



# REFINING ECONOMIC STRENGTHENING BENCHMARKS FOR GRADUATION

## PEPFAR OVC Graduation Brief Series: 2 of 4

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### Key Messages

1. Each OVC program operates using its own definition of graduation, presenting a challenge for defining universal minimum graduation benchmarks.
2. Some OVC programs use a benchmark approach, while others use index scores to measure readiness for graduation. Index scores are not recommended because it is difficult to generate valid classifications of vulnerability, and aggregated scores mask how a household might be vulnerable in some domains, but not others.
3. Not all OVC participants receive economic strengthening (ES) interventions, which suggests that ES benchmarks should be modest. Implementers advised that households should be able to cover basic costs, eat two or more meals per day, start saving, and increase assets.

This brief is the second in our *PEPFAR OVC Graduation Brief Series*, which discusses the challenges faced by OVC programs in defining realistic, achievable minimum benchmarks for economic strengthening (ES) as well as sequencing interventions in order to prevent graduated households from backsliding, or returning to a pre-graduation state of vulnerability.

### Objectives

There is an emphasis on defining universal minimum benchmarks for PEPFAR OVC programs, yet each program operates using a unique definition of graduation. We conducted

key informant interviews (KIs) with seven implementers of OVC programs to understand how ES benchmarks are developed and operationalized. Our specific research questions included:

- Is there a threshold that participants need to pass to escape a poverty trap?
- Is it realistic for OVC programs to benchmark economic outcomes at the level where households are self-sufficient?
- Are households reaching sustainable livelihoods, or are they just reaching a point of greater stability?
- What do OVC programs realistically do, and what should they strive to accomplish?

## Methods

Between September 1 – 20, 2017, ASPIRES conducted seven KIIs with representatives from six OVC programs in four countries in sub-Saharan Africa.

Interviewees were selected based on the recommendations of USAID’s OVC Technical Working Group as recent OVC programs using graduation approaches. Interview data was transcribed and analyzed using thematic coding in QSR NVivo 11.

<b>Better Outcomes</b> (2015 – 2020) Uganda	<b>Massimo Lowicki-Zucca</b> Chief of Party WorldEducation/Bantwana
<b>SCORE</b> (2011 -2018) Uganda	<b>Rita Larok</b> , Chief of Party AVSI Foundation
<b>STEER</b> (2013 – 2018) Nigeria	<b>Halima Dikko</b> , Deputy Chief of Party Save the Children
<b>Turengere Abana</b> (2012 – 2020) Rwanda	<b>Adeline Manikuzwe</b> , Technical Director FXB International
<b>Twiyubake</b> (2015 – 2020) Rwanda	<b>Juste Kayihura</b> , Director of Economic Strengthening <b>Tona Isibo</b> , Director of Monitoring, Evaluation, Results, and Learning Global Communities
<b>Yekokeb Berhan</b> (2011 – 2016) Ethiopia	<b>Michael Haddish</b> , ES Officer Pact

Box 1. OVC Programs and Key Informants

## Findings

### PROGRAM CHARACTERISTICS

We examined six OVC programs in Ethiopia, Nigeria, Rwanda, and Uganda. These programs

featured an integrated set of interventions typical of large-scale USAID-funded OVC programs, including linkages to HIV and other health services, psychosocial support, ES, nutrition, education support, and other services. These services are delivered using household-centered approaches, including individual case management and home visits provided by professional staff and/or volunteers.

### ES Services Provided

Of the many integrated services provided by OVC programs, informants emphasized ES as an important driver of sustainable graduation. However, ES programming was not provided to all program participants. Better Outcomes aimed to provide ES to 80% of households, though actual figures were suspected to be lower, around 60%. Yekokeb Berhan estimated that 43% of “grower” households received ES, which was not offered to household categorized as “destitute” or “struggling.” SCORE ES interventions were primarily delivered through savings groups (SGs), but participation rates ranged from only 20 to 28% of households in any given period. STEER reached 79% of OVC caregivers with ES in some capacity. By contrast, Twiyubake and Turengere Abana provided all households with some form of ES. SGs were used as the programmatic entry point for Twiyubake. Turengere Abana, based on the FXBVillage model, also used ES as a central intervention provided to all households.

