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# Women empowerment and gender mainstreaming into microfinance

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MFC project results  
report

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## Content

Acknowledgements .....	3
Executive Summary .....	4
Project design .....	4
Gender issues identified during the project .....	4
Project results at the client level .....	5
Project results at MFI level .....	6
Project lessons learnt .....	7
Recommendations .....	7
Introduction to the project .....	7
Context .....	7
Project goals and planned outcomes .....	8
GALS tools .....	9
Project process .....	10
Project phase 1: tools adaptation and Booklet development .....	10
Lessons learnt: feedback from clients on the GALS Workshop .....	11
Follow-up workshop: lessons learnt from clients' experience .....	13
Project phase 2: Booklet dissemination .....	14
Second phase lessons learnt .....	17
Project lessons learnt .....	19
GALS Booklet benefits for clients .....	19
Benefits for the MFI .....	20
Project results and impact .....	20

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## Executive Summary

This report presents the results of Women's Empowerment and Gender Mainstreaming into Microfinance Project, which was implemented by Microfinance Centre (MFC) and Azerbaijan Microfinance Association (AMFA) in cooperation with Vision Fund AzerCredit, with the financial support of OxfamNovib between December 2009 and December 2011 in Azerbaijan.

### Project design

The objective of this project was to equip financial organizations working with female clients with the tools necessary to strengthen women's abilities to identify and overcome the barriers that prevent them from leading more satisfactory life. The project was based on the Gender Action Learning System (GALS) tools ([www.wemanglobal.org/2\\_GenderActionLearning.asp](http://www.wemanglobal.org/2_GenderActionLearning.asp)), which cover strategic life and business planning tools, as well as problem analysis, in the context of gender (delivered as workshops to microfinance clients, usually illiterate). The GALS tools were adapted to the context of Azerbaijan and packaged into cost-effective non-financial products to be delivered by microfinance institutions (MFIs) in the form of a Booklet<sup>1</sup>. This Booklet was part handbook, part exercise book, and would be completed by the women on their own, so that they didn't need to attend a specific workshop in order to benefit from it. The distribution model of this Self-help Booklet assumed that MFIs would facilitate access to the Booklet and Booklet "Master users", who lead other women in completing the exercises.



**GALS Workshop participants**

The first phase of the project included tools adaptation, development of the draft Self-help Booklet, and testing the viability of the distribution model, in which the clients themselves would play a crucial role in scaling-up the uptake of the tool.

The second phase of the project focused on booklet dissemination, and encouraging clients to use the tools. The project partner MFI, AzerCredit, led a promotional campaign entitled "Change your life". In order to encourage the clients to try the tools, AzerCredit organized a contest — clients were rewarded for completing the exercises. As a result, 348 clients from two branches participated. In total, 23 clients were awarded for their participation in the contest, with awards totaling slightly over USD 1,400.

### Gender issues identified during the project

Azerbaijan is an Islamic country, and is very traditional. Especially in rural areas, the role of women is dictated by the strict social guidelines established by local communities.

The use of the GALS tools with project participants revealed that the key gender issue for female clients was that they relied on the presence of man to achieve their own goals. In most cases single

<sup>1</sup> The Booklet can be download here: <http://www.mfc.org.pl/en/content/products-4>

## Women empowerment and gender mainstreaming into microfinance

women (including divorced and widowed ones) with no support from a male family member are generally not able to achieve anything on their own, such as owning a business, accessing education, etc.

The most common gender challenge for men is the societal pressure to behave in traditional way, which prevents any flexibility in the way that they treat women. The institution of tea houses – places of male gatherings – is a strong influence on men's behavior and time management.

The initial GALS workshop confirmed the attitude that Azerbaijani women are not expected to express their opinions, or to talk at all, in the presence of men. Even to simply attend a workshop, where other, 'strange' men would be present, was difficult for women to get their husband's permission. Only the strongest female personalities are bold enough to express their opinions in the presence of men.

### Project results at the client level

The GALS tools stimulated discussion at the household level about different people's expectations, needs and tasks related to gender.

Many participants discussed with their spouses, for the very first time, what they like and dislike in their relationships. However, according to participants, while people are happy to learn about new concepts, such as gender, they are less willing to open themselves to a process of change as a result. Thus, the project activities served to raise participant awareness, rather than to facilitate in-depth discussions, and were not followed by any concrete action by majority of clients.

- 2 workshops conducted for 37 clients and 21 staff
- Tools adapted to Azerbaijani culture context
- 1 Booklet developed and tested
- 500 booklets distributed
- More than 330 AzerCredit clients filled in the booklet
- More than 7 successful stories captured so far

*"Together, my husband and I shared our ideas on things we'd never discussed, and after filling in the booklet we can easily communicate with each other. We have started to understand each other more easily. It has helped me to rebuild*

The GALS tools create a space — an opportunity for dialogue — between spouses. Many participants found that while going through the exercises, they were able to talk about issues they have never talked before with their wives or husbands. The format of

tools, which uses interesting quizzes to make serious points, allows partners to get involved in gender discussions without using a 'gender' label.

Since the exercises in the Booklet relate to the household, and the results are expected to improve the quality of life of the family, it was interesting to observe, that the involvement of the spouse increased the level of completeness of the exercises in the Booklet. Among those clients that failed to complete the exercises and develop clear outputs, the majority of them didn't have their partner present. The clear message here is that decisions related to the family should be planned by both partners.

*"I clarified the problems hindering me. Now I try to pass over the challenges that come up. This booklet urged me to think over the issues."*

For most people, the self-application of these tools equipped them with the skills needed to reflect on their current challenges and engage in long-term planning. The problem analysis empowered them to implement an identified solution, which in few cases led to significant changes.

