

# Microcredit Plus Program Model 2010 Year End Evaluation



Research Compiled by Nora Bedard, Peru Development Program Manager  
Editing and Introduction by Maggie Miller, Executive Director

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### We Stand for a World Without Poverty

DiscoverHope provides an opportunity for women in poverty to create their own prosperity through microcredit, entrepreneurship, and training.

## Practicing the Microcredit Plus Model

DiscoverHope creates opportunities for women in developing nations to overcome poverty through the power of our Microcredit Plus model, which provides microcredit loans + training. By gaining access to capital and new knowledge through our program, women who are historically denied credit and education build upon our support to create their own businesses, lift their families out of poverty, and shape their own destinies.

Microcredit is an effective tool used all over the world to provide sustainable support for nations in poverty. There are many noteworthy models that engage microcredit as a development tool, including the Grameen Bank, FINCA, Kiva, and others. At the highest level, the Microcredit Summit Campaign worldwide goal is to ensure that 175 million of the world's poorest families, especially the women of those families, receive credit for self-employment and other financial and business services by 2015. DiscoverHope is actively engaging in this worldwide forum through our Microcredit Plus work and the Loan, Learn, Lead, Legacy methodology of our program.



**Loan** – Women form groups called village banks and receive small individual loans (around \$100) to start and grow their businesses. The village banks provide structure, accountability, and ownership, including a savings program that helps women support their families.

**Learn** – Women access training to build their business and personal lives. Trainings are created to respond to women's needs, including literacy, artisan, culinary, health, and business education.

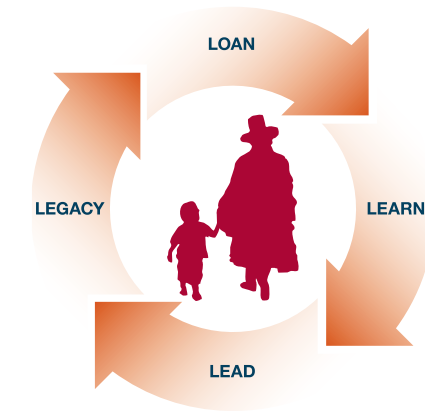
**Lead** – Women organize their village banks and practice leadership principles through our specialized classes that teach strategies for business and life.

**Legacy** – Women step into positions of power by cultivating businesses that positively impact their families and communities. As they grow savings for their families and knowledge about sustainable income-generating practices, they share opportunity with future generations.

What differentiates the DiscoverHope model is our commitment to engaging women in the systematic WHOLE of the Microcredit Plus model. DiscoverHope

enhances microcredit by offering development training in the communities where we work through championing the intelligence and resourcefulness of the people. We ask our beneficiaries what they need to grow and we help them obtain this support. We advocate for systematic change that focuses on depth and quality of life.

In three years in the field as a nonprofit, DiscoverHope has funded more than 325 loans with an average loan of nearly \$150. We boast a 100% payback success rate—a true testament to the women's sense of ownership and responsibility. We've funded over 800 development classes for 1900 participants who have asked for trainings related to traditional literacy, health education, business, culinary, computer, artisan skills and more. Our loan recipients have reported more than \$9000 in new income generation directly related to skills and knowledge obtained in our classes—which we know cycles directly back into their families and communities.



2011 holds high Hopes for our ever-growing organization. We will continue to fund subsequent loan cycles for our existing village banks while adding another 100 first time loans. Our Peru Program Development Manager will oversee the HopeHouse Women's Development Center where we will conduct at least 300 new entrepreneurial trainings based on what women seek to build their lives as mothers, women, and entrepreneurs. DiscoverHope anxiously looks to procure funding to begin a second site in Northern Peru, as we have three possible partner sites vetted to date. In our effort to contribute to the larger forum of microcredit, we will continue refining of our Microcredit Plus Toolkit so that we may share our entire program process worldwide.

For more information on DiscoverHope and the Microcredit Plus Program Model, visit us on the web at [www.lendhope.org](http://www.lendhope.org). We hope you will join us in creating a world without poverty.

Hope is the antidote for apathy,

A handwritten signature in black ink, appearing to read 'Maggie Miller'.

Maggie Miller  
Founder/Executive Director

## Creating Local Country Collaboration



The Microcredit Plus model advocates for collaboration with local organizations from within countries where beneficiaries are served. As such, DiscoverHope maintains a significant relationship with our local Peruvian nonprofit partner, Multicredit, also known as The Center for Promotion and Development of Small Businesses. DiscoverHope created an alliance with Multicredit to form and support the growth of new village banks. Director and Founder, Oswaldo Casteñada Silva leads Multicredit's mission to promote the development of small businesses in both the urban and rural sectors of Cajamarca Peru. The Multicredit team supports small business entrepreneurs by providing them with individual loans and the necessary tools and knowledge to help grow their businesses. In turn, the plethora of credit + knowledge increases annual revenue and supports the local economy with new jobs and seasoned entrepreneurs. By supporting entrepreneurs, Multicredit's work ultimately improves the living conditions of loan recipients, their families, and their communities.



