

The Internal Learning System— Assessing Impact While Addressing Participant Learning Needs

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Introduction

The Internal Learning System or ILS is a participatory impact assessment and planning system for community development programs primarily designed to meet the learning needs of program participants, village groups and operational field staff. This "internal" focus does not mean that participants and staff are narrowly focused on the functioning of program operations. The system is an empowering tool for poor, illiterate participants and village groups to track and analyze changes in their lives and to use the understanding to alter their strategies as they participate in the economy and interact with actors and institutions in the wider community (Noponen, 2002). Field organizers use the system to track the patterns of lagging and excelling performance across participants and to analyze the reasons for the variation in impact performance. They investigate internal reasons for impact results such as the program services and processes, as well as, external reasons such as environmental, economic or demographic factors that might explain performance patterns. Program managers benefit from the internal learning by staff and participants to "improve" program processes, while also using it to meet additional impact assessment objectives including "external proving" to funders that the program is having its intended impact.

In this paper I begin with a description of the key features of the Internal Learning System. I then describe how ILS works as tool for impact assessment by describing the process of data collection and analysis. This includes frank discussion of some of the problems that can be encountered in the use of ILS for impact assessment purposes. Next, I describe the features and the process of participant learning in ILS by describing the ILS adaptation developed for PRADAN, Professional Associated for Development Action, a rural livelihoods NGO in North India. Next, two brief case studies describe the experiences for grassroots participants learning and program impact assessment of two Indian NGOs—a microfinance program operated by Activists for Social Alternatives, and a sector-specific livelihood and advocacy NGO, The Handloom Weavers Development Society. The paper concludes with a summary of the reasons why ILS works for impact assessment and participant learning purposes and the cautions that should be taken in adapting it for use in any development program.

What is ILS—Key Features

ILS is a simple, on-going system used by all participants in a group based microfinance or livelihoods program. The medium is multi-year pictorial diaries suited to the illiteracy and poverty conditions of participants and to longitudinal perspectives of the process of development change. Using pictures that represent impact indicators, poor illiterate women can keep a record of change over time by drawing lines and simple tick marks to denote quantities, yes/no responses, multiple choice answers and satisfaction scale ratings. The diaries can be used on a total program population for participant learning purposes and analyzed statistically on a

sample basis for impact assessment purposes. This yields a quantitative panel dataset that contains information on changes in participant lives at a baseline period, with periodic summary assessment intervals over a multi-year period. The veracity of the data entries is crosschecked by fellow members in a mutual learning process at the village group level.

Other elements in the system can include village group diaries designed to improve self-help group functioning or track wider impact issues such as collective actions to improve area conditions or change social practices. Staff diaries are designed to help field officers identify lagging and excelling performance among self help groups, reflect on possible underlying causal reasons for the performance and plan appropriate remedies.

ILS is truly participatory as the diaries are used by participants at several program levels in contrast to methods that are steered by managers at the top or by outside investigators. To ensure that participation is even throughout, the system has been designed so that all users, especially the women members, carry out the same five ILS tasks (albeit to varying degrees of sophistication). These include: 1) collecting data, 2) assessing change, 3) analyzing causes of change or troubleshooting, 4) planning and training, 5) documenting, sharing and reinforcing program values. At each program level participants reflect upon their findings, summon user-driven training inputs, make plans, and document their experiences in their learning diaries. There is a direct and immediate link between impact results or the real life changes of participants, and planning and training responses.¹

ILS is flexible in terms of its structure, content and processes. Each of these can be shaped to the program learning needs, human resource capacities, and financial constraints of different organizations. Structure can be varied according to the program levels using ILS diaries. Content or the development indicators chosen for inclusion in the diary is determined through the inputs of all users, including poor members, in a participatory stakeholder analysis. ILS content has varied greatly across NGO adaptors with emphases ranging from microfinance, land-based rural livelihoods, dalit and adivassi human rights issues, HIV/AIDS awareness and prevention, gender and child rights, and sector specific production diaries in handloom weaving, plantation, watershed, embroidery, gum collection, and salt farming. ILS process is also varied with more stream-lined versions emphasizing data collection to more enriched versions emphasizing participant learning and planning activities. ILS users can opt to select, forgo or enhance upon a set of ILS processes such as analysis exercises, planning formats and training elements. Some observers fail to see beyond what is most visible – pictorial participant diaries that contain ‘distilled’ development indicators – to the interactive and participatory investigation process that yielded the indicators in the first place, and which analyses and responds to the data results in the second place.

ILS as a Tool for Impact Assessment

ILS is essentially a socio-economic questionnaire in pictorial format that respondents have been facilitated to ask and answer themselves. There are several

¹ See Noponen, 2002, for a more detailed description of how ILS works at each level.

types of questions that can be asked in a pictorial format. The simplest is a “yes / no” type question in which women mark a check mark (✓) or cross or X (X) to denote “yes” or “no” respectively next to the picture or scene representing the development issue. For example, “Do you immunize your livestock?” “Did your husband beat you in this last time period?”. Quantities are recorded by making simple tick marks (I for 1, II for 2, III for 3, IIII for 4, IIII-for 5, etc). For example, “How many acres of land does your household own?” or “How many male household members migrated for work last year?” Multiple choice responses can be indicated by drawing a line from the development issue to the correct selection. For example, “Who makes decisions regarding the use of the loan (scene of deciding loan use)? Is it you (picture of woman), your husband (picture of a man), both you and your husband (both male and female pictures together) or others (“in-law picture”). A variety of scale ratings can be indicated by checking next to pictures showing graduated responses ranging for example from very sad to very happy faces for satisfaction levels.² For example, “how satisfied are you with your household’s ability to eat a nutritious diet, very satisfied, satisfied, neither satisfied nor dissatisfied, dissatisfied or very dissatisfied?”³

Although the questions are in a pictorial format the answers still yield quantitative data in the form of nominal, categorical, ordinal and continuous variables. This data can be analyzed on a longitudinal basis comparing the results for the same panel of women over time. The organization, however, need not wait for a period of years to obtain impact results. The data can also be analyzed on a cross-sectional basis comparing the results for long-term members with that of newly joined members.

