

**BENEFITS OF A  
FINANCIAL KNOWLEDGE LEARNING  
PROGRAM FOR RMG WORKERS**

## BACKGROUND OF THE REPORT

EWFSAB is a program to help promote financial inclusion amongst female RMG workers that was launched by CARE Bangladesh, with funding support from VISA, in 2015. EWFSAB has conducted exploratory surveys, learning programs, bank account opening for the unbanked in collaboration with Bank Asia, community awareness drives, and discussions about implementing bank account based payroll systems with DBL group.

As part of these programs, a survey of 407 female RMG workers from 40 different RMG factories in Narayanganj, and Gazipur was taken to assess the needs and challenges facing female RMG workers regarding Financial Inclusion. The survey was also supplemented by 2 FGDs for qualitative input.

The findings indicated that female RMG workers did not have bank accounts even though this was something they wanted; because banks opening hours and distance from factories did not permit them to visit a bank. They felt that banks were not easy for them to use. Moreover, these women did not always have full control over their own earnings. Only 25% of the respondents reported having sole control over their own earnings, and up to 28% reported that someone else controlled their earnings.

Considering these findings, EWFSAB tailored its Financial Knowledge Learning Program, with more than 800 participants from 5 factories in Gazipur, to:

1. Make participants gain basic financial knowledge.
2. Give practical instructions on behavior regarding their finances that would benefit them.
3. Increase Financial Inclusion in the Formal Financial System for the participants.
4. Empower these women with knowledge, confidence, and comfort regarding basic financial services.

After the completion of the curriculum, a post-learning survey was taken among the participants to evaluate the outcome of the Financial Knowledge Learning Program. This report presents the findings of this post-learning survey, and evaluate the outcomes of the program by comparing these findings with those from the initial exploratory survey of RMG workers who were not participants. Findings about the general RMG female workforce from extant literature will also be used to supplement the evaluation.

The report also describes an Agent-Banking Model, which alongside the Financial Knowledge Learning Program, can address Financial Inclusion for millions of unbanked RMG workers, giving them not only access to financial institutions, but the confidence and wherewithal to avail financial products & services.

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DISCLAIMER

This research has been performed by ODIN on behalf of CARE Bangladesh, and only the authors are responsible for the findings, views & qualitative assessments in this report.

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FEMALE RMG WORKERS LEARNING WITH THEIR PEERS IN THE “FINANCIAL KNOWLEDGE LEARNING PROGRAM”



# INTRODUCTION

## BACKGROUND

### EWFSAB PROJECT

CARE's EWFSAB project, funded by VISA, introduced workplace-based financial education workshops in RMG factories geared towards fostering greater financial capability of RMG workers.

### EXPLORATORY SURVEY TO ASSESS FINANCIAL INCLUSION

Subsequently, to better understand the factors affecting financial inclusion, a study of the general female RMG worker population was commissioned by EWFSAB. The key findings were;

- Only 26% of respondents had bank accounts, even though most used Bkash (mobile money transfer):
  - Respondents felt that banks were not easy to use
  - They also felt that banks are not accessible
  - Banks are not located conveniently; they are too far away
  - Opening hours of banks (10-4) is inconvenient
- The respondents did not always manage to save
- Respondents felt that they needed more knowledge about financial services
- Respondents do not always have full control over their earnings

### FINANCIAL KNOWLEDGE LEARNING PROGRAM

Based on these findings, EWFSAB tailored its Financial Knowledge Learning Program for female RMG workers so that they gained the practical knowledge and confidence necessary to avail financial services, to increase savings, and to gain more control over their earnings. Additionally, this learning was supplemented with community drives to increase awareness and acceptance for the learning in this program; engaging husbands, family members, and other community stakeholders. Subsequently, this study was also commissioned to assess the impact of the Financial Knowledge Learning Program on the participating female RMG workers.

### AGENT BANKING MODEL

EWFSAB also developed an Agent-Banking Model, in collaboration with Bank Asia, comprised of workplace-based bank booths operated by agents whose goal is to assist and guide RMG workers. This model was developed to address the issues faced by and the concerns raised by workers in the exploratory survey of female RMG workers.

