



SAGE Paypoint Exit Survey

Quality of Service and Use of Cash Transfer

July 2014

1.0 Introduction

Beneficiary customer care and ultimate beneficiary satisfaction is an important component of good quality service. Information from beneficiary pay point exit interviews is intended for improve payment service provision and also provide an opportunity for learning issues affecting beneficiaries. The pay point exit survey information supplements Payment Service Provider data that is monitored through disbursement data to assess the quality of Payment Service Provider.

On a quarterly basis, a random sample of beneficiaries is interviewed as they leave the payment point to measure the effectiveness of payment service and to learn about the users' satisfaction with the payment service. Interviewers (Parish chiefs) interview a sample of beneficiary or alternate recipient as they leave the payment point after receiving payment. A generic short questionnaire (Annexed) is used in the interview. The questionnaire is from time to time be improved to take care of any emerging key management issues that can be addressed through such an avenue. The interview takes between 5-10 minutes per interviewee.

2.0 Purpose of the Exit Survey

The purpose of the paypoint exit survey is provide an opportunity for the programme to interact with beneficiaries or their alternate recipients in order to assess quality of payment service, and to determine short term use of the cash transfer through interviewing them as they leave the paypoint. Beneficiary satisfaction is an important component of good quality service. The results of the survey will be used to improve provision of payment service and also help understand beneficiary specific issues like cost of access of transfer, distance to pay point and security.

3.0 Methodology

The questionnaire was administered to 1,108 beneficiaries at pay points in all 14 districts covering all covering 31 sub-counties. A systematic sampling method was used to identify the respondents and every 10th beneficiary

coming out of the pay point was interviewed. The methodology and sample size was not intended to be representative or generalizable. Rather it was intended to provide an initial snap shot of emerging spending patterns and effects.

4.0 Definition for quality of service

Effectiveness of payment service provider and user satisfaction are important determinants of good quality service. Payment service provider is considered effective if an acceptable number of beneficiaries are able to access their grant timely. Beneficiaries will be satisfied with the service if they access the grant in the shortest possible time, when the cost of access the grant are minimum and lastly if the customer service care they get from the service provider is of acceptable norm/ standard.

Therefore to investigate the quality of SAGE payment service, we consider time spent at the pay point, assistance provided to the beneficiaries at the pay point, failure to get money at the pay point, and cost of the journey to the pay point. Below we present finding regarding issues above that provide a sense of the quality of payment service that SAGE beneficiaries receive.

4.1 Customer Care at Paypoint

During the survey, the beneficiaries were asked whether the money handlers had greeted them and also whether they were polite to them during payment. The survey results indicated that 81% and 97% of the beneficiaries reported that the money handlers had greeted them and were polite to them respectively. In terms of being informed of their account balance before withdraw, 63% reported as having been told their account balance. Beneficiaries' knowing their account balances helps them to take decision on how much to withdraw or save. It is desirable that all beneficiaries are informed of their account balance before withdraw, however, mobile money network speed and availability are the main hindrance to availing beneficiaries account balances.

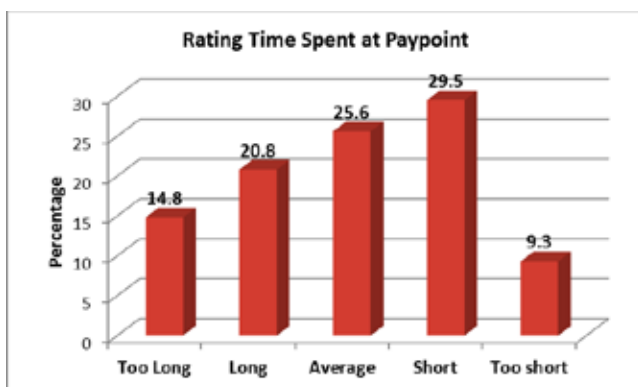
4.2 Time Spent at Paypoint

Time spent at the paypoint is a critical measure of quality of service that is offered. Time spent could also be viewed in terms of the opportunity cost that beneficiary foregoes to collect the grant. Opportunity costs are not restricted to monetary or financial costs; the real cost of output forgone, lost time, pleasure or any other benefit that provides utility should also be considered as opportunity costs.

