Women's Savings (and Loans) Groups in Developing Countries

Discussion Paper 1

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A review of the literature

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1. Introduction

Over the past decade, many INGO and donor agencies operating in developing countries have supported the establishment of informal community-based Savings Groups (SGs), particularly for women. SGs aim to bring savings and loan services to poor rural women who do not have access to the formal banking sector and to increase their savings and access to loans. It is recognised that women's limited access to formal savings and credit facilities constrain their ability to save money, pursue local economic opportunities and improve household well-being. Women-only SGs, not only increase financial inclusion and savings for women, but also are widely seen as vehicles to promote women's empowerment and gender equality. As such, they are spreading rapidly in developing countries (Burlando & Canidio 2017). SGs have spread beyond Africa, where they first emerged, to Asia, Latin America and Oceania. Recently, groups have been established in Papua New Guinea (PNG) under the guidance of CARE International (Huxtable 2019; Koczberski et al. 2019) and World Vision and in the Solomon Islands under the International Women's Development Agency (Brislane 2014; Fleming 2016).

This discussion paper provides a review of women's savings groups in developing countries. The paper begins with a brief background to women's SGs and then outlines what SGs offer for women that other formal and informal financial services do not. The paper examines the potential of SGs to contribute to women's economic advancement and empowerment, and some of the challenges SGs face in overcoming gender inequality. The paper is part of a larger research project that is trialling and evaluating informal savings groups in the Highlands of PNG (see www.pacificlivelihoods.com).

2. Background to informal women's savings groups

Informal SGs (also known as Savings Clubs) first appeared in the early 1990s in Africa and were established largely by International Non-Governmental Organisations (INGOs). A SG functions like a mini credit union. Group members meet regularly to save money by pooling funds (in the form of shares) and make loans to one another from accumulated funds over a savings cycle of typically nine months to a year. Loans are repaid with interest and the interest provides a return on the savings (Gash & Odell 2013). The profit that members make and the capital accrued tends to benefit their local communities (Allen & Panetta 2010). Membership is predominantly female.

SGs are essentially an improved version of Rotating Savings and Credit Associations (ROSCAs). They have achieved much success in bringing savings and loans services to the poorest members of rural and remote communities (Beaman et al. 2014). Increasingly SGs are viewed as a way to support female entrepreneurship and foster women's economic empowerment and gender equality (Waller 2014). SGs can be set up with little external assistance and a token financial investment, and operated sustainably with limited technical and administrative input (Brislane 2014). In some places, SGs complement the services offered by formal financial institutions (Allen & Panetta 2010).

Accompanying the geographical spread of SGs has been increasing heterogeneity in the methodology adopted across and within countries. SG design is contextual. Implementing organisations and members of individual SGs fine-tune the methodology of the group in response to local socio-economic demands. Often these changes occur as organisations gain experience over many years and can identify when a specific community requires, or allows for, a more bespoke SG design (Allen & Panetta 2010; Burlando & Canidio 2017).

The oldest and most prominent model of a SG is the Village Savings and Loan Association (VSLA) (Allen & Staehle 2015). The international NGO CARE, established the first VSLA in 1991 in Niger. Its aim was "to enable women living in poverty to increase their financial skills, gain access to and control over resources, and generate economic opportunities and income" (CARE 2017: 2). CARE has since standardised its SG model and has established over 317,000 VSLAs in 46 countries with more than 6.7 million members — 81% of whom are women. Presently many other NGOs and a number of governments have adapted the VSLA methodology and developed their own SG models (CARE 2017). The most notable of these are the 'Saving for Change' women's SG. It was first established in Mali in

2005 by the INGOs Freedom from Hunger, Oxfam America and the Stromme Foundation (Deubel & Boyer 2019).

Determining the current number of SG members globally is difficult. Some estimates are based solely on groups established by INGOs, and do not account for members of SGs that have replicated organically (or spontaneously) or been established by local NGOs and other organisations and individuals (Burlando et al. 2016). Brunie et al. (2017: 1989). Using 2016 data from the website of VSL Associates Ltd, which disseminate the Village Savings and Loan Association (VSLA) model, it is noted that: "By 2015, there were over 12 million active [VSLA] participants in at least 73 countries in Africa, Asia, and Latin America." Drawing from the same website in 2018, Amaning & Sarfo-Mensah (2019: 134) state that there were "over 17 million active participants worldwide [in around 75 countries] with women comprising 78% of the membership." In November 2020, the VSL Associate Ltd website declared that there are more than 20 million VSLA members in 77 countries: 78% of members are women (VSL Associates Ltd 2020).

