



STRIVE for Learning

Savings Groups Brief #4

Introduction to Savings Groups Plus

The STRIVE Savings Groups Brief Series provides basic guidance on savings groups (SG) programming to donors and practitioners who are interested in utilizing the approach to achieve positive effects on child protection and wellbeing. This Brief #4 addresses the use of savings groups plus additional services (SG+) in improving the impact of the model on vulnerable children. SG+ operate just like SGs, but with the addition of other services or activities that benefit members, their households, and/or their communities.

What services can be provided?

Examples of SG+ services include:

- Training in life skills, financial literacy, health and nutrition, entrepreneurship, or other areas;
- Social marketing of a variety of products such as solar lamps and anti-malarial bed nets; and
- Other financial services, including insurance and group savings accounts.

A recent survey of 102 organizations working with SGs noted that 87% were integrating other services using an SG+ approach; 60% reported offering financial and/or entrepreneurship training; and 30-40% were offering education in nutrition, health, life skills, and/or child rights.¹

What role do SG+ have in multi-sectoral programs?

The table below illustrates some of the “value-add” of savings groups plus.

Roles of Savings Groups	Value for Donor/Development Agencies
Savings group is an entry point for new products and services in the community.	The group’s endorsement holds sway in the broader community.
Savings group as platform for additional services.	Provides development agencies with an efficient mechanism for reaching many people at once.
Savings group as gatekeeper to the community.	Agencies benefit from their local knowledge.
Savings group as market distribution channel.	External agencies rely on them for marketing.
Savings group as teaching venue for youth, reinforcing math skills and financial literacy.	SGs provide a setting where youth can apply what they learn in financial education, math, or entrepreneurship classes.
Savings group have launched their own community improvement efforts such as preschools, building projects, and clinics.	Savings group improve community impact by engaging in their own interventions.
Savings group as stepping stone to formal financial services, such as those offered by a microfinance institution.	SGs help to pave the way for members to engage in formal financial services beyond the group.

¹ Oglietti, K. (2013). Webinar. *Savings Groups as a Platform for Promoting Child and Youth Wellbeing via Household Economic*

Strengthening: What is the State of the Practice? Arlington: The SEEP Network.

Elements of Sound SG+ Design

When designing multi-sectoral programs or evaluating project proposals related to SG+, it is important to assess who will deliver the add-on services. Each approach has advantages and disadvantages, which are discussed in more detail in the Technical Guide.² The best approach should be identified in the demand and supply market study done by an implementing agency prior to submitting a proposal.

Lessons Learned

Approach Type	Description
Linked	Two or more institutions provide services; one may organize groups for the purposes of saving and credit, while the other delivers a nonfinancial service (e.g., health education, agricultural extension, etc.).
Parallel	Distinct staff within the same institution provide different services to the groups.
Unified	All services are provided by the same staff of the same institution.

While the possibilities for introducing other activities to Savings Groups are endless, experience dictates caution with respect to the number of ‘add-ons’ that groups can effectively manage, the diversity of expertise required to introduce them, and their cost. Below are described some of the lessons learned by implementing agencies when delivering add-on services.

Sequencing of SG+

SGs should be given enough time to establish themselves and master the methodology before taking on other activities. A common strategy is to hold back the introduction of add-on activities until the group has finished its first year.

Timing of the Additional Activities

Add-on activities should occur after regular SG business is conducted. This benefits the add-on activities by allowing associated discussions to carry on until their conclusion, rather than being cut off to conduct business.

Selecting the Services or Activities to Add to SGs

Proposals should clearly answer the following questions:

- How will the add-on services be sequenced?
- Who wants the additional activity?
- Does this activity complement the SG, or detract from its core functions?
- If the activity is managed by other organizations, what can be done to monitor service quality and ensure that it does not jeopardize the basic SG?

The selection of services should ‘do no harm’. Add-ons should respond to members’ needs and wishes as opposed to the priorities of the program managers or donors. They should complement the core functions of the savings group in order to enhance impact. When child-level impacts are desired, services that benefit those children (e.g., nu-

trition education, cooking demonstrations, or special fundraising efforts to provide school supplies for vulnerable children) are highly complementary.

Sustainability Of The “Plus” Service(s)

As with SGs, SG+ programs should adopt an exit strategy and sustainability objective for the “plus” service. Program designers should carefully consider the capacity of SGs (and community-based trainers, if they are used) to manage the “plus” services. While the financial component can be independently managed by groups, many “plus” services require ongoing external support.

² Savings Groups and Their Role in Child Well-Being. Op.cit.

To learn more about designing savings group and savings group plus projects to improve child wellbeing, please see the STRIVE Technical Guide, [Savings Groups and their Role in Child Wellbeing: A Primer for Donors](#), on which this and the other STRIVE SG Briefs are based.

The briefs in the SG series include:

- #1: Savings Groups - Core Principles
- #2: Savings Groups for Child Wellbeing - the Risks
- #3: Designing Savings Groups to Benefit Vulnerable Children
- #4: Introduction to Savings Groups Plus
- #5: Savings Groups Plus for Child Wellbeing

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