

# INTEGRATING LIVELIHOODS SUPPORT INTO EMERGENCY ASSISTANCE PROGRAMMING

## Elevating sustainable outcomes for humanitarian aid recipients in emergencies

LESSONS AND RECOMMENDATIONS BASED ON EVIDENCE AND LEARNING FROM  
VENESPERANZA, LATIN AMERICA'S LARGEST CASH AND LIVELIHOODS CONSORTIUM

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# 1. Reimagining humanitarian response

In response to humanitarian crises, multipurpose cash has emerged as a common tool for providing assistance to affected people. While cash is widely recognized as an effective approach, the scope of emergency cash programming is often limited to providing individuals or households with a set number of transfers for the purpose of meeting basic needs.

VenEsperanza is a large-scale cash and livelihoods consortium led by Mercy Corps with the International Rescue Committee, Save the Children, and World Vision. In response to the prolonged nature of the Venezuela crisis and the need for recovery assistance for displaced Venezuelans residing in Colombia who do not plan to return to Venezuela, VenEsperanza shifted from providing only cash<sup>1</sup> to cash-plus-livelihoods (“cash+”) programming at the start of its fourth year of operation.

This document draws on twenty key informant interviews with VenEsperanza staff<sup>i</sup>, twenty-six focus groups comprised of 180 VenEsperanza participants total<sup>ii</sup>, as well as activity observations<sup>iii</sup> and secondary document and data review<sup>iv</sup> to explore this shift and specifically how combining three livelihoods pathways - savings groups, entrepreneurship, and employability - with cash programming can boost sustainable outcomes for recipients of humanitarian assistance in emergency contexts. Considering learning from programming, this paper also advocates for broader consideration of expanded humanitarian response programming, especially in situations of prolonged crises.

## 2. Cash+ livelihoods in emergencies

Livelihoods programming supports the development or strengthening of capabilities, assets and activities required for generating income and securing a means of living. Livelihoods programming in emergency contexts must effectively and simultaneously address both emergency and recovery needs, and thus requires different considerations from more traditional models in development contexts. This section presents the rationale and key factors for cash+ in emergencies.

### WHY shift towards cash+ in emergencies?

Emergency cash assistance has the potential to **stimulate, but not necessarily sustain, livelihoods**. While multi-purpose cash provides a clear temporary income boost, evidence on sustained impacts is less clear.<sup>2</sup> Without access to sustainable income, recipients of emergency cash often face a high risk of returning to a state of extreme vulnerability again after cash assistance ends.<sup>3</sup> This pattern illustrates two mutually reinforcing needs: an acute need for emergency support, and a simultaneous need for a sustainable socio-economic foundation for displaced people to begin stable, healthy lives. Packaging short-term, unconditional multipurpose cash assistance with livelihoods activities has the power to **address both sets of needs and support a range of positive outcomes**, including longer-term financial resilience and income generation capacity.<sup>4,5</sup>

<sup>1</sup> VenEsperanza provides vulnerable households affected by the Venezuela crisis with one cash transfer a month for six months.

<sup>2</sup> UNHCR (2018). Multi-Purpose Cash and Sectoral Outcomes: a Review of Evidence and Learning. Available at: <https://www.unhcr.org/sites/default/files/legacy-pdf/5b28c4157.pdf>

<sup>3</sup> SREO Consulting (2021). Exploring Self-Reliance at the Humanitarian-Development Nexus: A Longer-Term Review of MPCA Outcomes. Available at: [https://www.calpnetwork.org/wp-content/uploads/ninja-forms/2/Report-Self-Reliance\\_compressed.pdf](https://www.calpnetwork.org/wp-content/uploads/ninja-forms/2/Report-Self-Reliance_compressed.pdf)

<sup>4</sup> Multi-Purpose Cash Assistance Referral Mechanism to Sector Specific Services: Linking MPCA to more sustainable solutions. Available at: <https://reliefweb.int/report/world/multi-purpose-cash-assistance-referral-mechanism-sector-specific-services-may-2022>

<sup>5</sup> World Bank (2016). Graduation Pathways: Increasing Income and Resilience for the Extreme Poor. Available at: <http://documents1.worldbank.org/curated/en/130091504769730602/pdf/119209-BRI-PUBLIC-Brief-Graduation-Pathways-Dec-2016.pdf>

# WHAT is required for successful cash+ programming in emergency settings?

## Structuring individualization and choice via “pathways”

Given the inherent unique capacities, ambitions, and needs of displaced populations, **offering multiple livelihoods “pathways” allows for individualized solutions** to support effective and sustainable programming for households. VenEsperanza focuses on three distinct but complementary pathways to suit diverse participant experiences and needs: savings groups, entrepreneurship formation, and employability. VenEsperanza cash participants are informed about the livelihoods pathways during a cash delivery event at the start of their participation in the program and have the opportunity to express their interest in one or more pathways during a profiling survey. Participants begin the pathways once they have received at least one of six cash transfers. As of March 2024, 10,748 people (79% of whom are female, and 82% of whom are Venezuelan) have participated in one or more livelihoods pathways.

**The savings group pathway** starts with the formation of a group of 5-15 people who meet regularly to save collectively over a defined period (called a cycle). Once a group has saved sufficient funds, they can take out small loans and repay them with interest.

**The entrepreneurship pathway** works with participants who have a small business or a viable business idea to strengthen entrepreneurship skills and develop a business plan, budget, marketing strategy, and business pitch. Participants who present a qualifying pitch have the opportunity to receive seed capital for investment in their small business.

**The employability pathway** provides information about the Colombian labor market and works with participants on basic requirements for securing employment, including developing a personal profile and resume and practicing for job interviews. Participants are connected to employment fairs, complementary training, and job placement services where and when feasible.

Participants are also invited and encouraged to participate in multiple routes, or mixed route pathways.

| Pathway                            | Curriculum  | Duration*                                       | Participation** |
|------------------------------------|---|---|-----------------|
| Savings groups                     | 10-15 sessions + graduation   | 2.5-3 months                                    | 20%             |
| Entrepreneurship                   | 8 sessions + graduation + seed capital purchases + 2 verification visits  | 3-4 months                                      | 15%             |
| Employability                      | 5 modules over 1-3 sessions   | 1 month   | 37%             |
| Mixed (savings + entrepreneurship) | 14 sessions + graduation + seed capital purchases + 2 verification visits | 3 months (concurrent)<br>6 months (consecutive) | 15%             |

\*Average duration when meeting weekly; longer if meeting less frequently

\*\*Cumulative participation totals by route spanning from February 2023 to March 2024.

The other 13% participated in other combinations of mixed routes: savings groups + employability (9%), entrepreneurship + employability (2%), or all three routes (2%).

## Small steps towards big change

**Significant change often begins with incremental steps.** VenEsperanza sees that small and oftentimes “informal” efforts, such as starting a coffee cart business, securing informal employment, or saving a small amount of money weekly, can be pivotal in helping people **progress both**

**financially and emotionally, rather than stagnate or regress.** Like many displaced individuals struggling in the aftermath of crises, the average VenEsperanza participant arrived recently in Colombia (within the past 2.5 years) and cannot count on much if any steady income, typically living well below the national poverty line. For these individuals, **incremental steps can pave the way for long-term positive change**, capitalizing on **small but steady progress** to build their resilience and resourcefulness in the midst of challenging circumstances. Thus, programming focused on the development of **microenterprises** and/or the formation of a **savings habit** (maintaining consistent contributions, even if it's a small amount) can be transformative in rebuilding their lives and livelihoods in new communities.

