NIKE VSL

NIKE VILLAGE SAVINGS AND LOAN PROGRAM

BACKGROUND

PROJECT OVERVIEW

BURUNDI TODAY

- 12 year ethnic civil war ended in 2005
- War left many displaced
- Very young country
- Lowest per capita GDP in the world
- Less than $1 per day
- Lowest satisfaction with life in the world
- The average woman in Burundi has 7 children

INSIGHTS

KEY THEMES

1. Financial attitudes
2. Financial dependence
3. Time orientation
4. Girls' education
5. Entrepreneurship training

FINANCIAL ATTITUDES

"The most I've ever saved was for 2-3 weeks to buy a $30 shirt I really wanted."

"I love money! It buys me the things I want."

"[My summer job] was exciting because I got my own paycheck. It felt like an accomplishment."

FINANCIAL ATTITUDES

"Banks are for rich people."
- Tugee, Burmese migrant

FINANCIAL ATTITUDES

"Money is freedom."
- Jacob, investment banker

FINANCIAL DEPENDENCE

"I'm not worried. I know that my parents will always be there to help me."
- Sammie, 19

FINANCIAL DEPENDENCE

"The savings mostly come from the stipends."
- Bilen Tenna, PACT

"Stipends make the girls dependent on external support - as a result PACT wants to phase out stipends from the program."
- Bilen Tenna, PACT

"History of humanitarian handouts has let to a culture that might not want to be independent."
– Afke Bootsman, UNDP Burundi

TIME ORIENTATION

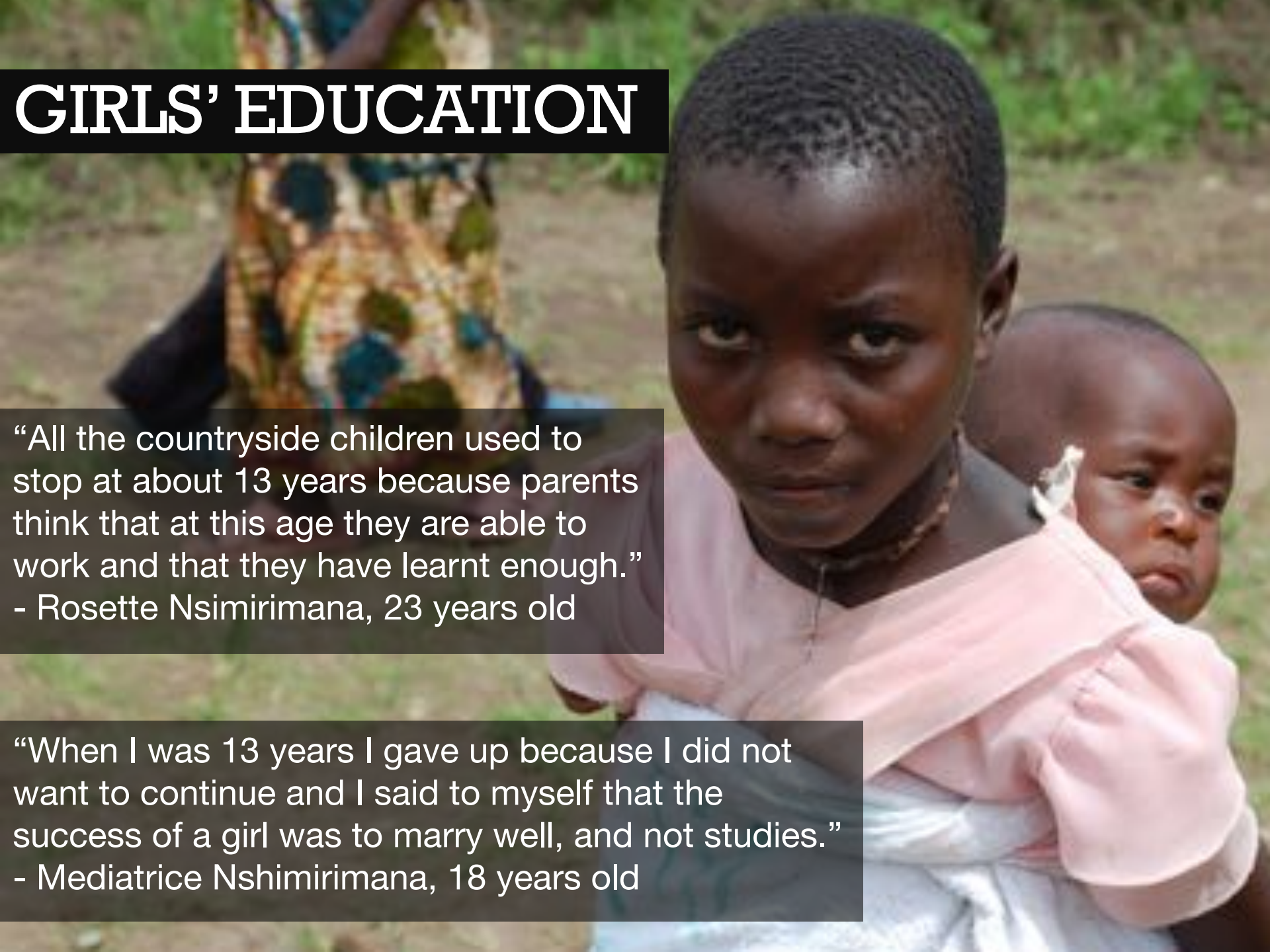
"My son is going to college next year and I don't know how we'll pay for it."
- Teresa

TIME ORIENTATION

"A lot of the mentality is 'I'm alive today and I take it by the day.'"

