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The power of nurturing refugee businesses

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The Power of Nurturing Refugee Businesses

An independent evaluation of Inkomoko's support programmes in Africa



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Introduction



This report is the culmination of a two-year independent evaluation of Inkomoko's business support and loan's initiative. Founded in and around Rwandan refugee camps in 2012, Inkomoko offers business training, consultancy and financial opportunities to camp residents with refugee status and local citizens. An estimated 22% of the world's refugees currently live in camps (UNHCR, 2021). Refugee communities may now reside for decades in these once temporary places. These figures denote the increasing pressure support organisations and camp residents face in these settings. We established the featured project in 2020, to examine what kinds of impacts business support in camps could have and whether these transferred easily between different countries. This report offers insights from a comparative analysis of survey data from Inkomoko's Rwandan and Kenyan programs and an in depth mixed methods case study of their expansion into Kakuma, Kenya. The project was supported by three UK Universities and funded by the British Academy of Management and Society for the Advancement of Management Studies.

Refugee camps are complex places to establish new business support initiatives. Camps operate as worlds of their own, governed by their own legal and local restrictions. They can be socially and geographically separate places sometimes situated vast distances from other signs of life, challenging the connectivity needed to do business. As isolated as they may seem, they are still exposed to international political and economic pressures, meaning resources and opportunities in camps are stretched thin. Residents who arrive seeking a temporary safe-haven can become stuck as recipients of aid for many years, with limited prospects for self-determination or resettlement. Despite these bleak realities, camps are also home to vibrant communities with a lot to offer. The principle underpinning Inkomoko's initiative is that the talents and ideas of camp residents are worth developing and can contribute to alleviating some of the challenges of camp life.

A lot needs to work for business support to be successful in a camp setting. Initiatives must address local political sensitivities, protect the human rights of asylum seekers and refugees and be able to scale to meet the global surge in human displacement. Inkomoko's initiative met these combined challenges in a number of ways: they include refugees and locals in their organization at every level, meaning that their initiatives are well received locally; they focus on unlocking opportunities for business owners in and around camps to complement the humanitarian aid on offer; and they are already engaged in organizing at scale, expanding their operations from their base in Rwanda to serve new camp settings in Kenya, Uganda and Ethiopia.

We begin our report with an executive summary of our findings and recommendations. The subsequent sections detail the approach we took to gathering data in such a complex setting, where large scale studies can miss the dynamic complexities shaping business practice. We detail our alternative, mixed methods approach to gathering data in and around camps. Many pages feature qualitative and quantitative data snap shots which we hope will bring readers closer to what we saw in the data and the camp. The sections that follow are intended to give voice to the businesses and advisors operating in Kakuma and explore how they experience Inkomoko's initiative. We hope programs, funders and policy makers will find this report useful for developing business and loans support in other regions, supporting those living in and around camps to nurture and grow their businesses.

Michelle Richey
Principal investigator

Key Findings



Securing positive changes to revenue, employees and customers

The complex and unpredictable nature of camp meant a variety of factors outside of the program could influence outcomes. Although we observed a broad array of positive changes among participants increases in revenue, employee numbers and customers were emphasized as important indicators of success. We found that while the taught element of the program effected a host of positive preliminary changes, consultancy with Inkomoko's team and access to funding were most likely to secure these sought after 'distal' outcomes. (We give detail about proximal, intermediate and distal outcomes in the Methodology section and introduce our model for accessing their impact).

Valuing the process

Although many business and loans support programs measure their impact in relation to program outcomes (increased revenues, customers, employees) these can take time in camps and overshadow many positive improvements happening during the program. The report unpacks the improvements that happen in the short and medium term and are directly impacted by the program (e.g. bookkeeping skills, development of new revenue streams) and those that happen in the medium and longer term with the combined influence of the program and contextual factors (e.g. access to finance, new customers). We found that positive changes related to the program were also experienced by the control group, indicating the spill over benefits of business support programs in a camp context. (The methodology section details the evaluative framework that distinguishes positive transitions and improvements at different stages of the program. Section 2 uses this framework to give examples of positive improvements from the programs in Rwanda and Kenya).

Lived experience leaders unlock success in new camp settings

The skill and experience of the business advisors was essential to transferring the program to new camp contexts. The team's input is central to the success of the program at every stage, including training, consultancy, loan dispersal and repayment. We refer to Inkomoko's advisors as lived experience leaders because, like their clients, the team were locals or camp residents with refugee status. This heightened their ability to empathise, read complex situations and crucially, earn the trust of local clients. These lived experience leadership roles also offer pathways to upward mobility in their own right. (Section 4 focuses on the impact of lived experience leadership roles for camp-based clients and the leaders themselves).