As part of our working alliance, Multicredit expanded their basic service, which focuses primarily on individual loans, to include the formation of village banks to support women entrepreneurs in economic poverty who are working in the informal market economy. During 2010, Multicredit and DiscoverHope Fund worked tirelessly on the ground, forming twelve new village banks comprised of more than 100 new loan recipients. Within the village banking project, DiscoverHope finances local Peruvian Multicredit staff, including a Village Bank Promoter and Project Coordinator who manage the formation of village banks, oversee the loan repayment meetings, and deliver the business assistance division of our education project. In concert, DiscoverHope continues to offer a myriad of development classes to our loan recipients, giving them the space to learn, grow, and personally develop as women, mothers, and entrepreneurs. Our critical alliance strengthens the village banking program as we are able to provide a complete Microcredit Plus program to all of our loan recipients.



## Providing Microloans for Macrodreams

DiscoverHope is on a mission for women in poverty to create their own prosperity through microcredit, entrepreneurship, and training. Central to our mission is our first program goal of providing microloans to groups of women who form “village banks” and then individually make small investments to initiate or grow micro-businesses. Loan recipients within village banks are women that likely have no other means of access to credit. Loan amounts are managed in cycles and are normally paid back in monthly meetings over 5-8 months, thus alleviating the burden on the beneficiary and allowing her to recuperate and grow her business investment over time. Loan repayments cycle back into our organization to further fund more loans and subsequent cycles that support the business growth of yet more women. By providing economically poor families with small loans to invest in their microenterprises, village banking gives women opportunity and power to create their own jobs, raise their incomes, build assets, and increase their families’ well-being.

The system of microcredit and village banking couples the promotion of small capital investment with a compulsory savings component. Many women who do not have access to capital also lack a culture of savings, thus eliminating any safety net that might exist in a family or business emergency. During each monthly village bank meeting, women convene to repay part of their loan and to deposit a small amount into their individual saving account. DiscoverHope fosters the culture of savings



among our loan recipients so that they may have more economic security for their families. In many cases, women invest their savings into basic food/shelter needs, children’s education, further growing their businesses, or family emergencies.

Microcredit lending is based on a culture of accountability and ownership where women have a context to realize their potential with total dignity. Because the loans are their money, their responsibility, and fund their skills and their businesses, they take total ownership. Worldwide, the payback rate for microloans is approximately 97% while DiscoverHope is currently at a 100% payback success rate.

### Microcredit 2010 Totals Summary

Microcredit Money Loaned in the Field	\$28,100
Total Microcredit Loans Funded in the Field	177
Average Loan Size	\$160
Loan Payback Success Rate	100%
Average Individual Savings per Loan Cycle	\$21

# Microcredit Infused Business:

(cont.)

## Village Bank Formation 2010:

The system of village banking is used all over the world as a module to allow women who are historically denied access to credit an opportunity to borrow capital and create their small businesses. The village bank provides structure, accountability, and ownership; a village bank is a group of community members, neighbors, friends, and family that come together to create a borrowing group to collectively receive a loan. While women ultimately receive individual loan disbursements, the bank serves as “social collateral” and guarantees the collective payback of the total loan amount borrowed by the bank. Each village bank creates their own governing rules and self-elects their Directive, which is comprised of a president, secretary and treasurer. With oversight from the Multicredit Village Bank Promoter, the bank Directive is trained and encouraged to co-manage their own loan payback meetings and track savings accounts. Over time, a village bank becomes more independent and self-sufficient. The bank also grows strong in solidarity and begins to support their fellow members in other personal areas of their lives. Village banking makes significant improvements to women’s small businesses, homes, and lives, and as a practice invigorates and unites entire communities. Let us proudly introduce our new village banks formed in 2010:

## Village Banks 2010

	Average Individual Loan Amount (\$): Cycle 1	Average Individual Loan Amount (\$): Cycle 2
Progresistas	140	180
Fuerza y Bendición	140	205
Las Margaritas	140	215
Mujeres Emprendedoras	140	185
Mujeres Unidas	140	200
Sr. De Los Milagros	140	190
Estrellitas de Belén	140	165
Mujeres Luchadoras	140	185
Amigas por Siempre	140	180
Las Violetas	140	n/a
Las Azucenas	140	n/a
Lucecitas	140	n/a

## LAS PROGRESISTAS, “The Progressing Women”

Las Progresistas was one of the first village banks to form in February 2010. The majority of the members have businesses dedicated to sewing clothes and animal breeding. The village bank repayment meetings are conducted in a humble adobe home of a bank member in the rural countryside outside of Los Baños de Inca. This bank will be starting their 3rd loan cycle in January 2011 after boasting positive repayment practices.



## Microcredit Infused Business:

(cont.)