Alongside the Financial Knowledge Learning Program, the Agent-Banking Model can address Financial Inclusion for millions of unbanked RMG workers, giving them not only access to financial institutions, but the confidence and wherewithal to avail financial products & services.

## PURPOSE OF THE STUDY

This purpose of this study is to present EWFSAB Project's key learning with respect to the "Financial Knowledge Learning Program" and how it has helped increase Financial Inclusion for female RMG workers. As such, the broad objective of this study is to assess the impact of the Financial Knowledge Learning Program on the participants.

### Specific Objectives

- **Financial Knowledge:** Testing the financial knowledge gained by the participants.
- **Benefits Gained:** Understanding the perceived benefits received from the program.
- **Behavioral Change:** Assess the behavioral change in financial inclusion compared to the exploratory study of the general female RMG worker population.
- **Women Empowerment:** Finding the effect of the program on women empowerment
- **Insights & Recommendations:** Provide insights on the impact of the Financial Knowledge Learning Program on its participants, and on how Financial Inclusion may be further improved through the Agent Banking model for RMG workers that was developed by CARE Bangladesh and Bank Asia.



# FRAMEWORK

“Financial inclusion aims at drawing the “unbanked” population into the formal financial system so that they have the opportunity to access financial services ranging from savings, payments, and transfers to credit and insurance,” per the Asian Development Bank<sup>1</sup>.

Thus, to assess the impact of the “Financial Knowledge Learning Program” on participating female RMG workers, the following were tested using indicative questions in a survey designed to assess the impact of the program:

1. Questions regarding basic Financial Knowledge as taught in the program
2. Questions regarding perceived benefits received from the program
3. Questions regarding behavioral change in Financial Inclusion
4. Questions regarding Women Empowerment

The findings from these questions for the participants of the program have then been compared, where appropriate, to the findings in the initial exploratory survey of the general female RMG worker population. These comparisons are then used to assess the outcomes of the program, and hence evaluate the Financial Knowledge Learning Program.

Additionally, findings from this survey are supplemented by two Focus Group Discussions (“FGDs”) of participants in the program, and one FGD of husbands of the participants, to get qualitative input on the impact of the program.

Finally, insights from the findings are used to draw conclusions about the impact of the program, and how Financial Inclusion may be further increased through an Agent-Banking Model developed by CARE Bangladesh to include unbanked RMG workers in the formal financial system. Key Informant Interviews were taken of managers in Bank Asia, and the DBL Group (group of RMG manufacturing factories), to assess the feasibility of implementing an Agent-Banking model for RMG workers.

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<sup>1</sup> Alfred Hannig and Stefan Jansen (2010), Financial Inclusion and Financial Stability: Current Policy Issues, ADBI Working Paper Series, No. 259, December.

# SCOPE, METHODOLOGY, & LIMITATIONS

## SCOPE

Assessing changes in financial knowledge, in behavior regarding personal finances, and in women empowerment within the population that participated in the learning program.

## METHODOLOGY

The findings in this report are based on a mix of focus group discussions, and a survey of women RMG workers.

### Survey of RMG Workers who participated in the program

**Sampling Technique:** Simple Random Sampling with Correction for Age

**Sampling Frame:** is from the Roll Numbers in the list of participants in the Financial Knowledge Learning Program. Population is the people who participated in the program. Selection method is from a random numbers table generated from Microsoft Excel.

**Sample Size:** The sample size was selected based on the following sampling equation

$$Sample\ Size = \frac{\frac{z^2 \times p(1-p)}{e^2}}{1 + \left(\frac{z^2 \times p(1-p)}{e^2 N}\right)}$$

- Population Size =  $N$  | Margin of error =  $e$  | z-score =  $z$
- $e$  is percentage, put into decimal form (for example, 3% = 0.03).
- The z-score is the number of standard deviations a given proportion is away from the mean.

**For this study:**

- 95% Confidence Level, and 6.57% Confidence Interval. Therefore, z-score is 1.96.
- Sample Size – 174 (Statistically significant)

**Data collection technique:** Questionnaire Survey will be done to assess the impact of the project in a statistically significant manner. For field work, computer assisted Personal interviews will be taken. For further exploration, qualitative data would also be taken from the population through FGD.

**Data Analysis:** Two method would be used to assess the impact of the study. For direct assessment, we would employ Prospective cohort study technique. In addition, we would employ closed ended questions which would provide further descriptive information.