### Self-help Booklet



One challenge the project faced was how to translate the success of the facilitated workshops into workbook that could be completed by clients on their own. The project showed that those people with better education needed less time to grasp the concept of the Booklet, and were more independent in completing the exercises. A verbal introduction and explanation of the exercises by Loan Officers increased the Booklet's uptake by clients and the quality of outputs produced.

*"My husband took a loan, and on that day he brought the Booklet home, and I became interested to write down my thoughts."*

Although the examples in the Booklet related both to men and women, female clients were more interested in completing the exercises. Men very often saw the whole exercise as something "girlish".

The use of a contest with attractive awards highly facilitated client uptake of the Booklets. Basing on the feedback of loan officers, it is roughly estimated that around 10 per cent of clients in the sample were self-motivated to fill in the Booklet; the rest were motivated by the awards available.

### Booklet distribution model

The clients' experience showed that the project model of clients distributing the GALS tools to others and organizing study groups is possible, but only if it is linked with the opportunity to cover the costs of the time spent on the tools. Those participants that actively participated in the initial GALS workshop and liked the tools (because they saw how useful they could be), were much more motivated to share the tools with others, and were more effective in convincing others that they would benefit from the tools.

### Project results at MFI level

#### Project costs

The key costs of campaign for AzerCredit was the cost of staff time. The majority of this was spent by Marketing Manager (in charge of monitoring the whole campaign) as well as the Loan Officers. On average, each Loan Officer added 30 minutes to each contact with clients or group of clients, in order to introduce the context and explain how to use the Booklet.



Winners of the AzerCredit contest

The costs of promotional campaign, the Booklet production and awards is estimated to be USD 5,000. The costs were shared by the project partners.

#### Project benefits

One of the key benefits of the project was that Loan Officers learned they can find out more information about their clients during the Booklet distribution. This allowed them to better analyze the business and repayment capacity. As clients shared their challenges and plans, LOs were able to

better understand the clients' wants and needs.

It is hard to overestimate the influence of the project on how staff and clients perceived the institution. The project strengthened the image of AzerCredit as a financial institution that cares for the holistic development of clients in both their business and family life.

The campaign increased the trust that clients feel for the institution. Among other providers in the market, clients perceived AzerCredit as an institution which cares more about their wellbeing. The discussion around the Booklet served as a foundation for building closer relationship between clients and Loan Officers.

While distributing the Booklet, Loan Officers also reached out to drop-out clients and potential clients, thus raising their (renewed) interest in the institution through this campaign.

### **Project lessons learnt**

At first, client reacted negatively to the GALS workshops, as people in Azerbaijan are not used to interactive methodologies that require personal engagement. Thus, in the beginning, participants did not take the workshop very seriously, but with time they started to realize that the exercises can be valuable. Eventually, the biggest advantage perceived by participants was that the practical exercises allowed them to work on their own case and to find a solution to their own problems. The workshop was designed to create a safe environment to share personal challenges and receive advice. A few clients mentioned the opportunity to find a business partner.

### **Recommendations**

Based on the example of the AzerCredit, the costs and methodology of using the Booklet shows that it is well-suited to an MFI's operational context, where there is limited time for interaction with clients. The costs of the Booklet are lower than for workshops; the basic level of facilitation needed to properly use the tools can be delivered by Loan Officers during the regular interaction with clients. As women are more interested in participating in the Booklet activity than men, it seems more suitable for a financial institution that targets women.

The workshops, which requires more time and resources to organize, can be incorporated into NGO programs which focus on women's empowerment. Such organizations usually have a lot of experience with organizing trainings for beneficiaries, and the GALS tools can be incorporated as part of any training.

## **Introduction to the project**

### **Context**

Women are considered to be a vulnerable group. Women account for 50 per cent of the population, and for 80 per cent of the vulnerable and poor. They are often responsible for the children and the household — without support, these can be a burden. On the other hand, it is generally understood that providing support to women often translates into an increase of well-being for children and the whole household, as women tend to invest any new resources into the household (both tangible

## Women empowerment and gender mainstreaming into microfinance

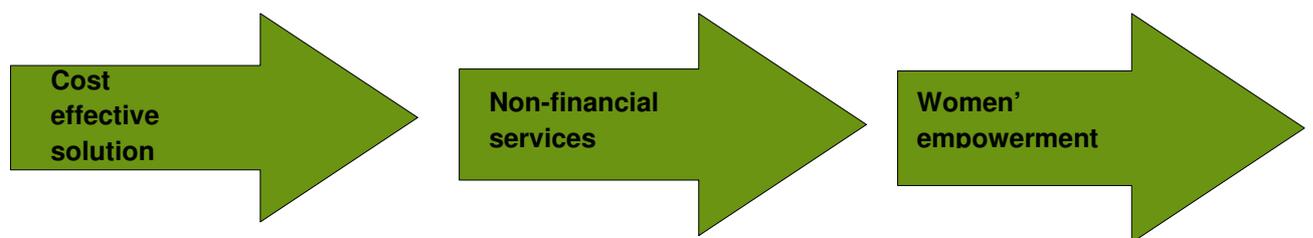
economical resources and intangible ones, such as knowledge). Therefore, equipping women with the skills and abilities needed to better manage their businesses and households, leads to an improvement in social and economic conditions for their entire families.

Azerbaijan is an Islamic country, and is very traditional. Especially in rural areas, the role of women is dictated by the strict social guidelines established by local communities. On the other hand, in recent years the percentage of women interested in starting up their own business has been increasing in Azerbaijan. This creates a good opportunity for MFIs to achieve their goals around women's empowerment. However, at the same time, the microfinance sector globally is under fire in terms of whether and how it reaches and serves female clients.