Balance of formal practices and empathetic support promotes progress

Business owners enrolled on the program were encouraged to keep formal records (registering businesses, keeping records, reporting transactions). While this formality improved business management and facilitated access to loans, some owners found it an onerous requirement. Challenges with formality were best overcome by increased empathy from the Inkomoko team (understanding rather than penalising, suggesting solutions to problems, noticing opportunities, supporting new habits). Because the success of the program seems to rely on greater levels of formality and empathy, we refer to this as a balanced approach to business support and loans. (Sections 1 and 3 examine the challenges of operating a business with increased formality. Section 4 details the trust work and empathy of Inkomoko's advisors which make greater formality possible).

Program impacts a broad spectrum of businesses

Inkomoko's business and loans program had an impact on a broad spectrum of business owners, including small micro business and large 'business empires'. Very large or small businesses are sometimes excluded from analysis because they can skew quantitative evaluations. We include these 'outliers' to demonstrate the broad appeal and application of the program. They demonstrate the different kinds of value subgroups in camp settings can derive from a program like Inkomoko's. (Section 5 gives more detail and examples of businesses typically categorised as outliers).

Based on these findings, the next section offers five recommendations to programs, funders and policy makers.

Summary of Recommendations

We make five key recommendations to ***enhance the impact*** of business and loans support in camp settings and ***facilitate the transferability*** of said support into new camp settings. Our recommendations are based on extensive field data collected over two years (summarised in the methodology section, page 26). Later in the report we offer a granular analysis and narrative to support these recommendations.

Balanced approaches

Recommendation 1: Business support and loans programs focused on camp settings should incorporate formality and empathy in equal measure (a balanced approach). Business support and loans require formality from business owners but should be sensitive to circumstances that make this challenging. Foundations, local agencies and programs can foster greater formality by maintaining strict separation between an individual's resettlement data (i.e. mandate) and their business data (accounts, records, loan applications). To complement greater formality, key staff should be encouraged to exercise empathy as part of business support and loans distribution (for example, additional lending for those who experience unforeseen hardship rather than applying a defaulter status).



In section 1 *we discuss how the elements of Inkomoko's program nurture and encourage both transparency and empathy.*

In section 3 *we elaborate on challenges of transparency in a camp setting.*

In section 4 *we unpack the context sensitive trust work of Inkomoko's advisors as they put empathy and transparency into practice in a camp setting.*

Lived experience leadership

Recommendation 2: Programs and funders should invest in hiring and building the capacity of lived experience leaders. The recruitment of leaders with lived experiences enhances program effectiveness. Such leadership roles also promote upward social mobility and local social cohesion.

Programs and funders should be attentive to the vital role refugees play as lived experience leaders, as they are likely to face work restrictions when taking leadership roles. As well as advocating for changes to work restrictions for refugees, other forms of dignity can be afforded refugee leaders (for example, offering health benefits, travel and subsistence stipends, educational opportunities).

Inkomoko's culture and developmental approach offers an effective model for building the capacity of lived experience leaders and offering dignity and upward mobility to refugee team members. We recommend that foundations and programs capture the economic and social changes experienced by lived experience leaders and treat these as a measure of funding/program success.

In section 4 *we share insights from the Inkomoko team, locals and camp residents, about the change the program has made to their lives.*

Summary of Recommendations

Incorporating outliers

Recommendation 3: Outliers (relatively large or small businesses) should always be incorporated in the assessment of a program's effectiveness. Camps are diverse settings, where different aspects of programs are more or less valuable to types and sizes of business. Addressing the needs of a broad spectrum of businesses with one program is challenging. These businesses are often excluded from quantitative analysis but they capture the value of programs in camps by showing the broad scope of a program's efficacy. Theories of change can be fine tuned to incorporate several sub-theories that are valid for specific sub-groups, capturing how program elements contribute to cumulative changes overtime (see recommendation 5).

In the Methodology *we introduce a framework for assessing the processes and transitions experienced by program participants.*

In section 2 *we bring outcome measures (increases in revenue, customers and employees) into the local camp context and discuss their meaning to a broad cohort of business owners.*

In section 5 *we provide examples of businesses usually classed as outliers and their impact on other businesses and life in camp.*

Capability building promotes medium and long term impact

Recommendation 4: Business support programs need to be attentive to participants' capabilities to accept, manage and repay finance. The program progressed in a cumulative way, building capabilities during training and consultancy sessions and offering finance. Finance provided significant new resources but capability building (training and consultancy) was also needed to enable clients to take on new financial funding. Both quantitative and qualitative analysis suggest that the combination of capability building and new opportunities had the greatest impact on intermediate and longer term changes.