### Data gathered

The following broad information areas were covered in the survey:

Retention of Basic Financial Knowledge as taught in the program	<ol style="list-style-type: none"><li>1. Characteristics of good places to keep money,</li><li>2. Options for saving money in,</li><li>3. Considerations before taking loans,</li><li>4. Meaning/Uses/Importance of Budgeting,</li><li>5. Importance of one's own choices for expenditure/financial planning</li></ol>
Perceived benefits received from the program	<ol style="list-style-type: none"><li>1. Increase in propensity to save,</li><li>2. Change in decision-making about one's own Income,</li><li>3. Awareness/Knowledge of financial services &amp; products and terms/practices,</li><li>4. Planning/Budgeting future expenses,</li><li>5. Confidence in dealing with financial services &amp; products,</li><li>6. Decision-making regarding financial matters</li></ol>
Behavioral change regarding Financial Inclusion	<ol style="list-style-type: none"><li>1. Savings,</li><li>2. Use of Financial Services,</li><li>3. Obstacles faced in applying Financial Inclusion Learning,</li></ol>
Women Empowerment	<ol style="list-style-type: none"><li>1. Confidence about knowledge of Financial Services</li><li>2. Confidence about use of Financial Services</li><li>3. Level of comfort in using Financial Services</li></ol>

### Focus Group Discussions (FGDs)

A FGD with 6 men; husbands of women RMG workers, from the DBL Group's factories in Gazipur, who had participated in the Financial Knowledge Learning Program. Their financial situation, plans about their future, use & issues of Financial Services, and how much they support more Financial Inclusion for their wives were discussed.

Two FGDs were held with 7 women; RMG workers, from the DBL Group's factories in Gazipur, who had participated in the Financial Knowledge Learning Program. The impact and benefits of the program, savings behavior, confidence, planning/budgeting, desire to learn more, use of Financial Services, and obstacles/social pressure were discussed.

The sessions, were around 30 minutes long, and the participants of the RMG workers' FGDs were representative of the typical profile of female RMG workers who had participated in the "Financial Knowledge Learning Program".

### Key Informant Interviews (KIIs)

KIIs were held with DBL Group's RMG factories' management as well as Bank Asia managers in order to discuss the feasibility and attractiveness of the "Financial Knowledge Learning Program", and the "Agent-Banking Model".

## LIMITATIONS

1. The participants in the program and the survey were employees of 5 RMG factories owned by the DBL group.
2. As part of the development of the Agent-Banking Model, EWFSAB worked with Bank Asia to open bank accounts for many of the participants.
3. It is unclear whether husbands in the FGD were representative of husbands of RMG workers in general.

# BREAKDOWN OF PARTICIPANTS

174 female RMG workers from the group of 800 participants of the “Financial Knowledge Learning Program” were surveyed to assess the impact of program; most of the participants were between ages of 20 and 30; most of them had received schooling between grades 4 to 9. They had an average salary of Tk. 7,175.

This is comparable to the age and education of the exploratory survey of the general population of RMG workers, as shown in the chart below.

## BREAKDOWN OF FEMALE RMG WORKERS

### Age Profile



- Greater than 30 (9%)
- Between 25 - 29 (45%)
- Between 20 - 24 (41%)
- Less than 20 (5%)

### Education



- No formal education (4%)
- School till grade 4 (41%)
- School till grade 9 (36%)
- SSC/HSC/Other (20%)

Current Average Salary of the respondents was Tk 7,175.

SURVEY OF PROGRAM PARTICIPANTS

### Age Profile



- Greater than 30 (14%)
- Between 25 - 29 (24%)
- Between 20 - 24 (42%)
- Less than 20 (19%)

### Education



- No formal education (9%)
- School till grade 4 (52%)
- School till grade 9 (32%)
- SSC/HSC/Other (7%)

INITIAL SURVEY OF GENERAL FEMALE RMG WORKER POPULATION



# BASIC FINANCIAL KNOWLEDGE

To assess the retention of basic financial knowledge as taught in the “Financial Knowledge Learning Program”, the respondents were asked about:

1. The Characteristics of good places to save,
2. Considerations before taking loans,
3. Meaning/uses/importance of budgeting,
4. Good places to save money in, and
5. Importance of one’s own choices for expenditure/financial planning

Q1) What are the characteristics of good savings places?	Count	%
Ability to withdraw the money easily	149	86%
Security	119	68%
Profit/Interest	109	63%
Grand Total	174	100%



- 1 Correct (43.70%)
- 2 Correct (20.70%)
- 3 Correct (35.60%)

48% of the respondents identified all three correct answers, with 20% identifying two correct answers, showing good retention of learning from the program.