### FUERZA Y BENDICIÓN, “Strength and Blessings”

This bank is located in a rural countryside called Tartar Chico outside of the town Baños de Inca. The repayment meetings are held in the president’s house, Esperanza Barba Ocas, who was elected to be president of her bank. Esperanza attended literacy classes this year with several other loan recipients from her village bank and proves to be an enthusiastic bank president who constantly encourages her colleagues. These women have proven to be one of the most active and united village banks. They are able to lead loan repayment meetings on their own with little support from the Village Bank Promoter, and take turns during their meetings to sell small homemade items so that different loan recipients have the opportunity to do business with their fellow members. Several members have improved their businesses by taking full advantage of HopeHouse education courses, especially with crochet and computer courses. Furthermore, the majority of members in this bank participated in First Aid class series, thus improving their skills to address health emergencies in their homes. This bank will start their 3rd loan cycle in January 2011.



### MUJERES EMPRENDADORAS, “Women Entrepreneurs”

This vibrant group of women centers their business activities primarily on food sales and jewelry. The loan repayment meetings are conducted in urban central Cajamarca at HopeHouse. Several members sell food items such as kebobs, potatoes, and juice via small carts on the street during lunchtime. Maria Elena Montoya Zuniga is the current president of the bank and has improved her lunch business by creating a business sign outside her doorway to attract new customers. Her daughter Jackeline, also a bank member, implemented a jewelry business as a result of classes in the HopeHouse. The group will begin their 3rd loan cycle in January 2011.



## Microcredit Infused Business:

(cont.)

### LAS MARGARITAS

The Margaritas meet in an adobe house outside of Baños de Inca in a rural neighborhood called La Esperanza. Upon completion of each payment cycle, each village bank is numerically evaluated on various components of their activity including participation in HopeHouse activities, timely repayments, business session participation, and completion of the savings requirement. This bank was ranked as the “best bank” upon completing their first loan cycle. Due to the long distance to travel to the HopeHouse for classes, village bank members requested crochet classes in their rural community. Classes boasted 100% attendance from all their village bank members and continued for five months. The bank group has proved to be very participatory and united in solidarity. Furthermore, many of the bank members showed substantial improvements in their culinary and crochet businesses, diversifying their products and offering more variety to their customers. The group will commence their 3rd loan cycle in Feb-March 2011.



### SEÑOR DE LOS MILAGORS, “Father of Miracles”

This village bank is located in a rural village outside of Cajamarca; the bank members engage in various business activities such as breeding and selling animals, knitting clothes, small store product sales, and sale of beauty products. The members practiced their democracy after collectively making the difficult decision to ask a bank member to leave the group after the first cycle because of her lack of equal participation. Group democracy is a common trait of village banking and dictated by the set of article and rules that every group creates for their unique gathering of women during the beginning of formation. This entire bank participated in every leadership workshop offered this year—the best participation among all the banks. Several members also attended literacy classes this year. As a group, these women enjoy attending sewing and culinary classes at the HopeHouse and usually pool together bus money so that they can come to HopeHouse classes together as a group. The group will start their 3rd loan cycle in March 2011.



## Microcredit Infused Business:

(cont.)

### MUJERES UNIDAS, "Women United"

The "united women" meet within the city of Cajamarca in a housing district where incomplete houses are commonplace due to lack of income. The main activities of the bank members are purchase and sale of small animals, and vending of clothing, beauty, and cosmetic products. A number of bank members have participated in literacy classes this year, including the bank president who did not know how to write her name before her participation in the village bank. Another loan recipient from this village bank proudly enacted the advice from the business education classes and immediately made her own business cards to increase her sales. This bank is currently in their 2nd loan cycle and will start their 3rd loan cycle in March 2011.



### MUJERES LUCHADORAS, "Fighting Women"

This village banks meets in the heart of the urban central fruit and vegetable market at the home of one of the loan recipients. The business activities of the women include sale of gasoline, woven blankets, animals, nutritional and beauty products, and food sales in small restaurants. A number of bank members attended computer classes at the HopeHouse this year, including Ingrid Pizarro Guayan, who was voted as the #1 most improved computer student. The bank is in the heart of their 2nd loan cycle and will begin their 3rd loan cycle around April 2011.



## Microcredit Infused Business:

(cont.)

### ESTRELLITAS DE BELÉN, “Belen Little Star”

This village bank meets in a rural house near the cemetery outside of the city. The women’s businesses focus on selling small animals, hand woven products, shoes, and seamstress activities. Although the group is smaller with 7 members, they are very active and united. The bank boasts the fastest typing student from computer class this year. This village bank is currently in their 2nd loan cycle and will commence with a 3rd cycle during April 2011.



### AMIGAS POR SIEMPRE, “Friends Forever”

This village bank meets above the city of Cajamarca in a hilly neighborhood called Santa Apolonia. The main activities of this bank center on sale of beauty products, breeding animals, seamstress work, and a small store. The bank members are extremely supportive of each other, as exemplified in their collective action to cover the last loan repayment of one of their members who had a family emergency and couldn’t complete payment of her loan. This bank also boasts great attendance at the leadership workshops. They started their 2nd loan cycle in November 2010 and will seek to begin a 3rd cycle in May 2011.