In sections 1 and 3 *we explore the challenges of seizing new opportunities offered by the program..*

In sections 1 and 4 *we examine the work of advisors to build capabilities through training, consultancy and trust work.*

Attention to processes and transitions

Recommendation 5: Monitoring and evaluation of programs in camps should take processes and transitions experienced by participants into account and include proximal (short term) and distal (longer term) outcomes. Programs often evaluate impact using program inputs and outputs; but we observed great variations in the experiences of different subgroups on Inkomoko's program. Control groups provided useful but incomplete information about program impact. There were also many contextual variables that frustrated the use of experiment-like assessment. Control groups provided useful but incomplete information. Our engaged methodology ensured our analysis was contextually sensitive. We find that measuring outcomes alone can be unreliable given the complexity of the setting. We recommend that evaluations focus on the processes and transitions experienced by participants and take both proximal and distal outcomes into account.

The methodology section *elaborates our participatory approach which relied on Inkomoko and other local experts as research partners with valuable interpretations to offer. We explain why this approach is well suited to camp settings.*

In section 2 and the methodology *we offer examples of contextually sensitive process evaluation.*

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1 Doing business in Kakuma camp

Kakuma camp is located in Turkana county, in the north western region of Kenya. The camp was established in 1992 in response to crises in South Sudan and has subsequently provided refuge for displaced communities from Ethiopia and Somalia. The camp sits adjacent to Kakuma town and less than two kilometres from Kalobeyei's integrated settlement, where refugees and local citizens live together. Day to day life in the camp and settlement are overseen by UNHCR. Kakuma camp is divided into four main areas, each with its own market streets. Kalobeyei has three further market areas. Given the complexities of working such a remote area, with unique restrictions and a very diverse community of business owners, this section explores the formal and informal rules of doing business in Kakuma and how Inkomoko go about supporting business development and growth.

Formal requirements

The formal process of doing business in the camp is relatively straightforward. Businesses should register with the camp manager and pay an annual government license fee, determined by the size of their business. Business ownership is the only uncapped livelihood available to refugees in Kenya, reinforcing its appeal. Refugees with business aspirations are welcome locally because of the vibrant trade they generate in the area. In Kakuma camp and neighbouring Kalobeyei settlement there are dozens of market streets lined with ever expanding structures. Grocery stores, hardware stores, wholesalers, mechanics, cinemas, restaurants, hotels, tailors, beauticians (and many more) stay busy with customers from camp and town.

Attracting attention

Decisions about how and where to start a business can be complicated. In the close confines of camp, setting up shop is highly conspicuous, attracting bad attention along with the good. Camp traders speak about jealousy, robbery and even violent assaults that happen when business activities attract 'bad eyes'. A number of business owners recounted great sacrifices to accumulate start-up capital, only to lose it all to theft from less secure premises. Family members sleep in the back doorway of shops, buy bigger locks and pool money to pay off duty policemen to sleep in camp. But concerns remain, influencing some traders to remain as invisible as possible.

> "Some people prefer not to open a shop. They remain on the roadside instead of attracting problems. There they have fewer fears and threats". Mateyos, advisor

> "There's a security problem in the camp" explained one trader, "sometimes you will be harassed or robbed. They can come in the night and take everything you have".

Trade offs between access and attention

From Kenya Cohort 1: Those with access to a smartphone were more likely to be using consultancy than those who had no such acces. Having a smartphone can place the participants in a better position to both access advice and to put into practice their learnings from it. It may also attract unwanted attention.

