



VisionFund  
GHANA

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# CLIENTS' IMPACT SURVEY

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March 2024.

# INTRODUCTION

VFG is Ghana's leading microcredit organization and is in the process of transitioning into a savings and loans company.

- Working alongside WVG, we are focused on improving child welfare by offering financial services to poor families, promoting business, health, and education.
- We are dedicated to sustainable development for the well-being of future generations.



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... we are empowering families to create incomes and jobs ...

# CONCLUSIONS



Improved quality of life for 93% of clients through VFG's products and services.



VFG's loans enabled 70% of its clients to afford their children's school fees and educational needs.



VFG supports clients in all 3 main sectors of the economy (primary, secondary and tertiary) and there is vast opportunity for expansion.



There is a call for improvement in client services/customer care



## Objective of the study

Since its inception in 2000 under the name APED, and its transformation into VFG in 2013, the organization has expanded to be Ghana's foremost microfinance company licensed by Bank of Ghana, with aspirations of transitioning into a Savings and Loans company. As a member of a Global network of 28 microfinance institutions, VFG is committed to fostering change and enhancing its influence, adhering to global best practices to achieve sustainable development for its wide client base. The objective of this survey was to gauge the impact VFG has made over time and to seek avenues for service and product enhancement.



# USED METHODOLOGY

In December 2023, VisionFund Ghana (VFG) trained a team of enumerators who gathered information from 275 clients throughout Ghana's regions. These clients, who were in their second to fourth loan cycles, were chosen at random to provide precise and relevant insights. The survey was conducted with a 90% confidence level and a 5% margin of error. Interviews were carried out over the phone in three local languages: Twi, Dagbani, and Ewe, to ensure a broad and inclusive data collection.

# SUMMARY OF THE FULL CONTENT

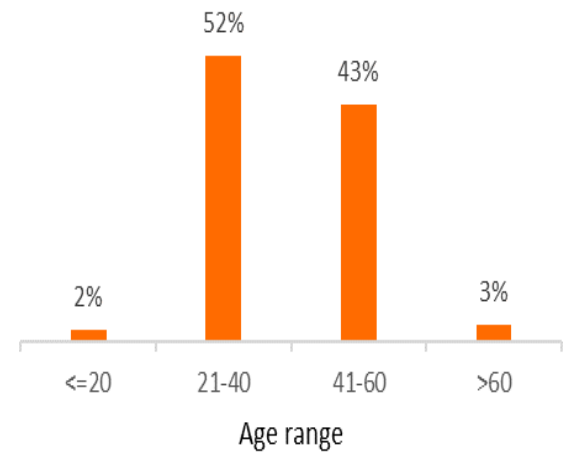
Currently aspiring to become an S&L company, VFG was established in 2000 and evolved into a Limited Liability Company operating currently as the leading microcredit institution in Ghana. As part of a global network under VisionFund International, and a partner of WVG, VFG seeks to improve the welfare of children, families and communities. VFG is dedicated to sustainable development for the benefit of future generations.



With a portfolio of over \$6.5 million (end of FY23), VFG has a strong presence in Ghana with 21 branches, 20 zones, and has plans to open more zones. Through the wide array of financial products and services provided to over 63,000 clients—predominantly women and rural dwellers, the lives of over 193,000 children had been impacted by the end of FY23. There has been a generally remarkable improvement in the quality-of-life of clients and wellbeing of children through services and products provided. There is a vast opportunity to impact the lives of several other clients and children through investment in the agro-sector, reduction in interest rate and improvement in customer service.