"Because there's more security here [in America] I learned how to think—even to dream. I'd never dreamt in my life."

GIRLS' EDUCATION



"All the countryside children used to stop at about 13 years because parents think that at this age they are able to work and that they have learnt enough."
- Rosette Nsimirimana, 23 years old

"When I was 13 years I gave up because I did not want to continue and I said to myself that the success of a girl was to marry well, and not studies."
- Mediatrice Nshimirimana, 18 years old

TRANSFORMATIVE ACTIVITIES

"After a little big of education, she'd say 'go find out about your market.' Once they gathered information themselves, that's almost always the point of transformation: their eyes open."

- LaCharite, Burundian

A LACK OF INSPIRATION

"It is kind of monkey see, monkey do. If there is a business with a low barrier to entry, that is what everyone is going to do."
- Ngabire, Burundian

"People do tend to choose from a limited number of businesses that they feel comfortable with. It would be good if we were able to encourage people to try something new."
- CARE

CURRENT MODEL

Nike provides financial support.

CARE recruits and trains girls for group.

Girls pool savings to make loans.

The group meets and makes lending decisions.

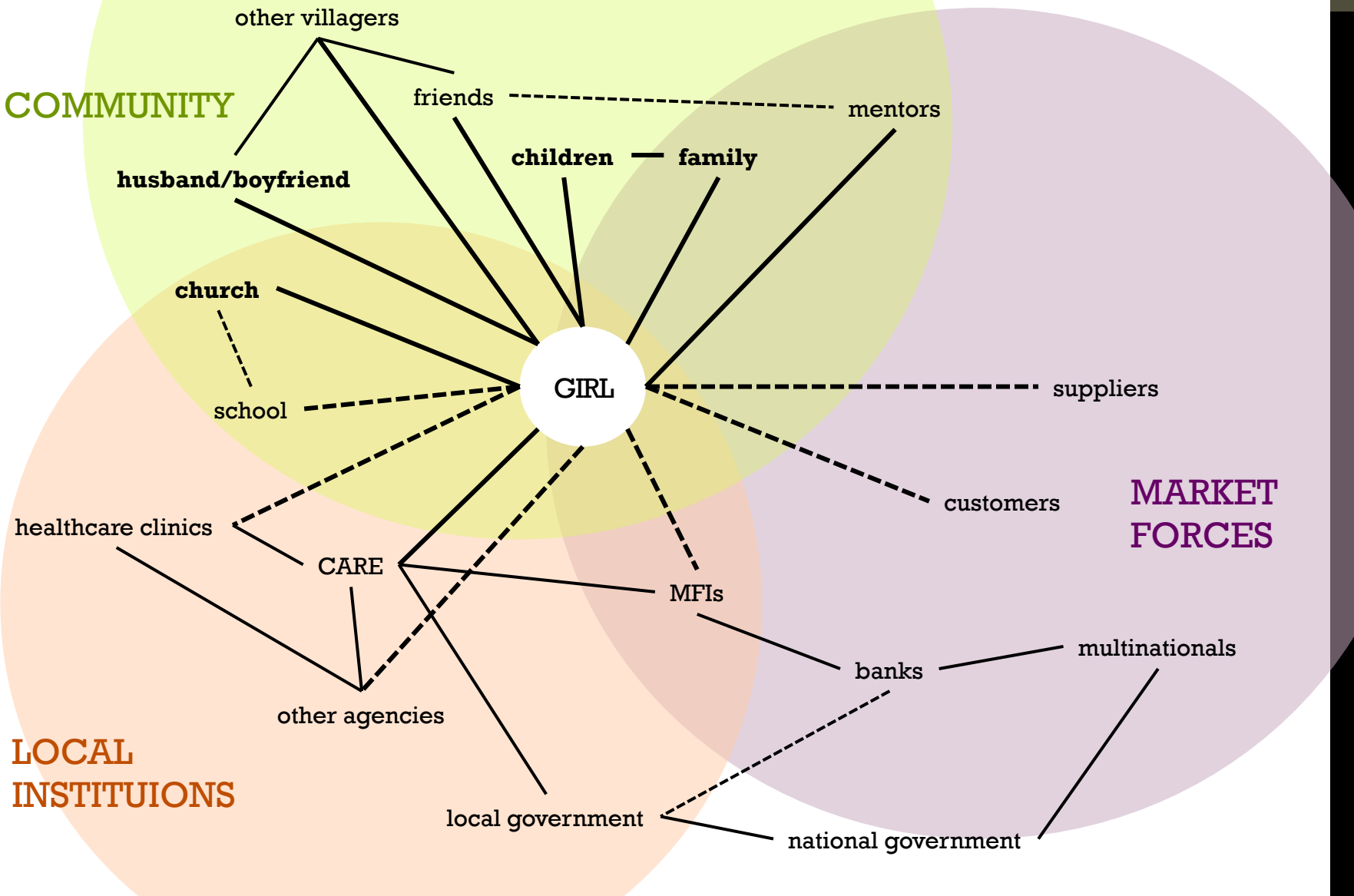
Girls invest in their businesses.