## Microcredit Infused Business: (cont.)

### LAS AZUCENAS, "The Lilies"

This bank also meets in the rural countryside of Tartar Chico near the town Baños de Inca, very close to the village bank Margaritas. Women in this bank weave blankets, sweaters, and other yarn products as well as raise and sell animals, tend to small stores, and provide first aid care products door to door. As soon as this bank formed in August 2010, more than half of the bank members signed up for basic computer classes, many of whom had never touched a computer previously. Many members have also participated in crochet classes with their neighboring bank Margaritas. The bank begins a 2nd loan cycle in January 2011.



### LAS VIOLETAS, "The Violets"

Las Violetas meets in a house located in the middle of the central urban market, very close to Mujeres Luchadoras. Nearly all of the women have a produce stand in the market and dedicate their time to selling vegetables, dried fruit, seasoning, and spices. The bank will begin a 2nd loan cycle in January 2011.



## Microcredit Infused Business: (cont.)

### LAS LUCECITAS, "The Little Lights"

This final bank meets outside of Cajamarca in a rural area neighborhood. The village bank formed as a result of Luz Perez, the current president, and her untiring interest to participate in classes at the HopeHouse. Luz connected family members and neighbors to form the village bank with her personal drive. She has attended countless classes at the HopeHouse and always encourages the women to attend with her. The businesses in this group are varied: knitting sweaters, breeding and selling small animals, beauty product sales, and red meat sales in the market. Las Lucecitas will seek to begin a 2nd loan cycle in February 2011.



## The “Plus” of Microcredit:

### Maximizing Potential through Learning Opportunities

DiscoverHope creates dignified solutions for women in poverty through our Microcredit Plus program. By combining loans with learning, we provide access to credit as well as access to knowledge. We believe that women in poverty have the potential to lead and to take charge of their lives. Our dual



approach model to poverty alleviation – microloans plus training - helps develop the entrepreneurial, technical, and personal skills that our loan recipients request in order to grow their businesses. We invest in the potential of those we serve.

DiscoverHope begins from the roots up – with the dreams and desires of the women we serve. Our second program goal is based on the passion, entrepreneurship, innovation, and creativity found in every

community. This model of development supports the creation of wealth from within a community by nurturing the intelligence and resourcefulness of people. DiscoverHope champions the development of every loan recipient with training and education to support her entrepreneurial, financial, and personal goals. Trainings are determined based on the requests and needs of women in our village banks. In order to do this, we these simple steps:

1. We ask women, “Do you want to be helped and if so, HOW?”
2. We listen to what they say they want instead of tell them.
3. We connect them with the appropriate resources to accomplish what they want and need.

Most of our learning and personal growth opportunities take place in our women’s development center, also known as the “HopeHouse.” In 2010, HopeHouse grew exponentially as a central learning space due to our partnership with the local San Vicente nun community in Cajamarca. Currently, the HopeHouse is composed of a large educational room,

a fully equipped kitchen, a computer room, a sewing room with machines, a childcare room, and a large auditorium. Within the spirit of the walls of the HopeHouse, DiscoverHope creates both personal and business learning opportunities where our women can learn things “they never had the chance to learn.” Thus, igniting Hope into their lives.

For some of our loan recipients, the HopeHouse is more distant from their communities and difficult to access. Therefore, we bring the HopeHouse classes to the homes of our rural village banks whenever requested, creating new opportunities for learning at their doorsteps. By adding the “plus” to microcredit, we seek real outcomes through engaging new skills and perfecting existing ones. We build confidence and skills, which coupled with capital infusion into small business, are the recipe for successful personal and business growth.

As values of ownership and responsibility are central to village banking, these values are also intrinsic to our Plus learning program goal. The classes we create and offer do not happen without the help of the loan recipients. Not only do they infuse our programming with ideas, but for each class the women pay half the cost of their materials while DiscoverHope covers the rest of materials, instructors, class space, and childcare costs. The handUP mentality is a crucial component of our model. We believe that if a woman invests in herself, even if it is a mere 10 cents, she will value that investment and nurture it. The women’s collective contributions to our education programs this year totaled \$846. Their significant investments have produced amazing fruits from their labor.



### 2010 HopeHouse Expenditures

2010 Childcare Provider Expenses	\$556
Maintenance and Supplies	\$303
Annual Rental Expenses (\$100 monthly)	\$1,000
<b>HopeHouse Infrastructure Total Expense:</b>	<b>\$1,859</b>

### 2010 Educational Support Totals

Total Cost of Development Trainings Funded by DiscoverHope	\$7,184
# of Participants Attending Trainings	645
# of Development Trainings	323
Average Cost per Training	\$23
<b>Reported</b> New Income Generated by Loan Recipients due to skills learned in class*	\$3,395
<b>Reported</b> Savings as a result of skills learned in class*	\$868

\* Note: The reported new income generated and home savings was gathered for 10 months (between February – mid December); these numbers do not reflect possible other income or saving that was not reported, or occurred outside of these months.



