



- Awareness of Cattle / Livestock Loans increased from **44%** to **57%** and Working Capital Loans increased from **50%** to **70%**.
- **Community members** who reported awareness of **House Loans** decreased from **83% at baseline** to **77% at end of year 1**.

Awareness of pension schemes has increased significantly

Pension schemes that can be availed by Households

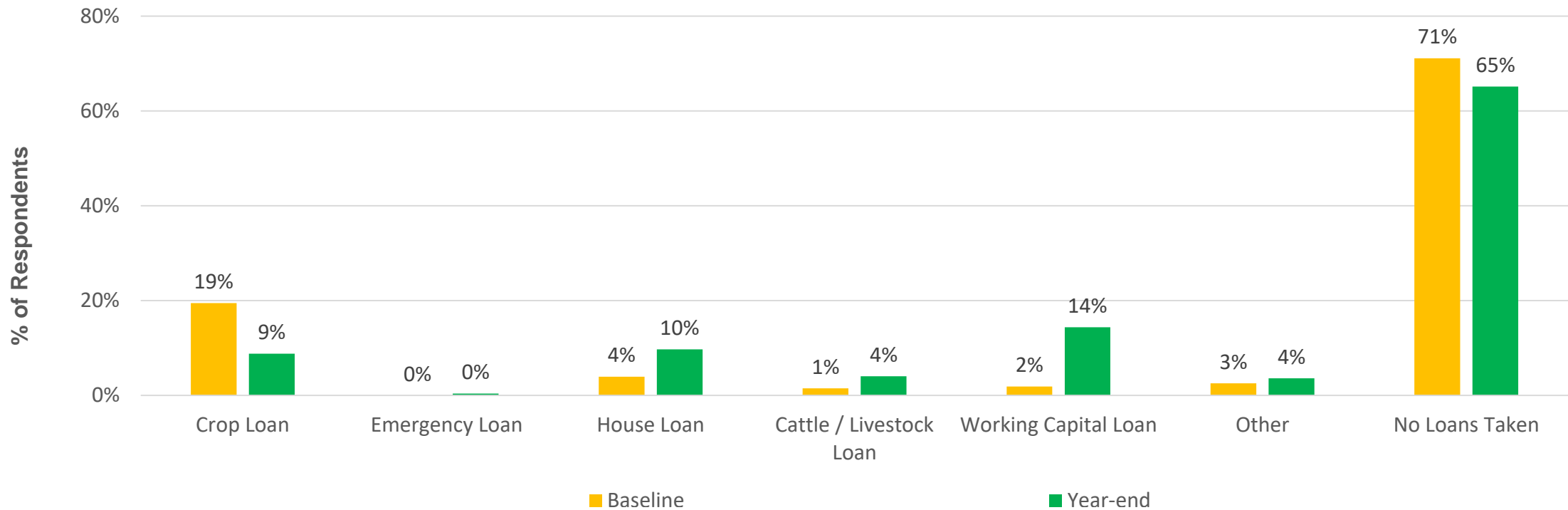


- There was a significant increase in the awareness of pensions schemes.
- Awareness of Government Pension Scheme (NPS) increased from **46%** to **92%** while fewer respondents reported awareness of private pension plans.

ADOPTION OF FINANCIAL SERVICES

There was a marginal increase in the number of households that availed house loans and working capital loans