Q2) After the training, what places did you learn about for savings money?	Count	%
Post-Office	36	21%
Bank	171	98%
Family Members	1	1%
Under the Bed	1	1%
Loan Shark	3	2%
Piggy Bank	2	1%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

After participating in the program, most of the respondents learned that Banks (98%) and Post-Office (21%) are good options for savings.

In the initial survey of the general population of female RMG workers, it was found that 25.5% of the respondents kept their savings in cash at home, or with their parents. Additionally, in the initial survey, it was found that 67.7% of the female workers with bank accounts had opened them because they needed a safe and secure place to keep their savings.

Additionally, DBL group (RMG factory) managers revealed in stakeholder meetings and in a KII (Key Informant Interview), that many female RMG workers faced problems on salary days because their husbands (or family members) congregate outside the factory so that they can take their wives' salary immediately. This underscores the need for all RMG workers to have bank accounts, something which begins with learning the importance of having bank accounts and other good places to save and keep money.

Percentage who opened bank accounts to have a safe/secure place to keep their savings



■ Yes (67.70%) ■ No (32.30%)

### Where do you save your money?



■ No Response - 38.1%  
 ■ Bank - 23.3%  
 ■ Cash - 18.8%  
 ■ Insurance - 6.7%  
 ■ Parent/friend - 5.8%  
 ■ Cooperative - 4.7%  
 ■ Bkash - 1.9%  
 ■ Others - 0.7%

Q3) What should be considered before taking out loans?	Count	%
Will income increase from the loan proceeds?	60	34%
What is the interest of the loan, & how is it being calculated?	20	11%
Is there any previous loan?	104	60%
Ability to repay the interest and loan from earnings?	150	86%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>



■ 1 Correct (43.70%) ■ 2 Correct (20.70%)  
■ 3 Correct (35.60%)

44% of the respondents identified three of four correct answers, with 21% identifying two of four correct answers.

Q4) What is a budget?	Count	%
A budget is a financial plan to better manage income, expenses, & savings	173	99%
Others	1	1%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

Q5) Did you understand the importance of budgeting before the training?	Count	%
No	160	92%
Yes	14	8%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

173 of 174 respondents (99%) correctly identified what a budget is. In the FGDs, most of the female RMG workers identified that **one of the reasons that they could save more was because they had lowered their expenses by budgeting as taught in the program.**

Furthermore, **most of the respondents (92%) did not think about the importance of budgeting before they participated in the program.**

“My savings has increased due to Budgeting, which I learned in the Financial Knowledge Learning Program”

– Shopna Begum, RMG worker

From the initial survey, we know that most female RMG workers want to save for the future. 79% of the women in the initial survey of general female RMG workers had mentioned savings as a top priority in their life. We also know from the same survey that 22% of the respondents had the opinion that they don't earn enough to open and maintain a savings or DPS account. So, the potential to reduce expenditure and increase savings may be important to them.

Q6) Should your choices be given importance in family expenditures?	Count	%
No	2	1%
Yes	172	99%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>



Most of the respondents think that their choices should have importance in family expenditures. (99%).

■ No (1%) ■ Yes (99%)

Q7) Did your view on the last question change after the training?	Count	%
No	2	1%
Yes	172	99%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>



■ No (1%) ■ Yes (99%)

The findings of the initial survey indicated that only 25% of the general female RMG worker population had sole control over her earnings, and that a full 28% handed over their full salary to someone else. So, it is essential for women RMG workers to realize that their own choices should also be given importance as well.

### Conclusion

Considering the responses to the questions regarding basic financial knowledge as taught in the program, the findings indicate that learning was retained for most of the respondents. Per the findings, the respondents have learned vital skills, such as the ability to lower expenses and increase savings through budgeting, good places for saving and keeping money, and giving importance to one's own choices regarding financial matters in the family.