2.1 Why have they emerged?

SGs emerged largely in response to the shortcomings of formal and informal financial services in reaching the poor, and the low levels of education and numeracy amongst the poor in developing countries. Approximately 1.7 billion adults worldwide, most of whom live in developing countries, lack access to formal financial services. Almost two thirds of these individuals have received only a primary school education (or less), and over half (56%) are women (Demirgüç-Kunt et al. 2017). Most live on or near the poverty line, and consequently lack discretionary income to save and to afford bank charges and fees (Demirgüç-Kunt et al. 2017). Microfinance services such as the Grameen Bank, with access to significant donor resources, have helped improve the livelihoods of many poor rural people through the provision of financial advice, savings facilities and access to loans with affordable interest rates. Yet, these formal organisations require adequate infrastructure to deliver their services and so many people in rural and remote areas remain inaccessible to such services (Brannen & Sheehan-Connor 2016).

Alternatively, poor people can access informal financial services, many of which have evolved from traditional or indigenous savings and loans mechanisms and practices (Green 2019). These financial services go by various names but are frequently categorised as Rotating Savings and Credit Associations (ROSCAs) (Allen & Panetta 2010: 2). They can be found throughout sub-Saharan Africa, Asia, and Latin America. However, ROSCAs lack the flexibility needed to meet the needs of most low-income earners, especially the rural poor. ROSCA's have a fixed weekly savings contribution that many people simply cannot afford (Burlando & Canidio 2017). Furthermore, rather than allowing weekly contributions to accrue so that members can take out loan amounts that meet their needs, only one member per week is allotted the entire ROSCA fund (Beaman et al. 2014). Within the Mekong region of Southeast Asia for example, ROSCAs are popular with wealthier individuals such as small business owners in urban areas who use the ROSCA fund as a source of business capital (Massu et al. 2017). ROSCA's lack of flexibility therefore make them less attractive for the very poor.

2.2 How do savings groups work?

SGs are formed and operated using a standard methodology, although minor variations are made by some NGOs and other organisations to better suit the local community. Members of individual SGs may also make deviations from the standard methodology in their day-to-day operations (Allen & Panetta 2010). SGs are usually established under the guidance of a Field Officer — also called a Trainer or Livelihood Officer (Brislane 2014). They typically work for an NGO or local community organisation. The Field Officer will visit a predetermined group of villages (or hold a large, community gathering) (Allen & Staehle 2015) to explain how SGs work and answer questions. When interest is shown, a group will be formed that can have as many as forty members (Burlando et al. 2016), or as few as ten (Allen & Panetta 2010; Gash & Odell 2013). It is recommended that members of the same household (e.g. a mother and son or husband and wife) join separate SGs (Allen & Staehle 2015) so as not to inadvertently reinforce or create power inequalities (Ibrahim & Kuru-Utumpala 2020).

There are other recommendations relating to the characteristics and capacity of members:

> [They should] know each other and be from a similar economic background; not live too far from where the meetings will be held; have a reputation for honesty and reliability; be able to attend all meetings; attend all meetings on time; follow all rules; have a cooperative personality (someone who is known to create conflict should probably not join); be able to buy at least one share each week; [and,] be able to repay loans on time. (Allen & Staehle 2015: 15)

Once formed, a name is chosen for the SG and a Field Officer usually makes weekly visits to oversee the group during their first three months of operation (Ksoll et al. 2016). Unlike a ROSCA, a SG has fairly complex governance requirements. During the initial phase, the group will complete a series of training modules that elaborate on the operation of the SG, set out key members' roles, and help ensure the sustainability of the group. The SG will also elect a management committee of appropriately skilled and motivated members from within their ranks (Allen & Staehle 2015). The committee is made up of a chairperson, record keeper, ('safety deposit') box keeper, and two money counters, all of whom have important responsibilities to ensure the group's success. Each member of the SG has a single vote during the election of the committee and in developing a group constitution (Allen & Staehle 2015). Certain aspects of the constitution are fixed (such as holding annual elections to select the management committee), but members of the group can decide upon all other rules and procedures. These include the minimum weekly savings contribution of members, interest rate on loans, penalty fees and the length of the group's savings cycle (Massu et al. 2017).

Each member is issued a passbook within which all their individual savings and loan transactions are recorded (Maliti 2017). Unlike a ROSCA, which specifies a fixed weekly contribution, SG members choose to purchase from one to five shares (Beaman et al. 2014). The purchase of a single share is normally the minimum weekly contribution that each member must make. A widely observed rule is to set the value of one share at an amount that the poorest members of the group can afford (Burlando & Canidio 2017). Most SGs also incorporate a form of insurance that acts as a safety net during times of hardship. Members pay a small weekly premium (generally less than the cost of one share) into what is commonly called a 'social fund', from which they can take interest free loans *only* for emergencies such as crop failure, serious illness or the death of a family member (Burlando & Canidio 2017).

