

# SAGE Paypoint Exit Survey

## Quality of Services and Beneficiary use of the Social Assistance Grants for Empowerment (SAGE) transfer

May 2016

### 1.0 Introduction

Social Assistance Grants for Empowerment is a pilot direct income support scheme that is one of the components of the Expanding Social Protection Programme (ESPP) being implemented by the MGLSD with funding support from the UK Department for International Development (DFID), Irish Aid and UNICEF. The goal of ESP is to reduce chronic poverty and improve life chances for poor men, women and children in Uganda and the programme aims to embed a national social protection system, including direct income support for the poorest and most vulnerable, as a core element of Uganda's national planning and budgeting processes. SAGE commenced in 2011 and is being piloted in 15 districts of Uganda<sup>1</sup>. Until 2015, the programme was implementing two components of grants; A Senior Citizens Grants(SCG) to all persons aged over 65 years in the rest of the districts and 60 years for Karamoja; and the Vulnerable Family Grant (VFG) to low

labour capacity households. Beneficiaries receive a non-conditional grant of 25,000/= per month. The VFG was however phased out and the program is now rolling out the SCG in 20 additional districts. This report however still includes some data from the VFG households.

In order to come up with ways of improving payment service provision and to get to know and address issues affecting beneficiaries, a pay point beneficiary exit survey is conducted. Beneficiary satisfaction remains a major component in defining the quality of services offered by SAGE programme hence the importance of this survey. The survey information supplements existing monitoring data generated from disbursement reports to assess the quality of Payment Service Providers. A generic short questionnaire (Annexed) is used in the interview. The questionnaire is from time to time 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.

<sup>1</sup> The pilot districts of Social Assistance Grant for Empowerment include; Amudat, Apac, Kaberamaido, Katakwi, Kiboga, Kole, Kyankwanzi, Kyegegwa, Kyenjojo, Moroto, Nakapiripirit, Napak, Nebbi, Yumbe and Zombo.

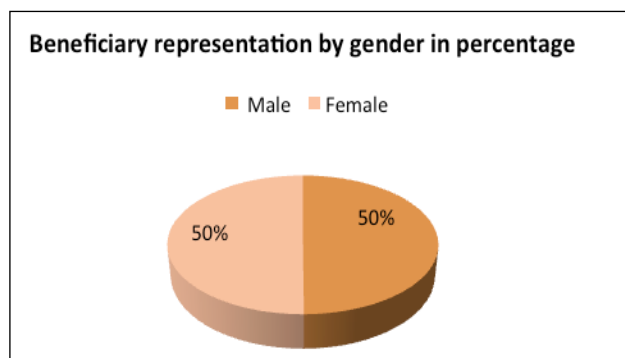
## 2.0 Purpose of the Exit Survey

The purpose of the pay point exit survey is to measure the effectiveness of payment services and to assess beneficiary satisfaction of the services received at the payment point. The exercise provides an opportunity for the programme to interact with beneficiaries or their alternative 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 service provision at payment points and also help understand beneficiary specific issues like cost of access of transfer, distance to pay points and security.

## 3.0 Methodology

On a quarterly basis, a random sample of beneficiaries is interviewed by Parish chiefs as they leave the payment point. The questionnaire was administered to 1,309 beneficiaries at pay points in the 15 SAGE districts. 50.1% of the interviewed beneficiaries were female while 49.9% were males. A systematic sampling method was used to identify the respondents and every 10<sup>th</sup> 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, areas of learning and how to better manage our operations. Data was captured in an excel database and later analysed using SPSS and stata.

**Figure 1: Interviewed beneficiaries by gender**



## 4.0 Definition of Quality of Service

Effectiveness of the payment service provider and user satisfaction are important determinants of good quality services. A 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 findings regarding issues above that provide a sense of the quality of payment service that SAGE beneficiaries receive.

### 4.1 Care at Pay Points

During the survey, we established whether beneficiaries received good customer care, beneficiaries were asked whether the money handlers had greeted them and also whether they were polite to them during payment. As illustrated in the table below, the survey results indicated that 81% and 89% of the beneficiaries reported that the money handlers had greeted them and were polite to them respectively. 95% of beneficiaries reported receiving the money they expected. Of those who had discrepancies, 26% did not report. There is therefore need to empower and encourage beneficiaries to report any discrepancies in their expected payment during the prepayment address. 74% of those who reported discrepancy in money they expected to get received satisfactory answers to their complaints.