Therefore from a programming perspective we would wish to keep this time low for the beneficiaries. In practice if the beneficiaries stay for too long at the paypoint, it would mean that they have to get refreshments (lunch/ drinks) which would erode into their grants, secondly considering the age factor, long waiting time causes a lot of discomfort and thirdly it reduces the time for the journey back home given that at this age movement has slowed down. It would therefore be better for the beneficiaries to spend as little time as possible at the pay point.

During the paypoint exit survey; beneficiaries were requested to give a sense of how long they stayed at the point (since arrival up to when there are served). Second they were requested to also rank this time on a likard scale. The results below are thus based on the beneficiaries' perception of time and length of stay. The idea is not how accurate they are in measuring but rather a sense of their view in terms of the quality of service from a time perspective.

The chart shows how the beneficiaries rank the time they spend at the pay point. About 64% of the beneficiaries felt that had stayed for reasonable time at the pay point, 36% of the beneficiaries felt that they over stayed at the pay point (long and very long).

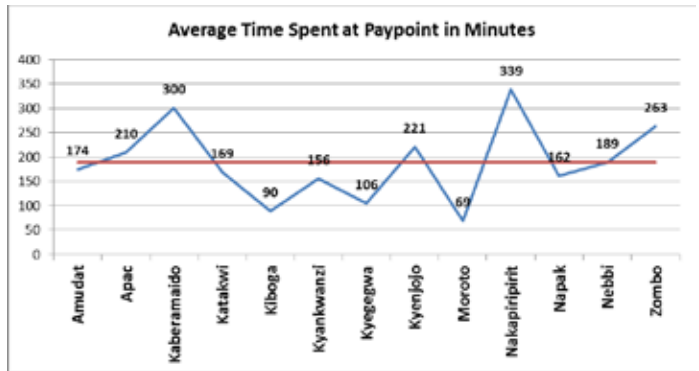


From operations perspective, time of arrival of the MTN agents, limited money handlers (including ET machines) and poor network largely influence the time the beneficiary spends at the pay points. The programme and PSP have been working on addressing the aspect of having enough ET machines per district.

The average time spent by beneficiaries at the pay point was report to be about three hours (3hrs 9 minutes) which is about 24 minutes higher than two (2) hours 44 minutes which was reported the quarter before.

Overall, on average beneficiaries reported spending about 189 minutes which is about 3 hours 15 minutes. Kiboga, Kyegegwa and Moroto are the only districts that registered waiting time below that national average of 189 minutes. Kaberamaido and Nakapiripirit stand out with longest waiting time of 300 and 339 minutes respectively. There is observed increase in average waiting time compared to the previous quarter.

4.2 Assistance at Pay Point



Assistance at pay point is another SAGE measure of service quality; operationally this includes/covers "customer care". The beneficiaries are asked whether they were treated with courtesy at the pay point, whether they required some assistance and whether that assistance was provided in a manner that is satisfying to the beneficiary. The chart above shows that 90% of the beneficiaries ranked the assistance received at the pay point as at least good, while 60% considered it as at least very good. Largely the beneficiaries were satisfied with the quality of assistance they received at the pay point.