Problems for Impact Assessment

Questionnaire development is a crucial part of the research process. It is important for ILS adaptors to separate out impact questions that are best answered using methods other than ILS, such as those that require complex calculations or a high degree of facilitation to uncover individual or family-specific idiosyncrasies. These are better suited to traditional structured interview techniques. ILS diaries are also not suited to questionnaires containing complex skip patterns. Most questions in the diary should apply to all ILS participants. If there are many sections of the ILS diary that do not apply to some women and must be skipped, it can become confusing and boring for those participants. If women who should not be answering questions are actually completing these sections anyway by responding with “no” “none” or “0” responses, this can spoil the analyses. For example, if there are a subset of questions regarding good livestock rearing practices and women who own no livestock are answering them in a negative manner, this can underestimate the percentage of members who are livestock owners and who are following good practices.

² Other possible scales are frequency of occurrence on an issue (ranging from 1 for “never” to a 5 “always happens”) or magnitude of a problem (ranging from score of 1 for “crisis” to 5 for “not a problem”), or crop failure to optimal crop yields, no share in common pool resources to full share, etc..

³ This graduated pictorial format seems to work much better among poor illiterate women than if this question is asked verbally.

It is also important to establish precise variable definitions for each indicator. A picture of wife beating does not carry precise wording as to what is meant by the indicator domestic violence. Is it “Have you ever suffered a beating by your husband? or is it, “Have you suffered a beating over the last time period (6 month or year)?” or, is it “How many times have you been beaten over the past time period?” It is crucial that all members understand the precise meaning of the picture and are responding in the same manner. Despite these two main concerns, ILS questions can also fail for the same reasons that they fail in standard questionnaires. Questions may have been poorly stated (ambiguous picture), wrongly coded (a problem with the pictorial response option or the ILS data spreadsheet design). Analyses may fail because the questionnaire (ILS diary) failed to include important contextual or control variables needed for subsequent analyses.

A new innovation in ILS design and process is being field-tested in PRADAN, Professional Assistance for Development Action, a large, rural livelihoods NGO promoting women’s savings and credit groups in seven Northern states of India. PRADAN proposes that while all new participants will use the member and group level ILS workbooks for learning purposes, ILS data for impact assessment purposes will be captured from a random sample of participants in a special semi-extractive interview event based on the ILS workbook content. Field officers will sit with the sampled respondents and review and crosscheck their workbook entries. They will ‘capture’ the data recorded by the participant in her own workbook in a similar pictorial workbook that is more complex containing prompts for probing and cross checks, precise variable definitions, response codes and skip patterns. This is a hybrid solution to the purely extractive text-driven questionnaire process by outsiders on the one hand, and the group facilitation process of training participants to answer their pictorial questionnaire (ILS workbook) on their own on the other hand. The respondent has already answered the impact questions in a workbook that she herself owns in a facilitated group learning process. In the semi-extractive interview event she is “sharing” her information with the field officer who is able to apply cross checks and quality control as it is captured in the more rigorous format. Because the same pictorial formats are used, however, the respondent is able to participate and understand how her information is being recorded.⁴

As with any questionnaire and more so with a pictorial one as in the case of ILS workbooks, the instrument must be carefully designed, field-tested, revised and tested again. This requires significant staff time and resources and depending on skills levels within an organization it may also require outside technical assistance. The caution here is that although ILS may be simple to use once designed and tested, it is not necessarily simple to design.

ILS as a Tool for Participant Learning

The strengths of ILS lie in its capacity to “improve” program operations, its use in “advocacy” efforts, its ability to “strengthen stakeholder relationships” and its

⁴ A small sample of long-term members will also be interviewed using only the extractive semi-pictorial questionnaire in order to compare the results of newly joined members with those who have been in PRADAN for several years.

potential to “improve participants’ understanding and analysis skills.”⁵ These are important and separate objectives from that of “proving” impact to external stakeholders. If proving impact to external stakeholders is the primary objective, then traditional quantitative survey research techniques with more methodological rigor and a higher level of credibility with funders and policy-makers than ILS is a better option.

Some organizations, however, are equally concerned with objectives of “improving” program performance and “participant learning.” They are satisfied that ILS can yield good data for impact assessment purposes as described above, and at the same time fulfill important objectives of enhancing program and participant learning. Earlier versions of ILS were oriented more to the impact assessment needs of program managers and less to the learning needs of participants, local leaders and field staff. This resulted in ILS designs that although pictorial and participatory in nature resembled an administrative record of impact indicators that might have over time resulted in burdens of data collection for members with fewer learning benefits. This has changed dramatically with new adaptations in the last few years of ILS field trials.

The latest ILS adaptations, especially PRADAN’s version, has greatly enhanced elements of participant learning. The design of the diary had been guided not by a need for impact assessment but by a need for a way to guide participants through a process of analyzing their livelihood situation, so that they can make strategic decisions about the use of scarce resources including credit. The aim was to create simple analysis and planning formats that encourage participants to better understand their changing situation and alter their own individual and group plans or behavior, summon needed training inputs and demand services, negotiate with financial intermediaries, and challenge inequitable structures and practices.

This was a shift away from the notion of an impact diary to a "Life and Livelihood Workbook" concept. The overall theme for PRADAN's ILS “workbook” is "The Boat of Life—the Family's Oar," with the workbook representing the oar or tool with which households can steer toward a better life.