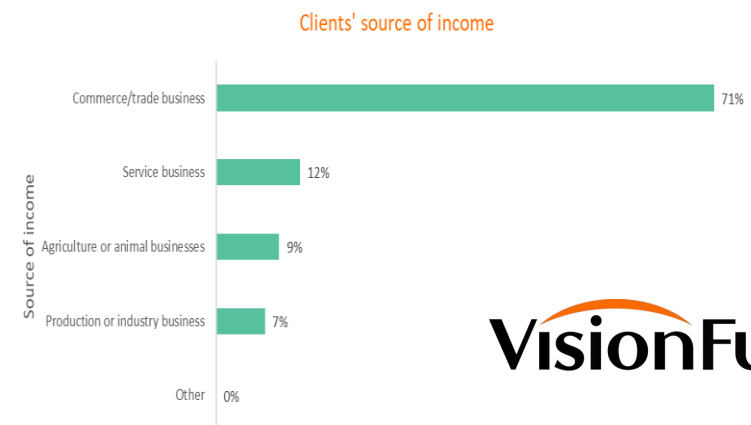
# CLIENT PROFILE

Clients surveyed by age range

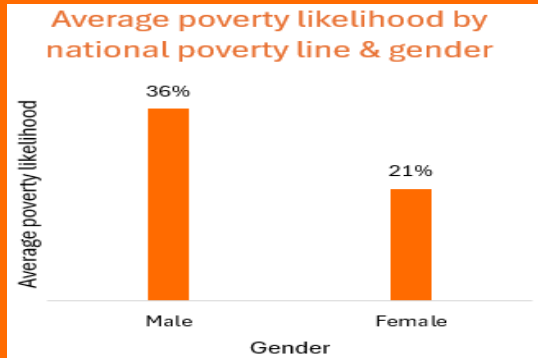


Data from the survey showed that 79% of the participants were female. This is consistent with VFG's client base that is predominantly female (84%). The data also indicates that the largest age group among clients is 21-40 years, comprising 52%, pointing to the possibility of persistent client relationships. Another significant segment is those aged 41-60 years, at 43%. In terms of loan cycles, the survey found that 44% of clients are on their second loan, while 23% are on their fourth, suggesting VFG is either attracting a steady influx of new clients or facing challenges in maintaining loyalty across multiple loan cycles.

With the majority of clients engaged in commerce and trade (71%), there's a clear opportunity for VFG to provide specialized support to this sector. Meanwhile, the agricultural sector, which is a major employment sector in Ghana, covers only 9% of VFG's clientele, indicating a substantial opportunity for growth that could positively impact smallholder farmers and rural families.

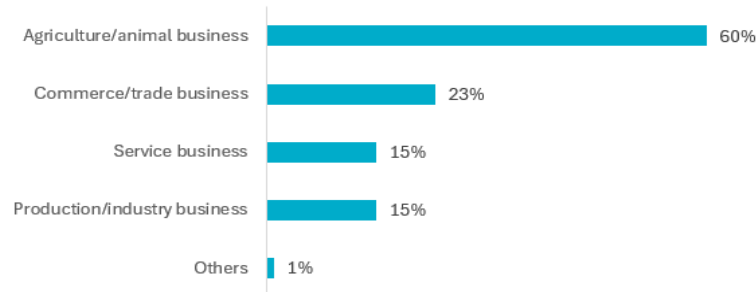


# POVERTY LEVELS



21% of female clients and 36% of male clients of VFG live below the national poverty line. The trend indicates that VFG's products & services are more beneficial to women in overcoming poverty. Women predominantly invest their loans in family needs and business enhancement, whereas a smaller percentage of men use loans for these purposes. This variance in how loans are utilized might account for the different poverty rates between genders.

Average poverty likelihood by poverty line & source of income



Agriculture is as significant as the services sector for employment, with the former providing jobs to 39.49% of the workforce. It's essential for economic growth and reducing poverty, but the prevalence of poverty among agricultural workers is a concern. Access to credit remains a hurdle, particularly for smallholder farmers. VFG's potential role in providing financial support could positively impact almost 40% of Ghanaians involved in agriculture, enhancing their and their families' lives.

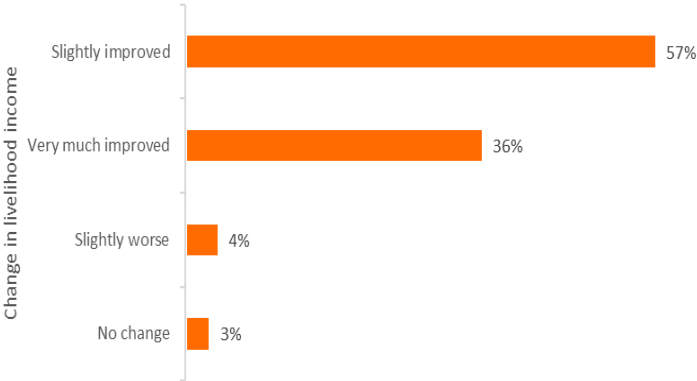
02

Clients in agriculture and animal businesses are most likely to be poor, with poverty levels ranging from \$1.90 to \$5.50. They are followed by those in commerce, services, and production/industry, in that order. The data suggests that VFG should focus on agricultural clients to effectively reduce poverty. Gender-wise, a larger proportion of male clients fall within the poverty benchmarks compared to female clients, indicating that VFG's products and services may benefit women more than men. The supporting data is illustrated in the accompanying graphs