## Complementary supports

Integrating complementary support ensures a more holistic, comprehensive approach **to individual development and socio-economic integration and inclusion.** VenEsperanza teams initially found that mental and emotional health barriers resulting from the context of emergency and displacement affected participation for some people.

*“Each of our participants has a story and a suitcase full of history. The psychosocial empowerment component of the program is key in helping them unpack their suitcase and draw strength from their story. It can help them overcome difficulties of their past and present and recognize their potential and value. And that’s just as important as the skill building and learning component when it comes to building a better future for themselves and their families. Especially since so many of our participants are women whose rights have been abused and violated. We, as a program, can’t address the full range of participants’ diverse needs, which is why we have to articulate with other actors and develop internal and external referral systems for physical, sexual, and mental health services, as well as financial and legal supports for our participants.” (Key informant, Mercy Corps, Bolívar)*

Integrating **psycho-emotional support and counselling** as a cross-cutting part of the program is essential, including facilitating referrals to external resources and specialized services to ensure participants are emotionally supported throughout their participation and receive tailored guidance and assistance, enhancing their chances for success and personal growth within the program.

*“I was devastated when I arrived here because I used to have a good job and now I have to sort through garbage. I really appreciate the psychological help I’ve received from the program because the first few months I arrived, I was mentally unwell, closed off, depressed... but little by little, with the courses and psychological help, I’ve grown, gained motivation, and now I see a future with possibilities.” (Female entrepreneurship focus group participant, World Vision, Cundinamarca)*

**Context-specific financial education and literacy** is another key support. Most VenEsperanza participants arrive in Colombia facing a new financial situation and are also unfamiliar with Colombia’s currency and markets, and thus must adapt their finances in response. Financial education thus plays a pivotal role in empowering participants to navigate the financial landscape and manage their personal, business, and household finances more effectively. For example, by imparting skills to reduce or eliminate routine, unnecessary expenses —commonly referred to as *gastos hormigas* or “ant expenses” in Colombia— and learning to spend more mindfully on set priorities, participants can increase their savings and investment capacity over time, contributing directly to their livelihoods efforts.

## Streamlining pathway duration and content

It is essential that emergency livelihoods pathways are **accessible and manageable** for participants under challenging circumstances. After facing limited interest in the first six months of programming, VenEsperanza made strategic trade-offs, such as omitting certain helpful but non-essential topics and consolidating the number of sessions, in order to better tailor the pathways to participant needs. Understanding that the population has fluid living conditions and schedules as well as limited financial capacity for participation in non-remunerated activities, VenEsperanza finds that **modest participation periods** with **consistent pre-scheduled meetings** at a **convenient, common location** increase participation and reduce attrition.

*“We had to employ a more flexible, consolidated model for the pathways because the population’s time is so limited. Our participants work hard to support themselves day by day, many are single mothers who take care of children or elderly, sick, or disabled relatives... some are sick themselves and must attend medical appointments or treatment. Their needs are our priority, so we designed the pathways to make the most of their time.” (Key informant, World Vision, Cundinamarca)*

## Informed and iterative adaptation

Informed adaptation is important to any assistance program, but especially in fluid and complex emergency settings. In order to prevent significant variations in implementation quality between teams and capitalize on the opportunity to learn from the best practices and challenges of each implementing partner, VenEsperanza promotes informed adaptation through (1) **frequent monitoring visits and research activities**<sup>6</sup> to collect evidence and share real-time data and immediate feedback, (2) **cross-team pollination and exchange visits** between the teams of different organizations and locations, and (3) periodic in-person **learning events**<sup>7</sup> focused on reflection, evidence review, and strategic planning to address programming challenges.

# 3. Transitioning from cash to cash+

This section presents pre-conditions and key considerations for successful transition from cash to cash + livelihoods programming.

## WHEN is it beneficial to integrate livelihoods into emergency cash programming?

### When there is a gap in assistance

In focus groups and interviews conducted during the initial cash-focused phase of programming, many VenEsperanza cash participants report feeling **anxiety and fear about the end of the cash transfers**. While some used a part of the assistance to invest in small income-generating activities to lessen the shock, most faced a **“financial cliff” after assistance ended** and were **unable to secure steady, sustainable income streams** with cash assistance alone, citing the need for additional support to achieve stability and self-sufficiency. Adding complementary livelihoods programming emerged as a way to address a gap left by cash-only programming, representing a logical evolution of the program in response to the participant population’s needs.

<sup>6</sup> Research and learning, leadership, and MEL staff all conduct site visits, with a visit happening every 1-2 months on average.

<sup>7</sup> Consortium-level learning calls were initially held biweekly and switched to monthly after the first year of implementation and in-person learning events are held every 4-6 months.

*“When we only did cash, we saw a major gap. Most participants will spend the money to temporarily alleviate some needs just be vulnerable again six months later. The arrival of livelihoods operations has been gratifying and participants have said so. They’ve always known that the aid is only for six months but now they have tools and training to think beyond that. They see savings groups and entrepreneurship as a sustainable way into the future.” (Key informant, Save the Children, Bogotá)*

*“We have to constantly ask ourselves: What happens after? What happens to the population when we’re no longer here? How can we ensure this lasts over time? With cash, we struggled with these questions. With cash and livelihoods, we have a stronger response.” (Key informant, IRC, Bogotá)*

## **When contextual barriers limit livelihoods opportunities**

Seventy-five percent of the world’s forcibly displaced persons are hosted in low- and middle-income countries<sup>8</sup>, where predominantly informal and unstable market economies constrain livelihoods opportunities and financial stability. Refugees and migrants, who **often lack documentation and familiarity with host country institutions**, face heightened challenges. In the case of Colombia, the government-issued temporary protection permit (PPT) for Venezuelans is currently not fully recognized by the financial sector, severely limiting access to formal banking services and therefore formal entrepreneurship or employment opportunities. Furthermore, difficulties **validating professional and educational credentials** hinder professionals from practicing in Colombia; and **prevalent xenophobia** common to large migratory crises results in job exclusion and unfavorable working conditions for Venezuelans. Targeted livelihoods programs have the potential to help refugees and migrants navigate and overcome the multifaceted and compounded challenges commonly associated with such contexts. Opportunities provided by programs are often unique and vital for restoring self-sufficiency.

## **When an emergency is protracted**

Complex, protracted emergencies are increasingly the norm and a growing majority of people in need of humanitarian assistance worldwide (83% in 2022, compared to 74% in 2021) are affected by protracted crises.<sup>9</sup> The Venezuelan crisis has been unfolding over nine years, with no clear end in sight. **Most displaced Venezuelans plan to remain in Colombia**; in a 2023 survey on migration, approximately 82% of Venezuela surveyed expressed their intention to stay in Colombia, while only 2.6% intended to return to Venezuela.<sup>10</sup> **Globally, 69% of refugees and other people in need of international protection live in countries neighboring their countries of origin**<sup>11</sup>. These trends underscore the necessity of shifting from short-term relief to longer-term solutions in the context of protracted emergencies, to support the displaced population in rebuilding new lives in their new destinations through social and economic integration.