PRADAN has organized their ILS workbook according to their conceptualization of the three realms of SHGs as 1) a mutual support group, 2) a unit for financial intermediation, and 3) a vehicle for empowerment. Throughout the three main sections they have woven two themes common to Indian culture, "boat of life" and "seven rivers to cross" to reach a good life. The "seven rivers to cross" concept is used as a seven point self-assessment rating scale in which members rate their overall social and economic progress. The "boat of life" concept is used in a series of “bad scene/good scene” pictures to introduce and teach the values in each of the major workbook sections. At the member level, the scenes illustrate positive and negative aspects of living conditions, diversified livelihoods, burden of debt versus savings, household dependency ratios and good or bad gender relations. These bad scene / good scene pictures have proved to be very popular with participants who use them for reflection and amusement, and with field staff who use them as effective ice breakers and discussion starters. This has prompted the addition of a panorama scene

⁵ See Simanowitz, 2001, for an excellent description of these and other multiple objectives in impact assessment.

of "gender benders" in work activities to illustrate non-traditional gender division of work activities.

The PRADAN ILS workbook also contains "dream scenes" of prosperous economic activities in four areas of forest products collection, agriculture, livestock rearing and wage labor or small enterprise activities. The scenes help motivate women to think about making improvements in their livelihood base. In addition, a set of six-panel pictorial stories is included in each of the four livelihood areas of forests, land, livestock and labor that show how women can use credit to improve their livelihood activities in each of these areas.

At the heart of the PRADAN workbook is a finances and a livelihood module. Participants are first guided through a process of thinking about the health of their current financial situation by reflecting on the pattern of normal household income and expenditure patterns by gender using an ILS version of a PRA exercise the "income and expenditure tree." The strength of household's earning position and expenditure burdens will have an impact on her savings and debt levels. The woman then records her current debt and savings levels by type of saving or source of debt. This sets the stage for improving household financial situation through improvement in livelihood activities.

In the livelihood module, participants in simple pictorial formats describe their total livelihood "availabilities" (in forests, land, livestock and labor) and how they are currently being utilized. They take note of and reflect on their stock of forest, land, livestock and labor assets, the improvements to these assets or accompanying work inputs, conditions and good practices. They track the utilization of the asset over the year and make decisions regarding a change in their use strategy. In a synthesis section they complete a livelihood production plan that prompts them to consider their total set of livelihood resources and options and the competing use of resources and production inputs for their chosen mix. This is followed by a credit investment plan that ties the infusion of credit to the livelihood production plan. The goal is to help participants learn and plan their way out of debt and vulnerability by strengthening their livelihood base in yearly set of linked exercises over a multi-year period.

The remaining modules address practical needs of living conditions and material welfare and strategic interests of women's empowerment issues in the home and community in a similar manner that stresses analysis and planning options. The workbook concludes with a synthesis section that guide participants through reflection of their individual role in the SHG including satisfaction with their attendance, participation, knowledge of group loan details, repayment behavior and problems, satisfaction with treatment by the group, bank official and PRADAN organizer.

Each of the sections of the workbook are carefully sequenced and linked to each other to produce a logical whole. A woman first reflects on her living conditions and material welfare and ranks her position on the seven rivers scale. She then investigates why she is at this level by examining her financial situation. The participant is prompted to see the role of debt reduction, savings, and livelihood improvements in how her household can progress over time. The livelihood module that follows systematically guides her through analysis of her total "availabilities" and

prompts her to make strategic use of credit and other scarce resources in improving them. The next module focuses on the enhancing effects of better gender relations and women's fuller participation in decision-making in the home and mobility in the public on livelihood and welfare improvement. The impact of the role of the woman and her participation in her SHG and PRADAN activities in her progress over time is explored in the concluding synthesis module. This linked set of modules, analysis and planning exercises each building upon the lessons from the previous one is akin to a pictorial rural livelihoods curriculum for very poor illiterate women and their households.

This comprehensive and enriched ILS workbook design may not be appropriate for other NGO users of ILS especially streamlined microfinance programs in which field officers are more involved in banking transactions rather than intervening in livelihood activities. Several of the learning elements developed for PRADAN such as “bad scene/good scenes” and the planning formats described below have also been effectively included in more minimalist ILS designs.

Plan Formats

Participants have indicated that they particularly like the pictorial analysis and plan formats in the ILS member diary. Some diaries include problem sorting, goal setting, and choosing priorities exercises as well as planning formats. The pictorial planning format consists of up to 18 plan options depending on the ILS diary section. For example, a plan to improve household well-being or living standards might include the following picture plan options: think, discuss with husband, use savings, use enterprise profits, use labor earnings, borrow, reduce expenditure, seek help from relatives, discuss with friends, get comfort, get services, emergency loan from SHG, labor effort or collective action from SHG, speak in public, undergo training, go on exposure visit, write officials, meet officials, and other actions.⁶ The woman draws a line from the plan option to an empty box representing each time period. On the same diary page, a woman can keep a record of the plan steps she has taken to solve her problems over a multiple-year period. She can show this yearly plan record to local officials as evidence of her efforts to solve her problems using her own resources as she lobbies for government assistance or services.

Design Considerations for Participant Learning Purposes

In addition to the inclusion of “bad scene/good scene” pictures, dream scenes, panoramas, and six-panel stories, etc. there are several recording format and design consideration that enhance the learning experience for women. In comprehensive PRADAN member workbook, a standard ILS design was initially chosen that had spaces under each pictorial indicator to record data in multiple time periods. This is essentially a one by four cell embedded table. Field promoters found the process of facilitating women to record their response in the correct time period burdensome and time consuming (even though women could eventually do it).⁷ While this format

⁶ The plan options change for other purposes, for example, if the plan is related to improving women's gender relations or status in the home or community or if it is a group plan to solve area problems or conditions. Added plan actions might include the following: work with men in the community, conduct research, mass campaign, enlist the help of elite persons, do a protest action, etc.

⁷ It should be noted that unlike minimalist MFOs, PRADAN does not meet weekly with village groups to provide credit and carry out routine microfinance transactions. After an initial training, groups are expected to function on their own lending from their own group savings fund and taking group loans

allowed easier reflection of changes over multiple time periods it was better suited to data capturing and impact assessment purposes on a sample basis rather than enhancing participant understanding among a census of users.