"I've learned to save more to buy land and save for the future. My confidence has increased. I'm independent now. There are no problems or obstacles... Formal savings is in the bank, which is better and more secure than keeping money at home."

- Bithi Begum, RMG Worker at DBL Group (from FGD)

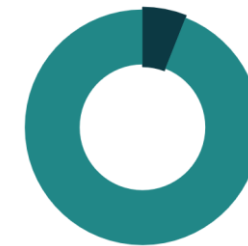


## PERCEIVED BENEFITS RECEIVED

To assess the perceived benefits received by the participants from the “Financial Knowledge Learning Program”, the respondents were asked about:

1. Increase in propensity to save,
2. Change in decision-making about one’s own Income,
3. Awareness/Knowledge of financial services & products and terms/practices,
4. Planning/Budgeting future expenses,
5. Confidence in dealing with financial services & products,
6. Decision-making regarding financial matters

Q8) Did your propensity to save increase due to financial learning?	Count	%
Not Sure	10	6%
Yes	164	94%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>



The findings in the initial survey indicated that 62% of the general female RMG worker population were saving, and that 22% felt that they couldn’t save because they didn’t earn enough. However, from the findings from the Post-learning survey indicate that 94% of the participants’ propensity to save increased because they gained financial knowledge.

■ Not Sure (6%) ■ Yes (94%)



■ Control jointly by Husband and I (93.07%)  
 ■ Controlled by Family/others (1.98%)  
 ■ Only I control (4.95%)

Q9) Who has control over your earnings	Count	%
Control jointly by Husband and I	163	94%
Controlled by Family/others	3	2%
Only I control	8	5%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

After participating in the program, most respondents (94%) report that their finances are jointly controlled with the husband. This is noteworthy because the findings of the initial survey indicated that 28% of the general female RMG worker population handed over their full salary to someone else (mostly their husbands). This may be due to the learning from the program, which was complemented by community awareness drives.

<b>Q10) What benefits did you get out of this financial knowledge learning?</b>	<b>Count</b>	<b>%</b>
I plan/budget for my family's future expenses	90	52%
I am aware of more financial services and products	94	54%
I have more knowledge about financial terms and practices	33	19%
I am more confident in dealing with financial services providers	32	18%
I feel more empowered to take decisions regarding financial matters	26	15%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

The findings of the Post-Learning survey indicate that due to the learning from the program, 52% of the participants benefited because they now plan and budget for future expenses. 54% benefited because they now feel more aware of financial services and products after participating in the program.

Furthermore, after the learning, 19% feel more knowledgeable about financial terms and practices, and about 18% feel more confident in dealing with financial services providers. This is significant because only 29% of the respondents in the initial survey of the general female RMG workers indicated that they found banking to be easeful. Thus, the learning from the program was successful in improving the outlook of a good portion of RMG workers about potentially engaging Financial Services from formal Financial Institutions, and thus increasing Financial Inclusion.

94% of the respondents in the Post-learning survey would recommend this financial learning program to others, while the remaining 6% have already recommended it to

<b>Q11) Would you recommend this financial learning program to others?</b>	<b>Count</b>	<b>%</b>
Already did	10	6%
Yes	164	94%
No	0	0%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

### **Conclusion**

The benefits from the Financial Knowledge Learning Program, as perceived by the participants of the program are:

1. Increased ability to save,
2. Planning & Budgeting future expenses,
3. Possible increase in control over finances,
4. Greater awareness of Financial Products & Services,
5. Greater knowledge of Financial terms & practices,
6. More confidence in dealing with financial services providers, and
7. Empowerment about decision-making.

## FINANCIAL INCLUSION - BEHAVIORAL CHANGE

To assess the behavioral change in the participants due to the “Financial Knowledge Learning Program”, the respondents were asked about:

1. Savings,
2. Use of Financial Services,
3. Obstacles faced in applying Financial Inclusion Learning,

Q12) What is your annual savings target?	Count	%
More than Tk 120,000	2	1%
80,000 - 120,000	34	20%
50,001 - 80,000	62	36%
30,001 - 50,000	28	16%
Tk 15,000 – Tk 30,000	35	20%
Less than Tk 15,000	13	7%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

The estimated average annual savings target for the respondents is approximately Tk56,000 per person in the Post-Learning survey. This is significantly higher than the weighted average annual savings target of TK22,000 of the respondents in the initial survey of general female RMG workers. So, our findings indicate that after participating in the program, women believe that they can save more, and set their annual savings targets accordingly.