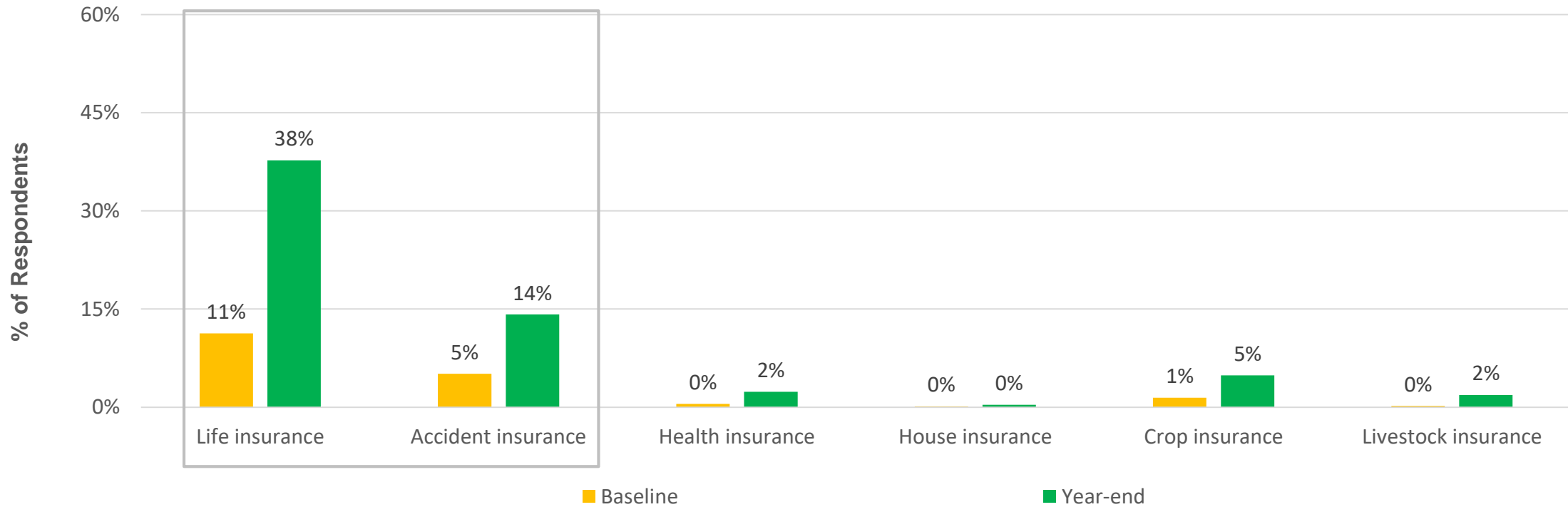
Loans availed by Households



- There was a marginal decrease in the households that had never borrowed a loan, from **71%** earlier to **65% at end of year 1**.
- Households that availed House Loans increased from **4%** to **10%** and households that availed Working Capital Loans increased from **2%** to **14%** while Crop Loans decreased from **19%** to **9%** after the Program

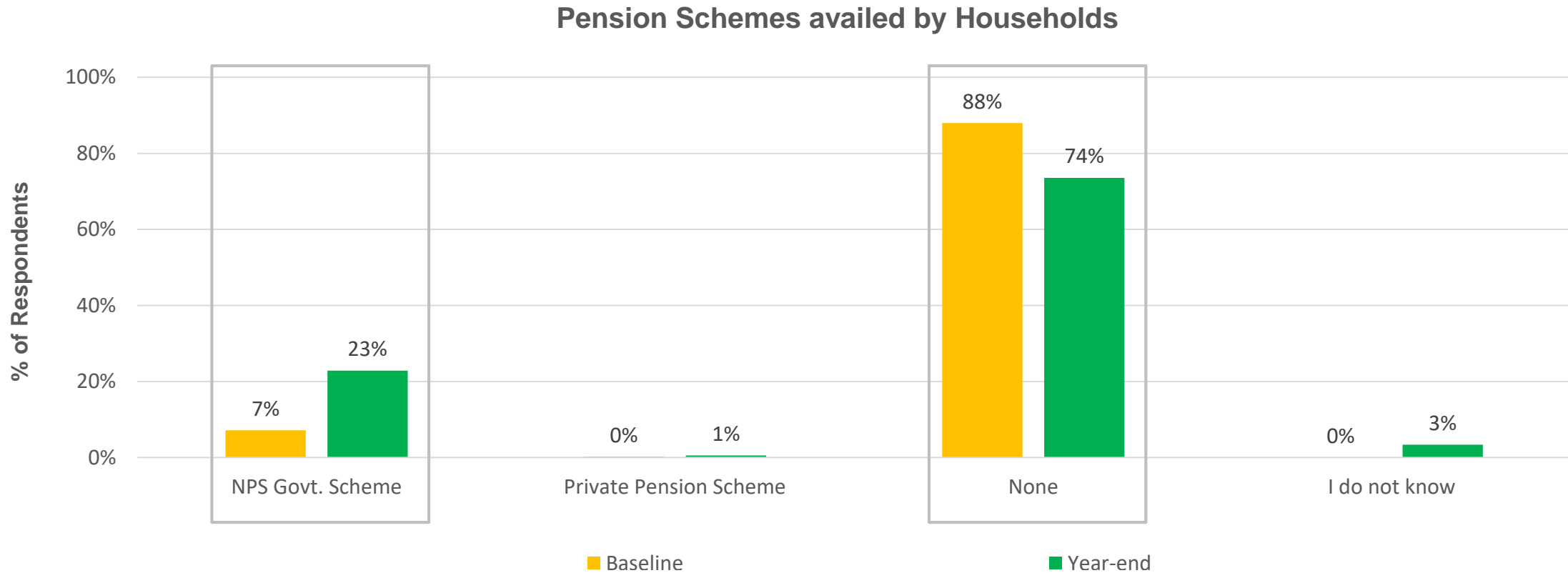
There was a significant increase in the insurance products availed