*“The way I see it, livelihoods and cash should always go hand in hand in response to a prolonged emergency like we have here in Colombia. Livelihoods programming alone does not respond to the emergency; people aren’t able to think longer term if their basic needs aren’t met. But cash alone isn’t a sufficient response either because it’s temporary. That’s why I see cash and livelihoods in harmony, recognizing that the emergency still exists.” (Key informant, Save the Children, Bogotá)*

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<sup>8</sup> UNHCR (2023). Refugee Data Finder. Available at: <https://www.unhcr.org/refugee-statistics/>

<sup>9</sup> Development Initiatives (2023). Global Humanitarian Assistance Report 2023. Available at: <https://devinit.org/resources/global-humanitarian-assistance-report-2023/key-trends-humanitarian-need-funding-2022/>

<sup>10</sup> DANE (2023). Migration Pulse Survey. Round 5. July 2023. Available at: <https://www.dane.gov.co/index.php/estadisticas-por-tema/demografia-y-poblacion/encuesta-pulso-de-la-migracion-epm>

<sup>11</sup> UNHCR (2023). Refugee Data Finder. Available at: <https://www.unhcr.org/refugee-statistics/>

## When the population intends to remain where they are

Livelihoods programs are typically **not suitable for highly mobile populations**, as the transient nature of their situation can be a barrier to the continuity and effectiveness of such initiatives. In Colombia, however, where many affected **individuals have short- and medium-term stability and intend to stay in the communities where they resettled**, they have the ability to attend two to three months of training courses and/or savings groups and seek to invest in their community.

## WHAT supports a smooth, effective transition from cash to cash+?

### A unified cash + livelihoods vision and approach

The effectiveness of cash + livelihoods programming hinges on the establishment of a unified vision and approach, rooted in a theory of change, and supported by aligned operative strategies and implementation processes to ensure complementarity and clarity. Without such alignment, the program risks squandering potential synergies between cash assistance and livelihoods support. Operative alignment serves as the linchpin in translating this unified vision into tangible outcomes. It requires **synchronization of programmatic timelines**, so that cash and livelihoods overlap. It is also essential to **involve participants** and members of the target population in the program's vision and approach, ensuring that participant feedback and ideas inform the initial design and continuous implementation of the program and methodology. Lastly, communication is key. VenEsperanza teams immediately noticed that many cash participants did not express interest in joining livelihoods activities. Upon further investigation, the team concluded that initial messaging regarding the activities was often unclear and not presented effectively. To improve this, VenEsperanza committed to producing **integrated messaging**, cultivating clear objectives and a cohesive narrative that resonates with program participants, fosters trust, and provides purpose and direction.

### An individualized case management platform

Operative alignment also requires an **information and data management platform** capable of integrating both cash and livelihoods databases. VenEsperanza uses CommCare<sup>12</sup>, as its case management abilities allow for tracking and follow up with participants across cash and livelihoods program components over the lifecycle of the program (by assigning unique IDs and linking different forms across household members and over time) and supports participant referrals.

### Team collaboration and cohesion

From the onset of programming, cash and livelihoods teams must **work in harmony rather than in silos**. **Observations, shadowing, and role swapping opportunities** between VenEsperanza's cash and livelihoods teams are helpful in building a collaborative culture and promoting cross-team knowledge and exchange. The establishment of **"bridge" roles** - staff positions spanning both cash and livelihoods domains – also bolsters operational alignment and coherence.

*“My role grants me a comprehensive vision of the program. I don't see the program from one component or another. If you are a livelihoods officer, you view the program from a livelihoods perspective. The same goes for cash. My role as the bridge between cash and livelihoods is very strategic because it allows me to make adjustments that may seem small, but that pull cash towards livelihoods and livelihoods towards cash so that they are increasingly integrated and harmonious.”*  
(Key informant, IRC, Bogotá)

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<sup>12</sup> CommCare by Dimagi. <https://www.dimagi.com/commcare/>



## Contextualized and standardized implementation guidance

Establishing and maintaining minimum standards for implementation and program quality is critical for consortia or teams implementing the same program in different geographical areas. This requires discerning which standards are **essential for quality and consistency**, while being flexible in areas that can accommodate change and adaptable to adjustments that can improve contextual relevance and effectiveness. By doing so, programs can effectively respond to changing needs and challenges in emergency environments without **compromising core objectives and integrity**. VenEsperanza developed and continually adapted **standardized implementation guides** to steer the integration and implementation of its livelihoods pathways into cash assistance programming and to maintain minimum standards across the consortium partners. While considered a best practice, several lessons emerged resulting from implementation experiences:

|                 |  |   |   |
|-----------------|--|---|---|
| Lesson          | Guides must consider the specific needs and abilities of facilitators and participants, including literacy.  | Adaptations are required to ensure contextual relevancy and effectiveness.  | Guides must be available and accessible from the onset and throughout the duration of the program.  |
| Recommendations | <ol style="list-style-type: none"> <li>1. Train all facilitators of activities to ensure their understanding and ability to interpret and transmit concepts to participants.</li> <li>2. Ensure guides reflect the needs of the intended audience, including appropriate use of language/terms, and supportive teaching and learning materials.</li> </ol> | <ol style="list-style-type: none"> <li>1. Involve staff from field teams in the development and training of the guides.</li> <li>2. Allow sufficient time for teams to align and adapt guides and instructional materials to the realities of their operating context.</li> </ol> | <ol style="list-style-type: none"> <li>1. Finalize an initial version of guides and train teams prior to the start of implementation.</li> <li>2. Establish a plan to revise guides in order to ensure sound adaptive management, including frequency of revisions and designation of people responsible for providing feedback and deciding on changes.</li> </ol> |

## 4. Cash + livelihoods in practice

This section discusses practical strategies for putting emergency cash + livelihoods programming into practice.

### 4.1 The cash + livelihoods link

**HOW** can cash and livelihoods complement each other throughout the duration of the program?

#### Leveraging cash for sustainable livelihoods

VenEsperanza’s programming is aligned such that participants begin the livelihoods pathways after having received at least one cash transfer and continue to receive the remaining five monthly transfers during livelihoods activities. VenEsperanza focus group and interview evidence indicates that participants in combined cash and livelihoods programs are **better prepared for the “post-transfer cliff”**, the period following the final cash transfer when individuals must attempt to meet basic needs without the assistance. Research findings show that a majority of participants directly use part of multipurpose cash transfers to develop a savings habit (i.e. buying saving group shares) and/or invest in a business that can help sustain themselves and their families. Applied in this way, multipurpose cash becomes more than just a short-term solution; **cash transfers serve in part as a strategic investment** in their future economic well-being and as a catalyst for building and strengthening livelihoods. Moreover, livelihoods planning **encourages and guides longer-term thinking and planning**, equipping people with the tools and mindset necessary for economic empowerment, resilience, and stability.