### Project goals and planned outcomes

Through this pilot project, MFC and AMFA intended to learn how microfinance institutions can influence women's empowerment, not only in terms of their economic conditions but their social relations as well. However, as the microfinance sector in the Europe and Central Asia (ECA) region is strongly commercialized, there was a need to develop cost-effective tools, to convince MFIs to use them.

The objective of this project was to equip those financial organizations working with female clients with the tools necessary to strengthen women's abilities to identify and overcome the barriers that prevent them from leading a more satisfactory life. The project was based on the Gender Action Learning System (GALS) tools, which cover strategic life and business planning tools, as well as problem analysis, in the context of gender. The GALS tools were adapted to the context of Azerbaijan and packaged into cost-effective non-financial products to be delivered by microfinance institutions (MFIs).



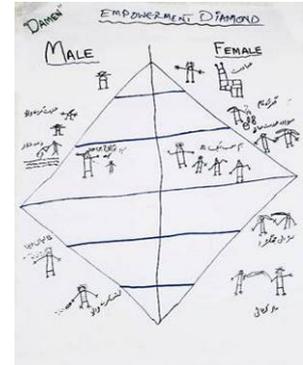
During the project, the tools were adapted to the context of Azerbaijan, and translated into a "Self-help Booklet" which was part handbook, part exercise book. This could be completed by the women on their own, so that they didn't need to attend a specific workshop in order to benefit from it. The distribution model of this Self-help Booklet assumed that MFIs would facilitate access to the Booklet and Booklet "Master users", who lead other women in completing the exercises.

## GALS tools

The GALS tools were originally developed in Africa by Linda Mayoux<sup>2</sup>. They were initially created for non-literate people in the form of drawings, which can be used by both better and less-well educated people.<sup>3</sup>

### Gender Diamond

The “Gender Diamond” is used to facilitate the discussion about gender differences, challenges between men and women, and identify key problems. As participants look at gender issues from their own perspective, the discussion stays on the very personal level and thus avoids ‘feministic’ type of discussions — which risk conflicts and arguments. The key questions to be answered by participants during this exercise are: “What I like about being a man/ a woman is.” And “What I don’t like about being a man/ a woman is...”

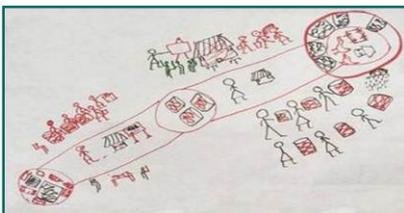


### Challenge Action Tree

The “Challenge Action Tree” exercise is focused on identifying a challenge and the real roots (reasons) for this challenge, which are most often related to the personal situation of the participant. The key stage of the exercise is brainstorming a possible and realistic solution, stimulated by “out of the box” thinking caused by the unusual approach of the exercise. As a result, the participant is left with a simple and realistic action plan to overcome the challenge. The exercise uses the potential hidden in each person to face his/her own troubles.

### Empowerment or Relationship Mapping

Empowerment or Relationship Mapping allows participants to analyze the present in the context of relationships they have at home, among neighbors, and in the community, including the ownership of resources and power relationships. This helps to develop strategies for using opportunities and avoiding risks, which feed into the long-term strategy developed as a final output of the whole GALS process.



### Road Journey – set of life and business planning tools

Personal challenges, which are identified through the Gender Diamond, are taken now into consideration using a Road Journey exercise. In this exercise, participants develop a plan which will either involve a solution

<sup>2</sup> [www.lindaswebs.org.uk/](http://www.lindaswebs.org.uk/)

<sup>3</sup> More information about the tools and methodology can be found here: [www.wemanglobal.org/2\\_GenderActionLearning.asp](http://www.wemanglobal.org/2_GenderActionLearning.asp) and at [www.youtube.com/watch?v=dGtFnUAYK0k&list=PLEFAE48597B4E4C2C&index=3&feature=plpp\\_video](http://www.youtube.com/watch?v=dGtFnUAYK0k&list=PLEFAE48597B4E4C2C&index=3&feature=plpp_video)

to address challenges identified, or a strategy to achieve the goal despite the challenge.

## Project process

In order to test and adapt the tools to local context, the project was divided into two phases. The first phase aimed at adapting the tools to the Azerbaijani context and developing the draft Booklet, as well as testing the opportunities of creating the distribution model, in which the clients would play a crucial role in scaling up the uptake of the tools. The second phase aimed at testing the final distribution model.

### Project phase 1: tools adaptation and Booklet development

The first step in phase one was to adapt the tools to the Azerbaijani context and prepare the draft Booklet content. After the initial adaptation, based on the context understanding by the project team, and translation into Azerbaijani, a workshop was held for selected clients and staff of AzerCredit. Following this, the participating clients were supposed to distribute the tools among their families and friends.

#### Profile of clients selected for the project – phase 1

- Living in the rural Azerbaijan
- Quite traditional society, but not extremely
- The area where refugees and conflict victims live
- Some clients with low levels of literacy
- Clients with existing business
- 12 male clients and 25 female clients
- 25% of clients are group leaders
- Most of them were married, but no one attended the workshop with their spouse.

#### Identifying clients

Initially, the project assumed that the scale-up of the tools would happen through active promotion by the first group of clients trained — playing the similar role to the role of facilitator during the initial GALS workshop. It was envisioned that they would be able even to use the tools to generate income, through delivering workshops to their peers, neighbors, etc. Thus, the selection of appropriate clients depended on the Loan Officers, who were needed to identify local community leaders or clients with the charisma to be leaders. Group leaders<sup>4</sup> were considered first. Two rural regions of Azerbaijan (Mingachevir for phase 1 and Mingachevir and Goygol for phase 2) were selected for the project.