Insurance products availed by Households



- After the Digital Sakhi Program, there was a significant increase in the households that availed insurance products.
- Life Insurance increased from **11%** to **38%** and Accident Insurance increased from **5%** to **14%**.

Adoption of Government Pension Schemes has seen an increase

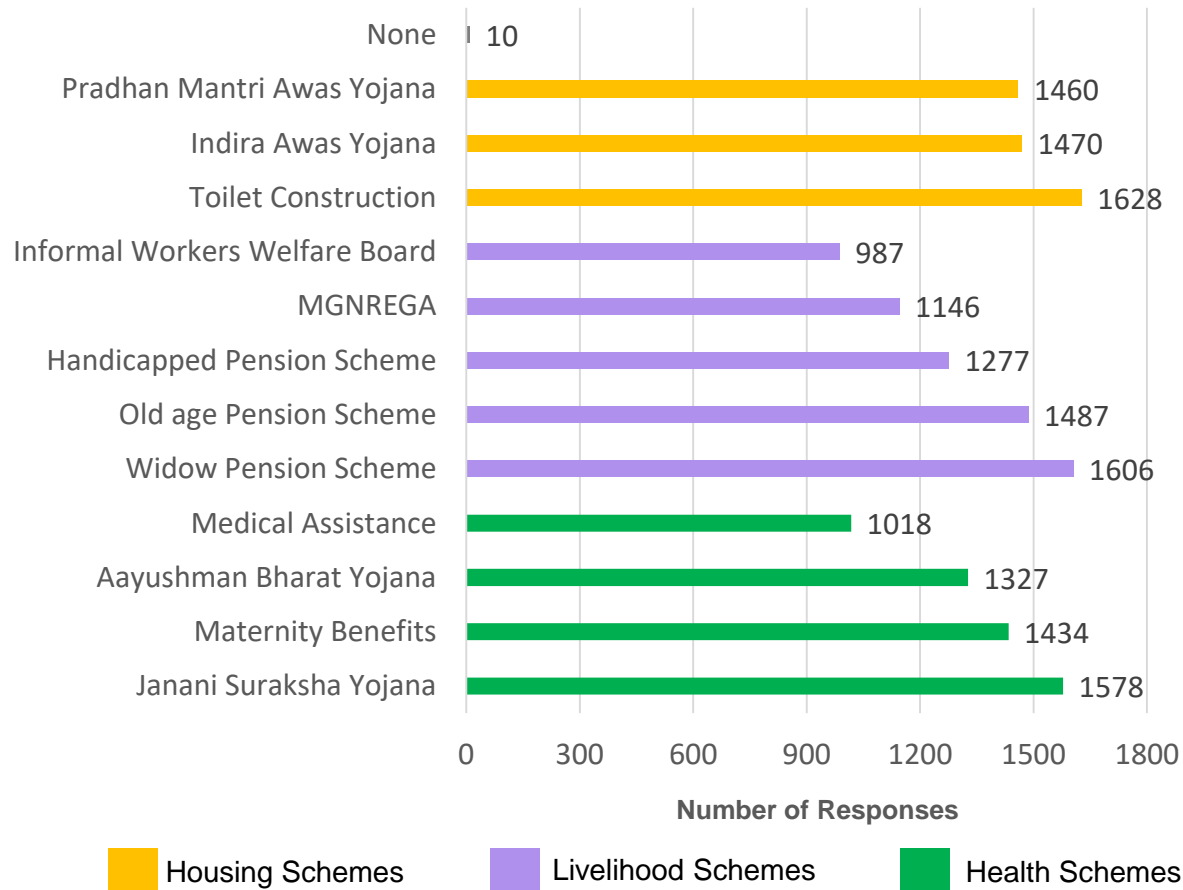


- After the Digital Sakhi Program, there was an increase in the number of households that availed pension schemes.
- National Pension Scheme (NPS) increased from **7%** to **23%** while households that did not avail any pension schemes reduced from **88%** to **74%**.