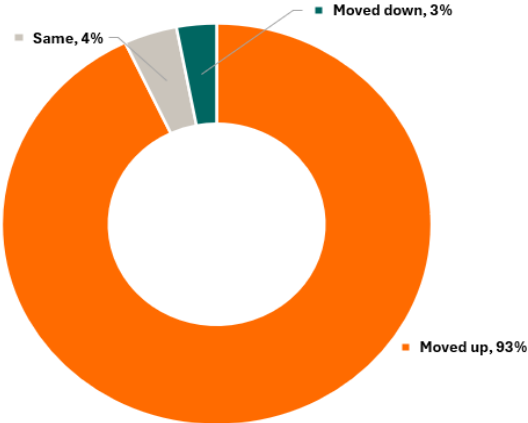
# CHANGES IN INCOME

Ninety-three percent of respondents reported an increase in their incomes/earnings following the receipt of a minimum of two loans from VFG. The same proportion of respondents also observed enhancements in their overall living standards.

Clients' change in livelihood income



Client's movement on the quality-of-life ladder

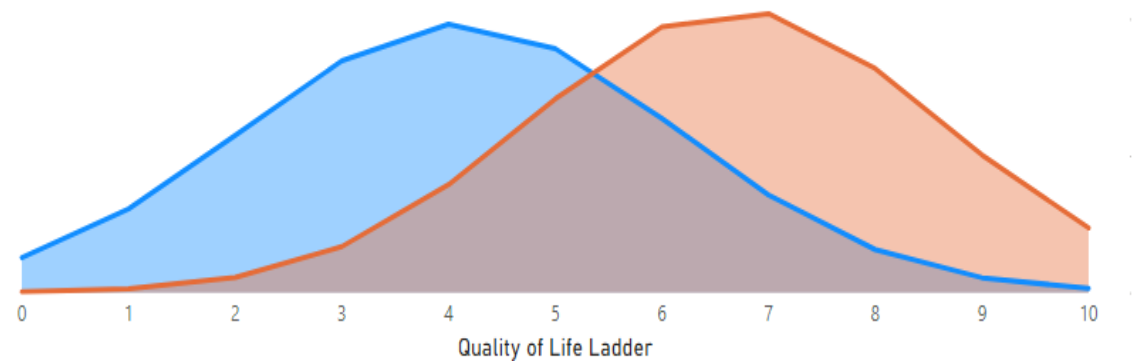


*"Things were really hard for me and my family, but since I started working with VFG, our lives have improved".  
(female, 38)*

# CHANGES IN INCOME

Quality of Life Before and After the Loan From VisionFund

● Before the Loan ● After the Loan



VFG aims to improve the lives of its clients. Before engaging with VFG, many clients faced hardships, as shown by their placement on the graph's left side (blue bell curve). Following the use of VFG's services, there was a notable transition, with most clients advancing to the right side (brown bell curve), indicating an enhanced standard of living.

...we are empowering families to create incomes and jobs...

# CWBOs

Reported Improvement in the Wellbeing of Clients' Children because of the VisionFund Loan

Child Wellbeing Outcome	# of CWBO Response	% of CWBO Responses Based on Clients that Support Children
More time playing, relaxing, or doing homework	3	1%
Other	5	2%
Less work around the house and in the business	7	3%
Improved sanitation	10	4%
Improved housing	17	6%
All health care costs paid	96	36%
Sufficient clothing shoes and school supplies	144	54%
Sufficient and varied nutritious food	161	60%
Children under 18 years old were able to stay in school or training because the fees were paid	204	76%