These areas are characterized by a more open and less-traditional society, where it would be more probable that women would be allowed to attend workshops with permission from husbands or male heads of households.

#### GALS workshop and post-workshop tools testing

The selected clients went through two-day workshop, participating in group exercises. The event closed with each client developing a personal action plan based on the exercises they completed.

#### GALS workshop agenda

Day 1:

1. Gender Diamond

*Lunch*

2. Challenge Action Tree

Day 2:

1. Vision Drawing

2. Relationship Mapping

3. Road Journey

*Lunch*

4. Road Journey cont'd

After the workshop, clients had time to implement their new action plans, as well as to train other people in the tools — neighbors, spouses, business partners.

<sup>4</sup>AzerCredit uses also group methodology

After few months, a follow-up workshop was held. During that workshop, clients shared their experience in implementing the action plans, and the changes that had occurred in their lives.<sup>5</sup> They also discussed their experience in sharing the tools with other people.

## **Lessons learnt: feedback from clients on the GALS Workshop**

### **General opinions**

At first, client reacted negatively to the GALS workshops, as people in Azerbaijan are not used to interactive methodologies that require personal engagement. Thus, in the beginning, participants did not take the workshop very seriously, but with time they started to realize that the exercises can be valuable. Eventually, the biggest advantage perceived by participants was that the practical exercises allowed them to work on their own case and to find a solution to their own problems. There was no theory to learn, and everything was directly applicable to their own experience.

The group dynamics strengthened the personal experience sharing, which was very much appreciated by clients as an opportunity for business and personal networking. The workshop was designed to create a safe environment to share personal challenges and receive advice.

Despite an initial resistance of participants to use drawings (“We know how to write, we are literate”), most people eventually enjoyed the drawing, as it helped them to express more meaningful concepts in a simple way.

### **Gender issues**

The GALS tools allow users to identify the gender issues relevant for the specific group participating in the workshop.

At the start, project participants (both clients and staff) claimed there were no gender issues in Azerbaijan. At the same time, it was interesting that the concept itself provoked clear defensive reactions from participants.

The use of the GALS tools with project participants revealed that the key gender issue for female clients was that they relied on the presence of man to achieve their own goals. In most cases single women (including divorced and widowed ones) with no support from a male family member are not able to achieve anything on their own, such as owning a business, accessing education, etc.

The most common gender challenge for men is the societal pressure to behave in traditional way, which prevents any flexibility in the way that they treat women. The institution of tea houses – places of male gatherings – is a strong influence on men’s behavior and time management.

The process of delivering workshops confirmed the attitude that Azerbaijani women are not expected to express their opinions, or to talk at all, in the presence of men. Even to simply attend a workshop, where other, ‘strange’ men would be present, was difficult for women to get their husband’s

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<sup>5</sup>Examples of success stories from this phase can be found in Annex 1

permission. Only the strongest female personalities are bold enough to express their opinions in the presence of men.

### **Gender diamond as exercise to stimulate gender discussion among partners**

The tool helped participants to reflect on gender issues, and for most it was the first time in their lives that they had done so in such a comprehensive way. For many, it was the first time they were reflecting about gender differences, and about their likes and dislikes of being who they are. Working on the Diamond exercise gave the participants the opportunity to better understand the opposite sex, through learning about other peoples' perception of gender.

### **Challenge Action Tree**

This tool was very attractive for participants because of its logical and practical application of solutions into their lives (identifying "fruits" — participants were supposed to set specific, time-bound actions to overcome challenges). The exercise is helpful because it removes participants from their daily routine, and allows them to practice finding quick wins.

### **Road Journey**

Clients especially enjoyed the opportunity to analyze in detail their current situation and to identify those opportunities that would help them achieve their goals, as well as to identify the possible challenges along the way. It was especially attractive because the majority of clients had no opportunity to reflect on their current situation previously. In this workshop, it was also observed that clients didn't want to discuss past failures, preferring instead to discuss the lessons learnt without in-depth analysis of negative events from the past.

### **Relationship Mapping**

This exercise was least enjoyed by participants — no one indicated that it was an interesting tool. During the workshop, the exercise did not result in any specific outputs which could add value to the rest of the process. Partially, this is due to the fact that the exercise stood at odds with the logical framework of the workshop process. As the time for workshop is short, the whole process is pretty dynamic, leading from one logical step to another; this exercise poorly fits into the logic of the process.

### **MFI staff**

MFI staff of various levels went through the same process as the clients, during a separate two-day workshop. Surprisingly, despite a higher average level of education, staff were more resistant to the process. For staff, the workshop was organized as a mixed-gender event (for clients, there were separate groups for men and women, that only came together to compare and discuss the results of the Gender Diamond exercise). It was observed that the female staff members were much shyer and less talkative than female clients. This obviously impacted the quality of their work during the workshop.

This experience with staff confirmed that the strategy of organizing separate gender working groups for clients was the best way to ensure the comfort and participation of the women.

## **Follow-up workshop: lessons learnt from clients' LOs' experience**

### **Workshop and participants**

A few months after the first workshop, a follow-up workshop was organized in order to collect feedback from clients and loan officers about:

- Implementation of action plans from the first GALS workshop by participants
- Using the tools with other people — family members, friends, etc.

Before the workshop, the project team collected information from clients and staff on their progress. Those who were most active in using and distributing the tools were invited to the workshop.

In total, there were 6 male clients, 3 female clients, and 3 loan officers (including one female) participating in the follow-up workshop.

### **Lessons learned by clients and staff through using the tools**

In terms of the personal benefits of using the tools, a few significant success stories were shared (these can be read in Annex 1). For most people, the self-use of tools equipped them with the skills needed to reflect on their current challenges and long-term planning. The problem analysis empowered them to implement an identified solution, which in a few cases led to quite significant changes in their lives.