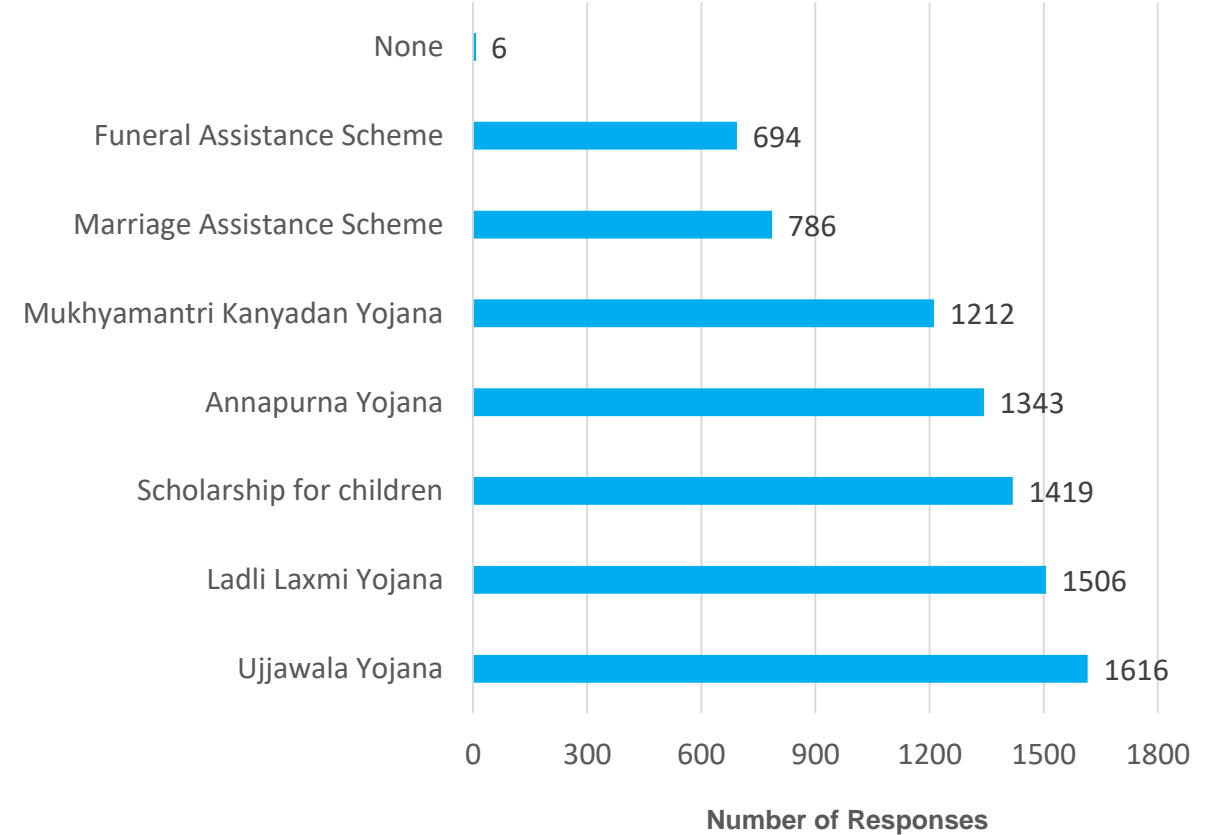
AWARENESS AND ADOPTION OF GOVERNMENT SCHEMES