*“If I had received the monetary assistance before I received the entrepreneurship formation, I wouldn’t have been able to start a business. I would have wasted the money. I would have spent it all on food and that’s it. But instead, I learned how to use it to work and to invest and to save. And now, I use my own income to buy food and that is more sustainable to maintain the future of my children.” (Entrepreneurship focus group participant, Save the Children, La Guajira)*

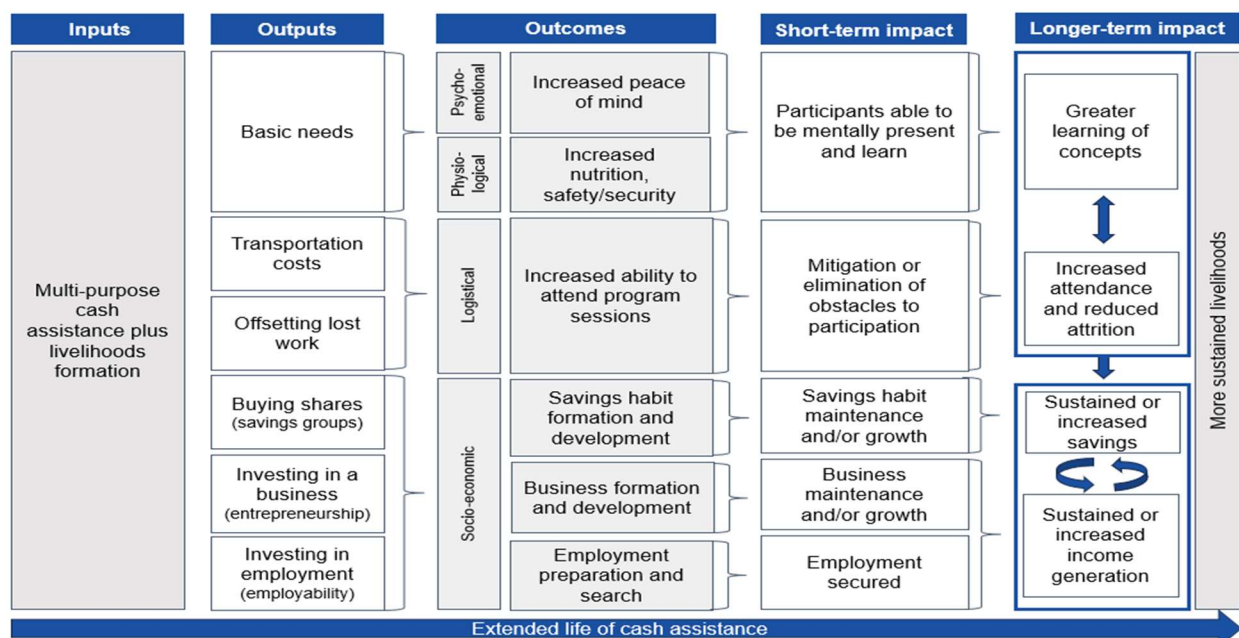
*“We are all trying to use a part of the [cash transfers] to buy savings shares or to invest in our business ventures. This is how we multiply and extend the money we receive.” (Entrepreneurship and savings group focus group participant, IRC, Bogotá)*

### Leveraging cash for livelihoods pathway participation and engagement

VenEsperanza participants report that cash transfers also **allow them to engage more fully in livelihoods activities**. In focus groups, for example, cash + livelihoods participants spoke about having **greater peace of mind** knowing that cash transfers were covering their basic needs, permitting them greater focus on livelihoods skill development. Others mentioned how hard it is to learn and plan on an empty stomach, and that cash transfers **addressed nutritional needs essential for effective learning**. Still others reported that the cash helped **offset indirect costs of participation**, such as lost income from missed work or transportation costs involved with attending sessions, making it possible for them to take part in the courses.

*“Many see it as a cash program with complementary livelihoods. When really, I prefer to see it the other way around. I see it as a livelihoods program, where the objective is to develop, strengthen or reestablish livelihoods, and cash assistance is the complement. Cash can allow participants to take time off from work to be able to attend the livelihoods sessions. Cash can sustain them and cover what they could have earned that day working so that they can invest that time instead in learning and projecting themselves further into the future. Cash can also be used directly to invest in their business or to buy shares in their savings group. Imagining, positioning, and communicating cash as a means to achieve livelihoods makes a big difference.” (Key informant, IRC, Bogotá)*

**Theory of change: the cash + livelihoods link**



## 4.2 Participation

### HOW can programs promote participation and prevent attrition?

#### Effective introduction of livelihoods opportunities

After confronting initial limited interest and issues with retention, VenEsperanza reflected on how the presentation of programmatic offerings determines initial self-selection into the pathways. Findings confirm that it is important to:

1. Introduce the concept of livelihoods pathways **early and often**, with an emphasis on the complementary benefits of cash and livelihoods development.
2. Develop a **short and succinct “pitch”** for the pathways that **defines key terms** (like ‘entrepreneurship’ and ‘employability’) to establish a shared understanding. Using **relatable, real-life examples** and **testimonials from current or past participants** to demonstrate the benefits is also helpful.
3. Make the presentation **inclusive and accessible** to ensure that all participants retain and understand the information. **Audio-visual supports** (i.e. videos to explain savings group methodology) and well-designed **complementary materials** are useful.
4. **Measure interest accurately**. Effective and accurate profiling is key for aligning participants with suitable pathways. VenEsperanza created and then refined a profiling survey: optimizing question order, readjusting question weights, rephrasing confusing questions, and eliminating non-essential ones to enhance comprehension and reduce administration time.
5. **Re-assess interest and/or availability** over time. **Give people time to think** about the opportunity and hear from others about their experiences. Provide contact information and **encourage people to get in touch** should they have questions or should their interest or availability change. Conducting **periodic follow-up calls** with those who did not initially express interest is also a helpful reassessment strategy.

*“We have to sell livelihoods to participants. We don’t have to sell cash because it has a clear benefit and requires very little time investment on the part of the participant. For livelihoods, while the potential benefits can be impactful and long-lasting, it requires participants’ commitment of time and effort. Some may not see the pay off. So, we as a program have to work harder to show them that this investment of their limited time is worth it.” (Key informant, IRC, Bogotá)*

#### Sustaining commitment

VenEsperanza found the following strategies to be helpful in sustaining participant motivation and minimizing attrition during programming:

1. **“Moment zero”**: IRC implements moment zero (see right), so named because it proceeds the first official meeting outlined in the implementation guides, which has significantly increased participant retention and engagement throughout the duration of the pathways.
2. **Symbolic contracts**: Informal, symbolic participation contracts can deepen participants’ dedication to the

#### “Moment zero” best practices:

- Icebreakers, games, and reflection activities to build **group identity and cohesion**, establish baseline **trust**, garner **motivation and commitment**, and foster a **shared vision and goal**.
- **Individual readiness evaluations** to ensure each member is **properly oriented** and has the **appropriate mindset and circumstances** to join the group and engage in the pathway.
- Identification of potential obstacles to participation and **mitigation planning**.

program, enhancing their understanding of the time commitment and personal investment in the program.

3. **Community support networks:** Building social cohesion within the livelihood pathway cohorts/groups encourages the development of supportive peer networks, boosting motivation, accountability, and shared responsibility. When individuals feel they are part of a unified group, they are more likely to stay committed to participation and goals.