Once a savings cycle has run for three months, members can start borrowing money from their combined contributions. Loans are made available once a month and a borrower can take out a subsequent loan once their previous loan has been repaid. Before a loan is made SG members must approve its intended use. The loan repayment period can range from one month (Burlando et al. 2016) to three months depending on the group's constitution. Similarly, the value of a loan that an individual can borrow varies by group. Some SGs specify the amount must be no more than 80% of what a member has saved, so if they default on their loan, other members will not lose money (Brislane 2014). By contrast, some groups specify that a loan cannot be more than three times what a borrower has saved. The value of all loans is limited to the total savings (including interest paid) held by the group (Burlando & Canidio 2017). If loan requests exceed these savings, the SG will refer to criteria within their constitution to determine who will receive a loan (Ksoll et al. 2016).

For transparency and security, no transactions may occur outside a SG meeting and all money and passbooks are stored in a sturdy box fitted with three padlocks to prevent theft and the alteration of transaction and shareholding records. Three different members of the SG hold the padlock keys, another holds the box: none of these individuals can belong to the management committee (Ksoll et al. 2016). Transparency is enhanced by speaking and seating arrangements at meetings. Numbered member cards (for example, 1-25) determine the order of speakers and passbook transactions. At meetings, committee members sit in a straight line, with the remaining group members sitting directly in front of them in a half circle. Between the two groups is the deposit box. Thus, members can clearly see all cash deposits and loans made and the passbook entries being detailed (Allen & Staehle 2015).

At the end of a SG cycle, all savings held by the group (including loan interest and fines) are divided by the total number of shares that the group has purchased. Each member then receives their share of the savings based on their shareholding — an event called the 'share out' (Allen & Panetta 2010). Following the share out, group members then decide if they would like to remain in the group for a new cycle, and if new members can join. The completion of their first cycle is said to be when a SG 'graduates', meaning members will no longer be supervised by the NGO that helped establish the group (Ksoll et al. 2016). Usually, at the end of a cycle, the Field Officer will select a number of suitable and willing participants from the SGs and train them how to establish new groups. These individuals are called Village Agents and in due course, they are expected to start three to six SGs of their own per year, be paid a service fee by each of these new groups for ongoing training and supervision, and even save with each SG (Allen & Staehle 2015). Eventually, the Field Officer will spend most of their time supervising VAs, rather than setting up SGs. After one year, the VAs will sit a formal examination and if they pass, become independent and certified trainers of SGs, at which time, the Field Officer will move to another area to repeat the process (Allen & Staehle 2015).

Thus, while SGs have fairly stringent governance requirements they are underpinned by a simplicity and transparency that allows for easy replication and expansion across different communities, regions and countries (Gash & Odell 2013; Burlando & Canidio 2017). This adaptability, simplicity and transparency of SGs make them a particularly well-suited financial service for marginalised and vulnerable community members (Brannen & Sheehan-Connor 2016). For example, Ibrahim & Kuru-Utumpala (2020) describe a mixed gender SG in Niger where most of the male members are blind, and how, since joining this SG, they experience less stigma from other community members and participate in more local events.

SGs are not necessarily dependent on external investment and ongoing funding and technical support, unlike formal community-based microfinance initiatives (Ritchie 2007). Establishment and running costs are low, little is required in terms of infrastructure, and operating equipment is minimal (sturdy, secured deposit box, member passbooks and number cards, a loans ledger, calculator, ink stamp and pens). In many cases, new

SGs spread organically, rather than under the guidance of an implementing organisation (Allen & Staehle 2015). Here, the success and sustainability of new groups is not dependent on highly-trained outside experts, rather, members of existing SGs who are well-versed in its methodology can initiate new groups (Ritchie 2007).

3. What do savings groups offer that work to benefit women?

Savings groups offer many advantages for women, although the extent of the benefits vary greatly across and within countries. Savings groups not only increase financial inclusion for women, but have proven in many areas to increase income earning and business opportunities for women (Karlan et al. 2017). Although, in some poor rural areas women may experience little change as members often need to use their savings, income and loans predominately for expenditure on food and household goods, rather than small business activities (Fleming 2016). Yet overall, women's greater access to savings and credit through SGs can have a positive outcome on household food security (Beaman et al. 2014; Ksoll et al. 2016) and household resilience (Gash & Odell 2013), and often improves household asset ownership, especially of livestock (Adams et al. 2014; Annan et al. 2013). Whilst limited rigorous research has been conducted on the social impacts of savings groups, some studies reveal that SGs can improve social capital for women, promote social empowerment and build self-confidence, solidarity and support among women (Deubel & Boyer 2019; Brislane & Crawford 2014). Below the discussion focuses on economic advancement and agency: two concepts underpinning economic empowerment.