PRADAN is currently testing a much simpler format that does away the recording spaces for baseline time period and yearly time periods over a three-year period. Instead, participants record baseline data in red pencil and they mark changes over time as and when they occur in regular lead pencil. Progress achieved since baseline period can be assessed at any point in time over a multi-year period by comparing lead pencil markings with red pencil baseline markings. The member workbook is now simple enough that women leaders themselves could demonstrate it to new users.

In addition more complex embedded tables for multiple choice questions have also been removed and women can simply draw connecting lines to note their selection from a multiple list rather locating the correct time period space under the correct multiple choice selection cell. Likewise, all imbedded tables were redesigned even when this meant loosing useful pictorial bar charts and time lines. For example, in an exercise on problem sorting, women were less interested in building bar charts by stacking icons under pictures of happy, neutral and sad faces. Instead they preferred a more free form design where they drew lines from the icon into different cloth bundles.

These changes once again underscore the caution for NGOs to adapt their own ILS workbook design suited to their own needs and work styles rather than following a standard format that may have successfully served other NGOs.

ILS Case Study 1—ASA, the Activists for Social Alternatives

The Activists for Social Alternatives or ASA has positioned itself as a parallel microfinance institution to formal credit providers in order to meet the needs of poor rural women throughout central Tamil Nadu. ASA started out as a facilitating agency for empowering poor rural communities by operating watershed projects, programs for fair rural wages and alternative employment in gem cutting. ASA quickly observed that savings and credit programs held the greatest potential for improving the economic status of large numbers of rural women and they made this their main program activity. ASA is now focused on achieving scale and scope effects in its microfinance service delivery. With a current membership of approximately 60,000 women members, ASA hopes to reach 200,000 poor rural women by the year 2008. ASA has offered savings, credit, and insurance services to its members and most recently has begun a pension program.

ASA's microfinance program, known as "Grama Vidiyal" or "Dawn of the Rural Poor", is an adaptation of the streamlined essentials of the Grameen Bank model to the Indian context. This Grama Vidiyal community-based micro credit program has been institutionalized and is owned and governed by the Federation of

from formal banks. The PRADAN promoter's contact time is intermittent and devoted to promoting and trouble shooting the bank linkage process and promoting livelihood solutions.

women participants. It has a decentralized administrative structure comprised of franchises, branches, clusters and centers and self help groups with institutional linkages to a corresponding participation structure. Women elect their own leaders and representatives at center, cluster, branch, franchise and apex affiliate levels to address micro finance policies, as well as tackle social and economic development issues in the community. In this way, ASA is aiming to strike a balance between two programmatic tensions of "minimalist" versus "credit-plus" approaches. The credit need-based and development issues-based "Sanghas" or village centers of the federation work in parallel for women's socio-economic development and empowerment.

ASA's Approach to ILS Adaptation

ASA's desire to promote women's empowerment and to encourage credit-plus activities in its village centers while also undergoing rapid expansion of its streamlined franchise model shapes its approach to ILS adaptation. ASA needed a system that would help it to assess the impact of its services over time in both old and new branches in a manner that would allow staff to target resources where they are most needed. ASA also desired a system that could be a user-driven tool for empowering women to tackle non-credit issues in their homes and communities. There was a need for ILS to aid in external proving so that ASA can continue to obtain funds for expansion purposes. There was also a need for ILS to meet the objective of internal learning, what is working, what is not and why, so ASA can improve operations to facilitate the expansion process. At the same time, ILS needed to contribute to enhancing participant understanding and analysis skills so that women could take a greater role in their own development process to achieve welfare improvements, as ASA organizing staff shift their energies to organizing groups in new areas.

Participant Learning for ASA—Qualitative Experiences

The use of ILS diaries by very poor and illiterate women in particular seemed to have a strong catalytic effect in increasing their confidence and motivation to improve their situation. The process of keeping a diary proved to be an empowering act in itself leading to increases in decision-making and problem-solving by poor women. This was true for women participants in ASA who recently began using ILS diaries in the past year. In a series of participant interviews and qualitative focus group discussions, women expressed their overall appreciation for the fact that diary projected a comprehensive view of their lives including aspects of their reproductive roles (shelter and living conditions, children's education, consumption, etc.), as well as their productive roles. They embraced the idea of keeping track of changes over time even though they were illiterate. They particularly liked the theme "path of progress" "bad scene/good scene" pictures that introduced each chapter.

- *It shows our past, present and future.*
- *We like it. It is very good. It gives ideas.*
- *It gives us step-by-step growth. We are able to understand the standard of our life and those who cannot read are able to understand it because of the pictures.*
- *We can see which path leads to prosperity and we want to be on it.*

The member diary also sparked a desire among the participants to improve their lives. It is likely a result of a combination of diary elements such as seeing pictured a variety of good living and livelihoods scenes and planning formats to help attain them in a format that stresses taking concrete steps over time.

- *We see the paths in the diary and we have to make a choice—the good path.*
- *When I first saw it, it really showed me that I could make the impossible, possible. It showed me how to approach people. It gave me ideas to think about for my life.*
- *I like the part on planning. I increased my savings and we bought a plot of land. We are still renting. Next, I want to take a loan from ASA for house construction so I can improve my shelter. We have already started foundation work.*

Even before ILS impact data from a random sample of participant diaries could be entered in a computer for statistical analysis, women carried out their own analyses and plans. Within the first few weeks of using the ILS diaries women were changing their attitudes and actions. When questioned about what caused the changes or what was the impetus for their new development plans, the women responded, “Only after using the diary, we thought about getting these things.” Asked how they would attain them, the members responded by pointing to some of the options in the planning formats, “By increasing savings we can get more amount of loans and using the loan, we can get these things.”