### Breakdown of Development Classes Offered

	Number of Trainings	Average Class Costs
<b>Personal Development</b>		
Leadership	7	\$14
Literacy	59	\$13
Computer Courses	41	\$10
Business Assistance	47	\$7
First Aid	8	\$14
<b>Artisan Classes</b>		
Jewelry	15	\$32
Knit/Crochet	46	\$18
<b>Culinary Classes</b>		
Bakery, Appetizers, Chocolates, Healthy Meals	19	\$20
<b>Sewing</b>		
Special Projects: Aprons	3	\$26
CETPRO sewing certification trainings	66	\$10
<b>Other</b>		
Crafts	4	\$14
Animal Husbandry	3	\$10
<b>Selling/Marketing Opportunities</b>		
Buy Days	4	
Artisan Fairs	1	
<b>TOTAL</b>	<b>323</b>	

## Fostering the Power of Knowledge

As part of our commitment to provide new opportunities for learning, DiscoverHope offered specialized workshops in 2010 to grow specific skill set areas requested by women. DiscoverHope seeks qualified local instructors to work with our loan recipients as we know where there is a thirst for knowledge, there is a great opportunity for growth. At our site in Cajamarca, there are very limited affordable continuing education opportunities, especially for women. DiscoverHope fills that learning void for our loan recipients by allowing them to request trainings in different subject areas such as First Aid, Computer Literacy, Basic Literacy, Leadership, and Business.

### First Aid Sessions

In 2010, a number of our beneficiaries expressed their deep desire to learn more about addressing first aid health issues they experience in their homes. Women expressed their yearning to be capable and confident in the case of common first aid situations and emergencies. In conjunction with a local public health nurse instructor, DiscoverHope developed a five month basic first aid course addressing common developing world health situations. The first aid topics identified by women as most significant in their lives were the following:

- Vital Signs
- Burns and Wounds
- Respiratory Infections
- Diarrhea Symptomatic Infections



All of the health sessions were designed to be participatory and hands-on so that students would walk away from the classes with real-life application experiences to use in their own homes. After five months of first aid classes, the women took a skills inventory test to review their acquired knowledge. The final evaluation revealed that students scored very high on their skills inventory test. Women collectively demonstrated that they could successfully take accurate temperature and pulse readings, treat basic wounds and burns, identify respiratory infections and the correct steps to treat/seek help for the infection, and finally identify different types of diarrhea symptomatic infections and take accurate steps to treat/seek help for the infection.



## Specialized Skill Trainings: (cont.)

### Computer Literacy

This year, DiscoverHope was able to offer both beginning and intermediate computer classes to our loan recipients. Due to our new and improved HopeHouse space, we were granted access to a computer room with seven state-of-the-art computers. In conjunction with a Tulane University International Development PhD student, a basic first-time computer user curriculum was theoretically designed in spring 2010. During the summer, DiscoverHope partnered with a University of TX Global Technology Master's Fellow to test and teach the curriculum in Peru. Our Fellow worked closely with a local Peruvian computer teacher to adjust and perfect the curriculum to ensure we were delivering a culturally competent course. In the fall 2010, our Peruvian instructor continued with advanced instruction.



The classes were instantly popular. Students came to the computer lab twice a week for class—once for formal instruction and once for “supervised free time” where women practiced and asked questions about the lessons learned that week. Many of our computer students had never turned on a computer before. Adult community computer classes are offered sparingly in Cajamarca but are not within our women’s economic reach. Through the HopeHouse, we offered affordable and practical computers classes and were able to break the digital divide with motivated students. While none of the class participants had previously owned a computer, final evaluations reported that women felt comfortable with basic skills such as checking their email, creating and typing Word documents, and conducting basic Internet research.



## Specialized Skill Trainings: (cont.)

The following basic syllabi were used for the two courses.

### Basic Computer Curriculum:

- Basic computer functioning (power, etc)
- Mouse control and function
- Keyboard functions
- Basic typing
- Internet comprehension and navigation
- Email account set up and use
- Microsoft Office Word basic functions



### Intermediate Computer Curriculum:

- Advanced Word functions, specifically related to helpful business tasks (for example, design of business cards)
- Calendar creation in Word 2007 (popular product in the city)
- Advanced Internet navigation skills, including looking for images and transferring images into Word
- Copy and Paste functions
- Power Point presentations
- Typing speed

Due to the continued computer skills interest among our loan recipients, a three month Word 2007 Official Documents course was offered during fall 2010. Our local Peruvian computer instructor designed the curriculum to be useful and practical for students geared toward job preparation for a typist or secretary position. Upon finishing the Word Document course, students received an official certificate showing their computer credentials to aid them in their future job searches. The documents that our students learned how to create were the following:

- Power of attorney letter
- Official Letter (used in Peru between institutions)
- Memo
- Solicitation
- Letter of recommendation
- Resume
- Sworn declaration
- Meeting minutes
- Memorial
- Simple tables and graphs in Word

**Basic Literacy (Reading, Writing, Arithmetic)**

For the third year in a row, DiscoverHope's literacy classes provided women access to the power of basic knowledge that many never had the chance to have as young girls. Literacy competencies are not a requirement to join a village bank and receive a loan. In fact, there are an estimated 25% of our loan recipients that never had the opportunity to finish primary schooling. DiscoverHope is focused on answering the call of many women who ask for the primary education they never experienced. Literacy classes provide our women with purpose and drive to make an investment in themselves. The results speak volumes for what a simple opportunity and great personal determination can do for a woman, both as a person and entrepreneur.