*“The sessions represent spaces where participants can feel safe, escape from their routines for a bit, and spend time sharing, socializing, and celebrating. We always try to dedicate some free, unstructured time for participants to talk, unwind, and spend time together so they can build relationships and a support network.” (Key informant, Mercy Corps, Bolivar)*

4. **Robust communication channels:** Establishing effective communication is key to keeping participants informed and motivated. Programs can develop and leverage communication channels, such as WhatsApp group messages and individual text messages or phone calls, to motivate participants and transmit key information (i.e. regular updates, reminders about meeting days, times, and locations) that can boost participation and prevent attrition.
5. **Tailored program design:** Customizing the livelihoods pathways to suit the specific needs, interests, and circumstances of the participants is critical, especially in emergency contexts.

## WHAT are common obstacles to participation and strategies to address them?

The table below outlines broader contextual obstacles to participation that VenEsperanza encountered, and effective strategies employed to mitigate and manage them.

| Obstacle  | Strategy   |
|---|--|
| <b>Distrust:</b> Lack of trust (SG*), especially in urban areas   | Implement social cohesion and trust building activities early and often to develop the trust needed to participate and save collectively.  |
| <b>Labor conditions:</b> Reliance on informal labor (limited opportunities, irregular/ inflexible schedules, exploitation)  | Pilot and assess programmatic flexibility and adjustment (i.e. consolidating multiple program sessions so that participants only lose a single day of work) • Hold periodic make up sessions for excused absences • Connect participants who lost work to the employability pathway  |
| <b>Meeting spaces:</b> Limited/irregular availability of appropriate spaces • Unwillingness to meet in member’s homes (SG) • Attraction of unwanted attention when meeting in members’ homes or community spaces (SG) | Prioritize consistency when it comes to securing spaces. Hold sessions in program offices or rent a space on a weekly or monthly bases (rather than session to session) • Transition towards participant-hosted spaces once trust is better-established (SG) • Establish practices to optimize discretion when using community spaces (i.e. staggering participant arrivals) |
| <b>Transportation difficulties:</b> High transportation costs and travel times, especially in urban areas   | Form cohorts based on geographic proximity when possible and select spaces that are accessible • Provide transportation vouchers for participants who live the farthest or who safeguard the cash box in the case of savings groups.   |
| <b>Childcare limitations:</b> Lack of childcare options for participants  | Establish child-friendly spaces and/or support staff so parents can bring children to sessions, while still being able concentrate on instruction.   |
| <b>Insecurity:</b> Security incidents (theft, violence, conflict) • “Informal rules” governing certain urban neighborhoods • Presence of armed groups in some territories   | Take context-appropriate precautions at all times • Inform and educate participants about protection risks and strategies • Invest in contingency planning, as well as regular security monitoring, analysis, and action • Commit to rapid and agile communication with participants regarding security incidents, protection information, and programming changes           |

\*(SG) indicates that obstacles and strategies are specific to the savings group pathway

## 4.3 The Savings Group Pathway

Community savings group initiatives harness the power of **collective action** and **mutual support**, enabling members to build personal savings and financial management capacity, pool resources and access financial services otherwise unavailable to them. Globally, evidence shows that participation in savings groups contributes to **increased savings and use of credit, food security, self-confidence, resilience, and solidarity** with other members, among other outcomes.<sup>13</sup>

### WHAT are critical considerations to ensure successful savings groups in emergency response contexts?

#### Trust and social cohesion

For savings groups to work and have the best chance for continuation, group members - who often start as strangers - **must trust each other to be able to save, borrow, and invest together**. VenEsperanza found that this can be particularly challenging for vulnerable and crisis-affected individuals, whose **trust in others and sense of autonomy may have been undermined by life disruption or displacement**. Strategies to foster group trust include:

1. **Initiating trust:** Cash distribution activities and “**moment zero**” should provide a safe and supportive space for members to first meet and engage with one another, building an early foundation for social cohesion.
2. **Growing trust:** Weaving **social cohesion and trust-building activities** into all livelihood sessions helps people form bonds, overcome and embrace differences, and establish the trust necessary for the group to succeed.
3. **Actions to rebuild trust:** For some savings groups, there may be times when trust becomes compromised and needs to be re-built, as illustrated in the case study based on VenEsperanza’s experience below:

**The problem:** At times, participant attrition was so acute that a savings group no longer met the minimum participation requirements to continue and had to be dissolved, with remaining members re-integrated into other groups. For remaining group members, this undermined trust - precarious for many to begin with - in the group and savings process.

*“In my first group, no one wanted to save. We come from a broken country, we’re damaged spiritually and psychologically, and no one trusts others. The group fell apart, so I was moved to this group. But today, only four out of nine of us came because the rest don’t trust each other and I’m afraid the same thing will happen to me again. I respect everyone’s choice and situation, but it’s frustrating because there’s not enough trust among us to even carry out the activities.” (Focus group participant, Bogotá)*

**The response:** VenEsperanza reduced the minimum number of members necessary for group graduation and continues providing support even if the group drops below this number, to avoid “penalizing” members who wish to continue because others did not. This reduces the need to relocate members to new groups if theirs dissolves and maintains the savings experience even with fewer people. VenEsperanza integrates interventions with participants affected by these scenarios, aimed specifically at rebuilding their trust in the methodology and in each other.

#### Autonomy

For savings groups to work, they must be **autonomous and self-governed** from early on. Based on VenEsperanza’s experience, the following are best practices in promoting autonomy:

<sup>13</sup> The SEEP Network (2028). Understanding the Impact of Savings Groups. Available at: <https://www.rfilc.org/library/understanding-the-impact-of-savings-groups/> (Accessed: February 6, 2024)

1. **Group-led decision making:** Facilitators serve as guides and advisors, but **group members make core decisions** about the savings group's governance, meeting schedules, rules that will govern activities, and the value and maximum number of shares that can be purchased in a single savings meeting. Sharing **examples and ideas** from other groups, coupled with thought-provoking **reflection questions**, is good practice for facilitators. This approach **fosters creativity and encourages thoughtful deliberation** among group members, while carefully avoiding an overly directive stance that might undermine their autonomous decision-making.
2. **Formalizing commitment:** Forming a **group name**, creating a **group registry**, and having each participant **sign a symbolic contract**, agreeing to membership and participation parameters, help foster accountability and commitment at the individual and group level.
3. **Self-governance:** It is supremely important that all members confide in the groups' leadership committee, especially when it comes to roles related to the guarding of the safe (and keys) where savings are stored.
4. **Group-led fundraising:** Groups can invest part of their savings in communal fundraising activities, like bake sales and raffles, with the earnings produced from the activity then re-invested, growing the group's collective savings. These group-led activities not only **generate additional savings** but **promote group cohesion and autonomy**.
5. **Conflict resolution:** Training groups early on in conflict sensitive communication is a helpful measure to promote cohesion and teamwork, build solidarity, prevent tension amongst participants that come from different walks of life, and avoid conflict that can surface related to the collaborative management of money and group decision-making.