### BENCHMARKS

The ongoing discussion about appropriate graduation benchmarks centers on two key questions: 1) what outcomes are feasible given the resources and scope of the program, and 2) at which point are these outcomes considered “sustained”? Decision-making on benchmarks

is driven largely by the former, dependent on each program's ability to train volunteers to provide high quality services to the large number of households in need of services.

### **Definition of Graduation**

Definitions and measurements of graduation vary significantly, though they typically cover similar domains of wellbeing. OVC programs have traditionally used a vulnerability index tool to assess graduation readiness across economic and non-economic wellbeing domains. These tools usually aggregate scores across domains to generate a single vulnerability score. However, these tools are not always accurate, and recent guidance from 4Children has prompted a shift toward creating and assessing graduation readiness against discrete benchmarks.

Twiyubake, Turengere Abana, Yekokeb Berhan, and SCORE utilize index tools that require minimum scores. Better Outcomes and STEER have adopted a benchmark approach, requiring a minimum set of discrete outcomes rather than achieving an index score.

**“...for our work, being graduated is essentially no longer being among the most vulnerable...if we utilized a different set of cutoff points, the definition of graduation... would be probably different.”**

**–COP Better Outcomes**

Twiyubake uses a vulnerability assessment tool that aggregates scores across domains to generate an overall score. This score corresponds to a vulnerability classification,

each with a designated threshold for graduation. There are also minimum scores for specific domains required for graduation. Households are expected to graduate in two years, and the tool is then applied to graduated households one year after graduation.

While most programs graduate entire participant households, Yekokeb Berhan graduated individual children. A single household may have a mix of graduated and not graduated children. When all children graduate, the household graduates by default. Children and their households are considered ready to graduate when services indicated in the care plan have been delivered and children's lives have improved, according to the ES Officer interviewed. Improvement in children's lives is evaluated using the Child Support Index and ensuring that the child's emergency needs are met. The Child Support Index was adapted by Yekokeb Berhan based on MEASURE Evaluation's Child Status Index (Yekokeb Berhan, 2012). It aggregated scores across various domains to measure children's wellbeing, with several household-level indicators related to economic status. Graduation was defined as when a child was no longer eligible for services, where eligibility was based on a specific score on the CSI.

Turengere Abana defines graduation as the level at which a household can take care of household needs and provide care for children. This is measured using an index tool, where households must meet a minimum score to graduate. Turengere Abana typically graduates the entire household, though there are cases where individual children will graduate before the household. The Technical Director estimated that 85% of households graduated after three years, yet the minority of households

not meeting graduation criteria within this time period could be enrolled for an additional year.

SCORE defines graduation readiness based on a minimum score on the Household Vulnerability Assessment Tool (HVAT), a vulnerability index that aggregates scores across key outcome domains including economic, health, WASH, child protection, and access to critical services. SCORE uses what it calls a “responsible graduation approach,” where households must maintain a minimum score on consecutive HVAT assessments over the course of one year in order to graduate. Respondents suggested that graduation takes about three years. As of 2015, in the fourth year of the program, nearly half of SCORE’s 29,000 households had graduated with an additional 33% in a pre-graduation phase.

STEER uses benchmarks in addition to vulnerability indices that apply at the household- and child-level. Benchmarks were agreed upon by implementing partners, 4Children, and Nigeria’s Federal Ministry of Women Affairs and Social Development. They require that: 1) household members know their HIV status; 2) households are accessing health services; 3) children (5 – 15) are enrolled in school; 4) older children (15 – 18 years) are enrolled in school or vocational training as well as life skill building; and 5) family income is improved, diversified, and assets are accumulated. STEER began graduating households at the beginning of their fourth year. As of August 2017, roughly 14,900 of 42,176 households had graduated, representing more than one-third of all households in the program.

Better Outcomes uses a benchmark approach to graduation based on a five-question assessment from the Government of Uganda

used for both enrollment and graduation. If a family has five affirmative responses, they are enrolled. They only graduate when the following “red flags” no longer apply: 1) household is child-headed; 2) child in family has suffered any protection failure (i.e. sexual abuse, violence, neglect); 3) school-aged children are not in school; 4) family has eaten less than two meals/day in the past two months; and 5) household members do not know their HIV status. “Red flags” are assessed annually.