People like planning tools, as they can use them to improve their business. The Diamond Exercise, which is the basic tool for discussing gender issues, was not perceived as very useful, because it does not produce tangible outputs. According to participants, the reason for this is that while people are willing to learn about new concepts, such as gender, they are less willing to open up themselves for to a process of change as a result. Thus, the gender discussions held were useful for raising awareness, rather than prompting concrete action. However, among the set of GALS tools, this is the only tool with a strong gender perspective. The other tools can be easily used without a gender perspective.

In terms of sharing the tools with others, only a few participants went through the process with other people. Those participants, who actively participated in the training and liked the tools (and experienced the value added), shared some (not necessary all) with family and/or business peers. They were also proactive in deciding which tool to use. Most participants discussed the content of with their families, but did not go through the process in a formal way. Moreover, they expressed how positive the experience of using the tools had been in their own lives, which was the best message they could have delivered.

The clients experience demonstrated that the model of clients distributing the GALS tools to others and organizing study groups *is possible*, but only if it is linked with the opportunity to cover the costs of time spent on the tools. Those clients that were most effective in disseminating the tools did so by

incorporating them into their own business network by training business partners. Other clients, which were more successful in sharing the tools with people they knew, approached the MFI to report that they were ready to train other people in return for payment from the MFI (which is the model created by the first MFI using the GALS tools in Uganda).

### Self-study Booklet development

As a result of information collected from workshop participants, the Self-Study Booklet was developed. The aim was to create an exercise book that could be filled in by clients without training. The following issues have been taken into consideration while developing the booklet:

- Those exercises seen as most valuable were selected for the booklet, including: Gender diamond, the Challenge Action Tree and the Road Journey (planning the future). Exercises such as the Relationship Map and part of Road Journey – Analyzes of the Past were omitted, as these were not considered by participants to be very effective.
- The text used as instructions was simplified and supported by graphics.
- Each exercise was accompanied by a detailed example relevant to the local context, to demonstrate the instructions.



### Project phase 2: Booklet dissemination

The second phase of the project focused on booklet dissemination, and encouraging clients to use the tools through a promotional campaign and contest organized by the AzerCredit.

#### Promotional campaign and contest

The project team decided to use a contest in order to provide participants with an extra incentive to get involved, and to make them interested in trying out this new way of learning. From the first phase of testing the tools, it was evident that people preferred to listen about new approaches rather than to try them themselves. Thus, providing some extra motivation to learn seemed a reasonable approach, in and in the end proved to be an effective one.

The project partner MFI, AzerCredit, led the promotional campaign entitled “Change your life.” The campaign was carried out for two months in two branches in two different regions. The campaign proved to be relatively low-cost: it required a few posters (placed outside branch offices to attract the attention of not only clients but also passers-by), 500 booklets and flyers to inform interested people about the campaign and the awards available. That aside, AzerCredit relied mostly on Loan Officers to spread the word about the campaign. Campaign information was also available on the MFI’s website.

## Campaign arrangements

AzerCredit selected Loan Officers from 2 branches in Mingachevir and Goygol. The Mingachevir Loan Officers participated in the first training and first phase of the project, while their colleagues from the other branch participated only in the second phase. All of them were trained in using the tools and provided with information on the rationale, process and benefits of the tools both from the perspective of clients and for AzerCredit. The Loan Officers were instructed to give the Booklet only to those clients who they felt would really be willing to use it. To help with this, the training addressed how to distinguish willing clients from polite clients.

After agreeing on realistic targets for Booklet distribution and collection, Branch Managers were asked to send reports on weekly bases to the Marketing manager, who was supervising the whole campaign.

**Table: distribution of the Booklet in numbers**

No.	Branch	# staff	# Booklets to be distributed	# Booklets to be collected	# Booklets distributed	# Flyers from booklet collected
1	Mingachevir Branch	5 Loan Officers Receptionist	275	165	329	198
2	Goygol Sub-Branch	4 Loan Officers Receptionist	225	135	231	150

When weekly targets were not met, feedback from the Branch Managers allowed the Marketing Manager to address any challenges that had arisen, through additional staff training where required. For example, in Goygol, the Loan Officers received extra training to address some of their questions and challenges. Among the issues needed discussion were how to deal with requests from clients to fill in flyers instead of clients as clients were worrying that their handwriting is not good enough, that the booklet is not for self-use, certain guidance from LO is needed. It was observed these Loan Officers who filled in the Booklet themselves were able to convince more clients to participate in the contest.

### Loan Officers training agenda (1 day)

1. Introduction: project rationale, objectives, rationale and benefits for AzerCredit to get involved in the project
2. GALS Tools introduction and explanation
3. Clients success stories presentation
4. Booklet presentation
5. Explanation of the campaign: background, objectives, key activities, plan, targets
6. How to – discussion on the process
7. Q&A
8. Homework: filling-in the Booklet

## Booklet distribution

The Loan Officers distributed the Booklets during their regular contact with current and potential clients in the branches; they were asked also to contact their former clients.

Clients were encouraged to fill the Booklet in and return extracts of the completed exercises (a separate 'flyer' accompanying the Booklet) to branches in order to participate in the contest.

Loan Officers were also tasked to record which clients decided to take the Booklet, in order to allow

## Women empowerment and gender mainstreaming into microfinance

for monitoring of targets and the number of clients submitting completed Booklets.

### Awards and winners selection

The awards were sponsored by the AzerCredit. The following awards were prepared:

- 1st place prize: home appliances worth 500 AZN (500 EUR)
- 2nd place prize: home appliances worth 300 AZN (300 EUR)
- 3rd place prize: home appliances worth 150 AZN (150 EUR)
- 20 additional “runners up” prizes: phone cards valued at 10 AZN (10 EUR) each.