Girls repay loans.

The group disbands on a predetermined date.

The groups spawns a new groups or groups.

STAKEHOLDER MAP

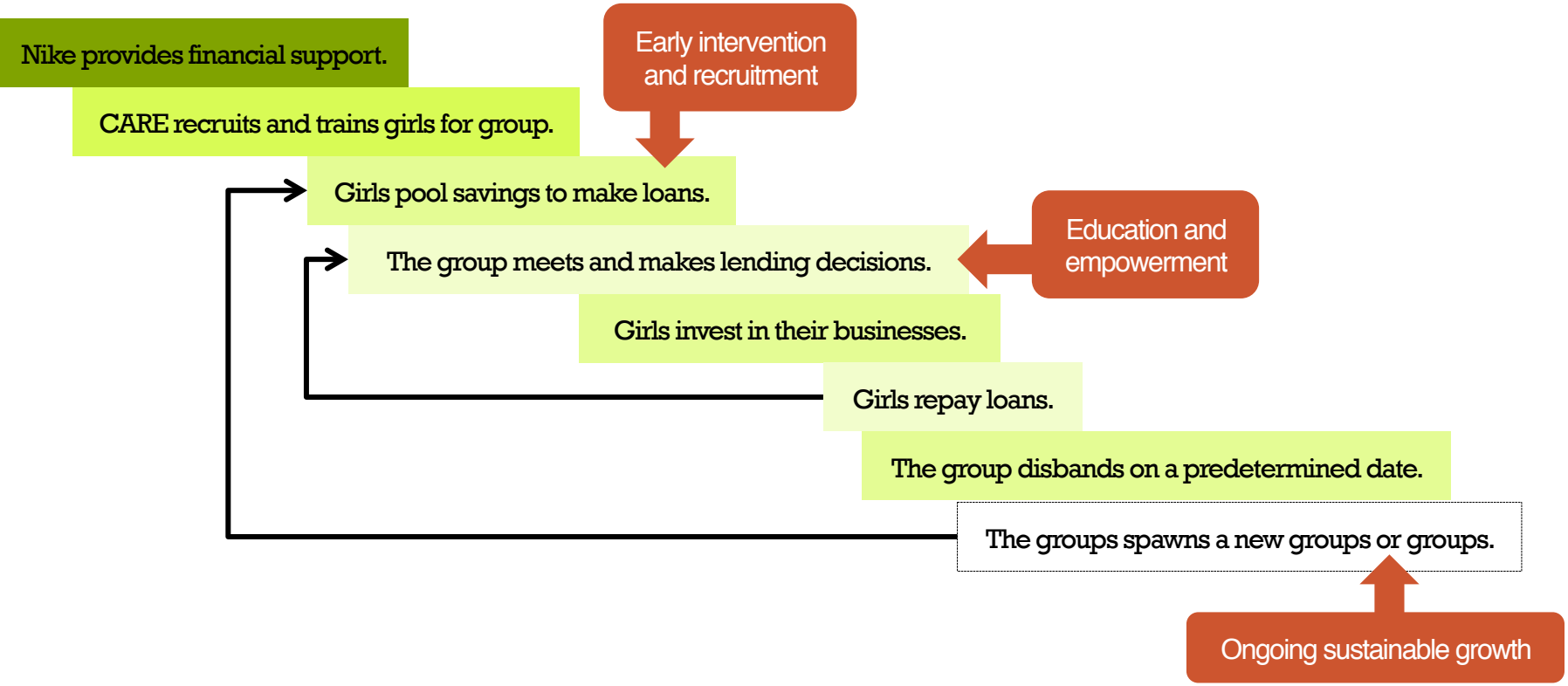


SOLUTION

VISION STATEMENT