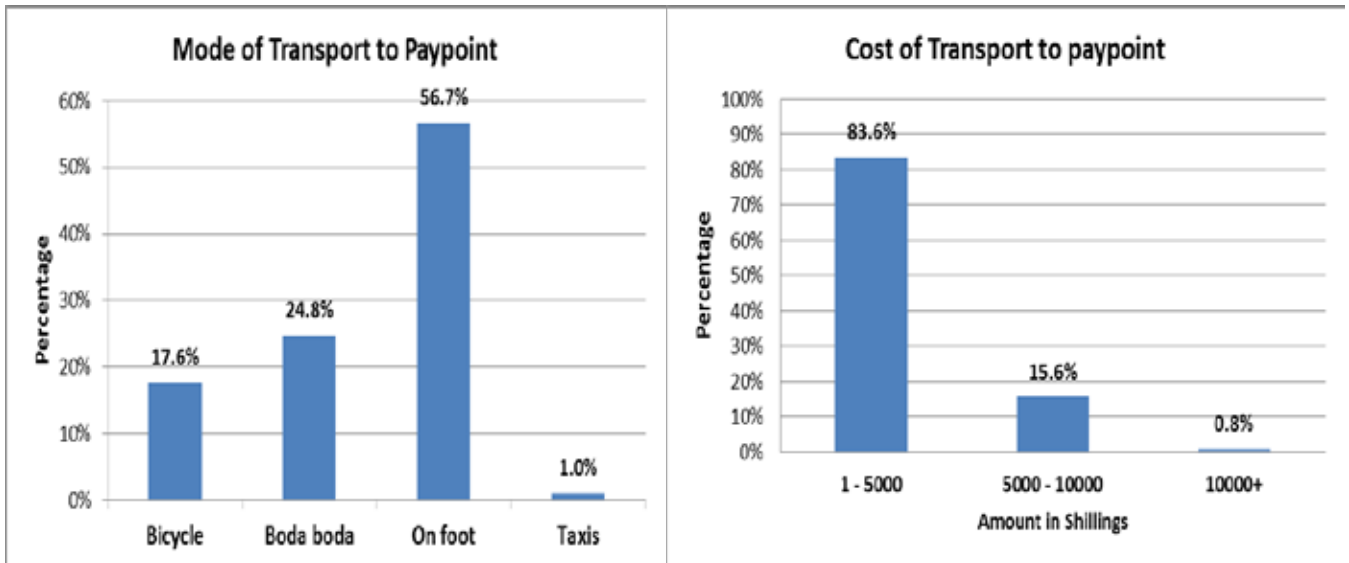
4.3 Beneficiary Payment



Beneficiaries were asked whether they received the money they expected during the payment window; 95% responded to have received the money they expected. This is a good measure of the effectiveness of the payment mechanism. The 5% who indicated as not getting the payment they expected, 70% reported the complaint to the pay point administrator; of which 66% said they were satisfied with the answer/explanation provided by the pay point staff. This demonstrates that the beneficiaries have confidence in the complaint/grievance resolution mechanism.