3.1 Economic advancement

SGs incorporate numerous features and benefits that facilitate the economic advancement of women. First, SGs increase women's access to affordable savings and loan facilities and emergency support (insurance/social fund). In this regard, they address some of the key barriers to women's financial inclusion. For many women who live below the poverty line, or far from formal bank branches, membership of a SG is the first time they have had access to such services (Waller 2014). Nearly all studies report increases in savings and use of credit among women following the introduction of a SG in a community (e.g. Beaman et al., 2014; Karlan et al., 2017; Ksoll et al., 2016).

Second, SGs strengthen women's ability to meet household expenses and financial needs. The flexibility of SGs offer poor women the ability to borrow money to buy food, household items and cover day-to-day expenses, or invest in small business development (Gash & Odell 2013). Many women reportedly experience greater well-being and less stress after joining a SG because they can better manage household finances and meet the basic needs of the household. It is reported women can more easily afford and access healthcare, purchase goods that enhance their asset base, pay school fees, and their households often have healthier diets (Gash & Odell 2013; Waller 2014). In particular, in many areas, the savings function of SGs allows for better consumption smoothing, whereby women can save money during the year to offset the impact of expected or unexpected personal, community and environmental disturbances (Deubel & Boyer 2019). The share out can be critical in this regard. It can be timed to occur at an opportune time, such as prior to the planting of crops when agricultural supplies are needed (Ksoll et al. 2016) and/or during the hungry season when food provisions are low (Beaman et al. 2014), thereby increasing food security (Massu et al. 2017).

Third, SGs provide a safe and secure means of saving money for women, while the enforced savings aspect encourages long-term investment and savings behaviour. Attending regular SG meetings in a safe environment has motivated women to save and help develop a culture of savings in some communities (Huxtable 2019; Brislane & Crawford 2014). Prior to the availability of SG services, many women either spent or disbursed most of the money they earned and/or stored money in their house or some other discreet place. Some women were unable to save money because there was nowhere safe to hide it or they would have to yield to demands placed on them by family members such as their husbands (Waller 2014). As Brislane & Crawford (2014: 8) note from research in the Solomon Islands, "…storing funds at home is not without risk. Husbands and male relatives sometimes demand or search for cash, which can lead to conflict and violence in the home." In some areas where women's mobility is restricted and it is not always safe for women to travel to towns, village SGs provide the only option for women to save money securely.

SGs also provide women the opportunity to build financial literacy. SG members take responsibility for managing, what is essentially, their own informal bank and in doing so, develop a range of skills. Regularly attending SG meetings and making finance related decisions, counting large amounts of money and undertaking record keeping enable women to improve their financial literacy skills. Furthermore, by helping to determine rules governing SG transparency, participation and the management of finances through subsequent cycles, women often become better negotiators, collaborators, problem-solvers, and improve their literacy and numeracy skills (Deubel & Boyer 2019). The internal training provided as part of the SG methodology has been credited with helping women to engage in better financial planning and management, which has improved their ability to repay loans on time. It has also helped them to enhance their small businesses, including through diversification into other products and services that have increased their earnings (Waller 2014).

3.2 Agency

Active participation in SGs provides numerous benefits that enhance the agency of women. They offer a supportive environment where women can learn at their own level and pace, and build self-esteem and confidence (Amaning & Sarfo-Mensah 2019). It is possible that SGs, often being women-only spaces, present an opportunity for women to talk openly and freely and to build their confidence in developing new skills and aspirations (see Brislane & Crawford 2014). This confidence manifests in different ways, such as through increased participation and leadership within a SG, or greater control of, and benefit from, the money that they earn. Several studies have noted the positive impacts of savings groups on increasing women's leadership skills and women's overall confidence to take on leadership positions (Brislane 2014; Massu et al. 2017; Deubel & Boyer 2019).

In some studies women report contributing more to decision-making within their household and exercising greater control over their finances

(Anyango 2005; Fleming 2016). Often, a husband will view his wife's savings in a SG as mutual savings, yet, only his wife can withdraw money or obtain a loan from the group (Waller 2014). As a result, some women begin to speak up – having learnt how to express themselves more assertively through working with other SG members – and have a greater say in household decisions, such as how money is spent. In turn, they depend less on other people for financial support, particularly their husbands. (Waller 2014).