**Table1: showing beneficiary responses to customer care related questions**

Customer service	Percentage
Beneficiary greeted by the Agent	81
Agent courteous/polite to the beneficiary	89
Beneficiary received the money he/she expected	95
Beneficiary reported the discrepancy in amount	85
Beneficiary received satisfactory answer to his/her complaint raised at the pay point	74

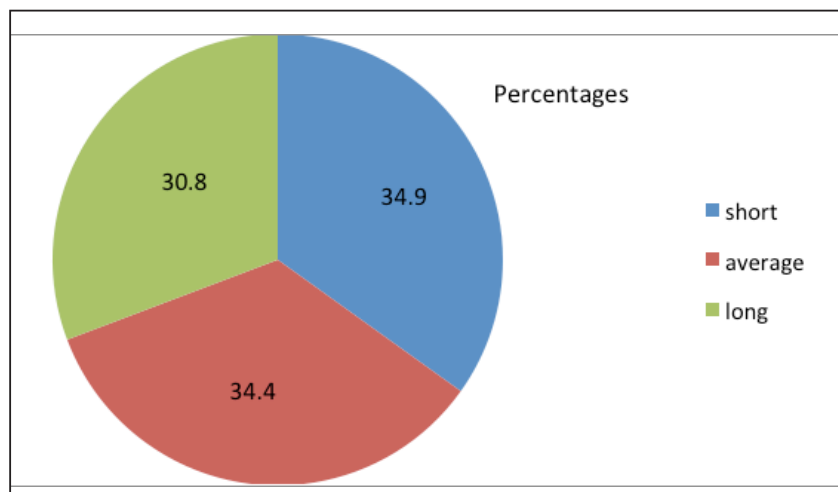
#### 4.2 Time Spent at Pay point

Time spent at the pay point is a critical measure of quality of service that is offered. Time spent could also be viewed in terms of the opportunity cost that a 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. 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 pay point, it would mean that they have to get refreshments (lunch/drinks) which would

eat into their grants, secondly considering the age factor, long waiting time causes a lot of discomfort and it reduces the time for the journey back home given that at this age movement has slowed down. It is therefore important that beneficiaries spend at the pay point as little time as possible.

During the exit survey, beneficiaries were requested to give a sense of how long they stayed at the point (since arrival up to when they were served). Beneficiaries were also requested to rank this time on a likert scale. The results below are thus based on the beneficiaries' perception of time and length of stay.