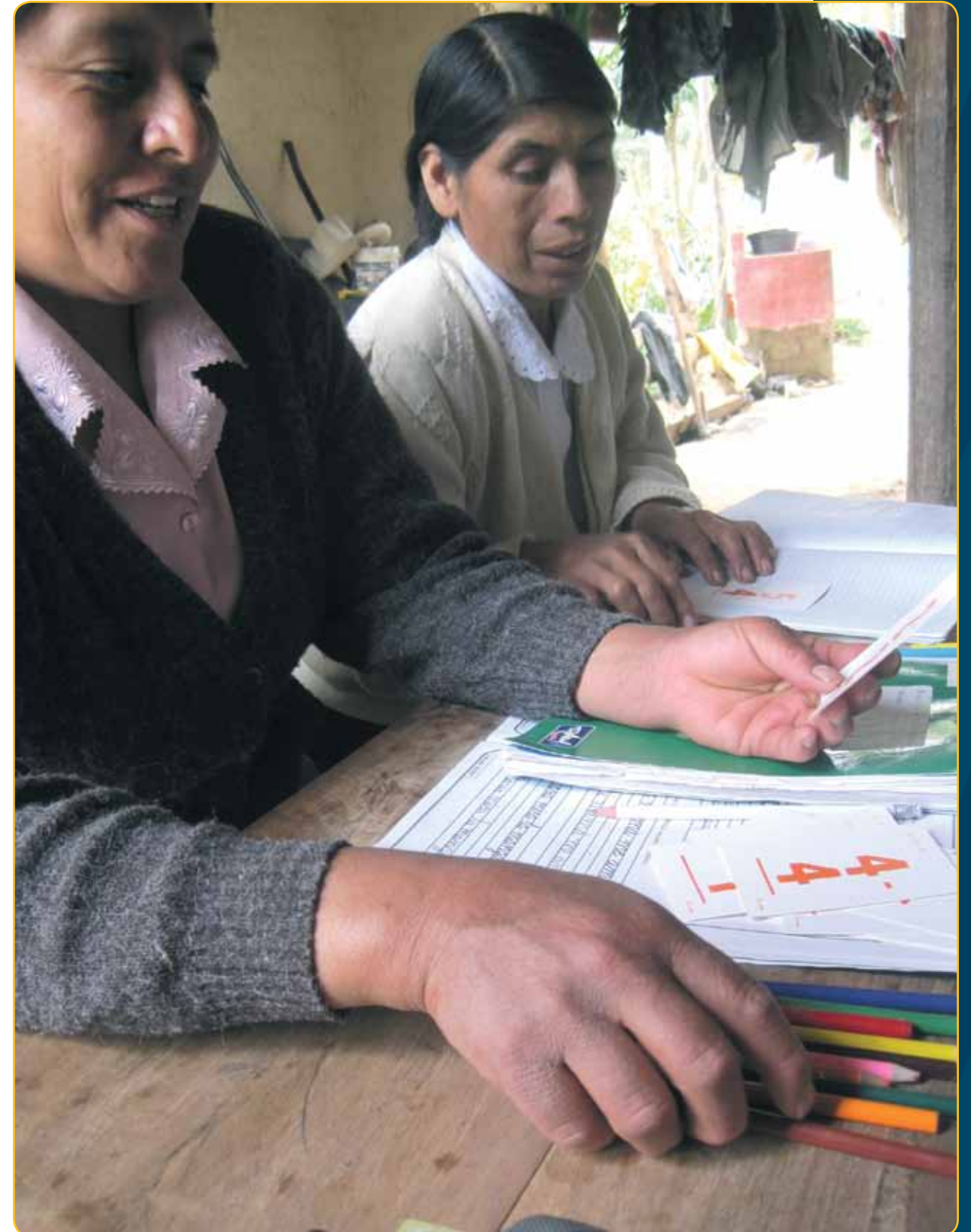
Literacy classes began in April 2010, with a mix of basic and advanced level students. Each student created two to three literacy goals to focus on during their classes. Using Ministry of Education accepted materials, the two groups held classes with our dedicated and experienced Ministry of Education literacy teacher who guided all the students study of their personal literacy goals. Some of the personal goals created were the following:

**BASIC**

- Write and sign full name
- Add basic numbers (0-10)
- Recognize letters in the alphabet
- Read short words
- Write national ID number