SGs have improved women's personal confidence and self-esteem (Waller 2014). For some women, exposure to, and participation in, leadership and public speaking has increased their confidence (Amaning & Sarfo-Mensah 2019). They now articulate their views without hesitation amongst their peers and in public. Such agency "is a prerequisite to challenging existing institutions and social norms that affects their wellbeing" (Amaning & Sarfo-Mensah 2019: 140). Although, as identified by Ibrahim & Kuru-Utumpala (2020), leadership exhibited by one woman could prevent the empowerment of others, particularly where there is a tendency to 'follow the leader'.

Greater personal confidence has also motivated some women to make other improvements in their lives and in the community that previously may have seemed impossible. Apart from engaging more in business-related activities, some women have invested in strategic household assets such as land and livestock, and worked collectively to establish community-level projects (Allen & Hobane 2004; Devries & Rizo 2015; Deubel & Boyer 2019). Many of these types of activities women would not have pursued prior to their membership of a SG, and which are often a source of greater respect and status for women in their communities.

Increased social capital has also been identified as a benefit of participation in a SG. SGs are places where women can come together and share their experiences, talk about and find solutions to problems, and identify and evaluate economic opportunities (Vibol & Kuy 2017). Women also strengthen relationships and build trust through cooperation and helping one another to meet personal and group goals within their SG. In the process, they build friendships, cohesion, and gain access to the social networks of fellow members, allowing them to overcome feelings of isolation (Massu et al. 2017). Therefore, while SGs allow women to build their confidence and lead more independent lives, they can also more actively contribute to, and make decisions as part of a group. This demonstrates how women start taking greater control of their lives and futures as members of SGs, and by doing so, strengthen their individual and collective agency (Amaning & Sarfo-Mensah 2019).

4. Do savings groups help overcome entrenched gender inequalities and foster women's empowerment?

As indicated above, SGs potentially can make a significant contribution to women's empowerment and gender equality. Participation in a SG can engender economic advancement, greater agency and expand the choices available to women. These three elements are considered central to women's economic empowerment (hereafter, empowerment). Kabeer (2001: 71) describes empowerment as the "expanded capacity for making choices [and] for taking actions which express [one's] values and priorities." Whilst empowerment is multidimensional in nature, it is fundamentally about changing power relations and overcoming entrenched gender inequalities to improve women's capacity to make strategic life choices (see, for example, Kabeer 1999; Cornwall 2016).

Many INGOs and donor agencies have supported the establishment of women-only SGs as a means of advancing women's economic empowerment. Yet, the impacts of SGs on women's empowerment are highly variable (Gash & Odell 2013; Karlan et al. 2017). In part, this reflects the different definitions and indicators of empowerment used in SG evaluations. Rarely are local or indigenous perceptions of empowerment considered (Deubel & Boyer 2019). More commonly, western (and neoliberal) conceptions of empowerment are used which narrowly focus on advancing women's financial inclusion and engagement in the formal market economy (Wilson 2015). Within this definition, the progression of women in SGs from earning an income in the informal economy to more lucrative income generating activities in the formal economy is considered to be empowering (Brislane & Crawford 2014).

Several authors have argued that benefits associated with SGs have sometimes been misconstrued as forms of empowerment, because the broader context of women's lives has not been considered (see, for example, Brislane & Crawford 2014; Taylor 2015; Deubel & Boyer 2019). However, whilst gender-specific economic interventions such as SGs, may address poverty and increase women's savings and access to loans, they may not necessarily overcome entrenched gender inequalities and advance women's empowerment. As Cornwall (2016: 345) cautions:

> …providing women with loans, business opportunities and the means to generate income may enable them to better manage their poverty, but to be *transformative*, to address the root causes of poverty and the deep structural basis of gender inequality, calls for more than facilitating women's access to assets or creating enabling institutions, laws and policies.

Taylor (2015) highlights that while numerous economic development initiatives in developing countries are allegedly aimed at facilitating empowerment for women and girls, their efforts are actually directed more toward economic advancement. While such programs do assist women to increase their income and personal assets, their control over these resources is not guaranteed "if their power and agency and if structures and social norms around gender equality remain unchanged" (Taylor 2015: 16).

Similarly, while there may be income-generating or business training opportunities available to SG members, they may not be realistic opportunities due to the heavy workloads of women. Some women barely have enough time to make weekly SG meetings and maintain their small businesses, due to the demands on their time to meet household needs and community and church obligations (Brislane 2014). Also, if women cannot organise childcare or a means to reach a town or marketplace to sell goods, then any opportunity for empowerment simply vanishes (Brislane & Crawford 2014. Thus, the realities of everyday life for many women mean that an easy, step-by-step process from economic advancement to empowerment is often impossible.