- *“Before the diaries came, we went to the panchayat meetings but some of us were missing. Now all are going. Those who have spoken out are marking it in the diary.”*
- *We looked at the loan utilization and decided to use the loan ourselves from now on. Previously we used to give it to our husbands who would put some money in the business and spend the rest lavishly. Now we ourselves are going to fully invest the loan in production.*
- *I realize now that I should reduce my festival spending.*
- *Members were having milch animals and selling milk to the outsider, but he was not paying the money promptly to the members. As a result of using the member diary, and with a facilitation of the field officer, they discussed and motivated one member called Mrs. Jothi and her husband to do the milk collection and selling business. Now Mrs. Jothi and her husband are doing the same business and pay back the money promptly to our members.*

Women also reported making positive changes as a result of keeping a group level diary in their village sangha. The center diary tracks area conditions and amenities and social practices like untouchability (discrimination against the dalit community).

- *My center approached the BDO for street lighting and common latrine. When we go to see the district collector, we will also take this book.*
- *We went to the Block District Officer and showed him our diary and even though a community hall was to be built in another village, the BDO sanctioned it for us. He said this book could help to improve our life step-by-step.*

- *We decided to clean our streets and keep them clean in the future.*

Field officers were able to contribute additional examples of efforts to address collective area problems as a result of using center ILS diaries.

- *There was no ration shop. Now as a result of using ILS diary members approached panchayat leader and civil supply office and they have got a ration shop.*
- *There was two-tumbler system practiced (untouchability practice) and now efforts have been taken to eradicate that problem with the assistance from the government officials.*

ILS diaries not only benefited members and village groups, but field officers as well. Despite continued time pressures and work burdens, most ASA field staff had positive experiences with the ILS program. The field officers in the ILS Retreat were asked about their overall perceptions about the benefits of ILS for members.

- *Members come to know their loan utilization and that helps them to think. ILS motivated members to utilize loans for productive purposes.*
- *Now members started calculating their income and expenditure.*
- *For the common village needs, members approach the right officer.*
- *Members understand the agriculture problems through organic manure and also know the importance of de-worming practice.*
- *Members are able to realize the marketing (options) and they decide where to sell, whether in the rural or urban market.*

The field officers also expressed the fact that the ILS diaries helped them to better understand their members' social and economic conditions. This understanding was useful in their roles as providers of financial services.

- *ILS diaries also help staff to learn center members' conditions and history of the center. At the time of transfer of field officer, ILS helps staff to know the current status and past records of center efforts.*
- *Before, we only knew if the women were married, divorced or separated etc. Now through ILS we can see all resources of income in the family. We can learn about the active or inactive family members. I like the income and expenditure tree. I can easily see the income sources in the family. This helps me in deciding the level of loan that the woman is able to absorb.*

Other field officers used the information from the productive assets and household's income and expenditure tree to point out underutilized resources and missed opportunities in livelihood strategies.

- *I pointed out in the income tree that many women had no livestock income. "Yet, you have land near the river banks on which the animals can graze." As a result, three women have taken loans for milch animals as a result of seeing their income sources in the diaries.*

Impact Assessment Use of ILS for ASA—Quantitative Data Results

ASA has undertaken a three-year panel study of a random sample of its participants using ILS member diaries who will be tracked for impact assessment purposes over a three-year period. A brief summary of the findings of the analysis of data gathered in the baseline period analyzed on a cross-sectional basis comparing the results of long term members with newly joined members is presented below.⁸ The data analyses were organized according to Linda Mayoux's conceptualization of three "virtuous spirals" that are hypothesized to exist for women participants of microfinance programs. With only a few exceptions, the results show a significant level of positive socio-economic impact for ASA women participants and their households.

The ASA program appears to be reaching its poor target group given the high level of landlessness, few productive assets, low literacy, and poor living conditions for newly joined members. Over time, ASA members are able to make significant improvement in their productive activities. With the help of their loans ASA participants have repaid debts, reclaimed mortgaged land, started new enterprises, reinvested in or improved existing ones, or changed activities. Long-term ASA members in particular were able to increase their ownership of land and livestock assets and improve their conditions of work with respect to workspace, inputs and markets.

The women members of ASA are mostly active participants in the household economy retaining sole or joint decision-making control of the use of the loan, the operation of the business and the use of the profits. Gender relations were generally good with low levels of violence and abuse overall. There were improved gender results for long-term members in terms of greater female participation in household decision-making and female sole or joint ownership of land and shelter assets. Long-term ASA members are also more physically mobile visiting important government institutions and participating by speaking out more in public meetings.

Table : Crosstabulation of Land Ownership by Years in ASA

			YEARS IN ASA		TOTAL
			under 2 years	2 or more years	
whether owns land or not	does not own land	Count	443	284	727
		% within years in ASA	84.7%	74.2%	80.2%
	owns land	Count	80	99	179
		% within years in ASA	15.3%	25.8%	19.8%
Total		Count	523	383	906
		% within years in ASA	100.0%	100.0%	100.0%

Chi-Square significant at .01

⁸ In the scope of this paper it is only possible to present a few data tables. A complete ILS impact report is available from ASA. See Noponen, 2003.

Table : Crosstabulation of Who Owns the Land by Years in ASA

			YEARS IN ASA		TOTAL
			under 2 years	2 or more years	
who owns the land	man	Count % within years in ASA	186 54.7%	93 40.1%	279 48.8%
	woman	Count % within years in ASA	80 23.5%	65 28.0%	145 25.3%
	joint	Count % within years in ASA	66 19.4%	62 26.7%	128 22.4%
	others	Count % within years in ASA	8 2.4%	12 5.2%	20 3.5%
Total		Count % within years in ASA	340 100.0%	232 100.0%	572 100.0%

Chi-Square test Significant at .01

The improvement in productive work activities and greater role played in home, workplace and community activities for long term ASA women members has gone in step with improved family well-being and living standards for their households. Long-term ASA members enjoy improved housing conditions and report greater satisfaction with nutrition and health care access. There was a higher rate of school attendance and greater gender equity and corresponding lower rate of child labor for long-term ASA members.