**ADVANCED**

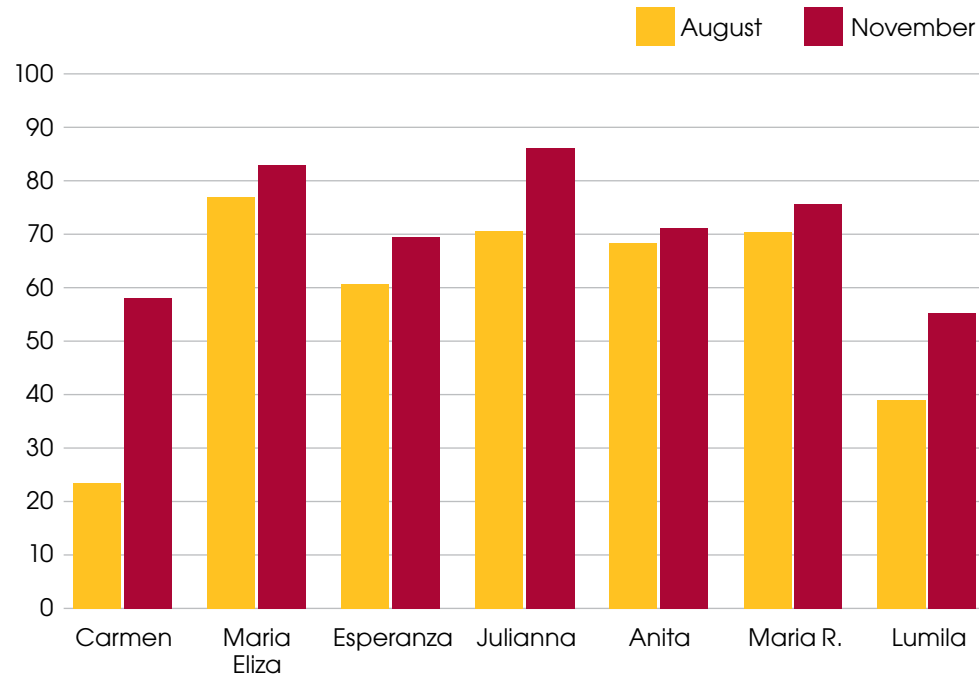
- Read Fluently
- Add numbers greater than 100
- Multiplication with two digit numbers
- Division with two digit numbers
- Interpret sets of numbers
- Write official documents



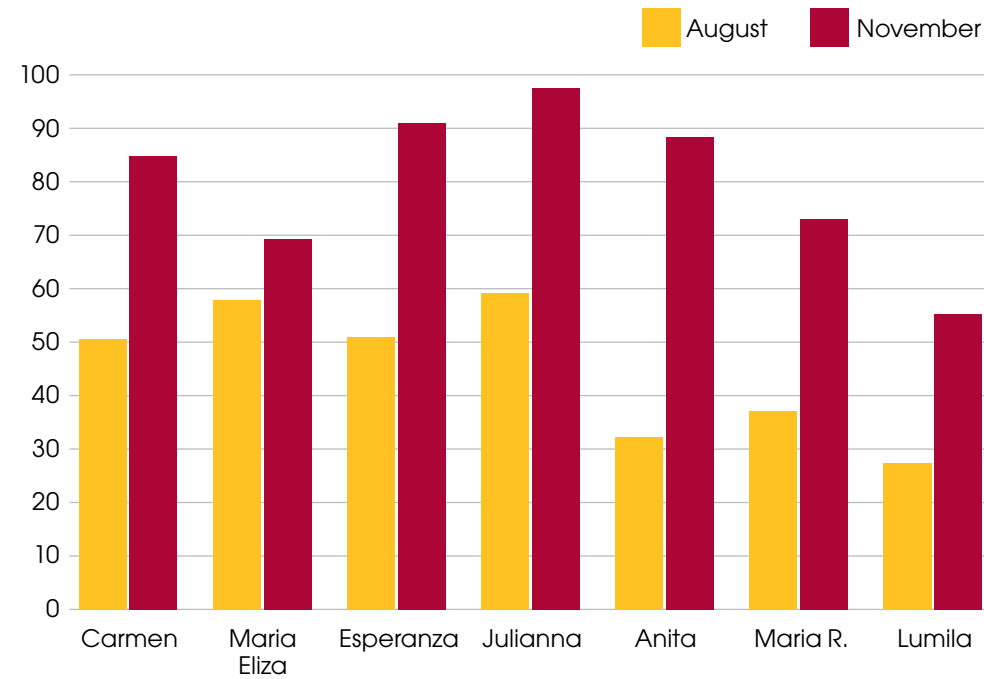
## Specialized Skill Trainings: (cont.)

After four months of classes, all the students took personalized tests to see if they were accomplishing their personal literacy goals. Among the goals, 19 of the 26 were reached by the end of July 2010. In the second half of the year, our basic literacy students focused on mathematics, reading, and writing skills. Among our basic level students, two groups were formed that held classes once a week. One group met in an old adobe house in the rural countryside every Monday while another group met at the HopeHouse on Fridays. Women continued to experience absolute success! Below is a sample of the reading and math percentage test results comparing pre-test and post-test scores of seven students.