1 Doing business in Kakuma camp

Local authorities

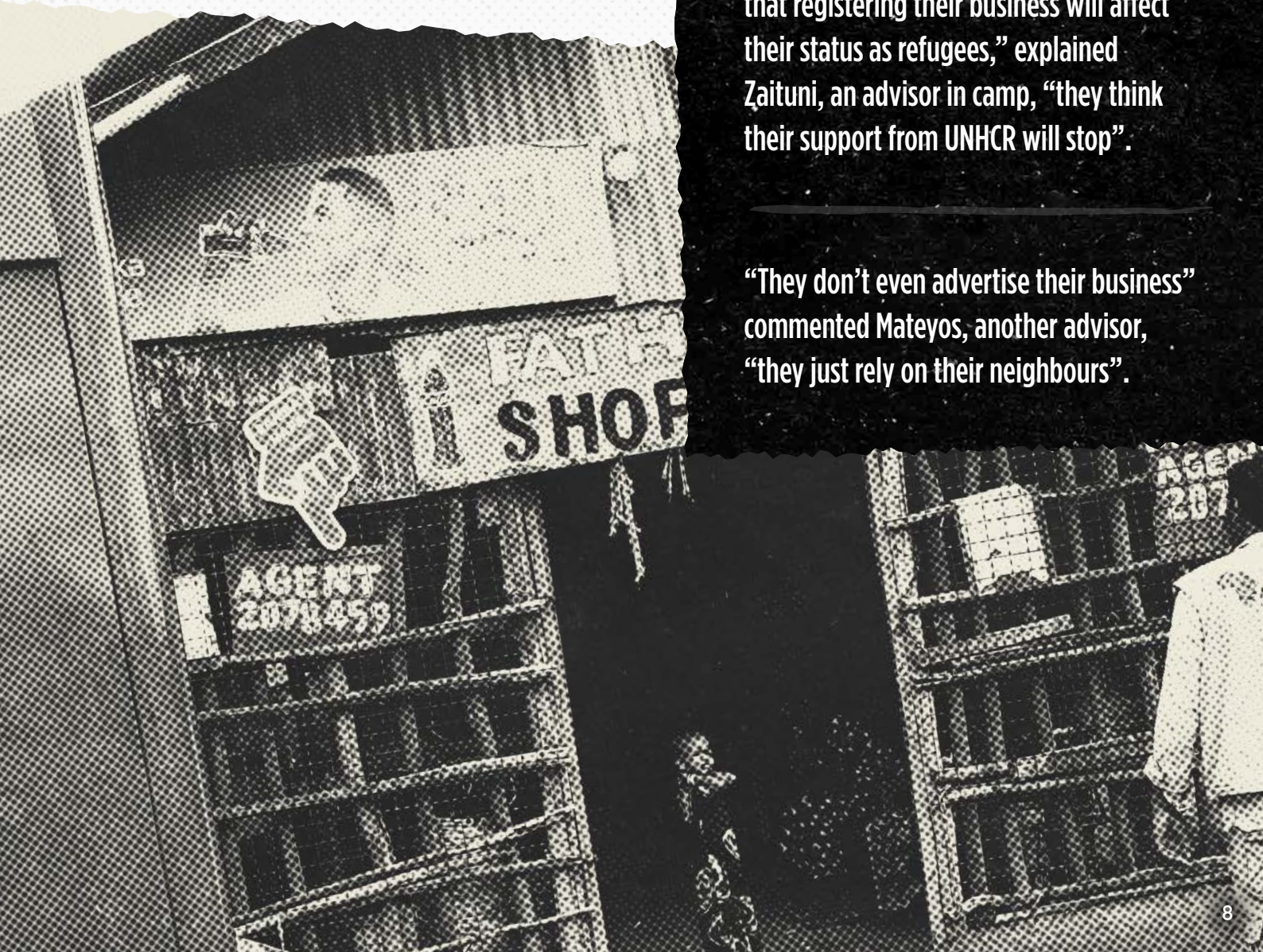
The presence of the police also complicates matters for camp residents, who find themselves subject to frequent checks and reprisals.

An uncertain relationship with authority prevails in the camp, leaving residents prone to rumour and misinformation. To avoid this, some trade informally and pull down the shutters or move on if authorities arrive. Unregistered traders are constantly on the lookout and live with the risk of hefty fines and threats. The gaze of camp residents and officials can create trepidation about every decision. But as one resident reflected, "As refugees you cannot be neutral to these things. You just have to manage them."

"Abdikadir, an advisor explained: "Traders fear police checks. If you refuse to pay them you can be thrown in jail and treated very badly. Association with crime will destroy chances of third country resettlement. The only way for refugees to protect themselves is to pay."

"One of the biggest misconceptions is that registering their business will affect their status as refugees," explained Zaituni, an advisor in camp, "they think their support from UNHCR will stop".

"They don't even advertise their business" commented Mateyos, another advisor, "they just rely on their neighbours".



1 Doing business in Kakuma camp

Daily disruption

For formal and informal traders, daily challenges disrupt the flow of business. Some are discernible rhythms, such as religious observances, public holidays or the monthly release of Bamba Chakula vouchers, which can cause chaotic bursts in demand or long quiet spells. Others are harder to anticipate and can occur suddenly. Bringing supplies to this relatively remote area is challenging and expensive. Camp residents require permits to travel which can take time. War and unrest in other areas of the world can put pressure on local prices and supply. During the research team's visit torrential rain rendered roads around camp impassable, stranding supply trucks at roadsides and forcing residents to the very edges of flooded markets. In these conditions, trading can cease. Drought, power cuts, border disputes, international shortages, price hikes and rumours of the camp's closure all bear down intermittently on camp life.

Impacted by global dynamics

From Kenya Cohort 2:
Participants were significantly less likely to report launching a new product or service, or to transition to having a bank account, if periods of low revenue in their business had been caused by calamities or the pandemic.

"Inkomoko cannot fix everything in camp, some things are just in the hands of God." – Luna, Camp based trader

"You can't easily travel to get the supplies you need from outside camp. It's discouraging to wait a long time for travel permits and it is hard to trust others to carry valuable goods on your behalf." – Zaituni, Business advisor

"Fuel has gone up to three times its price a month ago. This means a third of someone's income could go on travel alone. The alternative is to hike the distance in order to stay afloat, otherwise they will not." – Representative of Department of Refugee Services

"Connectivity in the camp is a challenge for growing businesses. Getting power to businesses is also a challenge." – Anne, Business advisor

"It was announced that camp will be closed. Refugee entrepreneurs here work together with Kenyan entrepreneurs who are mostly their suppliers. When they heard about the closure, some Kenyans refused to cooperate with refugee entrepreneurs." – Jean Marie, Business advisor

"I can't change the fact that [people] live in a camp, but I can make sure [they] have a kick ass business." – Julienne, Inkomoko Founder and CEO.