Table : Percentages of Child Education by Gender and by Years in ASA

	YEARS IN ASA	N	Mean
Percentage of girls in the school *	Under 2 years	364	65.73
	2 or more years	243	79.42
Percentage of boys in the school **	under 2 years	358	74.46
	2 or more years	251	81.47
Percentage of girls in the college	under 2 years	93	27.96
	2 or more years	57	28.07
Percentage of boys in the college *	under 2 years	93	38.17
	2 or more years	54	18.52

* T-Test significant at .01

** T-Test significant at .05

These positive results did not come at the expense of women and the burden of her participation in the program. There were low levels of credit stress indicated by incidents of suffering deprivation or using exorbitant moneylender loans, or taking help of group members to repay the ASA loan. Overall women were satisfied with the size of loan, the interest charged and the timeliness in receiving the loan. Participants gave high satisfaction rating marks to their own involvement in the program, the functioning of their center group and the treatment and services rendered by field officers. Long-term ASA members were even more satisfied on these issues than newer members.

There were a few negative findings from the analysis of the data from the sample of ILS members. The most significant ones are not unique to ASA's microfinance program or experiences but are a common feature of many programs that target poor women in South Asia. Over time there was higher utilization of loans in consumption and male productive activities and less investment in the woman's productive activities. These findings suggest the limits of microfinance alone in its ability to improve women's productivity in work. The other major negative finding is that a third of both newer and long-term ASA members are still indebted to high interest moneylenders. The long-term ASA members had higher levels of onerous debt than newer members. This is an interesting result that once again is not uncommon in microfinance programs. Suggestions for follow-on research activities to investigate these issues in ASA have been suggested.

These few negative findings notwithstanding, ASA's microfinance program is reaching poor women in the region and providing positive impact on their economic livelihood, social status and treatment in home and community and living conditions and consumption standards.

Table : Percentage Loan Utilization by Years in ASA

	YEARS IN ASA	N	MEAN
consumption use *	under 2 years	505	11.69
	2 or more years	347	17.04
debt relief land use *	under 2 years	506	10.77
	2 or more years	350	6.7
redeem land use *	under 2 years	505	5.51
	2 or more years	354	2.75
woman's productive use **	under 2 years	508	19.24
	2 or more years	351	16.92
joint productive use	under 2 years	506	39.10
	2 or more years	351	38.23
man's productive use	under 2 years	507	13.03
	2 or more years	353	17.03

* Mann-Whitney U significant at .01

** Mann-Whitney U significant at .05

Table :Mean Level of Money Lender Debt for Indebted Members by Years in ASA

	YEARS IN ASA	N	MEAN
high interest or money lender type of debt-amount owed	under 2 years	163	4017.21
	2 or more years	87	6572.41

Mann-Whitney U significant at .01

Table 3: Summary of Positive and Negative Statistically Significant Impact Results in ASA

Positive Impact Results	Negative Impact Results
<p>Economic Empowerment Spiral</p> <p><i>Compared with newer members, long term members:</i></p> <ul style="list-style-type: none"> • have more income from enterprises. • are more likely to be the largest income provider or joint provider. • are more likely to bear the burden of the largest household expenditure either alone or jointly with their husband. • utilized their loan less for debt relief or land redemption. • have a higher value of productive assets purchased through loan. • report higher levels of satisfaction with their workspace conditions. • report higher levels of satisfaction with inputs into their productive activities. • sell their outputs in more lucrative district markets versus village markets. • own more land assets. • Are more likely to use fertilizer in agriculture production. • own more livestock assets. • own more medium-sized livestock of goats or sheep. • Are more likely to own a livestock shelter. 	<p><i>Compared with newer members, long term members:</i></p> <ul style="list-style-type: none"> • had higher consumption use. • had less investment of the loan in the woman's productive activities. • are just as likely to still be indebted to high interest moneylenders. • had higher levels of onerous debt. • had lower levels of low interest debt. • are more likely to sell to middlemen buyers. • have lower rates of registration of land assets. • are less likely to grow multiple crops.
<p>Social and Political Empowerment Spiral</p> <p><i>Compared with newer members, long term members:</i></p> <ul style="list-style-type: none"> • are more likely to have joint control and lower sole male control of the use of profits from the loan-supported enterprise. • are more likely to make decisions on their own regarding major purchases. • have higher rates of sole female house ownership. • had higher sole female and joint land ownership. • are more likely to have spoken in a public meeting. • are more mobile in public with a greater percentage visiting important institutions of block and district collectors offices. 	<ul style="list-style-type: none"> • Long-term members had a higher percentage of males operating the business than newer members.
<p>Household Well-being Spiral</p> <p><i>Compared with newer members, long term members:</i></p> <ul style="list-style-type: none"> • are more likely to live in tile roof and concrete houses. • report higher satisfaction ratings for nutrition. 	<p><i>Compared with newer members, long term members:</i></p> <ul style="list-style-type: none"> • are more likely to use wood

<ul style="list-style-type: none"> • report higher satisfaction ratings for health care. • have higher percentages of their children enrolled in primary and secondary school. • have greater level of gender equity in school attendance of children. • have a lower incidence of child labour • have the lowest rates of child labor for their daughters. 	<p>stove.</p> <ul style="list-style-type: none"> • are less likely to use gas stove. • are less likely to send their sons to college. • are more likely to have missed a loan installment. • are more likely to have received repayment help from group members.
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Case Study 2—HLWDS, The Handloom Weaver Development Society

HLWDS is a small NGO pursuing a comprehensive strategy of improving livelihoods in the handloom weaving community. HLWDS has refined their program strategy over a decade of struggling with handloom weavers to protect their livelihoods in the face of corruption, discrimination and adverse government policies. HLWDS currently conducts activities in seven program areas. These are: 1) weaving production assistance and marketing; 2) training in product diversification 3) handloom sector advocacy; 4) savings and credit; 5) child labour and rehabilitation; 6) social awareness; and, 7) research and documentation. To free women weavers from exploitative supply and labor arrangements with master weavers, HLWDS assists women in becoming independent producers through its savings and credit program. The savings and credit program assists women weavers in purchasing material supplies, weaving accessories and equipment. Participants may also borrow for urgent consumption needs. This protects members during lean times in weaving orders and prevents families from having to mortgage productive equipment assets to moneylenders.