A problem with SGs achieving empowerment for women is that underlying local issues that block empowerment, such as oppressive gender norms and constraining gendered structures are not always explicitly considered prior to establishing SGs (Brislane & Crawford 2014). Yet, as Ibrahim & Kuru-Utumpala (2020: 11) note, "by addressing the structural underlying causes of poverty", empowerment will be realised through outcomes such as greater food security, better health, and a reduction in domestic and other forms of violence. Fleming (2016: 8) highlights that structural causes of poverty can "include the accepted cultural and social rules [and] norms and institutions that surround and condition women's choices and chances."

Such restrictions can be acute within patrilineal-dominated households. For example, women who leave their village and marry into their husbands' families are highly unlikely to own significant assets such as land (Waller 2014. Burdened by these limitations, and their lack of agency to press for changes in property rights, the prospect of economic advancement, let alone empowerment in the short-term is optimistic. Compounding this problem is the fact that men too are 'gendered beings': they are also "shaped by social norms and institutions that influence their perceptions of what it means to be men and their related behaviour", which can be of further detriment to women (Slegh et al. 2013: 26). Moreover it is not uncommon within developing countries, in particular, that both men and women "still believe that men are rightful heads of households and final decision makers" (Waller 2014: 9), and women themselves accept their low social status in their community (Kabeer 1999: 440). Similarly, within some communities, men who are without work or under some other form of financial pressure are predisposed to engage in domestic violence (Slegh et al. 2013), and this may be perceived by both men and women as just being 'part of life' (Fleming 2016). Thus, it may be wishful thinking to propose that these views will change to any significant degree as a result of a SG starting in a village.

Ingrained gender and cultural norms can also determine how a husband responds to his wife's participation in a SG and her chance of gaining economic empowerment. Some men reduce their financial contribution to the household when their wives start earning money through a SG (Brislane 2014). They may even divert more of their money to their own business or the 'family business', "which is more likely under the husband's control" (Waller 2014: 10). In addition, some men will demand that the status quo remains; "their wives must continue to attend to the household duties on top of their economic involvement" (Massu et al. 2017: 40). As a result some women may end up in debt after battling to take care of children, domestic work and running their small businesses, while increasing their susceptibility to domestic violence in the process (Brislane 2014). As Musinguzi (2016) highlights, women are not worried so much about the amount of money that they make; it is their ability to control how their money is used, and to do so in an environment where excessive work and domestic violence are no longer threats, that is important. Otherwise, "they will not be empowered and financial inclusion may be ultimately disempowering" (Brislane & Crawford 2014: 6).

In societies where men may believe women's participation in SGs challenges gender norms and hierarchies or they feel excluded, domestic violence may result. In Mali it was necessary for married women to gain permission from their husbands to join a SG, to avoid problems, as well as prevent accusations of being "disobedient and boastful" from other community members (Waller 2014: 4). Ibrahim & Kuru-Utumpala (2020) found in Niger and Cote d'Ivoire that there was an increase in domestic violence during the formative stages of SGs. It was a time when there were (more) group meetings to attend and domestic work was set aside by women, and men had yet to see the (financial) benefits of their wives' participation.

Aside from restrictive gender norms that often prevail over the social contexts within which women's SGs are located (Deubel & Boyer 2019), there are wider political and legal structures that can discriminate against women. For instance, in many societies, men remain politically dominant (Ibrahim & Kuru-Utumpala 2020) and legal systems continue to support customs that discriminate against women (Kabeer 2001). It is not easy for women alone to overcome these constraints. Rather it requires collaboration and collective action among women and supporters across a range of sectors and organisations to achieve change. In some instances, the cooperation and "bonds of solidarity and social support" (Deubel & Boyer 2019: 7) developed among women in SGs motivates members to act collectively for change. For example, women in Mali have used their membership of SGs as the foundation for collective action. This has allowed them "to petition for rights they would normally be refused as individuals"

(Deubel & Boyer 2019: 8). A noteworthy achievement for these women has been group ownership and use of land in several townships across the Sikasso Region of southern Mali. At present though, "established gender norms make a woman's individual ownership nearly unimaginable" (Deubel & Boyer 2019: 8).