**Figure 2: Chart showing time spent at the pay point**

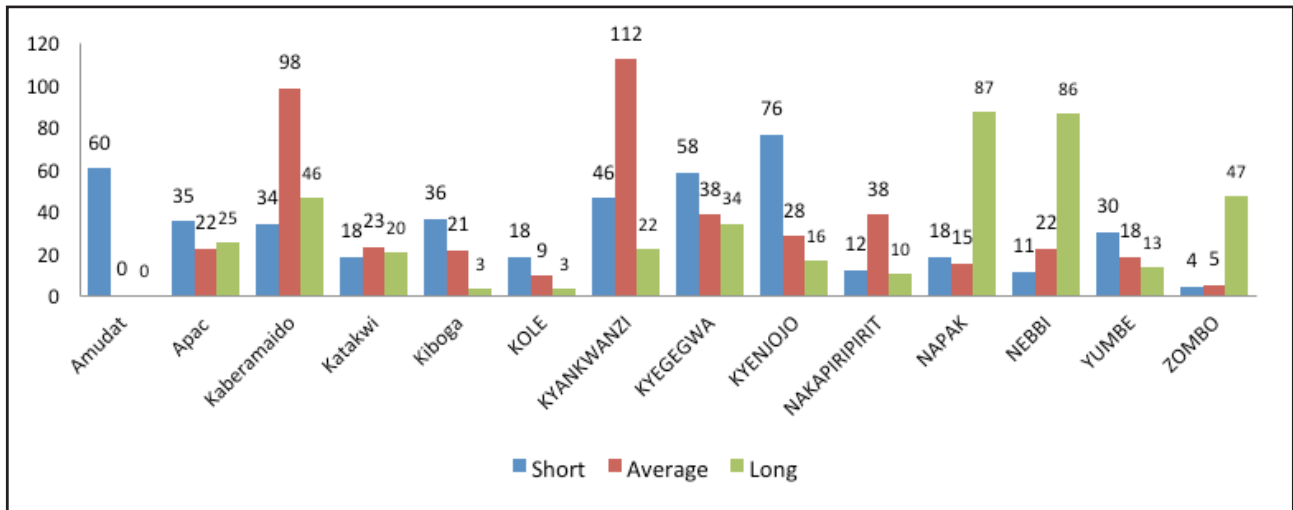


The chart above shows how the beneficiaries ranked the time they spend at the pay point. About 34.9% of the beneficiaries felt that had been served in a short period of time, about 34.4% felt that they stayed for reasonable time at the pay point and 30.8% of the beneficiaries felt that they over stayed at the pay point. Reasons for delay at the pay point could include late arrival of MTN agents, limited

money handlers, poor network thus delaying transactions, delays in functioning of easy talk machines or other district based challenges.

Analysis of data by district indicated that Napak (87%), Nebbi (86%), Zombo (47%) and Kaberamaido (46%) had the highest number of beneficiaries reporting spending longer time at the pay point as in figure 2 below. The network coverage in all the three districts was noted to be extremely poor thus delaying payments. Easy talk machines that were used for payments were also reported to be few thus making it hard for teams to split to more pay points.

**Figure 3: Time analysis by district**

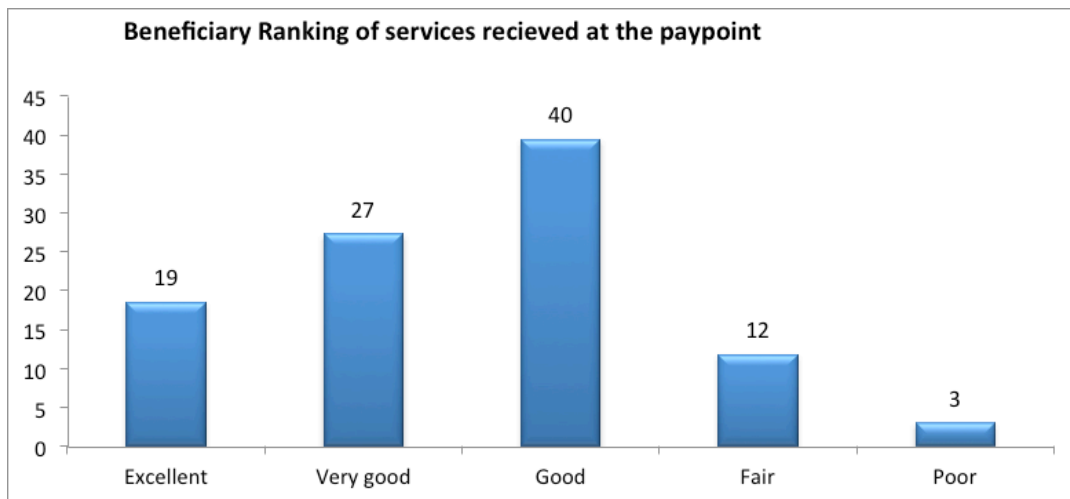


### 4.3 Assistance at Pay Point

Assistance at pay point is another SAGE measure of service quality; operationally this includes “customer care”. Given the age and fragility of the beneficiaries SAGE is dealing with, it is important to be cautious with them and to treat them with dignity as well as providing them with any assistance that may be rendered necessary. The beneficiaries were asked whether they required any assistance, the quality of

assistance that was provided and their levels of satisfaction for the same. A large number of beneficiaries were happy with the assistance provided with 19% reporting excellent, 27% very good and 40% felt the services were good. Only 12% of responses felt the services were fair while 3% reported having received poor services. SAGE will however make efforts to establish the causes of the fair and poor services to enable improvements in service delivery.