HLWDS Adaptation of ILS

HLWDS has selected a similar set of indicators to ASA and PRADAN to tract among their members. The work assets and conditions of work indicators are of course oriented to the handloom sector. HLWDS interest in using ILS is to document conditions of handloom weavers for advocacy work and to track the extent to which their members have improved their work conditions as a result of their program interventions and advocacy work. ILS was implemented in HLWDS in its earliest phase of development before many of the ILS member and group level planning formats were developed. In spite of this, the women members of HLWDS have developed their own uses for their ILS diaries that have since inspired the development of the ILS planning formats in subsequent adaptations.

Participant Learning Experiences in HLWDS—Qualitative Experiences

The woman members in HLWDS began to use the ILS diaries in unanticipated ways that nevertheless resulted in welfare gains. The women members began to carry ILS diaries not only to credit program meetings, but to other community meetings as well. They showed their diaries to panchayat and visiting rural development officials and used them to verify their low-income economic situation. The diaries have been used to lobby for electricity connection and verify eligibility for livestock grant program and issuance of ration cards. Over 20 women received looms and 10 women got a large housing grant as a result of using their ILS diary in interactions with panchayat and government development officials. In a

sense, the ILS diary is serving as a sort of parallel ration card itself that verifies low-income status in general.

The women have begun to call the diary their "sacred book." After seeing the picture scenes related to male alcoholism and domestic violence, women began to discuss these widespread problems in their meetings. The male family members realized that not only were women tracking these problems in their diaries, and that the diaries were being shown to outside officials, but they were also discussing specific family problems in meetings. Group leaders even began to counsel individual men on behalf of their members. Men began a slow process of change and women report significant decrease in violence and non-support.

In one dramatic case, a young woman who was not a member of the SHG, having suffered domestic abuse made the extreme decision to commit murder-suicide by jumping onto train tracks with her two small children. The SHG members noticed her desperation and caught hold of her in time. They brought her to their local ILS meeting and showed her their diaries and shared their own experiences with domestic problems. After two ILS meetings, the young woman made a pledge never to attempt suicide and she became a SHG member. This was not an isolated case of ILS motivating women to intervene in cases of abuse.

- *“Madhavi borrowed Rs.8000/-from her master weaver for medical treatment of her husband who was paralyzed. One day she felt a different kind of approach from her master weaver. Her master weaver harassed her sexually. When she protested it, he pressed her to return his money. Madhavi was thinking about suicide as a way out, but her group members gave a loan to cover the debt and visited the master weaver and showed him her ILS diary marking his sexual harassment.*
- *One of our young members was a coolie weaver from a very poor and isolated village. She was pressed to have sex in exchange for keeping her job by the master weaver. He was also secretly filming it and showing in a blue film parlour. The young girl got pregnant and was about to drink poison when her mother stopped her and brought her to the self help group. The members discussed the issues and because of the motivation of the ILS diary, they encouraged her to file a case with the police. The police raided the home of the master weaver and found all the film evidence. She won her case and got compensation. She was able to marry a boy from the weaving community.*

In another less dramatic case, a woman had suffered her husband's violent drinking and non-support for years. After participating in ILS she began to challenge him on these issues, but to no avail. He seemed not to care that she was tracking his behavior in the diary or talking openly about the problems. Finally the woman threatened him, *"In the next ILS diary, we have made the decision to put a real photo of you in the picture of the drunkard and wife beater and your face will become famous throughout the country!"* He gradually began to improve his behavior and is now known as a supportive husband. The woman had become a local leader.

Women have also used the diary to analyze their situation and set priorities. One member who lived in a rickety thatch home related that after repeatedly looking

at the housing status scenes, she decided to make a change in her own situation. In the priority setting exercise, she chose saving for housing improvement as her priority in the first time period. By the second time period, she had saved enough to build an improved cement brick foundation. In the next round, she will take a loan to build the some of the cement walls. She spoke proudly of her accomplishment and expressed confidence that she would eventually have a cement house. Members have been so inspired by the priority setting exercise scene that they have requested large posters be made of it to hang in their meeting places.

Besides this priority setting exercise scene, the most popular pictures were shelter and gender relations scenes expressing women's aspirations and attesting to positive impact they have already experienced. There is an implied value attached to each scene and even though women may be at first resistant, over time behavior changes. This has been true for the scenes related to female mobility. There has been a steady rise in the number of women speaking out in public meetings, approaching institutions and organizing other women.

Women, especially those who were illiterate, repeatedly expressed how important it was to them to have the many aspects of their life reflected back to them in the diary. A HLWDS member said that every night after her work was finished and as she lay down on her sleeping mat, she would take out her ILS diary and think about her day and her life in general. She said, "You know, just like you (*educated*) women have your *Femina* (an Indian woman's fashion magazine), we have this book."

NGO staff has also benefited from learning about their member's lives. The HLWDS staff began to realize the extent of child labor among their members when examining responses in the diaries. Data from the diaries was subsequently used to prepare a grant proposal and design a child labor prevention program. In a similar manner, the responses to the health scenes in the diary, especially chronic respiratory problems (from breathing thread fibers in poorly ventilated weaving sheds), has been successfully used by HLWDS to lobby for the establishment of clinics in certain panchayat districts with large number of weavers suffering these ailments.

Impact Assessment Use of ILS in HLWDS—Selected Quantitative Results

The qualitative experiences described above are underscored by preliminary statistical results from a random sample of 200 HLWDS members who have been using ILS diaries over a three-year period.⁹ The data results show that there has been a significant decline in domestic violence over time. While 73% of the sample had not suffered any domestic violence, the number of women who had suffered this problem in the base period, 23% declined to 3% after three years. There was a similar decline shown in the rate of male alcohol abuse.