The jury, composed of representatives of AzerCredit, AMFA and MFC, assessed clients’ answers. For scoring purposes, the Booklet was divided into 3 parts: Diamond Exercise, Challenge Action Tree and Road Journey; a maximum of 5 points could be given for each part which was complete; an additional 5 points were awarded to those clients who filled in the Booklet with their spouse (see Annex 2 for detailed description).

Within two months, almost 500 Booklets were distributed. 348 clients participated in the contest and provided their answers to AzerCredit. Three main winners were selected (with the 1<sup>st</sup> place prize going to a man, and the 2<sup>nd</sup> and 3<sup>rd</sup> place prizes going to women) along with 20 “runners up”.

A special award ceremony was organized by AzerCredit in the two branches where the winners came from: Mingachevir and Goygol.



**1st Place Winner with the family and Branch Manager**



**2nd Place Winner**

### Costs of the campaign

The key costs of campaign for AzerCredit was the cost of staff time. Most of the time was spent by the Marketing Manager, who monitored the whole campaign, as well as by the Loan Officers involved. On average, each Loan Officer added 30 minutes to each contact with a client or group of clients, in order to introduce the context and explain how to use the Booklet.

Total staff time used:

- Marketing Manager: 120h

## Women empowerment and gender mainstreaming into microfinance

- Marketing officer: 40h
- Two Regional Managers: 30h per person
- 9 Loan Officers in two branches: 33h per person (to reach 500 clients)
- 2 Receptionists in two branches: 20h per person

Other costs related to the campaign included: a few posters (posted in and outside the branches), contest awards (total cost 1,400 USD), award ceremony held in branches (snacks, tea and coffee), phone costs and fuel costs to travel to branches.

The cost of printing 500 Booklets was covered by the project, and amounted to around 1,200 USD. Additionally, AMFA staff also devoted significant time to the project, accompanying the Marketing Manager to prepare and coordinate the campaign.

Apart the training, the Loan Officers were incentivized through offering an award for the two Loan Officers that managed to encourage the largest number of clients to actively participate in the contest. The two best-performing Loan Officers were awarded with a training of their choice, provided by the MFC.

### Second phase lessons learnt

The key reason for developing the Booklet was to 'translate' the two-day workshop delivered by a facilitator to a group of people, into a self-applied exercise book, which could be used by clients with as little support as possible. At the same time, it was important to ensure that applying the exercises by oneself led to quite similar results as having sat through the workshop. The project showed the GALS exercises were quite successfully translated into the Booklet, through creation a set of text instructions, graphics and examples. However, in order to achieve effective results, Booklet distribution needs to be accompanied by a verbal introduction and explanation by someone who has already completed the Booklet (whether this be MFI staff or clients themselves).

*People with higher levels of education need less time to grasp the concept of the Booklet.*

It was observed by some Loan Officers that the higher the level of education of the client, the less time needed to explain how to use the Booklet. Loan Officers found that on average, explaining the booklet to a person with a university degree took around 15-20 minutes, while explaining it to a person with only secondary education took 30-40 minutes.

*Verbal explanation of the tools presented in the booklet increases the uptake and quality of work.*

If the person was approached directly and explained the purpose of the Booklet, and how to complete it, they were more likely to show an interest in it. This explanation could either happen at the point of delivery – or sometime in the future, if a client contacts the Loan Officer to ask further questions about the Booklet.

In cases where the Loan Officer had a positive experience using the tools, they were more effective in encouraging others to use them. Also, they were able to provide additional examples to effectively explain how to complete the exercises.

*Women are more interested in the Booklet than men.*

The project demonstrated that women are keener to use the tools as a source of amusement, and

## Women empowerment and gender mainstreaming into microfinance

more open to the tools. Therefore, more of them participated in the contest than men. However, several women managed to also involve their partners in completing the exercises.

Often, men in this pilot considered tools to be "girlish", mostly due to the examples used in the Booklet, which largely referred to women's experiences. Still, it was a man who won 1<sup>st</sup> prize in the contest.

*The contest and prizes facilitated the update of Booklets by clients.*

Based on feedback from clients and Loan Officers, it is estimated that around 10 per cent of clients in the sample were self-motivated to fill in the Booklet. The rest were motivated by the awards available. It is believed that after a while, when some "success stories" are spread in local community, less promotion will be needed, as "word of mouth" will promote the use of the Booklet.

*"There were clients' pictures in the Booklet, and I got interested"*

Most of the participants who were already AzerCredit clients mentioned that while visiting the institution, they were informed about the contest and were invited to take part, thus they agreed. The rest took the booklet from MFI through their own initiative and decided to complete it. Non-AzerCredit participants learned about the contest through their acquaintances. A few of them saw the Booklet when they were distributed in their workplaces and decided to take part.

*"I have an acquaintance, he told me about the contest and the Booklet saying: "Go, take the Booklet and participate."*

Among those people who wanted to complete the booklet but failed, the challenge identified was either a lack of time, or difficulties in understanding the instructions. In most cases, they did not ask for help, and instead tried to work it out alone.

### Gender issues and challenges identified by clients

The main purpose of the GALS tools is to introduce gender-related discussions into the household and help to develop strategies to achieve desired plans, taking into consideration gender-related challenges. The Booklet was designed in such a way as to include the gender context from the start, so that it would "accompany" people throughout the whole process. Unfortunately, because the Booklet was self-applied, rather than facilitated, it is difficult to assess the extent to which the Booklet exercises fulfilled their role in contributing to gender empowerment.