**Lessons learned & best practices:  
Value of the shares**

- The value of shares and other contributions **must be low enough that they are accessible to all** members of the group, including the most vulnerable. Negative consequences (i.e. feelings of inadequacy, discouragement, etc.) are possible among participants who are unable to consistently buy shares, like if the share cost is too high.
- The value must also be **high enough for people to reach their savings goals**.
- To strike a balance, it can help to set **higher maximums**, allowing members to buy more shares in a single meeting. Another creative option is **“double days”**: a special day once a month when the maximum number of shares members can purchase is doubled.

**Lessons learned & best practices:  
Leadership committee**

- A **clear and thorough** explanation of the leadership committee and roles is important.
- The presentation and selection of potential candidates must be **inclusive and transparent**.
- Encouraging candidates to **campaign** and explain to the group what skills or traits **qualify** them for the role is a helpful practice.
- The voting process should be **democratic and anonymous** to prevent potential distrust, frustration, or discomfort if members can't fully exercise their choice or if their choices are public.
- Positions can be **rotated on a regular basis** to minimize protection risks and “re-distribute” benefits associated with roles (i.e. feeling valued and important, increased participation linked to accountability), should the group so choose.

**Lessons learned & best practices:  
Group fundraising**

- Groups who partake in these communal activities tend to **save more money** collectively.
- The communal nature of the activities helps promote **group cohesion and autonomy**.
- These activities are especially meaningful for participants who do not have the means to consistently buy shares or to buy as many shares as other group members. It's a way they can be **more involved and contribute** to the group.

## Preparation for continuation

Graduation events are valuable in **celebrating group achievements** and **motivating continued progress**. Nearing graduation, members must decide whether to **continue on autonomously**. If the group decides to continue, they can revisit rules and regulations, integrate new members, or hold new elections for leadership positions, as needed/desired. VenEsperanza found that the transition to

full autonomy **can be difficult** for participants to overcome and oftentimes does not work. To **prepare participants**, the program found that it is beneficial for facilitators to dedicate time at earlier moments in the cycle to help savings groups (1) decide whether they wish to continue, (2) discuss and resolve doubts, concerns, and questions, and (3) establish concrete plans for the transition and autonomous operations thereafter.

## 4.4 The Entrepreneurship Pathway

Entrepreneurship and seed capital initiatives are one of the most widespread economic empowerment initiatives across the globe. These initiatives equip individuals with the **knowledge and resources** needed to start and grow their own businesses, thereby promoting **livelihoods development and income generation**.

### HOW can programs ensure comprehensive skills and training for individual entrepreneurs with varied backgrounds?

Entrepreneurship pathways benefit from incorporating **personalized components** that align with the unique needs and aspirations of each entrepreneur and their specific business venture.

VenEsperanza found that participants come with very diverse backgrounds and experience, and quickly recognized that it is essential that programs **prepare for varied backgrounds and tailor support accordingly**, including for both “novice” and “veteran” entrepreneurs, as well as those with both high and low levels of education, literacy, skills, and experience. VenEsperanza's approach offers valuable insights into effective strategies:

1. **Differentiated learning and pacing:** Many participants and facilitators provided feedback that the content of the sessions was too technical for practical use. As a result, the program worked to adapt educational content and speed to meet learning preferences and abilities, ensuring all can keep up with material and no one falls behind. It is also essential to include more graphics and image-based materials and simplify language.

*“We have two rooms and at least two facilitators. We use the larger room to facilitate the workshops. If we identify participants that need additional reinforcement, we’ll invite them to the other room, sit down with them, and give more individualized instruction to help them with whatever concept they may be struggling with. This differentiated approach allows us to keep up the pace for the more advanced group while also ensuring those individuals don’t fall behind. We’ll often dedicate that extra space during lunch and again after the class to clarify questions and doubts.” (Key informant, Save the Children, Bogotá)*

2. **Grouping strategies:** Group by similarity (i.e. by business sector) to consolidate groups and promote shared learning and collective idea exchange. Group by difference (i.e. by background experiences and expertise) to help participants learn from and exchange skills and knowledge. Key informants from IRC in Norte de Santander describe these strategies:

*Grouping by similar sectors: “Sometimes it’s helpful to group participants by the economic sector of their business venture. So, for example, grouping all those in beauty services, those in fast food, etc. This helps them work together and form a collective construction of knowledge. It’s also easier for facilitators to provide more tailored instruction to say, four groups, rather than twenty individuals.”*

*Grouping by different experience and skill: “Maybe Participant A didn’t finish primary school but was a merchant in Venezuela his entire life and has an entrepreneurial spark that no one can take away. In the same group, Participant B has a high level of education and professional training but has never sold a thing in his life. Participant B benefits from Participant A sharing entrepreneurial anecdotes from his past business experience and offering advice. And B can maybe support A with basic accounting and budgeting.”*

Effective grouping strategies connect participants and help them learn about each other’s businesses. This can even promote joint business collaborations, such as among those operating in distinct but related economic sectors.

*“We’ve had entrepreneurs who join up to do business together. For example, a woman who makes desserts meets a woman who does packaging and marketing. Or a woman who cuts and styles hair teams up with a woman who does manicures to offer a packet of services. We’ve had an entrepreneur dedicated to carpentry support another entrepreneur in need of shelves for his store. We’ve had an entrepreneur who makes cakes refer clients to another who makes piñatas and vice versa.” (Key informant, World Vision, Cundinamarca)*

3. **Support staff and/or support sessions:** Invest in additional staff and/or supplemental sessions to reinforce material with participants who require more support.
4. **Accessibility and inclusion:** Generate belonging by reinforcing participants’ expertise and experience from day one. Develop a supportive and inclusive culture, wherein diverse backgrounds are valued. Provide accommodations for participants with no/low literacy and for those with disabilities.

## **WHAT standard program components help entrepreneurship participants to succeed?**

While individualization is key, entrepreneurship programming must **strike a balance**. Realistically, entrepreneurship initiatives can’t fully customize every aspect for each participant, necessitating the creation of **standardized cross-cutting elements** like entrepreneurship principles, core business model concepts, and financial fundamentals. Key insights and practical strategies derived from VenEsperanza’s **structured approach**, which aims to provide a **shared knowledge base useful to all** entrepreneurs in building their ventures, are outlined below:

1. **Entrepreneurial skill building workshops:** Workshops focused on topics like family and business budgeting, financial management, soft skill development, market analysis, and financial services, provide participants with essential entrepreneurial skills.
2. **Business model development:** Utilizing CANVAS<sup>14</sup> or similar tools, participants develop step-by-step business models that serve as roadmaps for their ventures.
3. **Budgeting and investment plans:** Encouraging participants to obtain and compare multiple quotes from various vendors is a helpful practice in securing the best prices and product quality. Quotes should include comprehensive product details and specifications required to ensure participants make informed decisions and receive precisely what they need at the time of purchase.

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<sup>14</sup> Osterwalder & Pigneur (2010). The Business Model Canvas. Available at: <https://www.strategyzer.com/library/the-business-model-canvas>



4. **Seed capital award determination:** During business “pitch” presentations, participants showcase their preparedness for seed capital. VenEsperanza’s business presentations in front of peers and invited judges not only facilitates seed capital determination but fosters entrepreneurial confidence and growth.
5. **Seed capital provision and spending:** Participants generally use the seed capital to make purchases from local small business vendors in their communities. Transparency, timeliness, advocacy, and accompaniment are key to effective seed capital provision and spending (see right).
6. **Follow-up visits:** Post-seed capital distribution visits should prioritize quality assurance while avoiding excessive monitoring of seed capital expenditures. This approach helps streamline data reporting and processing while maintaining program effectiveness.