### **Defining Economic Strengthening Benchmarks**

It is challenging to establish a reasonable minimum benchmark for ES outcomes that can be broadly applied given the variation in ES programming offered to participants. To develop benchmarks, it is useful to review the economic outcomes that OVC programs sought to achieve. We found that the goals of ES and how they are measured varied across programs. Most programs defined desired outcomes as overall improvement across indicators of economic wellbeing rather than specific outcome levels. There were trends in expected economic outcomes that demonstrate what OVC programs generally strive to achieve. Some respondents framed desired economic outcomes in terms of long-term self-sufficiency, whereas others discussed the goal of incremental, short-term improvements. Self-sufficiency was not part of the graduation definition for Better Outcomes, SCORE, or Twiyubake. When asked if economic self-sufficiency was an expected outcome of the program, the COP from Better Outcomes explained that while economic self-sufficiency helped households achieve graduation, it was not the sole expectation for graduation. He explained, “...for our work, being graduated is essentially no longer being among the most

vulnerable. So no longer meeting relatively strict conditions of vulnerability. Our project targets a segment of the population, if we utilized a different set of cutoff points, the definition of graduation as a condition of the project would be probably different.”

SCORE’s program guide lays out the goal of households reaching the classification of “stable” according to its vulnerability assessment tool. However, it does not mention self-sufficiency or sustainable livelihoods as a program goal, instead referring to the general improvement in participant economic status. Indeed, impact evaluation data demonstrates that SCORE graduates’ income is still well below the average in Uganda (SCORE, 2017).

Respondents from Turengere Abana, Yekokeb Berhan, and STEER named self-sufficiency as an expected outcome of ES programming. Turengere Abana’s Technical Director felt that participating in ES helped a household become self-sufficient, estimating 70% of self-sufficiency could be attributed to ES. STEER’s COP explained that a combination of enterprise development training and SGs allowed ES participants to become self-sufficient. Yekokeb Berhan’s ES Officer suggested that households involved in ES were better off than those who were not and were able to achieve self-sufficiency. He explained that ES participants “owned productive and household assets and [were better] able to cover their basic needs than other households who didn’t get the chance of this intervention.” However, midline evaluation data for the program found that 27% of households felt more financially secure by participating in the program, yet just as many households felt less secure. Although 13% of households participating in ES acquired assets, 70% had fewer assets than in the previous year. Desired outcomes typically

included food security, improved income and assets, ability to meet basic needs, and diversification of income sources. Levels of improvement were generally not specified.

## Discussion

Establishing standardized minimum graduation benchmarks to be used across programs is challenging since each program defines graduation differently. OVC programs are still in a transitional phase where some have adopted a benchmark approach but others continue to rely on index scores to measure readiness for graduation. The index approach is problematic because it is difficult to generate valid classifications of vulnerability, and aggregate index scores mask the variability within the individual domains of vulnerability, which may cause case managers to overlook certain areas of weaknesses (Moret, 2018). Against these challenges, the push toward benchmarking is reasonable but complex.

In this assessment, respondents were unable to provide specific levels of achievement that are necessary for sustaining each benchmark. In the absence of standardized indicators, context-specific indicators of resilience, such as those derived from panel household survey data, can help inform benchmarks that are supported by evidence and provide reasonable assurance that households are more resilient than before.

To set realistic expectations for benchmarks, we sought to understand what ES programs are accomplishing. We know that OVC programs usually take two or three years to begin graduating participants. After three years, programs with preliminary graduation figures reported that roughly 30%, 50%, and 85% of participants had graduated (STEER, SCORE, and Turengere Abana, respectively). These

figures represent approximately 8,500 to 14,900 households, with an additional 10,000 in a pre-graduation phase for SCORE. Although these are promising figures, there is limited information to assess the extent of backsliding for households graduating at this pace.

Graduation rates for these programs are not yet disaggregated by type of services received, which is a key point of inquiry for identifying the types and combinations of services that lead to sustainable graduation. ES services, for instance, are not provided to all households. In some cases, ES was available to just 20% of SCORE households in a given period, but this figure reached around 60-80% in other programs. Not all programs, such as Better Outcomes, felt that being economically secure was a requisite for graduation.