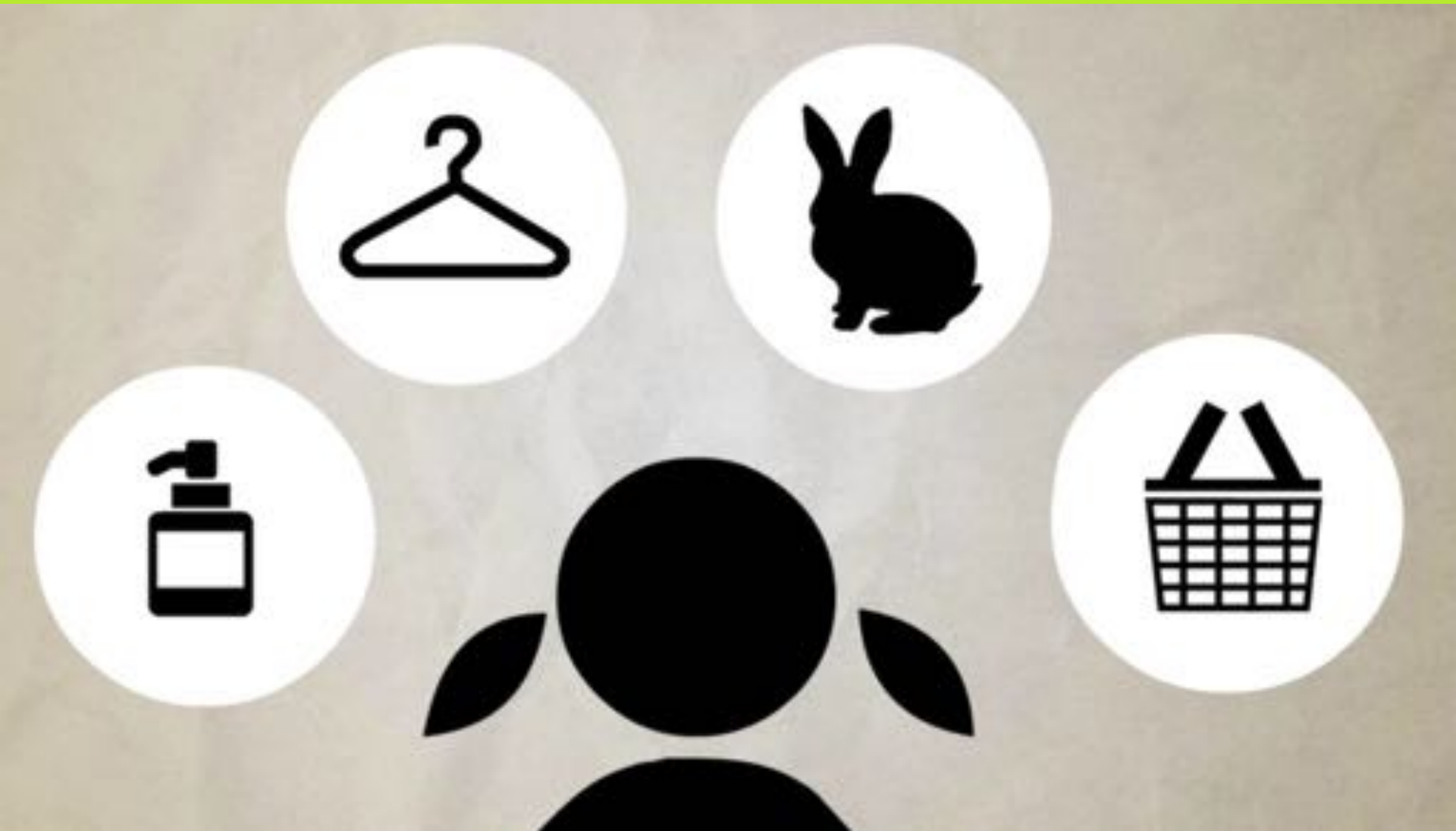
Enhance the VSL program through early intervention and recruitment, building more diverse and higher impact businesses, and developing a culture of mentorship for ongoing sustainability.