**Lessons learned & best practices:  
Seed capital provision and spending**

- Be **transparent** with participants about the possibility for seed capital awards from the beginning and orient participants on the amounts they can expect to receive. This promotes effective participant planning/budgeting and avoids misaligned expectations that can fuel frustration.
- Ensure seed capital is **delivered quickly**. Delays can undermine participant trust and allow for price fluctuations or product availability changes that affect participant purchasing power.
- **Map** out vendors that carry the types of products participants need, produce required documentation (i.e. quotes, receipts), accept card payment options, and provide dignified treatment to participants.
- **Advocate** with vendors about the opportunity for increased business if they can cater to these needs.
- **Accompanying** purchases is logistically demanding but highly beneficial, especially in contexts where limited options are available and where participants may encounter price gouging and/or face discrimination or mistreatment by vendors.
- **Collective purchasing and bargaining** for goods accompanied by staff also helps establish preferred vendor relationships and competitive pricing in some circumstances.

## 4.5 The Employability Pathway

Employability initiatives aim to support individuals’ socio-economic integration and development by equipping them with an understanding of the local job market, soft skill building, and job readiness, among other supports. To be effective, these initiatives must be tailored to the **specific demands and opportunities of the local labor market**, while also being responsive to the **needs of participants** and the **unique challenges** they may face. The latter is especially important when designing and delivering employability programming aimed towards vulnerable, displaced, and/or crisis-affected populations.

### **HOW** can programs help people understand and access unfamiliar local job markets?

The following practices are essential in ensuring that employability programs are well grounded within and responsive to participant and labor market realities:

1. **Needs assessment and customization:** Assess participants’ existing skills, educational backgrounds, and career interests. Regularly gather feedback to customize curriculum based on common needs, challenges, and aspirations. Recognizing that some people may have additional needs stemming from their specific situations, consider including optional, supplementary sessions (i.e. migratory grief, psycho-emotional support, protection issues).

2. **Market research and analysis:** Conduct thorough research and analysis of the local job market to identify in-demand skills and sectors. Engage with local employers and industry experts to understand current and future labor market trends. Ensure curriculum is aligned with local job opportunities and realities.
3. **Practical experiential learning:** When feasible and appropriate, facilitate opportunities for hands-on, real-world training (i.e. internships, apprenticeships, shadowing, project-based learning, vocational training programs) to boost relevant skills and competitiveness. VenEsperanza promotes opportunities for job linkages with potential employers through job fairs and matching platforms.

## WHAT are common employability obstacles and opportunities?

Common obstacles faced by VenEsperanza and strategies to address them are outlined below:

| Obstacle   | Description  | Strategy   |
|--|--|--|
| Legal documentation and regularization                     | <i>“For me, documentation and regularization are the most critical challenge. There are still large gaps in information about hiring refugees and migrants, and documents that aren’t universally recognized or accepted by employers.” (Key informant, World Vision, Cundinamarca)</i>  | <ol style="list-style-type: none"> <li>1. Develop specific information and content for participants in different documentation scenarios to help orient each group on obstacles, opportunities, and relevant protection issues (ie. helping them understand their rights and reduce vulnerability to exploitation, common for people without legal permission to work).</li> <li>2. Develop linkages to legal support groups to provide direct support.</li> </ol>             |
| Validation of educational degrees or professional licenses | <i>“The process to validate educational degrees or professional licenses is inaccessible or prohibitively expensive for the vast majority. Peoples’ backgrounds give us an idea of the jobs they may want to pursue but most cannot exercise what they studied or have experience in.” (Key informant, Mercy Corps, Bolívar)</i> | <ol style="list-style-type: none"> <li>1. Provide guidance on the system for getting professional and academic credentials certified or accredited, and accompany eligible participants through the process.</li> <li>2. Facilitate access to high school equivalency exams or other educational validation tests.</li> <li>3. Develop linkages to legal support groups to provide direct case assessment and support.</li> </ol>  |
| Access to financial services                               | <i>“Access to financial services is a barrier in the Colombian context. Most still can’t access banks or financial services so they can’t secure loans or credit, nor accounts where they can receive paychecks, which hinders their ability to get a job”. (Key informant, Mercy Corps, Bolívar)</i>                            | <ol style="list-style-type: none"> <li>1. Integrate financial education sessions on topics related to: household financial decision-making and budgeting, good savings practices, and the local financial services landscape.</li> <li>2. Facilitate access to the savings groups pathway to promote financial inclusion through collective savings and group loans.</li> <li>3. Advocate for increased acceptance of common documentation by the financial sector.</li> </ol> |

## 4.6 Mixed pathway approaches

Over time, VenEsperanza evolved to actively invite and encourage participants -and members of their households- to participate in multiple pathways, rather than selecting into a single pathway as originally envisioned. This opportunity immediately increased interest in participation as well as retention by over 50% in some areas of implementation almost immediately. To date, more than a quarter (28%) of all VenEsperanza cash + livelihoods participants have participated in more than one pathway. This section focuses on layering savings groups and entrepreneurship pathways specifically, highlighting the myriad, multiplicative benefits derived from mixed pathway approaches.

## HOW can livelihoods pathways be combined, layered, and sequenced to create synergistic impacts?

### Consecutive models

In consecutive models, savings groups are formed from graduates from the same entrepreneurship cohort<sup>15</sup>, so they **complete one pathway after another**. A major benefit of this model is that participants already know each other and have **pre-existing trust** that provides a solid foundation for savings groups. These groups tend to have **higher participation** and achieve **greater individual and collective savings**, in part because they count on income from their business ventures. In this way, forming savings groups from entrepreneurial cohorts (at least, for those interested) is a logical and harmonious “next step” along their entrepreneurial path: their businesses generate income that can be used to purchase savings shares, with savings then reinvested into the business, creating a **cyclical practice that can support and sustain the growth** of their enterprises.

*“A benefit of forming savings groups from entrepreneurship groups is that they have already established trust: they know each other, they’ve worked together, they already function as a support network. Trust and cohesion are essential to the success of any savings group, and this gives us a head start. Plus, knowing that everyone has already received their seed capital and has a business, they trust in the groups’ ability to continue saving by using their respective incomes. We’ve seen that, compared to other groups that start with more fear and caution, groups formed from entrepreneurship cohorts save much more.” (Key informant, Save the Children, La Guajira)*

### Concurrent models

In concurrent models, savings groups and entrepreneurship are offered **simultaneously to a single cohort**. This method has been successful in boosting participation (i.e. reduced desertion by around 30% in Bogotá), fostering strong bonds among the cohort, and building complementary skillsets, wherein savings and entrepreneurship are mutually linked and reinforced.