“My savings has increased due to Budgeting, which I learned in the Financial Knowledge Learning Program”

– Shopna Begum, RMG worker at DBL Group

Q13) How much do you usually save each month?		
Average	2,942	41.0%

The respondents indicated that they saved Tk2,942 per month on average, which is 41% of their average individual earnings. This is equal to average annual savings of Tk35,304, which is also significantly higher than the average annual savings goal of Tk22,000 of general female RMG workers in the initial survey.

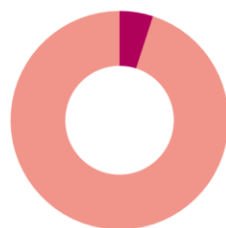
Q14) Which of the financial services are important to you?	Count	%
Micro-credit	1	1%
Fixed Deposit	163	94%
Insurance	1	1%
Money transfer	31	18%
Bank Loan	14	8%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

Most of the respondents (94%) indicated that making Fixed Deposits for savings in banks is important to them.

Only 22% of general female RMG workers have bank accounts (from the initial pre-learning survey).



Do you have your own bank account (Post-Learning Survey)?



■ No (5%) ■ Yes (95%)

Q15) Do you have your own bank account?	Count	%
Yes	166	95%
No	8	5%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

Most of the respondents (95%) from the post-learning survey have bank accounts as they had been assisted in opening bank accounts due to EWFSAB's bank account opening drive in collaboration with Bank Asia, which was a part of the AGENT-BANKING MODEL developed by CARE BANGLADESH and BANK ASIA. **So, the Agent-Banking Model was successful in opening bank accounts for most of the unbanked RMG workers. This is a noteworthy success as the initial pre-learning survey had indicated that only 29% of the respondents thought that Banking is easy to use. It was also indicated in that survey that opening bank-accounts was difficult.**

The Agent-Banking Model was successful in opening bank accounts for most of the unbanked RMG workers



**Q16) When was the last time you used your bank account?**

Average Number of Months 1.2

The average number of months since the bank account had last been used was 1.2 months in the post-learning survey versus an average of 4.2 months for those with active bank accounts in the initial pre-learning survey. Bank account usage is higher for participants of the “Financial Knowledge Learning Program”. Even though the initial phase of the Agent-Banking model, the bank opening drive, had been completed 3 months before the survey, the latter phase, which was commencing agent assisted banking operations in the factory premises itself, had not been initiated. So, RMG workers who had learned from the program, and who had bank accounts opened for them, maintained their accounts more regularly than the general female RMG worker population does even though our initial pre-learning survey indicated that most RMG workers don’t find banking easeful or convenient or accessible (due to problematic locations and opening-hours).

<b>Q17) Do you feel that women get enough opportunity to use financial services?</b>	<b>Count</b>	<b>%</b>
No	22	13%
Yes	152	87%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

Most of the respondents feel that they get enough opportunities for using financial services.

<b>Q18) What obstacles have you faced in applying the learning received?</b>	<b>Count</b>	<b>%</b>
Obstacles in financial institutions	1	1%
Obstacles in the workplace	11	6%
No obstacles faced	152	87%
Obstacles from family members/society	4	2%
Obstacles from the husband	9	5%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

Most of the respondents (87%) did not face any obstacles in applying the learning from the program, although 5% reported obstacles from the husband.

This is despite the findings in the pre-learning survey of the general female RMG worker population, per which:

- Only 53% of the respondents thought that their husbands would support them about getting bank accounts of their own,
- 12% of the respondents had disagreements with their husbands about getting their own bank accounts
- 31% of the respondents reported that their savings were kept by their husbands

So, participants of the program are reporting less obstacles faced from their husbands than was indicated in the initial pre-learning survey of the general female RMG worker population. This may be due to the learning from the program, which stresses that husbands and wives need to communicate and work together to achieve greater savings, or it may be from the community awareness drives conducted by EWFSAB, or it may be due to some other factor. However, the findings suggest that the program, and community drives have a positive impact on household behavior regarding greater financial inclusion for female RMG workers, and this should be studied more closely in the future.