Overall awareness of Government Scheme is high amongst survey respondents

Awareness of Primary Govt. Schemes

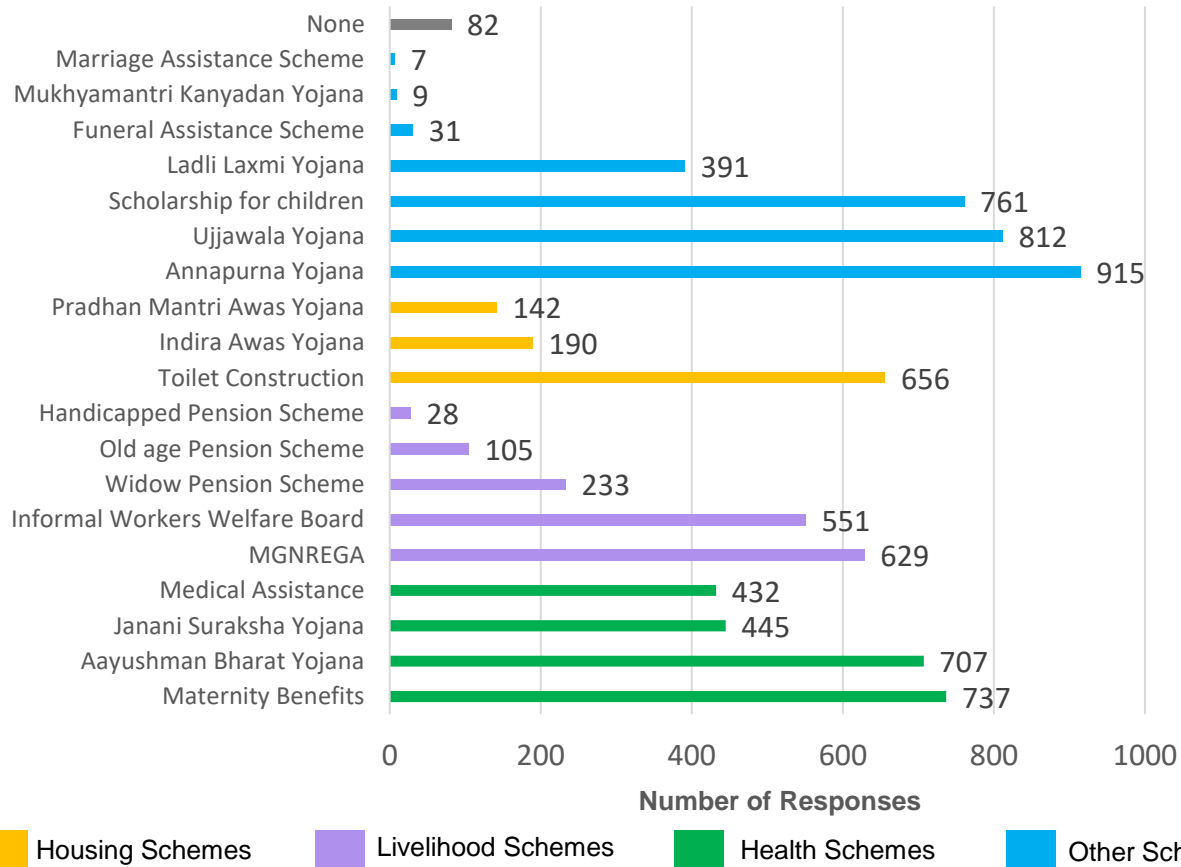


Awareness of Other Related Schemes

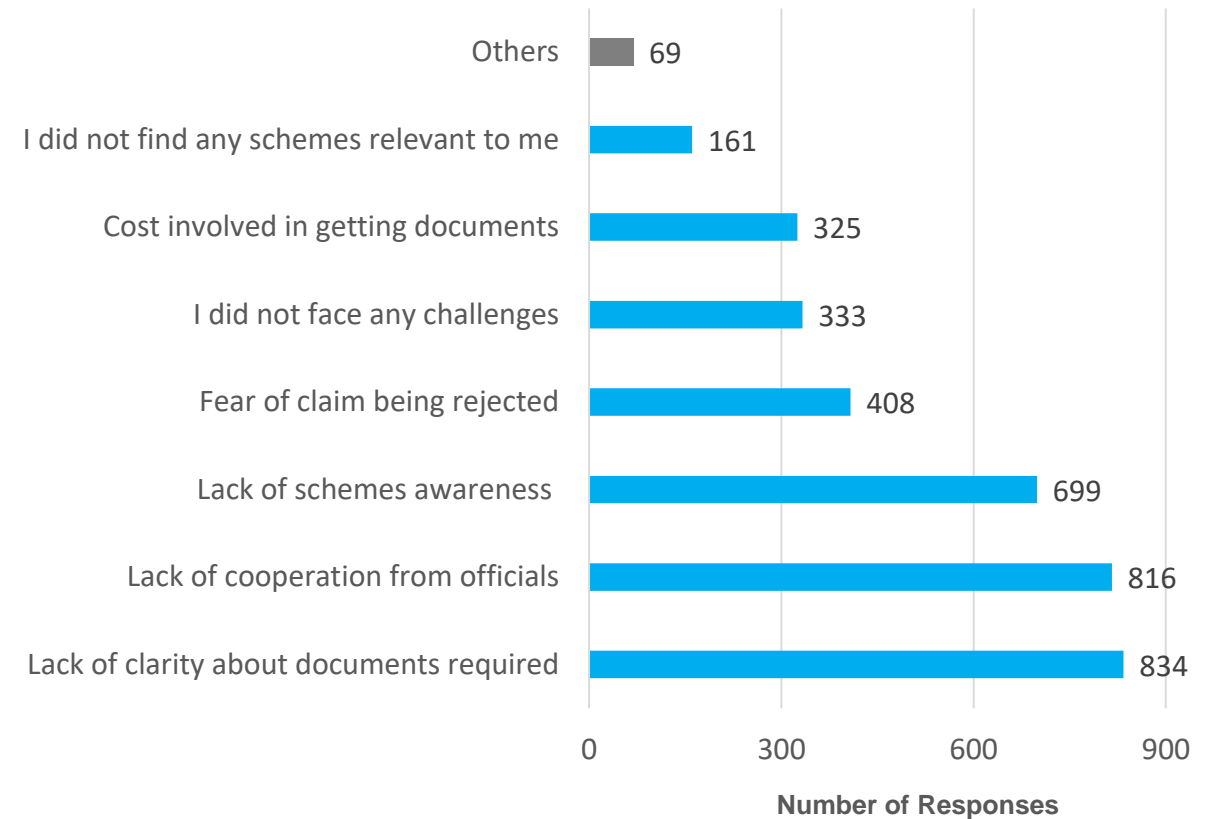


Overall adoption of Government Schemes is low amongst survey respondents