Over time the sampled members of HLWDS were able to improve their shelter condition moving from thatch roofed homes to tile roof, 9.8%, or to concrete roof, 4.1%. Some members at 8.8% who had been living in tile roof homes in the base period were able to upgrade to a concrete roof home.

⁹ A complete impact assessment report will be forthcoming from HLWDS.

Table : Crosstabulation of Domestic Violence in Base Period by Domestic Violence in End Period in HLWDS

			suffered domestic violence-end year		Total
			No	Yes	
suffered domestic violence-base	No	Count	120	1	121
		% of Total	73.2%	.6%	73.8%
	Yes	Count	38	5	43
		% of Total	23.2%	3.0%	26.2%
Total		Count	158	6	164
		% of Total	96.3%	3.7%	100.0%

Chi Square significant at .01

Table : Crosstabulation of Male Alcohol Abuse in Base Year by Male Alcohol Abuse in End Year

			suffers male alcohol abuse-end year		Total
			No	Yes	
suffers male alcohol abuse-base	No	Count	92	4	96
		% of Total	56.1%	2.4%	58.5%
	Yes	Count	53	15	68
		% of Total	32.3%	9.1%	41.5%
Total		Count	145	19	164
		% of Total	88.4%	11.6%	100.0%

Chi Square significant at .01

Table : Crosstabulation of Shelter Condition in Base by Shelter Condition in End Year

			shelter condition-end year			Total
			thatch	tile roof	concrete	
shelter condition-base	thatch	Count	3	19	8	30
		% of Total	1.5%	9.8%	4.1%	15.5%
	tile roof	Count	1	114	17	132
		% of Total	.5%	58.8%	8.8%	68.0%
	concrete	Count	0	0	32	32
		% of Total	.0%	.0%	16.5%	16.5%
Total		Count	4	133	57	194
		% of Total	2.1%	68.6%	29.4%	100.0%

Chi Square significant at .01

The members of HLWDS have increased their public participation. Over time, 56% who did not speak in public meetings at the start of using ILS diaries, had begun to speak in public three years later.

Table : Crosstabulation of Speaks in Public Meeting in Base Year by Speaks in Public Meeting at End Year

			spoke in public meeting-end year		Total
			No	Yes	
spoke in public meeting-base	No	Count	77	112	189
		% of Total	38.5%	56.0%	94.5%
	Yes	Count	0	11	11
		% of Total	.0%	5.5%	5.5%
Total		Count	77	123	200
		% of Total	38.5%	61.5%	100.0%

Chi Square significant at .01

Conclusion

The Internal Learning System fits well into the new trends in the field of impact assessment of development programs, especially in the microfinance and livelihoods sector. The Internal Learning System is an innovative and participatory system that can meet a variety of impact assessment objectives while balancing the learning needs of participants and program staff. Its strengths lie in yielding quantitative and qualitative information for "improving" program operations, enhancing participant involvement and empowering women.

In each of the organizations studied above, ILS works for poor women participants for several reasons. These include:

- ILS workbook content is comprehensive, reflecting all aspects of their life, domestic and productive work, home dynamics and wider community issues.
- Women own the ILS book. It is their record. Though illiterate, they can "read" it. They know what is being "read" by others. They can "read" their fellow members ILS diaries. It is their first experience piercing the barrier of the written word.
- No one has ever before suggested they can do such work. They take the responsibility seriously. They are cautious about recording accurately and they take pride in their accomplishment in doing so.
- The diary promotes reflection on their current situation and also goal setting and priority selection and plan formats for the future. It is like a green light for them to dare to think about achieving a better life.
- Each indicator picture has an implied program value attached to it. Women absorb this. It gives permission or space to discuss sensitive empowerment and wider social issues and the courage to attempt change.

There are also benefits to program managers when participants and village groups use ILS diaries. These include the following:

- Member ILS diaries are comprehensive, providing more information about client socio-economic conditions than MIS formats. It is quick to flip through an ILS diary and get a broad sketch of a participant's experience over time.
- This increased knowledge has positive outcomes for field officers interactions with clients in direct lending decisions such as setting the level of loan or in efforts to improve livelihoods such as noting asset underutilization and investment opportunities.
- Village group or center diaries provide an invaluable record of the problems and progress of self-help loan groups. Members themselves do this documenting work, but staff especially new ones, benefit from this process document.
- Pictures aid in promoting discussion with women about proper group functioning and debt, savings, and income issues and wider development issues.
- Members on their own without staff intervention are able to leverage individual and collective development resources from government using the ILS diaries as kind of parallel ration card documenting their needs and eligibility.
- Staff can also analyze data from a random sample of diaries to document and try to understand impact patterns over time for program managers and other stakeholders.

Instituting an on-going system for participant and program learning at several levels is a more time consuming and involved process than hosting a one-off or repeated external impact study. ILS is best suited to NGOs that place more emphasis on the "improving" aspects—"internal learning," "strengthening stakeholder relationships," and "building participant understanding and analysis skills." Because ILS yields a program-wide quantitative panel data set, however, it can also contribute, depending on the sophistication of the chosen design, to the goal of "external proving."

The complexity of ILS lies in making the initial choices regarding ILS structure, content, and processes wisely, not in the system itself. There is no shortcut to a proper research design beginning with the desired analysis and ending with proper questionnaire construction and field-testing. The danger is that NGO adapters can become overly focused on ILS content or the attractive pictorial aspect of an ILS diary, either copying an existing one designed for another NGO program, or selecting pictures from the ILS Indicator Bank without thought to the entire research process. The ILS Resource Kit is being designed to guide potential adapters through this process in a rational manner.

Another important caution is that ILS should only be undertaken where there is a culture of organizational learning where staff and managers welcome participating in ILS processes of learning from poor as well as good results. Some NGO managers are intolerant of mistakes and lagging results and their approach is punitive rather than reflective. ILS is wasted in such an environment. Also, where there is little tolerance for flexibility or space for program innovations, then some of

the best aspects of ILS such as women, groups and field officers doing their own analyses and making their own development plans is wasted.

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