STRATEGIC FOCUS



EARLY INTERVENTION

EDUCATION AND EMPOWERMENT



SUSTAINABLE GROWTH

TRACKING AND RECOGNITION

BEFORE

Jr. Member
Jr. Entrepreneur
Primary School Grad
Health and Wellness

DURING

Recruiter
Sexual Health
Recruiter
Leadership
Social Awareness
Secondary School

1st Loan
2nd Loan
3rd Loan

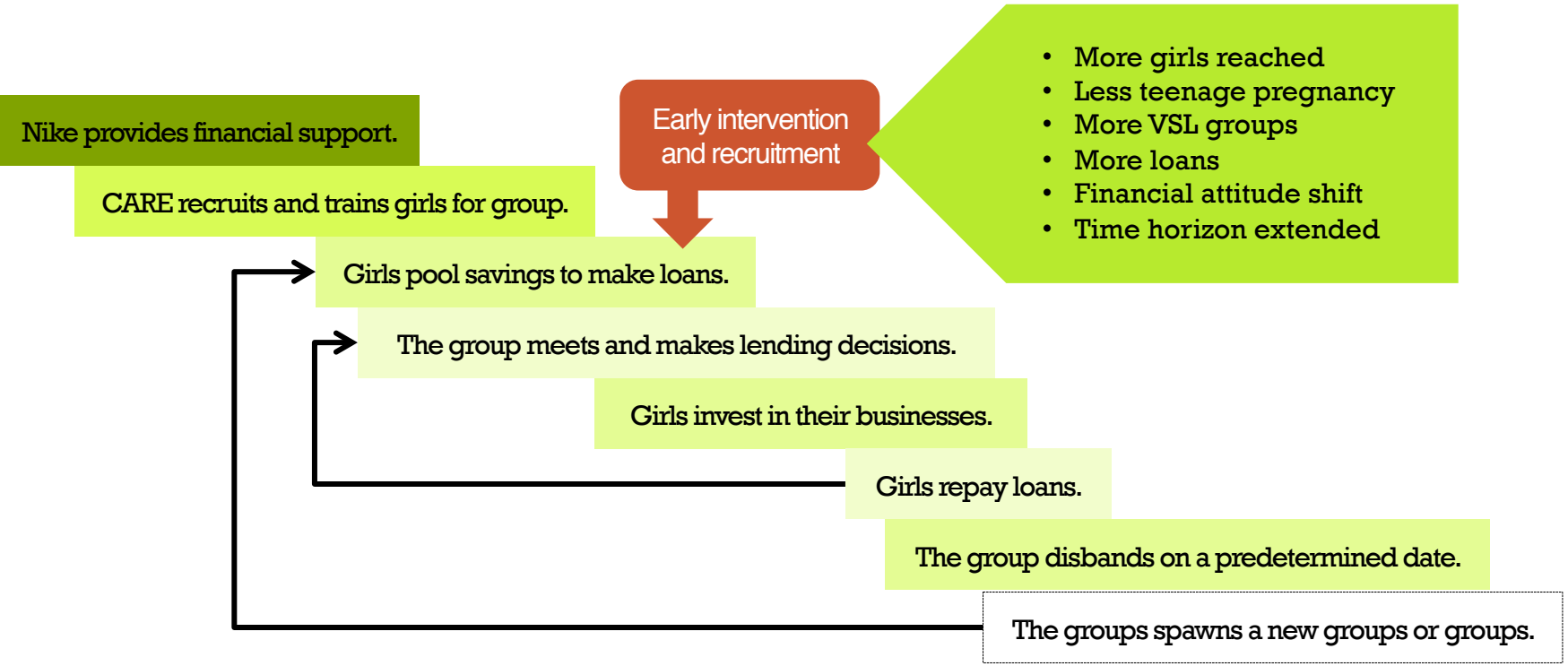
Rabbits
Soap
Used Clothes
Basket Weaving
Other