1 Doing business in Kakuma camp

Inkomoko's business support and loans program

Introducing business training, consulting and loans to camp residents was the complex task of Inkomoko's team of business advisors. The advisors, who were refugees or locals themselves, can be spotted walking or riding motorbikes through camp. While residents viewed them with caution when Inkomoko first arrived in 2019, they are now warmly welcomed. "They are our neighbours, they are our advisors, they are our leaders, they are our brothers" explained one trader.

Business training

Clients that engage with Inkomoko encounter group training sessions first. These introduce skills like bookkeeping, merchandising, customer service and diversifying revenue streams. The training sessions continued over the phone during COVID, but business advisors complemented taught content with visits to make sure training was being understood and used. To progress towards receiving loans, clients need to show signs that they are applying their new skills and making changes in their businesses.

> "I'm grateful because I never kept records before. I have more confidence to give debt to customers and can see the profit and loss in items like maize and sugar." – Camp based client



Skills and confidence increase

Business registration during the program was associated with a number of other improvements. Business that took this step also reported a marked improvement in bookkeeping skills (2 points on a 5 point scale), a change that was not observable for those not registering during the program.

From Kenya Cohort 2:
Those introducing new business practice or tools were more likely to make relatively high self-evaluations of their investment readiness, cash flow and inventory management and bookkeeping skills. All of these self-evaluations increased significantly in the intervention group - but not in the control group - from pre-to-post intervention.

Business consultancy

Clients must have an existing business to qualify for the Inkomoko program, although in many cases the skills they learn are new and sometimes challenging. Visits from advisors support clients in using new skills like bookkeeping. They also allow advisors to observe their clients and their businesses in action. They develop a close understanding of what a client's needs and limitations are. They offer advice on opportunities for businesses to expand and grow. They visit clients enrolled in the program once a month, but as they walk and ride about camp they are called over frequently to problem solve, take questions and make recommendations.

The benefits of consultancy

From Kenya Cohort 1:
Those receiving consulting were much more likely than those who had not to report accessing new finance in the last 6 months (21/87 as opposed to 3/34). The average number of consulting visits over the intervention period was also higher (8.1 compared to 5.0) among those accessing finance. Those indicating the consultancy visits had helped them the most (aside from the training) were significantly more likely to have accessed new finance (19 participants vs 5). From this analysis, consulting appears to be an especially important factor in helping business owners to make best use of their developing skills.

From Kenya Cohort 2:
Participants receiving consultancy reported very significant reductions in the number of customers but no significant reduction in total revenue or revenue per customer. These businesses appeared to be making transitions from retail to wholesale operations.

From Kenya Cohort 2:
Those receiving consulting within the intervention group reported significantly higher skills on most post-intervention skill measures This pushed self-evaluated skills close to 4 out of 5 for those in these groups. Those with such high skill levels were significantly more likely to achieve important intermediate outcomes including adding a new service or adopting a new business practice.