Furthermore, the discussions in the FGDs suggest that not only are the women more comfortable using Financial Services, they are excited about learning more and about using new tools to improve their lives. The FGD with the husbands of the participants in the program also showed them to be supportive of greater inclusion in the formal financial system.

### **CONCLUSION**

The findings indicate that the respondents are more focused on saving for the future than the general population of female RMG workers. They also manage to save more on average than the general population of female RMG workers. Most of them now have bank accounts, partly due to EWFSAB's drive to provide banking for the unbanked, which is a part of the Agent-Banking Model. This is in sharp contrast to the general population of female RMG workers as only 22% have bank accounts per the initial pre-learning survey. The findings also suggest that the program has had a positive impact on the household's & family's behavior regarding greater financial inclusion for female RMG workers.

"I've learned to save more to buy land and save for the future. My confidence has increased. I'm independent now. There are no problems or obstacles... Formal savings is in the bank, which is better and more secure than keeping money at home.

- Bithi Begum, RMG Worker at DBL Group (from FGD)

"I've saved more and my family supports me. My confidence has increased. Own bank account increases confidence even more. Financial decisions should be made with my input."

- Asha Rani, RMG Worker at DBL Group (from FGD)

# WOMEN EMPOWERMENT

To assess the changes in the women empowerment of the participants due to the “Financial Knowledge Learning Program”, the respondents were asked about:

1. Confidence about knowledge of Financial Services
2. Confidence about use of Financial Services
3. Level of comfort in using Financial Services

<b>Q19) I am confident with my knowledge about financial services.</b>	<b>Count</b>	<b>%</b>
Somewhat Agree	1	1%
Somewhat disagree	1	1%
Neutral	13	7%
Completely Agree	159	91%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

Most of the respondents (91%) are confident about their knowledge about financial services.

<b>Q20) I am confident about going to and engaging financial institutions?</b>	<b>Count</b>	<b>%</b>
Somewhat Agree	2	1%
Neutral	11	6%
Completely Agree	161	93%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

Most of the respondents (93%) are confident about going to and engaging financial institutions.

<b>Q21) Are you more comfortable in using financial services after the learning?</b>	<b>Count</b>	<b>%</b>
Yes	174	100%
<b>Grand Total</b>	<b>174</b>	<b>100%</b>

100% of the respondents feel comfortable in using financial services after participating in the Financial Knowledge Learning Program.

I am confident about my knowledge about financial services



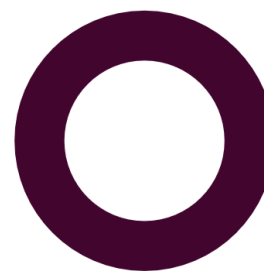
■ Completely Agree (91%)

I am confident about going to and engaging financial institutions



■ Completely Agree (93%)

Are you more comfortable using financial services after the learning?



■ Yes (100%)

### **CONCLUSION**

Most of the respondents are confident and comfortable about using Financial Services after participating in the Financial Knowledge Learning Program.

“I learned to save more and spend less. I learned where to take loans and where to deposit. I managed to save more. I want to learn about more ways to save money. Confidence and knowledge increases from taking part in the program. I used to save in a piggy bank and in pillow cases, but now I save in a bank, which is much better. I am more independent and people respect me more now because I have my own bank account and my own savings.”

- Farjana Akter, RMG Worker at DBL Group (from FGD)



# EVALUATION OF THE FINANCIAL KNOWLEDGE LEARNING PROGRAM

The findings of the post-learning survey of female RMG workers who participated in the “Financial Knowledge Learning Program” indicate that most of the respondents have retained some of the learning gained during the program. Per the findings, the respondents have learned vital skills, such as the ability to lower expenses and increase savings through budgeting, good places for saving and keeping money, and giving importance to one’s own choices regarding financial matters in the family.

