



# FSD Uganda – Sustain Micro Enterprise

## Jinja, Uganda

### **Participatory Action Research: Microfinance Impact Assessment**

#### Community Partner Overview

Sustain Micro Enterprise (SME), is a small nonprofit organization empowering vulnerable women and families to fight poverty through small startup loans, business skills development, livelihoods & economic development, vocational skills development and other women's empowerment programs. It is located in Buikwe District, Near Jinja and it is 12 km from Jinja Town.

#### Social Issue Focus and Impact

As observed by the United Nations Capital Development Fund (2002), it is widely accepted that women are good credit risks and enthusiastic customers for both credit and savings facilities in the field of microfinance today. Increasing women's access to microfinance has wide-ranging benefits, not only for women's well-being but also for the welfare of the family and the health of the larger economy. The perception has increased microfinance programs for women as a way to meet the multiple economic and social development objectives of poverty alleviation strategies.

Our local partner organization, Sustain Micro Enterprise (SME) has been empowering vulnerable women in rural and semi-urban communities, who are underserved and some located in hard to reach remote areas in Uganda. The organization provides small startup micro loans to women to engage in sustainable small businesses and income generating activities to alleviating extreme poverty. Individuals and women groups who qualify go through Innovative, on-going business and financial training at the beginning. SME also offers on-going mentorship for women to support them understand the business operations, business seasonality, financial planning, marketing, customer care, and business diversification to ensure the success of the women's small businesses. SME has been supporting women since 2010. In this study, SME wants to make a study of all its beneficiaries and evaluate the efficiency and effectiveness of its micro financing model in achieving the goal of alleviating extreme poverty from its beneficiaries.

The research findings will inform the organization on the most appropriate micro financing model and give relevant policy direction. It will provide recommendations and a way-forward on how to improve the organization programs to better serve the local population. Research will reveal the project strength and weaknesses and the milestones over the period of years of implementation. It will also inform the organization on the various views of the beneficiaries thus influence decision making and resource allocation.

#### Research Description

SME is seeking to learn about the effectiveness of its microfinance model towards improving the lives of vulnerable women and the long-term sustainability of the microfinance model. The overall goal is to improve its microfinance services to the women and the communities using an appropriate model.

#### ***The objectives of the research are:***

- Assess the impact of SME on its beneficiaries
- Review the SME micro financing model and its effectiveness in achieving SME goals.

- Establish alternative models of microfinancing that can work well with the SME community.
- Tease out the integrated new microfinance model with a pilot women group before scaling it up to become a policy for SME.

**Methodology:** The methods will include focus group discussions, interviews, observation, review of women's businesses and testing the women's business knowledge and skills. Both qualitative and quantitative data will be collected, with emphasis on quantitative data since this will be an action participatory research.

**Research sample** will include, the beneficiaries and their families; the local leaders, women leaders and opinion leaders within communities; the women and men in the community, the children in households.

### Student Profile

The student must be studying or having a background in economics, gender and development, microfinance, business studies and any other related fields or interest in designing social policy and women's empowerment. Should also be able to speak basic English with good communication skills, empathy and social interaction skills. Interpreters will be there to facilitate the language barrier during the question and answer sessions where appropriate.