If investments in ES components remain limited, the expectations for ES benchmarks should remain low, emphasizing perhaps only a modest level of economic achievement. For example, it might be reasonable to expect that households can cover average basic costs, but expectations beyond that become increasingly program-specific. Moreover, households who are not trained to begin saving should not be expected to have savings as a graduation requirement. Benchmarks should more clearly reflect the types of services and training households actively receive. For households that do not receive ES interventions, perhaps a more realistic ES expectation is that they are aware of community resources they can access to begin saving or generate diversified incomes, even if they have not actively done so. This would also showcase how OVC programs differ from poverty alleviation programs in their definition of graduation in that “escaping poverty” is not the expectation. Instead,

households should have the knowledge and connections to seek help when necessary.

Although there are certain economic outcomes expected for graduates across programs, they do not suggest that ES interventions are generating long-term resilience or helping households escape poverty. At graduation, households were typically expected to be able to cover basic costs, eat two or more meals a day, increase their income, start saving, and increase their assets. By achieving these metrics, households are less vulnerable than at enrollment, but in many cases, remain poor. Importantly, however, there is some preliminary evidence from SCORE (SCORE, 2017) and the FXBVillage model (Desmond, 2007; Epstein & Collins, 2012; Harhay et al., 2017) that the majority of graduating households are able to sustain some of these outcomes over a given period of time. Nevertheless, backsliding persists. SCORE, which is more representative of large-scale OVC programs than FXB’s unique model and does not provide ES to all participants, generates economic outcomes which are still far below average Ugandan living standards (SCORE, 2017).

Our assessment from the commonalities observed across OVC programming is that the discussion on reasonable ES or “stable” benchmarks should be framed in terms of self-sufficiency rather than long-term resilience. Although some programs have not used the term, we find that programs could realistically expect self-sufficiency of graduates, if we define self-sufficiency as the ability to provide for basic needs without program support. Economic proxy indicators, such as being food secure or having all children enrolled in school, could reasonably serve as a marker of household self-sufficiency. After all, if a household can consistently feed all household members

multiple times per day, they have sufficient resources to meet their basic food needs.

This low bar may feel dissatisfying in comparison to outcomes expected from graduation models such as BRAC's. Self-sufficiency may not be a permanent or sustainable condition. However, the expectation that graduating households have emerged from poverty and are resilient is not a reasonable minimum standard that can be applied across OVC programs, or even across all categories of households within a single program. Resilience requires that households are saving, have assets and diversified incomes, and can rely on a broad network for support during lean times. This assessment has shown that too few households enrolled in USAID OVC programs receive these ES services for resilience to be considered appropriate in the standard graduation definition for the stable benchmark.

Ultimately, we expect these suggestions will be further supported or amended as more reliable evidence is generated from evaluations of OVC programs using a benchmark approach, including those we examined as part of this assessment. Since ES was identified as important to stability, and the strongest evidence on graduation outcomes has been generated from programs with a significant ES emphasis, we encourage programs to invest in ES for beneficiaries at all levels. This would assist households to improve their income, grow their assets, and become food secure to a locally acceptable level. More rigorous research on the effect of incorporating ES in its many forms is necessary for understanding sustainable graduation approaches.

## Conclusion

Not all OVC program participants receive ES

support, and OVC programs do not collect standard outcome data from participants, making it difficult to identify common economic benchmarks based on existing programmatic experiences. However, most implementers indicated that they expected the following economic outcomes: that households are able cover basic costs, eat two or more meals a day, increase their income, start saving, and increase their assets. Specific levels of change for each outcomes were not indicated, and it is likely that these will depend on the context of the program and the intensity of ES provided.

## RECOMMENDATIONS

Since OVC programs do not expect households to have escaped poverty at graduation, aggressive ES benchmarks may not be realistic. We propose more reasonable benchmarks emphasizing that households should be able to cover the costs of their basic needs and exit OVC programs with the knowledge and connections to seek help when necessary. Implementers should use locally-specific benchmarks focused on evidence-based sources of resilience. We also recommend keeping benchmarks modest, unless there is significant improvement in ES coverage in OVC programs. Finally, because the strongest evidence for graduation approaches comes from ES-intensive programs, we suggest investing more in ES components to increase participation in these activities.

## NEXT STEPS FOR RESEARCH

Evidence-based guidelines on benchmarks require additional research. Retrospective studies that follow up on participant outcomes after graduation are needed to understand if outcomes are sustained, and if so, the services

provided that promote sustainability. Qualitative study is needed to understand the role of ES interventions in achieving graduation outcomes. Rigorous program evaluations will generate evidence on reasonable benchmarks, especially if they are conducted using a common set of outcome indicators.

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