AFTER

VSL Group Finder
VSL Group Leader
Mentorship
VSL Cycle Complete

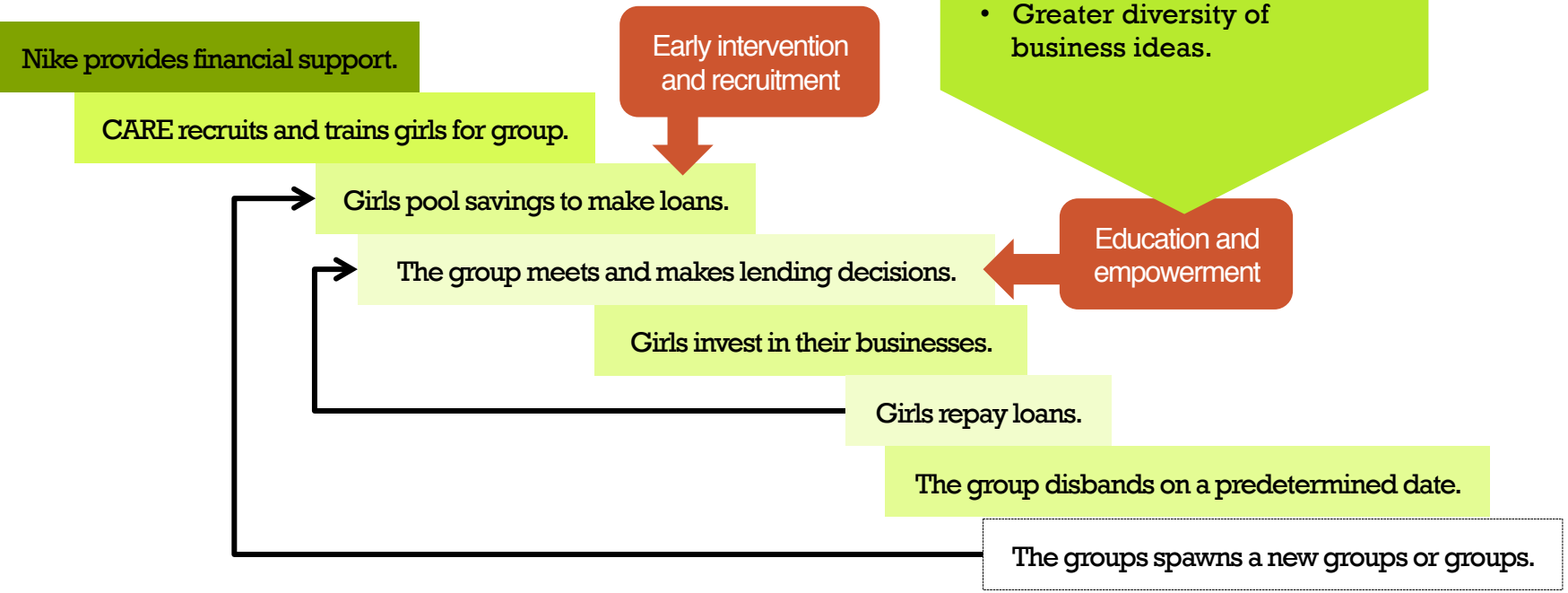
IMPACT

IMPACT

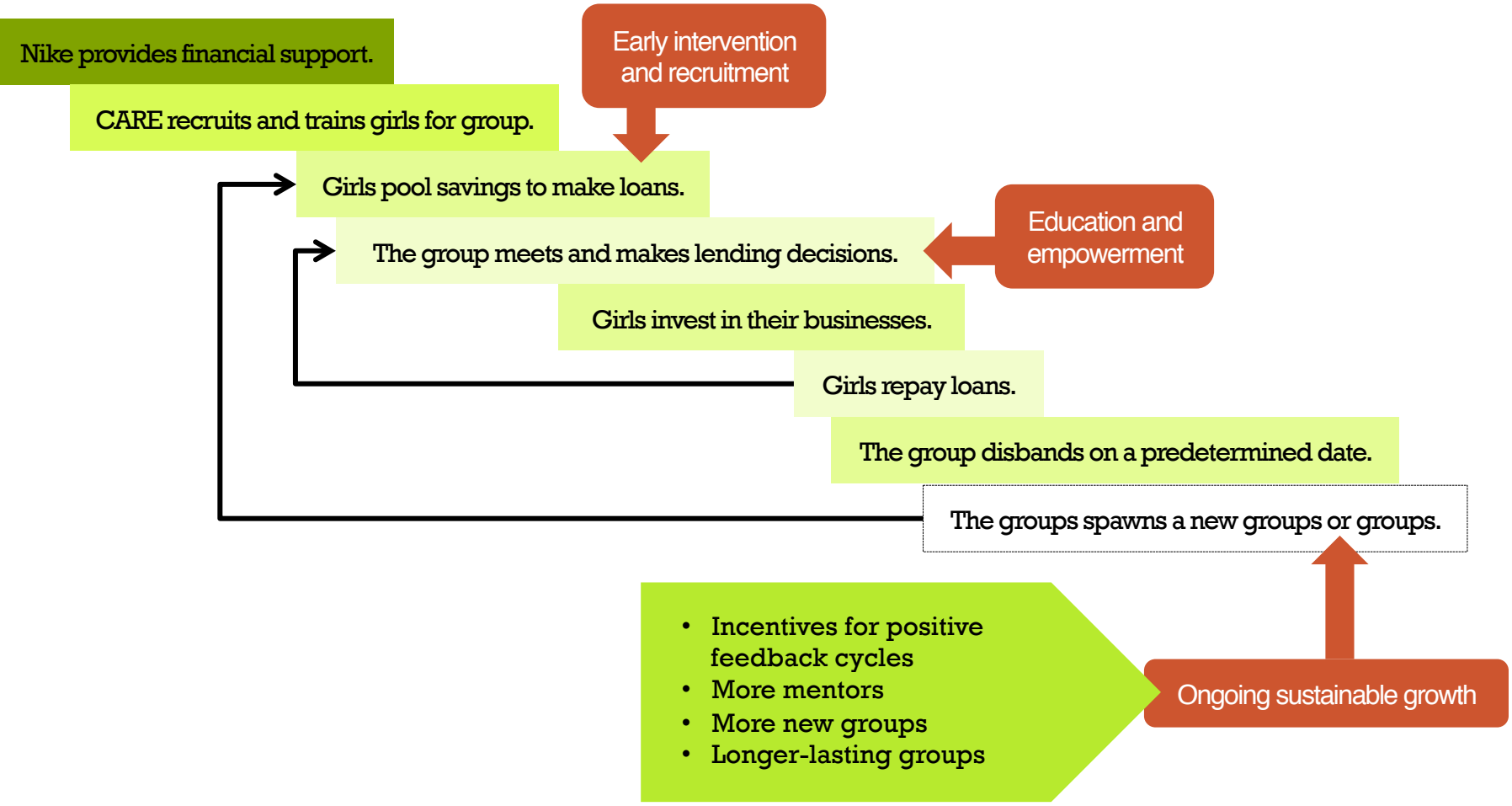

Nike provides financial support.
CARE recruits and trains girls for group.
Girls pool savings to make loans.
The group meets and makes lending decisions.
Girls invest in their businesses.
Girls repay loans.
The group disbands on a predetermined date.
The groups spawns a new groups or groups.
Early intervention and recruitment
More girls reached
Less teenage pregnancy
More VSL groups
More loans
Financial attitude shift
Time horizon extended