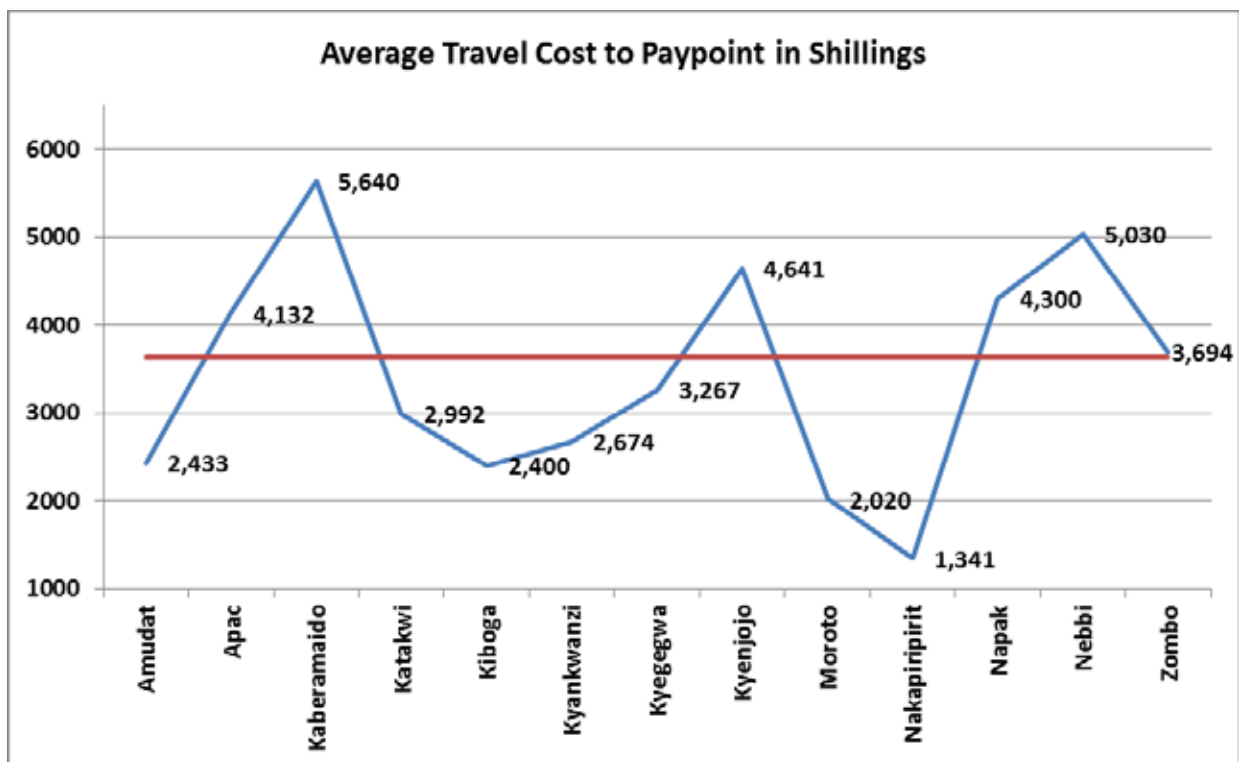
4.4 Mode of Transport to Pay Point

The beneficiaries predominantly go on foot to the pay points as reported by 57% of the respondents. Bicycle and boda-boda follow with 25% and 18% respectively. Payments need to start early and also end in time for the beneficiaries to be able to travel back home since majority cover the journey on foot. The figure below shows both the mode and cost of transport used by the beneficiaries to the pay points.



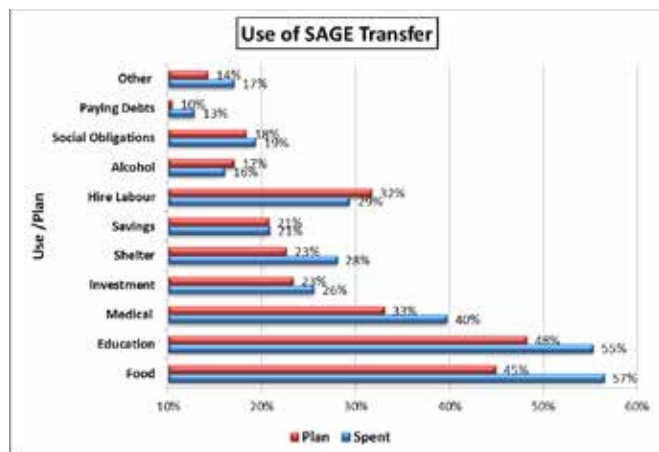
The survey findings show that overall on average; beneficiaries spend about 3,600 shillings on transport to the pay points. The beneficiaries who do not foot, about 84% pay just less than 5,000 shillings for a return journey, followed by 16%, who pay between 5,000 to 10,000 shillings; the remaining about 1% reported paying above 10,000 shillings.

The chart below shows average transport cost across districts. Apac, Kaberamaido, Kyenjojo, Napak and Nebbi registered travel costs higher than the national average of 3,643 shillings.



5.0 Current and Future Use of Transfer

The beneficiaries were asked what they spend their money on, whether they save any money or not and if they save in what form. The beneficiaries were asked about the effect of SAGE on the individuals, households and community members as a whole. The findings are presented in the sub sections below.



5.1 How Beneficiaries Spent and Plan to Spend their Grant

Most beneficiaries reported spending their transfer on meeting basic needs. The basic needs reported by the beneficiaries included food, medical care, school fees and scholastics materials and shelter. The needs cited mostly were food, education followed by medical. The education needs mentioned included fees and scholastics requirements for school going children who live in households that receive transfers. The other key expenditure areas that the beneficiaries mentioned in order are hiring of labour, shelter and investment. The details are summarised in the below showing the current and planned spending in the future.

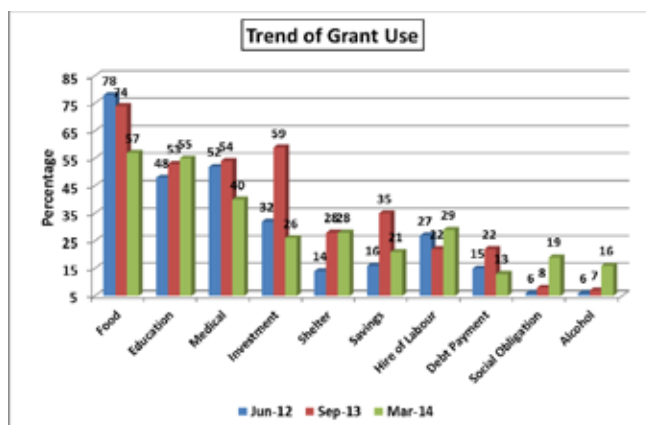
Food: slightly more than half of the beneficiaries interviewed spent their grant on food at 57%, while 45% planned to spend the next payment on food. Asked how the grant affected their eating patterns, 64% reported that they had better quality food, 31% indicated that they had more frequent meals while 5% reported bigger meals.

