***Technical Assessment - Instiglio, Analyst!***

**Exercise 1.1**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Outcome | Easy to measure | Closely related  to ultimate goal | Manageable  control | Minimizing  perverse  incentives |
| Diversified IGAs | High | Medium | Medium | Medium |
| Food security | Medium | High | Medium | High |
| Savings | High | Low | Medium | Medium |
| Investment in  children’s  wellbeing | Low | High | Low | High |
|  |  |  |  |  |

**Exercise 1.2**

**Column 1**

With both high diversified income and simple way to measure that is understandable it means that there will be high savings because sources of income are diversified. Medium food security indicates that more of the incomes is re-evaluated back to group saving and food security thus less going to investment in children’s welfare. A strike of balance should be employed in minimizing the perverse incentive

**Column 2**

Focusing on the ultimate goal will render savings to be low as more of the resources from diversified income will be geared towards uplifting the welfare of children’s investments with little going to savings. In addition, more is absorbed into food security and hence likely achieve the ultimate goal of the project.

**Column 3**

The objective of having average in both diversified income and food security indicates that saving will also be medium, and nothing will be going to children’s welfare investment. This is designed to chief task at hand with less effort employed to accomplish the project objective. Hence the focus is rending in maintaining everything at control.

**Column 4**

This design renders the project in the risk of creating undesirable effects. With both “highs” in investment in children’s wellbeing and food security, medium goes to diversified income which is the goal of the project, and this reflects surplus from investment wellbeing and food security will cause the women’s to have medium savings. Savings is born when there is plenty to satisfy basic needs and, in this case, there will be substantive savings.

***Conclusion***

*The feasibility and appropriateness of paying CBOs.*

The increased savings by the participating women means that they have generated enough income. Their high income makes them save the remaining after satisfying their basic needs. This means that their standard of living has been raised. The key function of CBOs is to educate the participating women on ways to improve their standards of living. The standards of living are amplified by the fact that the CBOs have undertaken their crucial part in financial education.

*The appropriate indicator of the payment metric.*

The most appropriate method would be the one closely related to the ultimate goal. This is because the outcome is the key factor that Trobon keeps intro consideration. The main outcome is the raise in standard of living of the participating women

**Exercise 2**

***Option 2.1: Average monthly savings***

This will be good measuring tool as success of the project is to alleviate the level of poverty and thus progressive saving will show good performance of the project and as well improved standard. This is because through employing the aspect of minimizing perverse incentives, project goal is maintained making the diversified sources of income manageable.

**Payment Structure: Exercise 3**

*Option: There are multiple options to provide financial incentives*

The option is more realistic compared with other options available. This is because, the option looks on different angles that affect the project. Since the project is based on budget per every participating woman, its realistic to consider the total amount of money Trobon would need in each locality. Also, the amount of risk transferred to CBOs is inversely proportional to the performance of the project. Working on practical examples, the option will be able to indicate the success or failure of the income generating activities thus showing most applicable PBCs. It’s a bare fact that CBOs would expect to be paid and this one should be dictated by the performance of the project with a definite scale of bonus and risk that is tied to success. In this way, active participation or performance by CBO will yield bonus which will be a driving incentive to them.