**Figure 4: Showing beneficiary ranking of the service received at pay point**

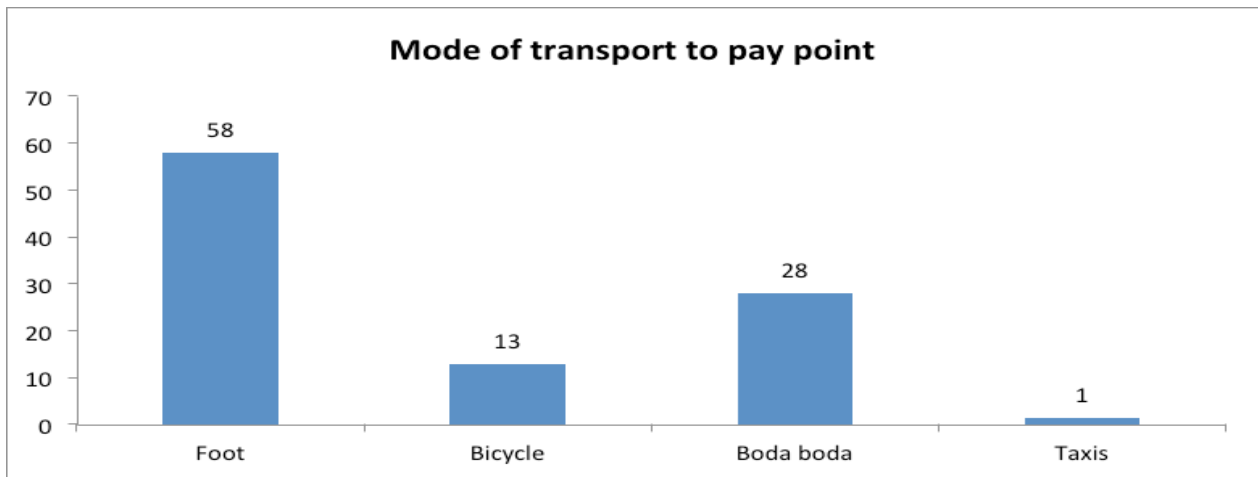


### 4.4 Mode of Transport and Cost to Pay Point

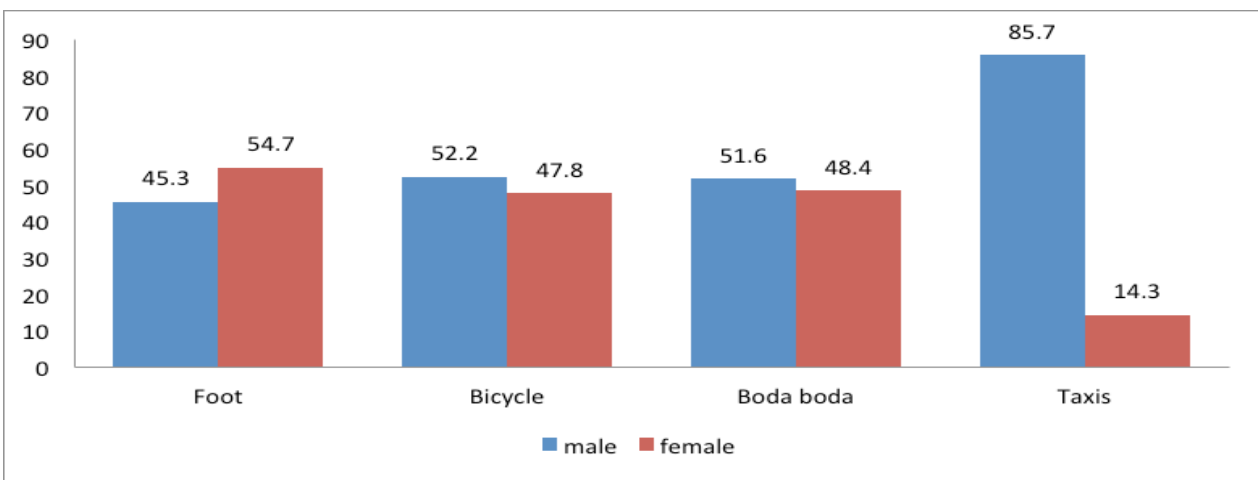
The beneficiaries predominantly go on foot to the pay points as reported by 58% of the respondents. bodaboda and Bicycles follow with 28% and 13% respectively as evident in graph below. Only 1% reported having used taxi. Considering the age and mode of

transport used by majority of the beneficiaries, it's very important that payments start early and also end in time for the beneficiaries to be able to travel back home. The relatively high number of beneficiaries who used boda-boda can be attributed to the season.