School Fees and Materials: Paying school fees and purchase of scholastic materials was reported as the second key area after food, with 55% of the beneficiaries reporting spending their grant on at education. Beneficiaries who reported as planning to spend some of the grant for the coming month on education for their children were 48%. This result suggest that direct income support increases access to education and contribute to human development of children from poor and vulnerable households to attend and stay in school. The survey investigated whether beneficiary households had schooling going children, the findings indicated that 80%

of the beneficiaries had school going children and of these, 86% reported improved school attendance due to SAGE grant. They reported that the improvement was in the form of children reporting early, regularly and staying longer at school; because they are able to pay school fees and scholastic materials on time and children are no longer sent away from school.

Medical Care: this was third most reported use of the grant after investment at 40% after education. The beneficiaries who anticipate spending the grant on medical care in the future were 33%, medical was reported as the fourth likely expenditure for the respondents. Of the beneficiaries interviewed 71% reported that they had been unwell and of these 86% reported using SAGE grant to access treatment. Direct income support increases access to health services for senior citizens and poor households who are benefiting from SAGE grant.

Productive Investments (agriculture, small livestock and petty trading): The proportion of respondents who reported that they spent a portion of their previous month's grant on investment was 26%. The main reasons driving investment were reported as school fees and scholastic materials at 27%, emergency (13%), starting business (12%) and buying livestock at 11%.



Shelter/Home Improvement: 28% of the beneficiaries reported spending part their grant on home improvement. This includes repairing and constructing new shelters and building hygiene and sanitation facilities. This indicates that grants are not only used for consumption but also development expenditure which improves the living environment and hygiene facilities of the beneficiaries.

Hiring Labour: Beneficiaries indicated that they use part of their grant for hiring labour to help them to do work that they are not able to do. 29% of the beneficiaries reported spending some of their previous month's payment on hiring labour while 32% planned to spend their next payment on hiring labour.

Savings: Savings are mainly undertaken for emergencies/ uncertainties and future. The beneficiaries indicated that some of the grant is

saved to meet emergencies and future needs. 21% of the beneficiaries reported saving a portion of their previous month's grant while 21% planned to save some of the next round of payment. Savings are a good safety net for people as it enables them to smooth consumption when they have shocks and avoid damaging coping strategies such as withdrawing children from school with long term implications on beneficiaries' livelihoods and human development outcomes. Savings are also important for accumulating capital for future investments. This underscores the importance of small amounts of financial capital to enable people to purchase productive assets and start building sustainable livelihoods.

5.2 Trend in Use of Grant

One may argue that with three points in time it is too early to start to observe a meaningful trend in the spending behaviour of beneficiaries; secondly since different district and sub counties have different start dates, the beneficiary's motivation to spend on different items may also be a function of how long a beneficiary has been receiving the grant. We however take a simplicity approach that the observations are spread over a period close two years (i.e. June 2012 and March 2014) and secondly that the effect due to start would be minimised by

the sample size (over 1,000) observations spreading across all the fourteen (14) districts. The chart below shows the changes in spending patterns across different expenditure items.

We note that there are consistent upward trends in percentage of beneficiaries spending on education, social obligation, shelter and hiring of labour over the three surveys, while there is a consistent downward trend in percentage expenditure on food and medical expenditure.

The increase in proportion on spending on education, shelter and hiring of labour seems to suggest more trust in the grant, thus a shift from consumption to investments in education, shelter and labour for cultivation. The increase in the proportion of beneficiaries expending on social obligations may suggest empowerment through gains in dignity, respect and sense of belonging to the community by senior citizens. Reduction in debt payment could possibly be an indication of reduced borrowing due to continuous and predictable inflow from the grant. The changes in investment (buying poultry and small animals) could have some elements of seasonality of pastures for small animals. The changes in savings plus increased expenditure on alcohol may not be so easily explainable.



Selected Beneficiary Experiences

The long walk to restocking begins here

says Mary Nakoru a SAGE beneficiary in Nakapiripirit.

Akol Mary Nakoru is a resident of Nathinyonoit C, Sakale parish, Pian county in Nakapiripirit district. She is 63 years old, a widow of 3 children. She had 8 children but four (4) of them died before their fifth birth day because of communicable diseases, this makes her one of the victims of high infant mortality rate faced by the country. According to Akol, she used to move for more than 8 kilometers to Acegeretolim (one of the parishes within her sub-county) health center to access treatment.