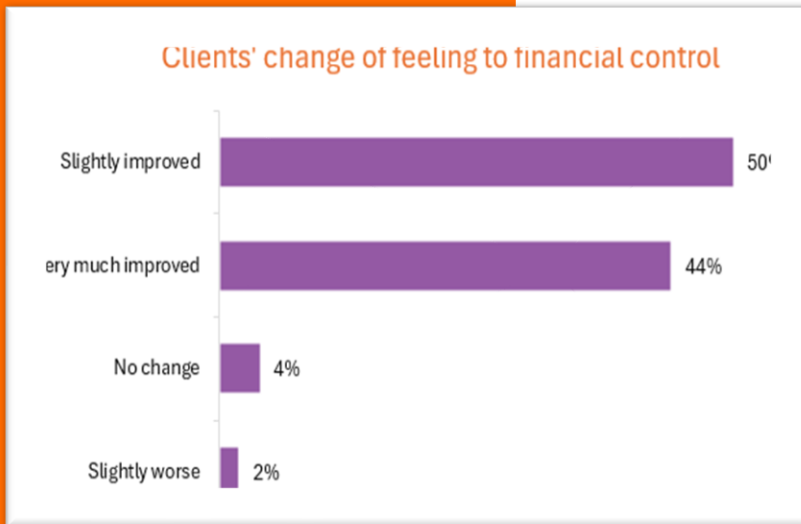
Loans from VFG enabled **76%** of its clients to afford their children's school feeds and educational needs. Education is crucial for individual and societal advancement, potentially boosting future income by **10%** per year in low-income nations. It also leads to better employment opportunities and helps alleviate poverty. Education fosters gender equality and reduces child mortality, with a significant **31%** increase in survival rates for children of educated mothers.

## CWBOs cont'd.

60% of VFG's clients reported improved access to nutritious food, and 36% could afford healthcare costs. WVI and VFI's goal is for all children to be healthy, which is crucial for their development and family prosperity. Poor nutrition in early childhood can lead to serious health issues. VFG's support has significantly improved health, nutrition, and overall well-being for clients and their children, including better access to essential items and living conditions.



# CONTROL OVER FINANCE



01

At VFG, financial control is a key component of financial literacy and well-being, involving awareness of one's financial inflows and outflows.

02

94% of respondents experienced an improvement in financial control due to VFG's efforts, with 44% feeling "very much improved" and 50% feeling "slightly improved".

03

Gender wise, 95% females reported improved financial control, slightly higher than the 91% of male respondents. Both genders had a 44% rate of "very much improved" feelings, but 51% of women felt "slightly improved" compared to 47% of men.

The goal for VFG is to increase the number reporting a "very much improved" sense of financial control.

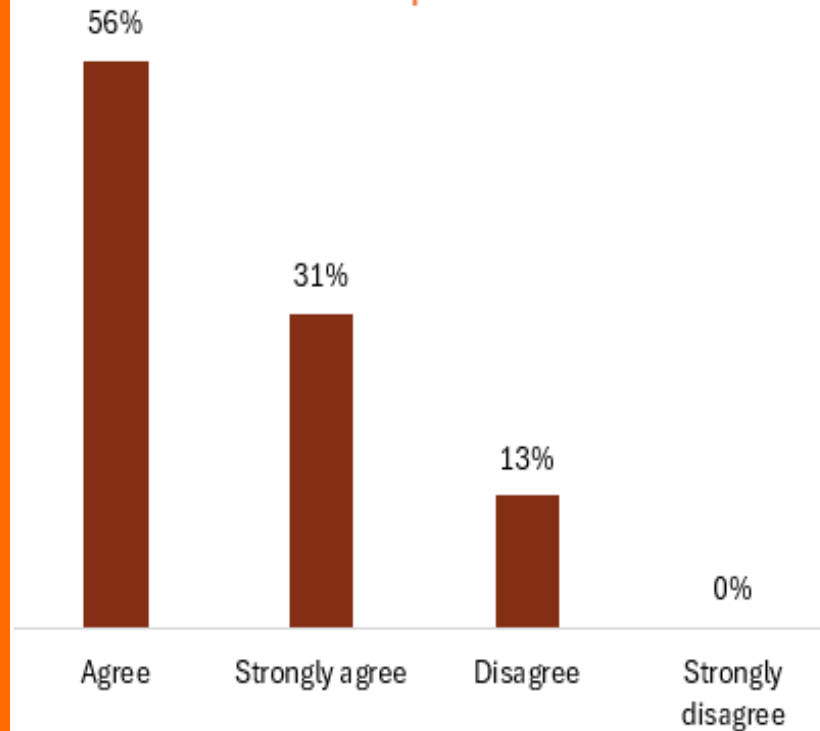
The EWV training provided seeks to engender a sustainable, transformative change in the lives of clients and their communities such that they will be less dependent on external aid and/or intervention. It empowers and changes their mindsets to use their God-given resources to lift themselves out of poverty.