**Figure 5: Showing mode of transport to pay point**



**Figure 6: Mode of transport to pay points by gender**

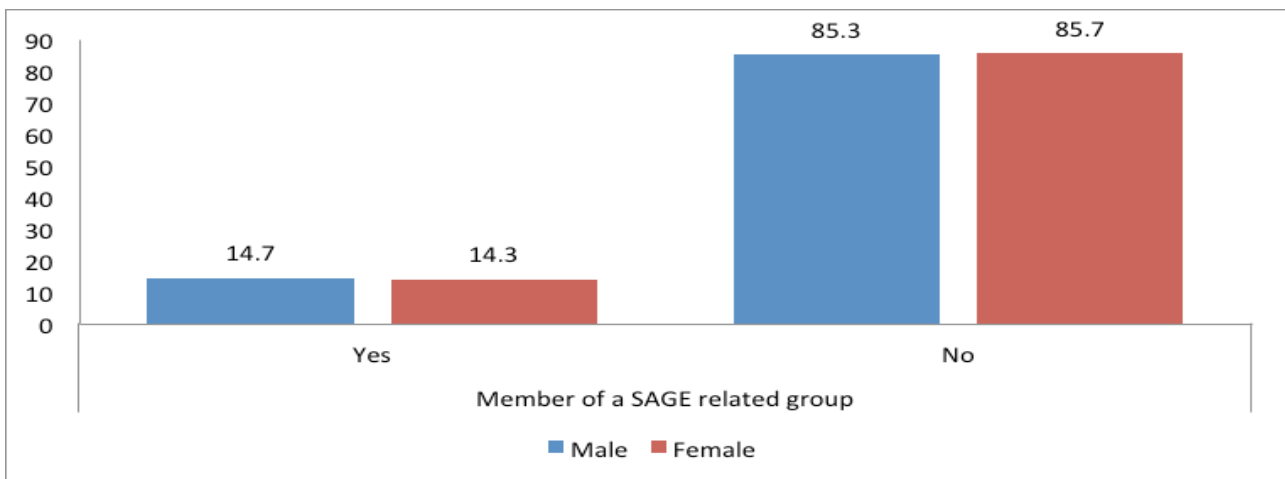


As evident in figure 6 above, more women reported travelling on foot to pick the money compared to their male counterparts. Also important to note is that out, of the 28% beneficiaries who used bodaboda, bicycles and taxis, more men used them compared to women. This could be attributed to the nature of men compared to women who would love the money to benefit the entire household.