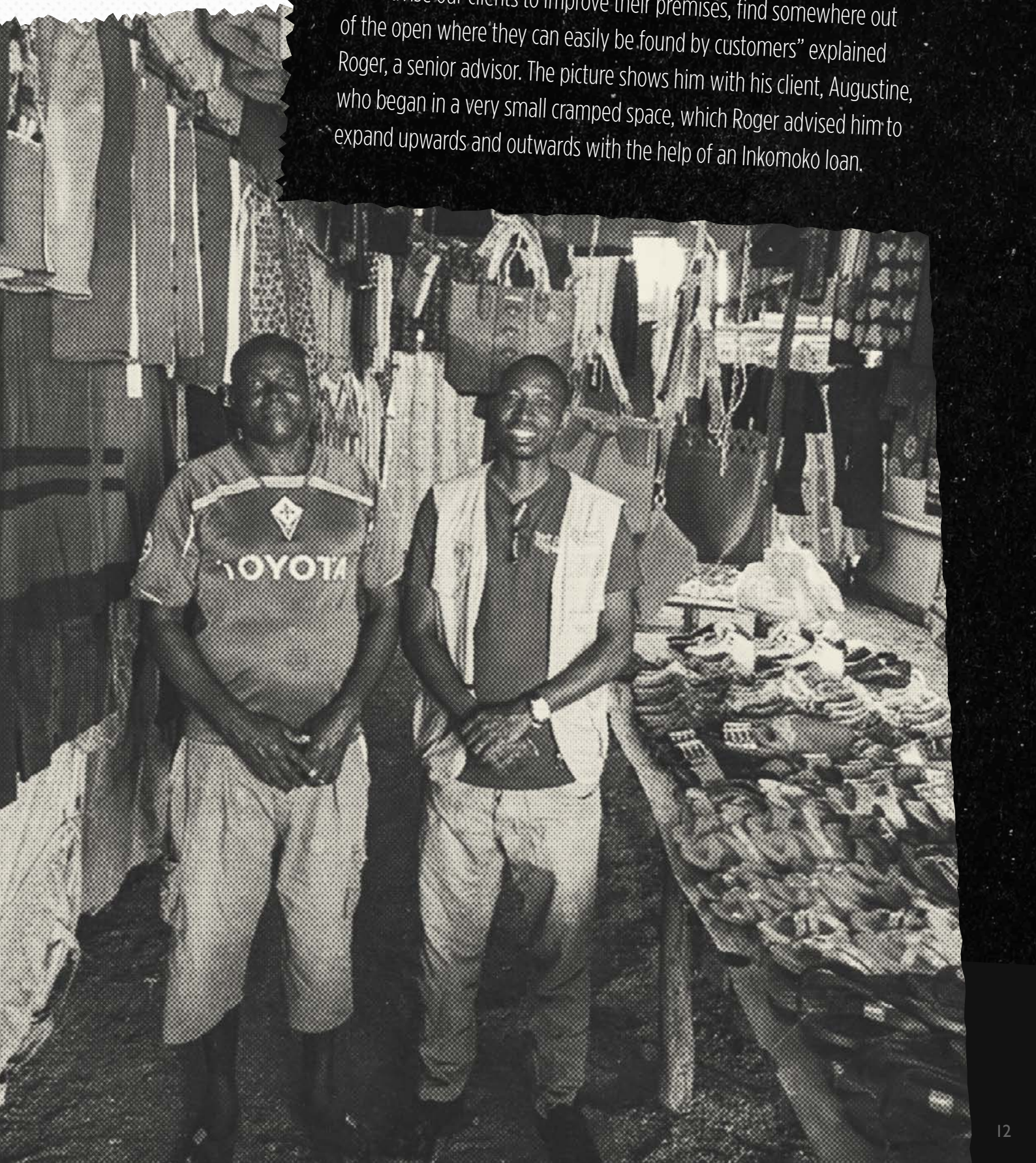
Gentil explains that he used to operate his garage from a small, shed like structure, but since working with his advisor he has a larger premises and workshop, a range of products for sale and ambitions to continue growing. "I would like to work on bigger engines, cars and even aeroplanes!" he enthuses, "Inkomoko's support and loan have given me the confidence that growth is possible." The picture shows him outside his business with the research team and his advisors, Abdikadir and Mateyos.



"Inkomoko's support and loan have given me the confidence that growth is possible."

1 Doing business in Kakuma camp

"We advise our clients to improve their premises, find somewhere out of the open where they can easily be found by customers" explained Roger, a senior advisor. The picture shows him with his client, Augustine, who began in a very small cramped space, which Roger advised him to expand upwards and outwards with the help of an Inkomoko loan.



1 Doing business in Kakuma camp

Funding cycles

It is challenging for camp residents to access and afford business funding. Many lack credit history or business assets to use as collateral when they first start trading. Few of the businesses we spoke to were keeping adequate records before the Inkomoko trainings. Those that had taken a loan previously struggled to manage high rates of interest. If advisors could see that clients were keeping records, reinvesting profits into their businesses and following their general advice, they could recommend them for funding. Inkomoko's funding was offered in progressive cycles that began with two small funding rounds with no interest. When these were successfully repaid, advisors can recommend their clients for a third cycle that carried a 5% interest rate, less than half the interest of other local lenders. Cycles with progressively larger funds are offered for as long as clients need them. The largest funding round two years into the Kakuma programme was 2,275,384 Kenyan Shillings (around £17,783). It is worth noting that by December 2021 the investment team disbursed a loan of 4,000,000 Kenyan Shillings or £31,262. It is also worth noting that Inkomoko developed Islamic funding options for their Muslim clients during the project, but no data were yet available on these new products.

Funding new opportunities

From Kenya Cohort 2:
Business owners with access to Inkmoko's funding were more likely than those without funding to report opening a new business, something that was quite uncommon in this cohort. Post-program, those with funding reported average levels of revenue per customer that were noticeably higher than for those who did not.