*“Mixed groups maximize the potential of the program. By stacking the components, the cash is not only used to sustain attendance but is also directed towards savings and investing. They’re more motivated to save because they’re saving with purpose: to be able to invest more in their business, complementing the seed capital they receive. They’ll eventually start generating income through their business, allowing them to save more and developing a sustainable “feedback loop”. We find it effective for both the participants and our teams because it consolidates the sessions for both routes. We do an entrepreneurship workshop and then a savings group meeting in a single day. In our experience, it generates a lot of trust and cohesion amongst groups because they share transformative activities and experiences as a group.” (Key informant, IRC, Bogotá)*

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<sup>15</sup> The opposite model (savings groups proceeding entrepreneurship) was piloted but implemented to a lesser degree due to two limitations. First, not all savings groups participants may be eligible for entrepreneurship, which can cause tension and disbalance among members. Second, the intensive nature of entrepreneurship can overshadow savings group activities, resulting in attrition and group discontinuation, particularly when entrepreneurship coincides with the early stages of autonomous savings meetings.

## 4.7 Closeout and continued impact

### **WHAT** is involved in exit strategy preparedness and sustainability planning?

**How programs exit a community is just as important as how they enter, if not more so.**

Effective cash+ livelihoods exit strategies require **local capacity building** to ensure sustainability, a well-defined **transition plan** to facilitate the handover of responsibilities, and a rigorous **impact monitoring plan** to measure long-term outcomes and impact. Context-informed **risk assessment, stakeholder analysis, and contingency planning** are essential components of any exit strategy, especially in emergency contexts. These practices enable the anticipation and mitigation of potential crisis developments, helping to ensure lasting impact beyond the conclusion of specific programs.

*“A strong exit strategy goes beyond accountability; it should aim to build community capacity to act in an emergency and to be able to manage community needs when an unexpected situation arises, long after we’re gone.” (Key informant, Save the Children, Arauca)*

### **WHEN** should stakeholders be engaged in the closeout?

Given the duration of cash+ models, timelines should be communicated to communities from the **outset of a program** or **as soon as possible**. Stakeholders must be engaged through transparent communication, regular updates, and feedback opportunities to ensure they comprehend closeout timelines, implications, and next steps. This allows organizations to address concerns proactively, mitigate issues, and ensure a smooth transition. Stakeholders should also be involved in:

1. **A closeout celebration event:** Showcase achievements and impact figures, invite teams and participants to recognize and celebrate their efforts and contributions.
2. **Documenting and sharing lessons learned:** Facilitate spaces with stakeholders including program staff, participants, strategic allies, and community members to collect reflections and feedback. Systematize, document, and disseminate best practices, success stories, and lessons learned through written summary reports and evaluations, and audiovisual tools.
3. **Knowledge transfer:** Ensure participants are informed about available services and supports beyond the program’s scope, including those that will help them to take their livelihoods efforts to the next level. Clearly outline minimum standards and the roles and responsibilities moving forward for those organizations and institutions identified and involved in the sustainability plan and the impact monitoring and measuring plan.

## 5. Summary

This report encourages broader consideration of expanded humanitarian response programming, especially in situations of prolonged crises. Livelihoods programs have a **crucial role** to play in emergency settings, especially when combined with and aligned with cash assistance. Integrating livelihoods programming into humanitarian cash assistance demands careful consideration of pre-conditions and specific adaptations to effectively address the unique challenges of emergency contexts. **Under the right conditions and when implemented effectively**, the interaction between cash + livelihoods can **amplify positive outcomes** for humanitarian aid recipients, allowing affected individuals and communities to regain control over their lives and recover from emergencies.

A “**pathways**” approach to cash + livelihoods programming is compelling in emergencies because of its emphasis on **individualism and choice**. By offering a variety of pathways tailored to the unique circumstances and aspirations of participants, programs respect people’s **agency and capacity** to make decisions that align with their specific needs and support them in charting their own course to recovery. Programs operating in informal and unstable environments should embrace that principle that **incremental but steady progress towards tangible** goals – like building savings and microenterprises – can pave the way for long-term positive change. In light of the dynamic nature of emergencies and challenges faced by crisis-affected individuals, it is also important to integrate complementary support, streamline pathway duration and content, and establish minimum standards that prioritize adaptability and flexibility, ensuring that programs can **respond to evolving needs of the population and realities on the ground**. This includes careful considerations for promoting participation during the program and ensuring sustainable outcomes even after it ends.

When effectively established, the cash + livelihoods link leverages the use of cash to support engagement in livelihoods pathways and to serve as a strategic investment, **catalyzing livelihoods development**. While contextually informed savings groups, entrepreneurship, and employability pathways can support positive outcomes individually, VenEsperanza’s experience underscores the value of engagement in **multiple pathways**, recognizing the potential for more **synergistic and sustained effects** created through cyclical and complementary practices. Although the suitability of different layering strategies may vary across contexts, participating in multiple pathways can **enhance the overall impact** of livelihoods programs, offering individuals the opportunity to diversify income sources and improve financial management, thus bolstering their resilience to future shocks.

It is essential to **expand understanding of livelihoods programs** beyond their traditional role as development-focused initiatives, recognizing their **immense value in crisis situations**. VenEsperanza’s work demonstrates that livelihoods programs, when integrated with cash assistance, are desired by participants who wish to address immediate needs while simultaneously fostering their long-term resilience. With complex and protracted crises becoming more prevalent, the humanitarian community must continue to explore and invest in learning how best to harness the promise and potential of cash+ livelihoods programs in emergencies.

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### About Mercy Corps

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<sup>i</sup> Semi-structured key informant interviews (KIIs) were conducted virtually via video call. KII samples were drawn using purposeful sampling following discussions with VenEsperanza leadership. Ultimately, profiles included current members of the four VenEsperanza partner organizations who oversee or directly implement livelihoods pathways. Of the twenty-six key informants invited to participate, twenty accepted the invitation, provided informed consent, and were interviewed Spanish. Interviews lasted no more than one hour and took place between February and August 2023. KII representation per partner is proportional to the number of Colombian departments they operate in.

<sup>ii</sup> Focus group discussions (FGDs) were conducted in person with participants of VenEsperanza cash and livelihoods program, employing a semi-structured format to elicit participants' views. FGD samples were drawn from partner organization's participant lists within the six Colombian departments where VenEsperanza operates: Arauca, Antioquia, Bogotá (capital district) & Cundinamarca, Bolívar, La Guajira, and Norte de Santander. Specific sites within departments were selected based on feasibility discussions with the VenEsperanza team. Whenever possible, both urban centers and more remote sites were included to provide comparative contexts. Participants were selected for FGDs based on non-probabilistic, purposive sampling by location, partner organization, and pathway (savings groups, entrepreneurship, or mixed) and aimed to reflect a sampling frame with maximum diversity across three categories: age, gender, and participant profile (Venezuelan refugee or migrant, Colombian returnee, or host community member). Eligibility criteria included having received at least two cash transfers and participated in at least two livelihoods sessions. Recruitment procedures aimed to be impartial to ensure broad representation and avoid potential biases. Twenty-six focus groups, comprised of 180 participants total, were conducted between March and August 2023. The average FGD size was about 7 participants. FGDs were conducted in Spanish, lasted 90 minutes maximum, and required participants' verbal consent.

<sup>iii</sup> At least one entrepreneurship and one savings group activity were observed in each of the departments between March and August 2023

<sup>iv</sup> Internal and external documents were triangulated with primary data to minimize bias and enhance accuracy and reliability of findings.