#### 4.5 Saving and Purpose of Saving

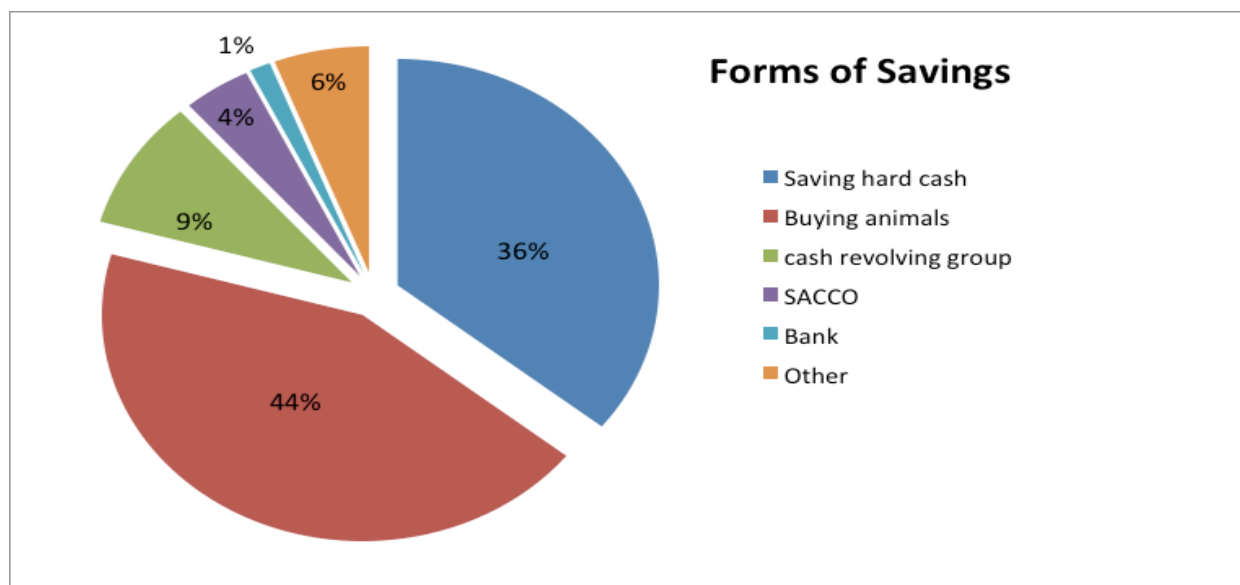
The beneficiaries were asked whether they save any money or not and if they save in what form. They were also asked about the rationale for saving. 70% of the respondents indicated that they were involved in some form of saving and only 30% reported not being involved in any form of saving. Close to half of the beneficiaries reported saving through buying livestock (43.7%)

**Figure 7: Beneficiary membership to saving groups**



while saving in hard money was reported by 35.8% of the respondents. Other reported forms of saving included through cash revolving groups (9.3%), SACCO (4.2%) and the bank (1.3%), which was reported, by the least number of respondents as illustrated below.

**Figure 8: Showing forms of savings used by beneficiaries**



Findings from the respective studies conducted by ESP indicated that some beneficiaries are members of savings groups and these have enabled them increase investments. Respondents were asked whether they belong to any saving group. It was surprising to note that only a few of the respondents (14.5%)

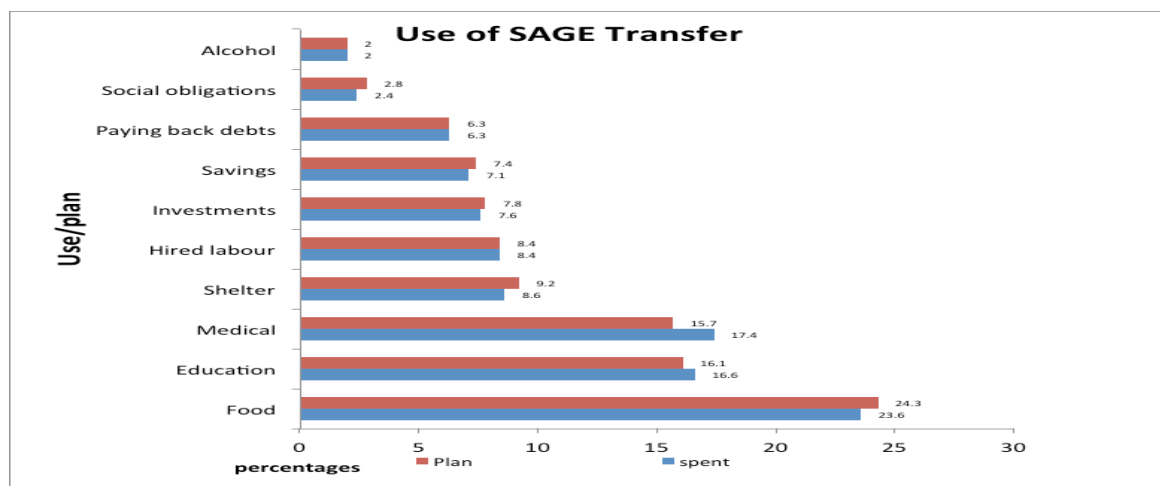
reported being members. In terms of sex, there was no major difference in membership with 14.7% males compared to 14.3% women as in figure 8 below. This implies that there is need to encourage beneficiaries to join or form groups to enable them benefit from other available programs.