### Reading Score Improvements



### Math Score Improvements



Teaching literacy does not come without challenge. For example, many of our literacy students complained of problems with their eye sight. DiscoverHope is committed to looking for solutions to assist our women in their pursuit for literacy. To assist with sight problems, we hope to create a partnership with a local agency where women can receive free eye exams and very low cost glasses. In 2011, DiscoverHope plans to continue to work with our existing literacy circles while also inviting new students to join in the learning process. We hope to hone the skills that our basic literacy students still seek to master: recognition of the entire alphabet, subtraction and addition of two digit numbers, and improvement in reading level to include longer words and sentences.



## Specialized Skill Trainings: (cont.)

### Leadership Series

Leadership skills create unity and strengthen our village banks. We subscribe to the fact that when our women are able to recognize their own strengths and personal challenges, they can work better in groups as well as offer guidance and purpose to create cohesive harmony. We value that women bring their own past leadership experiences to their village banks and have much to offer their groups. Through our leadership training series, we look to enrich their experience and offer new insights through dynamic workshops.

This year, our leadership workshops were designed to address individual and group topics that all loan recipients could apply to their daily lives. Two series of three workshops were offered. The first series of workshops was held in Los Baños, outside of Cajamarca, targeting our countryside village banks. A second series of workshops was offered in the HopeHouse targeting our urban village banks and addressing the same leadership topics. All loan recipients received a formal invitation to participate in one of the series of workshops. A final additional workshop was offered for all village banks at the end of the year.



A total of seven workshops were completed this year. The topics that were addressed during the workshops were:

- Identifying and practicing qualities of a leader
- Group communication
- Recognizing the leader within
- Dynamics of working in groups
- Goal setting
- Creating an individual and community vision for the future

Women's feedback suggested that these workshops were just as important as technical skill building classes; women reported a strong sense of personal growth and personal power as a result of these workshops. In our first series of workshop, Blanca Mantilla from the village bank Fuerza y Bendicion expressed her sincere gratitude in front of the group when she noted, "In these workshops we get to learn about ourselves and it motivates us to improve who we are and what we do."

Building leaders is critical in the process of alleviating poverty. The most significant step for DiscoverHope is to infuse women the ideas that they are powerful, important, and strong. Our trainings open a new path to pride and confidence. One of our faithful leadership workshop participants, Ingrid Pizarro of the Mujeres Luchadoras bank, suggested that it should be mandatory to attend all the leadership workshops: "we are learning how to work in groups and how to solve problems. Everyone should learn how to do that." The future face of leadership workshops may be just that—bringing specific leadership ideas to each village bank so that they can work on problems and issues together in their groups and communities.



## Specialized Skill Trainings: (cont.)

### Business Education

By nature, our small business entrepreneurs have business skills that allow them to flourish and thrive as business owners even without formal education. The necessity of meeting daily survival needs fosters an environment for entrepreneurs to grow and learn along the way, notwithstanding making mistakes and learning from those mistakes. DiscoverHope knows that our loan recipients bring certain business skills and experiences to each of their businesses. However, we also believe that when we provide a context to maximize potential we can encourage a thirst for learning and infuse new ideas for business improvement.

In 2010, DiscoverHope piloted a year-long business assistance program within the village banking project due to many of our loan recipients expressing their need for business assistance and advice. Thus, five basic business educational sessions were designed and implemented during the monthly loan repayment village bank meetings. Due to the various levels of literacy, teaching techniques such as role play, pictures, and successful business examples were paramount to address the business topics in group settings.

In total, 47 business sessions were completed this year within various village banks. According to the majority of our loan recipients, the sessions addressing customer service and basic accounting skills were the most useful. Women identified that they appreciated learning customer service tips that did not require monetary investments to improve their services. Loan recipients reported that before our classes, they rarely calculated daily monetary input and output (return on investment). However, once business owners learned simple techniques for accounting, including taking into account their own labor costs, many women claimed to regularly perform a daily return on investment review. The following chart represented the concepts including in the business training sessions.



### Business Topics

	Number of Sessions Completed	GOALS
Analyzing Your Business	12	Getting to know your business Evaluating strengths and weaknesses of business
Basic Marketing	12	Simple and basic relevant marketing ideas Competition evaluation worksheet
Customer Service	11	Advertising your business Customer service "theater" Evaluate how you treat clients
Basic Costs and Price Determination	4	Price worksheet
Basic Inventory accounting	4	Notebook of income and spending
Other Topics	4	Reinforcement of previous topics



Women were given practical “homework” to assist in making specific business improvements outside of the business sessions. Women enacted suggestions through actions such as creating business signs indicating the name and hours of operation of their businesses, creating business cards, and keeping daily return on investment record notebooks.

In the future, our business assistance education component will include more personalized business visits and business suggestions directed specifically towards each business owner. DiscoverHope posits that when our beneficiaries feel valued with a simple visit to their home or business, the effort to make business improvements will only increase.

Ultimately our women desire more business stability which equates to more income stability. Our ultimate goal with business education is to encourage small business improvements for all our of loan recipients. Through these activities, DiscoverHope stands side-by-side with our women to provide support and testimony to their business growth.