Mary's first 'grant' was in April 2013, 10 months after the rest of the beneficiaries had started receiving the SAGE grant. Her failure to access the grant with other earlier beneficiaries was due to the faulty sim-card. She expressed joy and trust in the system because she managed to get all her money (286,000/=) at once in spite of her earlier doubt. Mary said that in all her lifetime, she had never handled that amount of money at once.

After receiving the money, Mary opened up a garden of sorghum and maize. Mary is hopeful that there won't be hunger come next year (2015). Her only prayer is for rain to continue. Mary was able to hire labor, each at two thousand (2000) per day to open up the garden. She also bought one sack of sorghum for home consumption.



Mary Nakoru in her garden. (Photo by Clement Okeny)

Mary also went further to invest part of her money in livestock specifically buying 2 goats. She is hopeful that the goats will quickly multiply and the farm will quickly become big. According to Mary..... cattle rustling among the various tribes in Karamoja had greatly reduced her livestock. She noted that the situation even worsened when her husband died leaving nobody to take proper care of the animals. She is happy that her son (now in primary three) has grown up and can take care of the animals. Her dream was to restock but with the SAGE grant, she felt the journey to restocking had started and her dream was to come true. Her joy was arising from the fact that one of the goats she bought had already given her two kids while another one was expecting. With livestock in place, Mary was assured of money to maintain her son in school. She was also hopeful that she will be able to get milk for home consumption and would sell off the surplus to buy other needs and access medical care when sick.

Mary also used part of her money to access medical care as noted "part of the money helped me to transport myself to the health center and also to purchase medicine. Although health services are free in government aided health units, there is shortage of drugs. Even when you get someone to examine you, we are still referred to private clinics to buy drugs after prescription. I would not have accessed services if SAGE had not given me all that money". Said Nakoru.

By Clement Okeny and Koto Setimo

Even the blind like me are now sure of survival and command some respect in the community.

The story of Papa Peter Adiaka Apalobok

Deep through the valleys of Korudup village, Tokora parish in Nakapiripirit district lives Adiaka Peter Apalobok, a 72 year old blind man. Peter is a widower. He had 7 children, all of them have moved to their homes in various locations. Peter does nothing for a living. He was born with only one eye. One day while collecting fire wood for home use, a piece of wood hit the remaining eye leaving him completely blind. "However, in spite of my ordeals; God has blessed me with the opportunity to move freely without much support, I have mastered the place and I can be able to reach the trading center or any other nearby location in case of need" he said.

Life has never been easy because I can't dig, I can't do any business and I basically can't do anything to sustain myself without any external assistance.



Before SAGE, Peter used to get assistance from the white fathers who lived in the neighboring area, they would provide all his basic needs. He however noted that when the priests left, he was back to nothing as noted "...there was no body to help me until two of my relatives came to my rescue, they would provide me with food, fetch some water among other basic needs. This was not to last forever, they also became tired because of the demands of their own homes. When they stopped, my help became unpredictable".

Soon after the introduction of Social Assistance Grant for Empowerment (SAGE), things changed for me completely. I received the first pay in February 2013. "Because of this money; I am now sure of having meals of my own without begging or completely relying on relatives. On learning that I receive the grant, my relatives added for me two more grandchildren on top of the one who was sent to help me fetch water and prepare some meals. I now take care of two other grandchildren; all of them are at school". One of them is in P.7 in Tokora Primary School and the other is in a secondary school in Tororo. I am able to provide all the scholastic materials for the one in P.4. I also make contributions to the one in secondary school in form of transport and purchase of some scholastic materials. Things are not fully good at the moment but I am proud to say that I am a respected member of the community. Each time I don't have food or any other basic necessities; I am able to walk into one of the few shops and get food on credit. I am able to get what I need because the shop keepers are sure of their money immediately I receive my grant.

My plan for the future is to accumulate the money and make a small structure better than the one I live in at the moment.

I thank the government and SAGE staff for the assistance. I hope the children I am taking care of at the moment can read hard, get jobs and give me a more decent life in the future; he concludes.

As told to Clement Okeny and Loput Kalisto (CDO Kakomongole).

Acknowledgements

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About this report

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About The Expanding Social Protection Programme

The Expanding Social Protection (ESP) Programme is a Government of Uganda initiative under the Ministry of Gender, Labour and Social Development. The development objective of the 5 year Programme is to embed a national social protection system that benefits Uganda's poorest as a core element of the country's national policy, planning and budgeting process.

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