The findings also indicate that benefits gained from the program, as perceived by the participants, are:

1. Increased ability to save,
2. Planning & Budgeting future expenses,
3. Possible increase in control over finances,
4. Greater awareness of Financial Products & Services,
5. Greater knowledge of Financial terms & practices,
6. More confidence in dealing with financial services providers, and
7. Empowerment about decision-making

The findings about behavioral change regarding Financial Inclusion indicate that the respondents are more focused on saving for the future than the general population of female RMG workers. They also manage to save more on average than the general population of female RMG workers. Most of them now have bank accounts, partly due to EWFSAB’s drive to provide banking for the unbanked, which is a part of the Agent-Banking Model. This is in sharp contrast to the general population of female RMG workers as only 22% have bank accounts per the initial pre-learning survey. The findings also suggest that the program has had a positive impact on the household’s & family’s behavior regarding greater financial inclusion for female RMG workers.

Furthermore, the findings indicate that most of the respondents are confident and comfortable about using Financial Services after participating in the Financial Knowledge Learning Program.

Based on the findings of the post-learning survey and the FGDs, the impact on the female RMG workers participating in the “Financial Knowledge Learning Program” have been positive in terms of knowledge gained about basic financial skills, benefits gained from the program, behavioral change regarding Financial Inclusion, and women empowerment. The program holds great promise for improving Financial Inclusion, and for enriching the lives of female RMG workers.

# THE AGENT BANKING MODEL

The EWFSAB aimed to increase financial inclusion for female RMG workers by making them participate in the formal financial sector. In the initial exploratory survey of the general female RMG worker population, it was found that there was a great demand for banking services for savings, loans and money transfers. However, RMG workers did not have access to banks; banking hours were inconvenient, banks weren't located nearby, and the banking process was not easy. It was difficult to even open accounts, let alone use banking services regularly.

So, in collaboration with Bank Asia, EWFSAB developed a program to deliver banking services right at the workplace. This model seeks to overcome various obstacles faced by RMG workers, and to address the concerns of RMG workers;

- The RMG factory will have a bank-booth inside the premises, operated by a Manager and some Officers.
- After establishing the bank-booth, the factory workers will all have bank accounts opened under their own names over a period of a few weeks.
- An arrangement will be reached with the factory owners whereby the worker's salaries will be transferred directly to their bank accounts.
- The bank-booth will provide many of the services given at a regular bank branch, including cash withdrawal, deposits, savings schemes, loans, inward & outward money transfers, etc.
- Specially tailored financial products such as micro-loans, dps, etc. will also be provided.
- The Manager and the Officers will be present to assist and guide the RMG workers. They will work to ensure that the entire process is easy and hassle-free for the RMG workers.

EWFSAB and Bank Asia talked to the management for the DBL Group (owners of the five factories where the Financial Knowledge Learning Program was taking place) about deploying an Agent-Banking model as a pilot in their factories. DBL Group management had several concerns, notably:

1. Would all the RMG workers be able to withdraw their money as soon as their salary was disbursed?
2. Would the bank-booth have enough cash ready in case of heavy withdrawals (e.g. during salary week)?
3. Would the bank-booth have backup power and internet connectivity, in case of power outages of equipment malfunctions?
4. Would there be flexibility in how salary was disbursed?
5. What was the need for a Pilot? Why not shift to full payroll disbursement from the start?

However, these concerns were addressed by Bank Asia, and EWFSAB as the Agent-Banking model was developed and refined. Bank accounts for most of the workers who had participated in the Financial Knowledge Learning Program were also opened. However, the EWFSAB project timeframe was over before the Agent-Banking Program could be deployed at the DBL Group factories. Bank Asia subsequently conducted successful pilot Agent-Banking programs with several other factories (not owned by DBL Group), serving several thousand RMG workers, and they are still working to promote this model and provide banking services to unbanked RMG workers.

The Agent-Banking Model, along with the Financial Knowledge Learning Program, represents a remarkable opportunity to bring millions of unbanked RMG workers in Bangladesh into the formal financial system. The Agent-Banking model ensures ease of access to financial products and services that the RMG workers desperately need and want, while the Financial Knowledge Learning Program gives them the know-how, the confidence and the comfort of availing these services on a regular basis.

“If the money is in the husband’s bank account, it’s his. If it’s in your own bank account, then it’s yours.”

– Runa Begum, RMG Worker at DBL Group (from FGD)



There are almost 16 million bank accounts in Bangladesh, of which only about 21,500 belong to RMG workers.

– Bangladesh Bank



**VISA**