Adoption of Primary Govt. Schemes



Challenges faced while accessing Govt. Entitlements

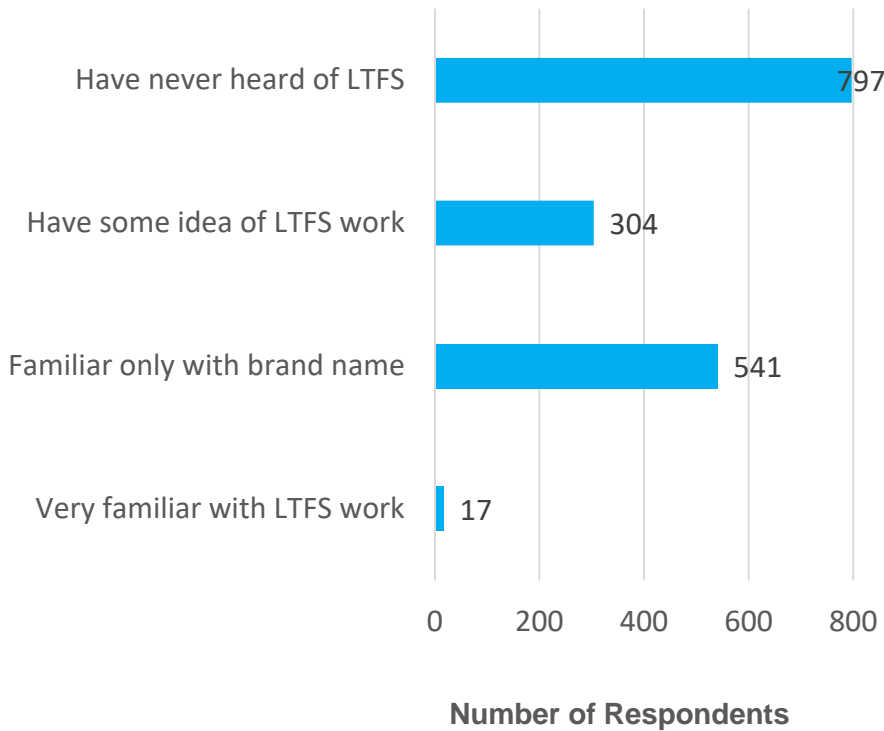


- **55%** households availed **Annapurna Yojana**, **40%** households availed **Toilet Construction Schemes**, **38%** households availed **MGNREGA**, and **44%** household availed **Maternity Benefits**.