In addition to the discriminatory structures that can impede women's empowerment, is the local economic context. In rural areas, for example, viable business opportunities are far more limited in comparison with urban environments, as is the disposable income of the small customer base. Potential income opportunities are further constrained by the limited access to schooling of females in many rural societies. Equally, some women may have no idea where to invest a loan (Massu et al. 2017). Members of a SG may have no option but to invest in the same, or very similar, business activities due to lack of local economic opportunities. This can lead to depressed sales prices and reduced profit margins, and further stifle entrepreneurial opportunities (Brunie et al. 2017). In addition, detail can be lacking around the accessibility to customers, potential profits, and links to larger consumer markets and stakeholders in the associated supply chain (Fleming 2016). Yet, accessing external markets, such as the nearest town, may not be possible due to cultural limitations on mobility, lack of time and money or poor transport infrastructure (Deubel & Boyer 2019). Hence, some SGs fail because "realistic assessments of income generation potential in different locations" are not carried out prior to the formation of groups (Brislane 2014: 33), and women may fall behind on loan repayments. When this happens, they are likely to turn to their husbands for assistance, and this can reinforce gender-based views such as women have no business sense, they lack the ability to manage money, and men need to control household finances (Waller 2014).

A lack of follow-up support and training from implementing organisations can also limit women's economic advancement and empowerment. For example, while SG members may have received basic training on how to write a business plan during the formation of their group, it is difficult for a member to prepare an actual plan for a new business opportunity during the short period of time between receiving this training and taking out their first loan (Vibol & Kuy 2017). Similarly, members of a SG may not be able to access the assistance needed to build on the basic financial planning and management skills that they developed in their group's first cycle, in order to diversify their income-generating activities or seize on new business opportunities (Massu et al. 2017). As Deubel & Boyer (2019: 12) state, "there is a universal demand for transformation, diversification, and identification of new markets and new partners", but most SGs need help to do this.

In view of the above, SGs face significant challenges in fostering empowerment among women. Its complex nature explains why the impact of SGs on women's empowerment is mixed. As Kabeer (2001: 80) states, "empowerment is a complex, rather than a simple, phenomenon. It has multiple dimensions and can occur through a multiplicity of routes." Thus, the reality of empowerment is that it is a drawn-out process; an incremental transformation "across many areas of life, at many levels, sustained over time and reinforced by institutional and relational change" (Brislane 2014: 17). This change is most apparent in those women who have embraced the opportunities that SGs offer for greater agency, personal development and consciousness raising.

4.1 Contesting norms

As a potential solution to tackling entrenched gender inequalities, several authors have suggested the use of gender-based training within both SGs and the communities that members reside in. In particular, training can be used as "a platform to challenge patriarchal structures that discriminate against and normalise violence against women and girls" (Ibrahim & Kuru-Utumpala 2020: 1). Based on her research in Malawi, Waller (2014: 12) recommends that SG implementing organisations should "consider integrating gender and culture change modules to engage women, men, and couples in discussions and actions to address culturally sensitive norms and practices that undermine women's empowerment." She advises that this training should also teach couples how to budget together, share household work, and prevent domestic violence (Waller 2014).

Based on their research in Cambodia, Massu et al. (2017: 41) state that aside from standard gender modules on topics such as "relationship management and conflict resolution", more education is needed on gender equality and mainstreaming its concepts through all activities of the SG. They go on to state that:

> [Instead of being a supplementary module,] gender equality considerations would benefit from being better mainstreamed at all levels in the implementation of the VSLA component. For example, the financial education module could be developed and/or revised to ensure it is gender-sensitive, does not reinforce gendered norms about women's work and men's work, and provides simple steps for women to think outside the box in terms of the economic activities they aspire to engage in as individuals. (Massu et al. 2017: 41)

Others have argued that it is critical for men in the community to participate in any gender-awareness training and discussion forums when establishing a SG. This is particularly important given the entrenched gender norms held by men that justify women's subordination and perpetuate domestic violence. If, for example, men believe that women should not take on leadership roles within the family or community (Musinguzi 2016), and rue the fact that their customary role as the main provider and household head is being diminished, then it is important "to engage them in a deliberate questioning" of customary roles and norms (Slegh et al. 2013: 27). As Brislane & Crawford (2014: 14) state regarding their work in the Solomon Islands where men were part of gender equality discussions:

> …concurrently discussing gender equality and inclusive leadership, whilst engaging women in operating savings clubs and leading community initiatives, has allowed both men and women to question and reconsider gender norms and roles over a number of years.

Thus, the inclusion of men has the potential to alter household power and gender relations.

Furthermore, according to Brislane (2014: 20), by integrating female perspectives during the formative stages of a SG helps to "address barriers to women's participation and empowerment." The chances of establishing a women's SG and its long-term sustainability are greatly improved if members' husbands are involved in its establishment and operation, and the Field Officer or Village Agent explains why the group is for women only. Brislane (2014) recommended, based on her work in the Solomon Islands, that during the gatherings that are held to gauge interest in creating a SG and to explain how these groups can benefit the wider community, it is vital that "Chiefs and other important men within the community governance system" also participate. Still, men should play no part in running the group so that women can enjoy "the space and opportunity to take up leadership roles" (Brislane 2014: 25).