IMPACT

- Behavioral change via small, successive actions
- Greater social cohesion
- Greater business success rates
- Larger loan sizes
- Greater diversity of business ideas.



IMPACT


Nike provides financial support.
CARE recruits and trains girls for group.
Early intervention and recruitment
Girls pool savings to make loans.
The group meets and makes lending decisions.
Education and empowerment
Girls invest in their businesses.
Girls repay loans.
The group disbands on a predetermined date.
The groups spawns a new groups or groups.
Incentives for positive feedback cycles
More mentors
More new groups
Longer-lasting groups
Ongoing sustainable growth

IMPACT

Systemic
- Addresses root causes.

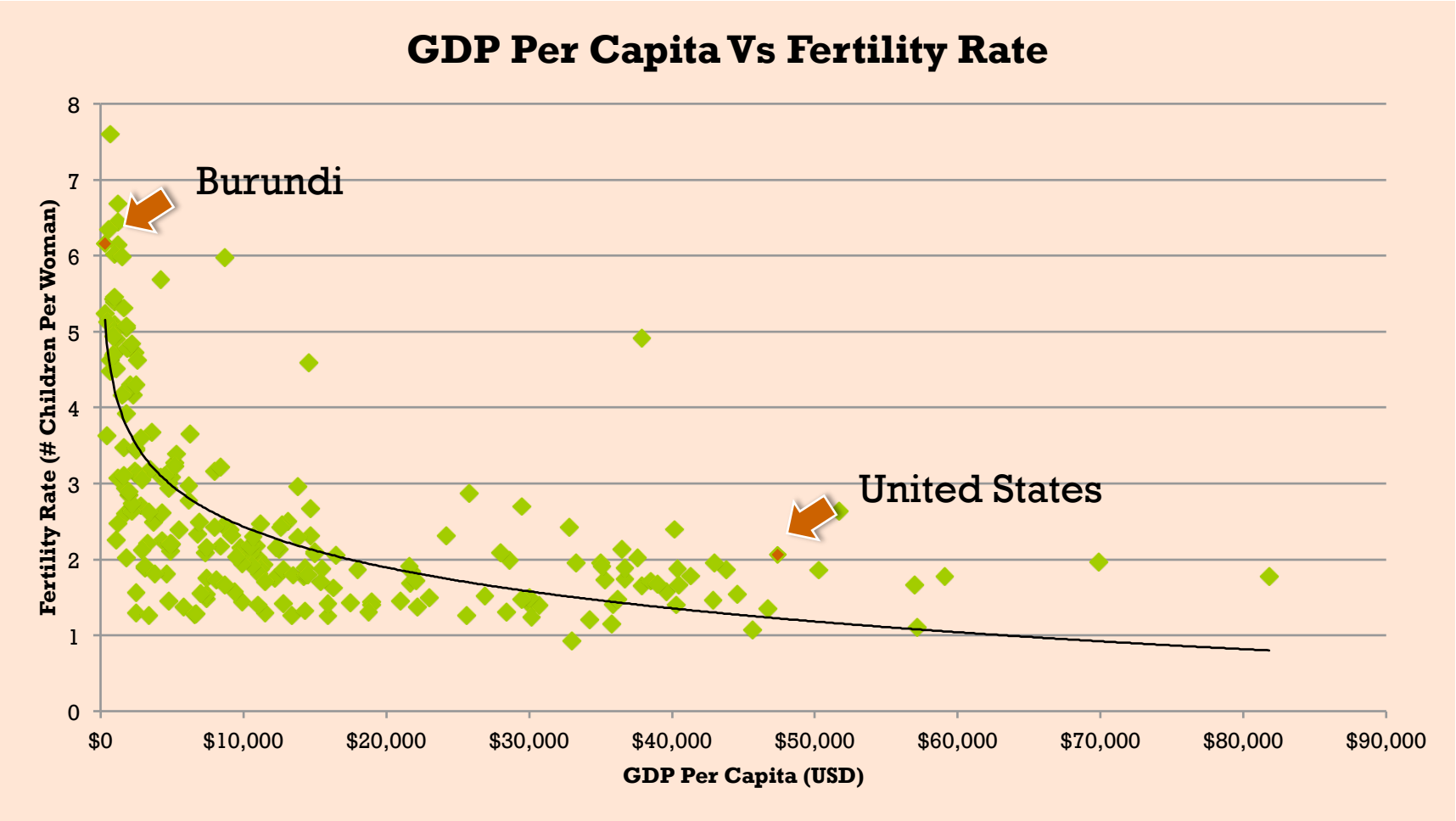
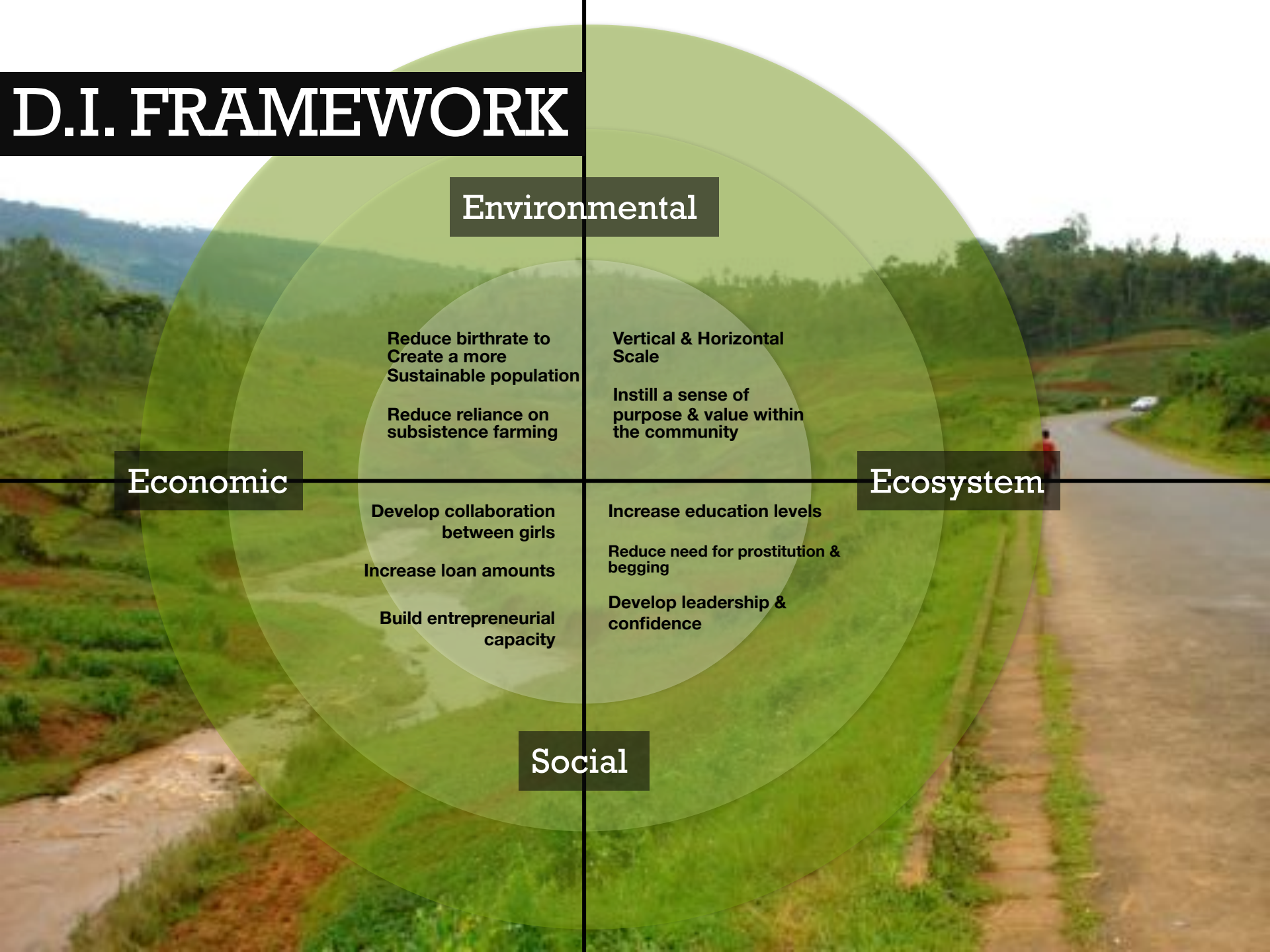
Scaled
- We enable more and larger loans.
- With more alumnae and mentors, we will grow larger.

Transformative
- Empowering people to dream.

Rapid
- Builds on the existing VSLs.

Integrated
- Enhances the cyclicality of a proven model.
- Natural relationship with current VSL.

IMPACT


GDP Per Capita Vs Fertility Rate
Fertility Rate (# Children Per Woman)
8
7
6
5
4
3
2
1
0
Burundi
United States
$0
$10,000
$20,000
$30,000
$40,000
$50,000
$60,000
$70,000
$80,000
$90,000
GDP Per Capita (USD)

D.I. FRAMEWORK