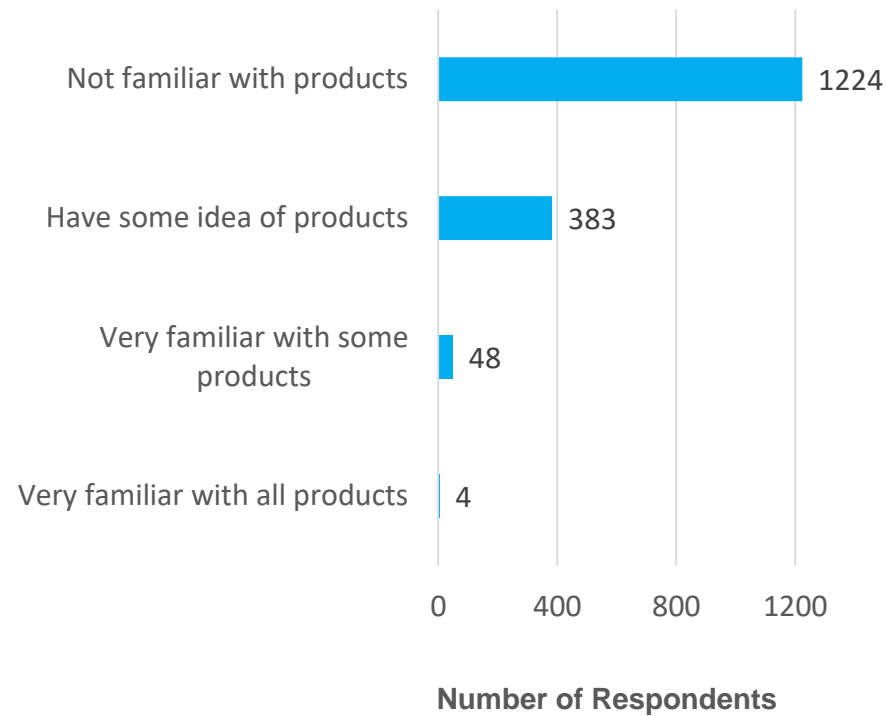
LTFS BRAND AWARENESS

Awareness of brand and adoption of the products offered by L&T Financial Services is low

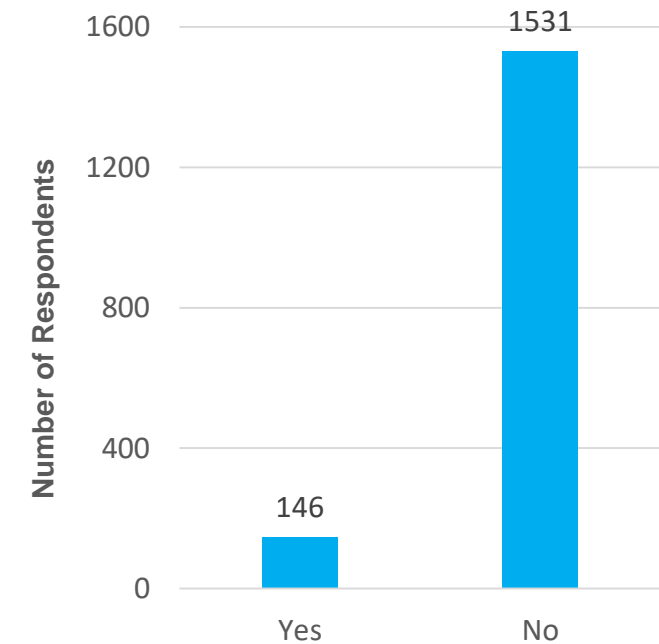
Awareness of LTFS work



Awareness of LTFS Products



Availing Products of LTFS



- Awareness about the brand and the products offered by L&T Financial Services is low with **33%** respondents familiar with brand name and **3%** respondents aware of products.
- Only **9%** respondents have availed financial products offered by L&T Financial Services.

Recommendations for FY 2019-20

Based on findings from the End of Year Assessment, the following will be incorporated into the program in FY 2019-20:

- ❖ **Increasing adoption of digital financial services** through Digital Sakhi trainings, community door-to-door visits and DigiDhan Camps on 'Advanced Modes of Payment'.
- ❖ **Increasing adoption of financial services** within community and Digital Sakhi households, particularly formal borrowing through continued focus on foundational financial literacy.
- ❖ **Increasing access to government schemes** through Digital Sakhi trainings and community door-to-door visits.
- ❖ **Enhancing confidence and leadership skills** of Digital Sakhis through handholding support provided by SEWA team.
- ❖ **Enabling Digital Sakhis to become role models** for the larger community with regards to financial and digital financial literacy.