#### 4. 6 Beneficiaries Planned and Actual Spending of the Grant.

We established how the beneficiaries had used their previous grant and how they were planning to use the current grant. There was no much difference between the previous and current planned use. Beneficiaries who were interviewed reported that the transfers were mainly spent on meeting basic needs like: food, medical care,

education requirements and shelter. Education requirements mentioned included school fees and scholastic materials such as books, pens and uniforms for school going children who live in households that receive transfers. Other cited expenditures were on; hiring of labour, shelter and savings as indicated below.

**Figure 9: Use of SAGE transfer under section 4.5**

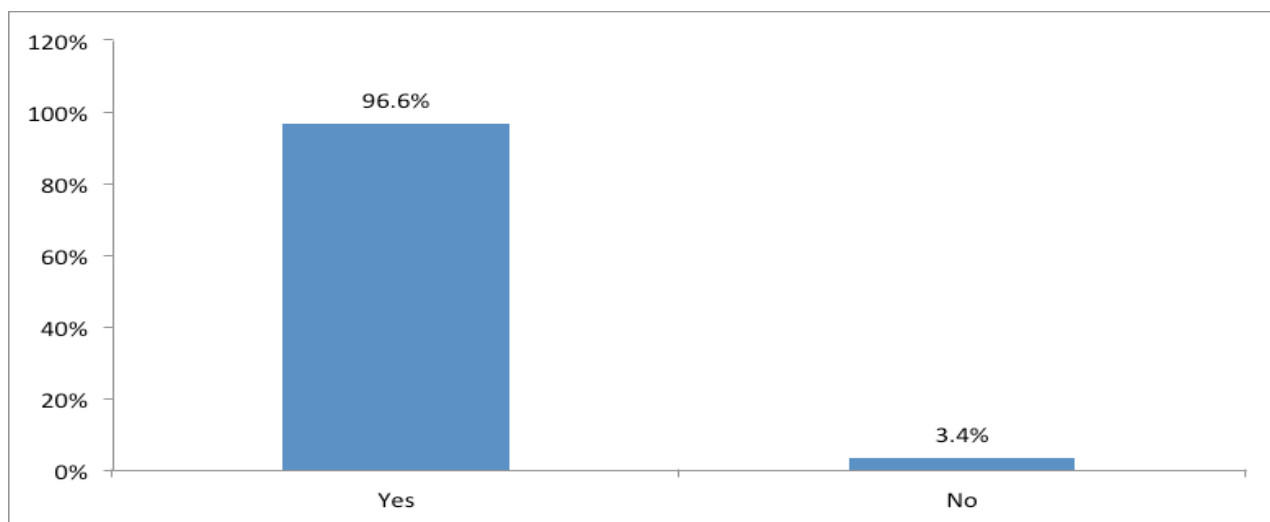


Majority of the respondents (23.6%) spent their grant on food, while 24.6% were planning to spend their current transfer on food. Important to note is the fact that all household groceries are reported under food hence the continued ranking of food as number one item for spending the grant.

Respondents were further asked whether the grant had changed their eating patterns since they started receiving the grant. Majority

respondents (94.4%) noted that the grant had changed their eating patterns compared to only 5.6% who felt the grant had not changed their eating patterns. When disaggregated by sex, data indicated that there was no major difference in eating patterns between males (94.6%) and females (94.2%). Asked whether they were having better quality food, majority of them (96.6%) reported they were having better quality food as in the figure below.

**Figure 10: Demonstrating beneficiaries who reported eating better quality food**



**Medical Care:** This was second most reported use of the grant reported by 17.4% after food. The beneficiaries who reported spending the grant money on medical care were approximately 15.7%, in line with the previous exit surveys and other studies that have been conducted on SAGE, confirming the notion that direct income support increases access to health services for senior citizens and poor households.

**Education (School Fees and scholastic materials):** during previous studies, school fees and purchase of scholastic materials had been second after food, but this time it came

third after medical. Of the respondents who were interviewed, 16.6% reported spending their grant on education while 16.1% were planning to spend their grant on education. Results suggest that direct income support increases access to education and contributes to human development of children from poor and vulnerable households to attend and stay in school. The survey investigated whether beneficiary households had school going children, the findings indicated that 73.8% of the beneficiaries had school going children and of these, 94% reported improved school attendance due to the SAGE grant.