Including men in training or preliminary group discussions also increases the chance that men will support their wives' SG and income-earning activities, and understand that her increased access to money will benefit the whole family. Fleming (2016: 8) explains how "explicit gender awareness training and discussion forums" that were delivered as part of SG programs in the Solomon Islands, led to greater cooperation amongst families in terms of developing strategies to increase their incomes. Within these same families, "husbands were more likely to offer to look after children while the mother went to market, or help carry heavy produce to the market for their wives" (Fleming 2016: 9).

Some suggest that better use can be made of men in the community that support women improving gender equality. As Waller (2014: 21) states: "For women to be truly empowered, it is important to identify the kinds of men that exist in communities who are more in support of women's economic empowerment and are allies." According to Slegh et al. (2013), these men should be encouraged to become 'change agents', whereby they collaborate with other men in settings such as community meetings, to start changing attitudes and behaviours toward women. Such action, along with "advocacy at the policy level" are important components of couples-based approaches to Empowerment and overcoming entrenched gender inequalities (Slegh et al. 2013: 28). Importantly, Massu et al. (2017: 5) believe it may also be worthwhile enhancing the function of Village Agents through mentorship that establishes them as community role models, "especially for influencing gender relations and establishing women Village Agents as change agents."

Some have recommended that to negate the adverse impacts of SG membership on women, such as risk of domestic violence, implementing organisations should record information associated with gender-based violence in the community during the establishment and operation of SGs and have strategies in place to address it (Brislane 2014; Ibrahim & Kuru-Utumpala 2020). The importance of collecting such data is emphasised by Ibrahim & Kuru-Utumpala (2020: 9), who declare that such a measure is integral to a do-no-harm approach to Empowerment. Based on their research in Niger and Cote d'Ivoire, they state that:

> Several women (and men) shared experiences of domestic violence when women wanted to join a VSLA due to their husband violently objecting to their membership. This raises serious concerns over CARE's obligations to mitigate the risk of GBV in the set up and running of VSLAs, as there does not appear to be any formal strategy or guidance to address this.

Ibrahim & Kuru-Utumpala (2020) revealed that efforts to end this violence through intervention and mediation were led by women, particularly the presidents of SGs, and violence only ended once men learnt that there were financial benefits to their wives' participation in a SG. It did not appear that the implementing organisation had any mechanisms or support services available for the women. As such, the full responsibility for ending domestic violence was placed unfairly on the women members themselves. This reveals the potential shortcomings in the methodology applied by implementing organisations to address entrenched and harmful gender norms and attitudes.

Finally, in reality women's membership of a SG alone challenges gender norms as well as assumptions that women lack the resolve and organisational skills to form and operate such groups successfully (Ibrahim & Kuru-Utumpala 2020). SGs also engender greater agency and financial independence for many women, allowing them to challenge the perceived roles of women and men within society and the patriarchal hierarchies that enforce these views (Fleming 2016). Accordingly: "Gender equality does mean that some men will have to give up a lot of privilege, and all men some kinds of privileges" (Slegh et al. 2013: 28). Some men are threatened by such change, particularly those who are marginalised themselves (Waller 2014). Yet, others are slowly beginning to understand and welcome the benefits that are inherent in empowerment and gender equality, the ability of their wives to act as providers and leaders within their families and communities, and consequently, the better lives that can ensue (Slegh et al. 2013).

5. Conclusion

SGs have spread rapidly in developing countries over the past two decades and have been instrumental in working with poor women to help them overcome poverty and their economic marginalisation. The adaptability, simplicity and transparency of SGs make them a particularly well-suited financial service for marginalised and vulnerable community members. Aside from building their financial capital, poor women have developed their resource base through increased human capital (for example, through SG education and training modules), social capital (for example, stronger relationships with other SG members) and physical capital (for example, by purchasing farm equipment with SG income) (Golla et al. 2011). It is this increased ability to earn an income, build resources, live with greater peace of mind, develop new skills, and invest in the future, that has seen ever-growing membership globally.

While the success of women's SGs is evident in their geographical spread, there are mixed results in terms of the role they play in advancing women's empowerment. The reasons for this are diverse and reflect the considerable impact of local cultural, social and economic context on outcomes and the complex nature of empowerment itself. It also raises a number of questions about local perceptions of empowerment and the role and capacity of implementing organisations and SGs, more generally, in tackling gender inequalities and broader issues that impede women's empowerment. Dislodging entrenched gender norms and ideologies not only requires profound transformation at the personal and institutional level, but as Brislane (2014) notes, is a time-consuming process. SGs, despite some of the problems they experience, provide valuable pathways for women (and men) to work away at transforming their economic and social worlds.

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