"I previously worked in a bank in Nairobi, investing tens of millions, so it was a big change to work around the camp. After visiting the clients I could clearly see why in some instances we do not push defaulters, but instead offer them a small loan extension to get through a hard time." – Inkomoko Loan Team Manager

"When people have a small amount to invest they can't afford to take risks. Many businesses locally used to look identical because traders copied what they had seen selling well. With the introduction of small loans we see those practices change. Traders begin to speculate a little here and there, until businesses in the markets we serve have become very diverse." – Julienne, Inkomoko Founder and CEO

"In the past a number of NGOs offered loans, but forgave defaulters, resulting in a local expectation that loans function a bit like grants. The advisors have worked hard to help people understand that repayment is important. It builds a credit rating for that business and makes them more investible in the future." – Alex, Team Manager

"I applied for a loan from Equity Bank previously, but now I have a loan through Inkomoko. It helped me to offer customers everything that they want. They taught us how to use the loan so it would boost our business up."
– Manirafamtsha, Camp based trader

"Refugees are not trusted individually with loans. By other lenders you are given small amounts as a group but divided up these are very small amounts and you are vulnerable to the failures of other people's business. But Inkomoko trust us individually. If the client is following the training, keeping books, their growth is visible, then they are given the loan they deserve. It is a big difference." – Abdikadir, Business advisor

"I've taken a loan and I'm implementing the things I learned. Here, you can't extend credit if you are uncertain you will be paid back. The training showed us how to advise customers about repaying loans. We don't want to fight with customers and they feel better if we are cool and calm with them. We really learned a lot." – Lurjan, Camp based trader

"I started with a small amount, but now I have grown that. The house you see, the motorbikes, my employees, are thanks to this growth. Sometimes I apply but can't get enough from Inkomoko. I ask them to address that and give us the amount we need." – Nakaya, Camp based trader



2 Making measures meaningful

Common approaches to impact evaluation

A common approach to measuring the impact of business support is to establish a 'theory of change' about how the active ingredients of a program have an effect on a set of targeted outcomes. Our initial introduction to Inkomoko's programs was a raw set of survey data that reflected this approach (see Methodology section, pg. 27-29 for a summary of survey data). Enumerators in Rwanda and Kenya gathered extensive data about the characteristics of participants enrolled in the program and their businesses, which elements of the program they participated in and a set of anticipated outcomes at the end of the program.

Established evaluation approaches tend to focus on determining the size and direction of changes to outcomes overtime. Working with survey data also commonly involves looking for statistically significant effects. Our initial conversations with the Inkmoko team directed us to determine changes that were taking place, regardless of their statistical significance. We also found there were a number of challenges with working with the data in a decontextualized, linear way.

Issues with typical evaluation approaches

Our initial analysis indicated that unpredicatable and uncontrollable environmental factors (e.g. logistical difficulties obtaining supplies) and business owner characteristics (e.g.pre-intervention talents and aspirations) could heavily and directly impact outcomes (see data snap shot). In these circumstances, the outcomes being captured at the end of the program were not always the most meaningful or apparent markers of success.

We also noted that although enumerators were gathering a rich and impressive set of data, the outcomes being valued the most took place at the end of the intervention (we refer to these as distal outcomes). Contextual factors can again directly influence whether these changes take place soon after or much later than the intervention period.

Survey and interview data indicated that different sub-groups found training facilitated meaningful transitions during the program. For example, many participants adopted new bookkeeping practices and reported that this enabled them to attract finance for the first time or stabilize their business. These kinds of changes are not always accompanied by growth in revenue, employee or customer numbers. In other words, focusing squarely on distal outcomes and ignoring changes taking place during the process can underplay meaningful changes directly influenced by and closer to the program (we refer to these as proximal outcomes).

Causes and effects of dipping revenues

From Kenya Cohort 2:
Those reporting problems obtaining stock as a reason for dips in revenue, were more likely to report a significant reduction in part-time employees. Those citing revenue dips due to calamities and the pandemic tended to report a large drop in full-time employees. There was relative stability in the number of employees in other businesses not reporting such significant dips in revenue.



Camp contexts and impact evaluation

Standard practices for evaluating large scale survey data were challenging to operationalise in camp settings. It is typical for quantitative analysis to exclude 'outliers' – very large or small businesses – due to their disproportionate impact on results. However, qualitative interviews and field visits confirmed that these businesses have a substantive role in the intervention process and camp life (see section 5, pg. 24), thus adjusted our methods so that these groups were included in our evaluations.

It is also typical for large scale survey evaluations to establish test and control groups to verify that the effects being observed can be attributed to the program. However, in the camp conditions, where communities live in close proximity and share resources, it proved impossible to carefully control the context, or maintain stable and clear differences between test and control groups. Participants in the program would simply share their knowledge and tools with their neighbours in the test group and the spillover effects of this could be seen in the survey data. We treated this as a positive sign of the efficacy of the program and an indication that strict quasi-experimental approaches could not work well in and around camps.