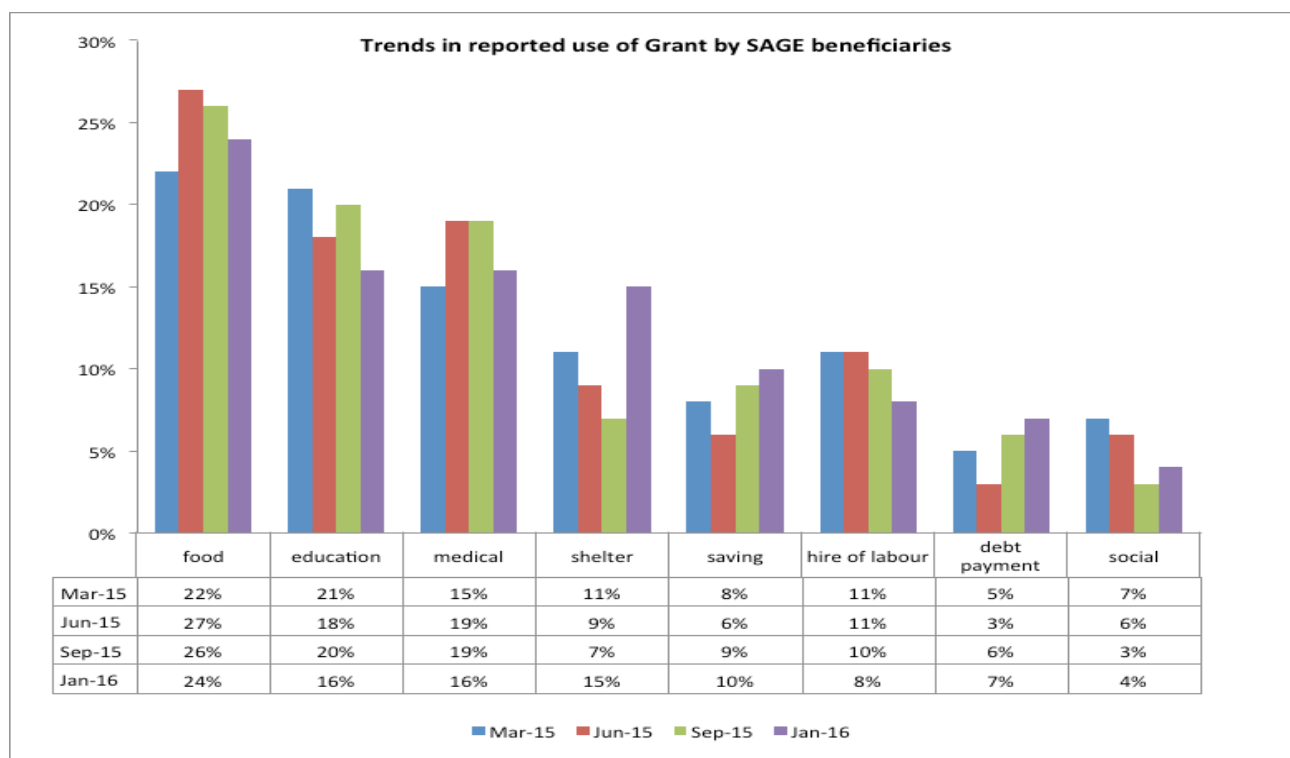
#### 4.7 Trend in Use of Grant

It's important to note that patterns/trends in expenditure are influenced by a number of factors.

The below patterns indicate that food is constantly the number one expenditure priority followed by education and medical care. We however see some variations in education

and medical and these could be attributed to the periods of the year the surveys were conducted. Hire of labour seems to be nearly constant. Expenditure on social obligations is also influenced by the seasons such as the festive seasons. We see a decline in September and January because there are no major festivals during that time and in January people are already planning for back to school events.

**Figure 11: Trends in reported use of the Grant by SAGE beneficiaries**



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