Based on the analysis of answers provided by clients in the Booklet, the majority of clients focused on family and work issues. Family, especially children, and the happiness of the family, remains the key interest for many contest participants. Among the challenges faced by clients in achieving that state of family happiness were: health problems, inability to provide enough financial support for the family, inadequate housing conditions, and not enough financial resources for children's education.

Another serious concern mentioned by clients was a lack of time to spend with family — mostly due to long work hours, or the time spent commuting to work.

In order to address those issues, clients developed plans for ensuring a stable family income or finding better-paid job.

## Project lessons learnt

### GALS Booklet benefits for clients

Although the facilitated GALS workshop without a doubt has the potential to achieve a bigger influence on clients in terms of changing their habits and practices, the Booklet also influences how clients engage in planning and solution-finding, given that it is a self-directed exercise, as compared with the workshop.

First of all, the tools help users to analyze the reasons for their problems and think “outside the box” for potential solutions.

The tools create a space, an opportunity for a dialog between spouses. Many participants mentioned that while going through the exercises, they were able to talk about some issues that they had never before discussed with their wives or husbands.

*“Now when I have a problem in my family, it will be easier to find a solution.”*

When promoted by the MFI, more women are interested in participating in these types of activities.

The format of tools, which draws on humor to make serious points, allows partners to get involved in gender discussions without using a ‘gender’ label.

*“I talked to my husband; we started to understand each other better. I mentioned all that I dislike, my husband shared his ideas, and he started to*

Since the exercises in the Booklet relate to the household, and the results are expected to improve the quality of life of the family, it was interesting to observe, that the involvement of a spouse increased the level of completeness of the exercises in the Booklet. Among those clients that failed to complete all the exercises and develop clear outputs, the majority of them worked without their spouse involved, as opposed to the clients who won the contest prizes. This sends a clear message the decisions related to the family should be planned by both partners.

*“I’m doing business. Now I had new ideas, new plans, hope for working a lot in order to increase my business.”*

Similarly to the GALS workshops, the tools in the form of Booklet help clients with strategic planning for their business activities, in balance with their family life. It was observed, that when a man was using the tools, he mainly planned for his business. Among women, the theme of their planning was more diversified, and included their personal issues as well.

*“I tried to be more active in my workplace, because as I work much, my income increases.”*

### Improving quality of life

It is too early to look for the real impact the tools had on clients’ lives. The clients need time to implement the plans they developed with the Booklet. However, based on the feedback from clients and Loan Officers participating in the project, it is clear that the GALS tools can help to develop new skills (planning and problem-solving), increase confidence and help build better relations and understanding between spouses.

## Benefits for the MFI

The Vision Fund AzerCredit reached out to over 500 clients with the initial workshops and subsequent promotional campaign and contest. Two branches in two regions were involved in project activities. As a result, AzerCredit has reported a number of benefits.

*Vision Fund AzerCredit's mission is to provide financial services which have a positive impact on the lives of the poor.*

### Knowing the client better

The Booklet requires clients to analyze in depth their household social and economic situation. Loan Officers were tasked with explaining the Booklet to the clients—in doing so they learned that they can find out more information about their clients, which allowed them to better analyze their business and repayment capacity. As clients were sharing with them their challenges and plans, they were able to better understand clients' wants and needs. This led the field staff to be able to recommend the product that was most appropriate to new clients, or to monitor existing clients.

### Positioning as a socially-responsible institution

It is hard to overestimate was the influence of the project on the perception of the institution by its staff and clients. The project strengthened the image of AzerCredit as a financial institution that cares for the holistic development of clients, in both their business and family life.

For staff participating in the project, the activities were a clear indication on how the MFI's mission translated into real life. They were proud and satisfied to be part of the project, and to deliver extra value to their clients through non-financial services. The project became an important message in building the organizational culture and creating non-financial incentives for staff.

The campaign increased the trust that clients feel towards the institution. Among other players in the market, clients perceived AzerCredit as the one that cares more about them. The discussion around the Booklet served as a good foundation for building a closer relationship between clients and Loan Officers.

While distributing the Booklet, the Loan Officers also reached out to drop-out clients and potential clients, getting their (renewed) interest in the institution through the campaign. Moreover, word of mouth about new campaign resulted in potential clients "knocking on AzerCredit's door" themselves.

The institution hopes that in the long term, the business capacities of the clients increase as a result of the Booklet, which will also increase the quality of business decisions and quality of their loan portfolio, as the clients execute the planning and analytical skills gained through using the tools.

## Project results and impact

Altogether, the project reached out to more than 500 clients of AzerCredit:

- 2 workshops conducted for 37 clients and 21 staff
- Tools adopted to Azerbaijani culture context
- 1 Booklet developed and tested
- 500 booklets distributed
- More than 348 people completed the Booklet and return the flyer

## Women empowerment and gender mainstreaming into microfinance

- More than 7 successful stories captured so far

### Workshops versus Booklet: who should use what?

The project results clearly distinguished the advantages of the GALS workshops versus the GALS Booklet, which serve to indicate which types of organizations should use each.

Based on the example of AzerCredit, the costs and methodology used show that the Booklet is better suited to an MFI, when there is limited time for interaction with clients. The costs are lower than (for example) organizing workshops; the basic level of knowledge needed to properly use the tools can be delivered by Loan Officers during regular interaction with clients. It is recommended that as more women are interested in participating in such activities, they are more suitable for those financial institutions that target women.

The workshops, because they require more time and resources to organize, can be incorporated into programs of NGOs that focus on women's empowerment. Such organizations usually have a lot of experience with organizing trainings for their beneficiaries, and the GALS tools can be incorporated as part of any training.

### Annex 1- Clients successful stories

#### 1. Change your life...

Most people before solving any of their problems first make a solution plan, and then start to put their plan into action.