# EMPOWERMENT ( EWV )

08

01

Availability of resources to solve problems

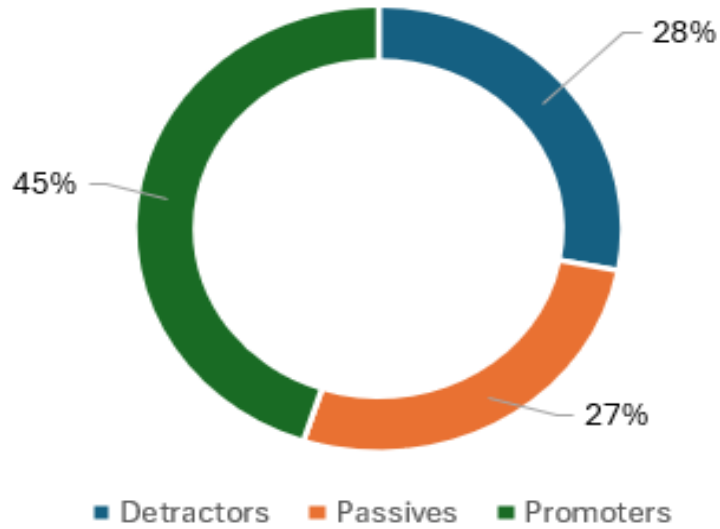


Through the EWV training, 81% of respondents now acknowledge that the resources they need to solve their problems are available to them,

02

99% of clients are convinced that their spiritual convictions significantly contribute to their success in life.

### Client satisfaction

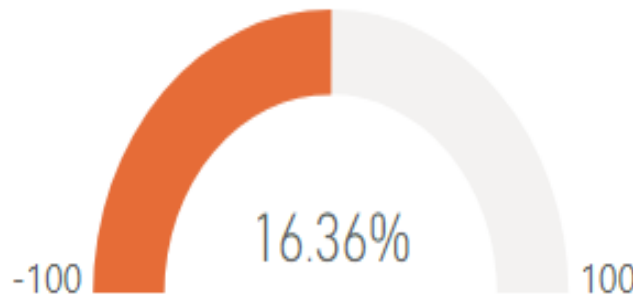


## NPS

45% of survey participants are promoters of the company, whereas 28% are detractors, defined as clients who are hesitant to endorse VFG’s offerings to others. With a Net Promoter Score (NPS) of 16, VFG’s client satisfaction is considered subpar, especially when compared to the financial services industry’s average NPS of 44.

“I only plead that VisionFund should handle us with patience during payment and to have patience for us in times of difficulty”. (Female, 30)

### Net Promoter Score



# Relevant findings

- EWV: 81% acknowledge they can identify resources to solve problems.
- 99% of clients believe their spiritual beliefs empower them to succeed.

**Child Wellbeing:** 98% of VFG clients provide support and care for children. Children's wellbeing improves due to loans received from VFG.

**Gender Inequalities:** Poverty incidence is lower for females (21%) than males (36%). Females receiving at least 2 loans are less likely to live below the poverty line.

**Goal Achievement:** 95% of respondents achieved their business goals with VFG. Females focused on family welfare and livelihood improvement.

**Ladder of Life:** 93% of respondents moved up the ladder of life due to VFG services. Slight gender difference: More females moved down relative to males.

**NPS Score:** VFG received a very poor NPS score of 16.36%. Products, services, and overall customer experience need improvement for sustainability.

**Goal Achievement:** 95% of respondents achieved their business goals with VFG's loans.

**Ladder of Life:** 93% of respondents moved up the ladder of life due to VFG services. Slight gender difference: More females moved down relative to males.

**Improved Income:** 93% of respondents experienced improved income through VFG's products and services. A small percentage reported worsening income or no change after taking loans.

# Indicators in the MFI

## BEST



**Changes in income:** 93% of clients reported an improvement their incomes.



**Child wellbeing:** All clients reported improved CWB.

- 76% = Education
- 60% = Adequate meals
- 36% = Improved health

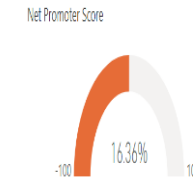


IMPROVED  
QUALITY  
OF LIFE

**Quality of life:** 93% reported an improvement through VFG's support.

## WORST

**NPS Score:** 16.36%.



**Quality of life:** 7% reported no improvement after VFG's support.



**Interest Rate:** Clients complained of high interest rate.