But how many people write down their plan? If the plan isn't written down then some very tiny details which are actually quite important can be missed out. If so, the plan won't be achieved or we won't be able to achieve the expected results.

After using GALS tools for the first time I would say that my life was revolutionised. GALS tools helped me to achieve my imaginable dreams.

As well as participating in lots of training courses, I also led lots of training courses within my job. Although I had gained lots of new knowledge and skills in every training course, I was not promoted in my job in Faberlic – a cosmetic firm; I remained at the same consultant level.

In 2010 I learned about the GALS tools for the first time. This training course was totally different from any other training courses. After this training course, I quickly applied the GALS tools in my job and in a very short time I opened my personal Office. Within 6 months I was promoted from just a consultant to a Director, and then after 2 months to the general manager position.

Then, I found myself at a previously unimaginable career level. Thanks to GALS tools I was introduced as a business woman to a wide range of people. I received invitations to high-level events at home



## Women empowerment and gender mainstreaming into microfinance

and abroad. I made new friends, met more business people; this was all really great for me. While delivering training courses in any regions and in any field, I use GALS tools with great pleasure, to hold the attention of the audience. Thanks to this everybody is on my side and afterwards when I hear that the people I trained have also achieved successes using GALS tools, I can't tell you how happy I am.

God gives different chances to people; someone takes an opportunity, use this chance and achieves success, but someone else can just close their eyes and constantly complain about life. My advice:

**Do not close your eyes, plan your life using GALS tools and achieve the most that you can.**

### 2. See your goal on the Road Map ...and just reach it!

Nasibova Malahat Manaf, one of the families with special care needs at the Centre of Child and Family Support, has also benefited from these tools.

After this training course, using the GALS tools Ms. Malahat appealed to local Executive bodies, then she went all the way and her child was able to have all medical tests free of charge with the governmental support in Baku, as well as getting a free hearing aid device.



### 3. Challenging Gender Diamond

Hafiz Bakhshaliyev, 41 years old: "I live in Mingechevir. On the first day of the training course on GALS tools everything seemed funny to me and not at all serious. But while working on one of the exercises – Gender Diamond, I came to a conclusion that the main challenge and negative point in my life was alcohol. After the training course I wanted to change certain things in my life. Then, during the GALS workshop, I saw a video from Africa, and I saw how alcohol ruins family life there as well. After that my objective was to stop drinking. The first step in making a change started with the statement: I will no longer drink.

Several months have passed and I haven't drunk any alcohol. Now I can allocate more time to my family and feel better in terms of my own health. I lost some weight which gives me lightness and energy. I gained respect from the people near where I live. Now everyone recognizes me as a strong willed person.



I was able to develop my business. According to the plan which I developed in the training course, I bought new refrigerators for my small shop and increased the range of goods in the shop. My family supported me. When my family members saw positive changes in me, they started to help me and my business turned into a family business. Now we no longer hire a seller. I do this job myself and when I'm out my wife helps me. Even my 13 year old daughter helps us during her summer holidays and weekends. We run our business altogether.

I started to take more interest in the classes of my daughter. When I saw that she was falling behind in computer classes, I bought her a new computer and enrolled her in extra computer courses. As she has a deep interest in piano, we enrolled her in the local music school. Now after school, she goes to piano classes. This year she successfully completed the 9<sup>th</sup> class with all excellent marks.

## Women empowerment and gender mainstreaming into microfinance

For a month I left my business, as I needed a break. During my break my family ran our business. And now it's their turn to have a rest. Having everything planned always leads to success.

I advice everyone to use GALS tools and make changes in their life and state that **IT IS POSSIBLE!**"

### Annex 2 - Scoring rules for the answers provided by clients

#### Who else apart the client participated in the exercise?

Score	When to give this score
5	Spouse
4	Family member of opposite sex
3	Family member or friend of the same sex
2	Other person
1	Only client
0	No answer

#### DIAMON EXERCISE:

Score	When to give this score
5	All the cells are filled in. Answers are detailed and personal (the family context is reflected in the answers; the answer cannot be true for anyone but only for the specific family). The answers are very honest
4	Most of the cells are filled in (one or two are missing). Answers are detailed and personal
3	Only a few cells are filled in. Answers are detailed and personal
2	Most of the cells are filled in. Answers are general and are true for anyone. You can see the person put effort into filling in the exercise, but stayed at very general level (did not go in depth into reflection)
1	Less than half of cells are filled in. Answers are general and true for anyone
0	Answers are vogue and difficult to understand

#### CHALLENGE ACTION TREE:

Score	When to give this score
5	All the elements of the tree (trunk, roots, branches, leaves, fruits) are logic and linked with each other (they relate to the same issue). The example produces realistic solution to the challenge
4	Fruits are missing, but the rest of elements are logic and linked with each other The example is realistic to be implemented as solution
3	Fruits and leaves are missing. The rest of elements are logic and linked with each other The example if realistic to be implemented as solution
2	The elements are in place (all or most of them), but the example does not make sense: the solution (branch) cannot answer the reason (root)
1	Too many elements are missing, the example is not understandable
0	The exercise is not filled in.

**ROAD JOURNEY**

Score	When to give this score
5	Provided plan is specific (the goal has been clearly defined), measurable (concrete targets are provided), realistic (the plan seems relevant to client's situation - becoming a prince of UK is not realistic), achievable (plans are linked with resources of clients) and time-bound (there is clear timing when the plans will be achieved)
4	Provided answer is logical, the plan is measurable, realistic and achievable
3	Provided answer is logical, the plan is realistic and achievable
2	The answer provided is detailed, but not logic and difficult to understand.
1	Provided answer is limited and difficult to understand
0	No answer