Including context and process in impact evaluation

The survey data offered a myriad of opportunities for granular data analysis which did focus on the statistical significance of differences in the experiences and outcomes of different sets of participants. However, interpretations are also considered to be of practical significance to the participants involved in the program. Changes such as the addition of one employee or one customer can be very important to a business owner but not reflected in a statistically significant result. We elaborate on our method for gathering and triangulating quantitative and qualitative data in the final methodology section as well as offering a C-M-O model (Context-Mechanism-Outcome, page 26) that we hope will guide evaluations to consider quantitative and qualitative data in context.

Revenues per customer

From Kenya Cohort 2:
Initial analysis of survey data indicated a reduction in customer numbers in the intervention group. Average revenue per business remained relatively stable. What appeared to become more meaningful to many participants was the revenue per customer as their business became more established. On average, those in the intervention group reported significantly higher post-intervention revenue per customer than the control group.

Impact of funding outliers

From Kenya Cohort 1:
5 of the 24 businesses accessing finance in the intervention group were outliers in terms of their post-intervention revenue - their revenue was far higher than was typical. These businesses began with a relatively low baseline revenue (40,333 Kenyan Shillings) that was typical of the wider group accessing finance. However, their mean post-intervention revenue was 616,000 Kenyan Shillings indicating a very large change. Excluding these from the analysis could have led to a misinterpretation of the impact of access to new finance on revenue. Some businesses clearly did extremely well.

"[Owner of a large business in camp] is so well known. He offers loans and support to his fellow business people. He supports people in need. People know he was offered resettlement but wound up staying here with his business." – Vivian, Senior business advisor

"If I get profit, I help others. There was a woman who was left by her husband and he became very hard. I assisted her with money, she bought a machine and now she has a good life." – Deniza, camp based business owner

3 Formal and visible practices

Everyone enrolled in Inkomoko's program were actively trading but levels of formality (e.g. registering a business, keeping records) varied. In some instances, low levels of literacy or numeracy made bookkeeping a big challenge. In others, traders were caught in the chaos of transactions and had little time to keep records. Despite years of experience, many lacked formal training in skills that could support them in managing their businesses.

"I didn't know much about how to control my business. I was using a lot of money on stock, but now I know if I have a profit or loss. It helps me save money to revive my business in harder times." – Alice, Camp based trader

Without a firm grasp of their income and expenditure, traders tended to struggle. It could be challenging for them to know what products or services to invest in, when they could afford an employee or a loan and how to manage customer debts. Many traders had operated informally a long time and not experienced any growth in their businesses.

At a more profound level, the notion of keeping records and reporting trading activities was unappealing to traders in camp. They didn't know who would see the information or what might happen as a result. Some thought that they could lose support or their right to resettlement. Visible signs of progress could also attract unwanted attention. Demands for money could come from those with kinship claims, ill-intentioned neighbours and even the police.

Traders were quite reluctant at first to share what was going on 'backstage' in their businesses. They kept plans for expansion quiet and would sometimes not even allow advisors to see their storerooms. Inkomoko's training encouraged traders to practice greater transparency by recording transactions, communicating business plans and actively attracting more customers. None of this advice was taken lightly in a camp setting, particularly if safety or resettlement rights were thought to be at stake.

New skills, new practices, big changes:

From Kenya Cohort 1:
Compared to those in the intervention group who did not add a new service or product, those who did reported their post-intervention bookkeeping skills to be higher, with it approaching 4 out of 5 on average.

From Kenya Cohort 2:
Higher bookkeeping skills were associated with businesses achieving many intermediate outcomes. These included transitioning to having a bank account, keeping records and launching a new product or service. Those rating themselves as 4 or above (out of a maximum of 5) on bookkeeping post-intervention were more likely to report an increase in the total number of employees. This distal outcome was something that was relatively rare in the intervention group.

From Kenya Cohort 2:
In the post-intervention survey, those receiving consultancy were highly likely to report having a bank account and keep records of the business - it was almost universal in this group with many businesses making this transition. Off the 41 business owners not keeping records at the outset, 34 reported doing so post-intervention.



"A boy came to my shop asking to take credit. When I refused he told me I would cry. Not long after that my shop was robbed. They took everything, but the police and security helped me get some things back. Inkomoko helped me to afford a new grinder and from there I could rebuild." – Doreen, Camp based trader

"When they have a licence things become much easier for them. They have no fear, their business can operate at any time. When they want to apply to travel outside of camp they can show their business licence. The office trust them more to let them go." – Zaituni, Business advisor

When we first meet clients, they complain 'how can I do all these books?', but once they have used them for a while, they begin to sit at night and do it in their homes. It helps them to see the profit they have and what they have sold. " – Hussein, Business advisor

"Some clients prefer to stay very small, even if the quality of life is low. They feel it is more in their control" – Mateyos, Business advisor

"When they are in the camp clients want to be hidden, they don't want others to know their location because they may be attacked." – Idris, Business advisor

"You see from the records that clients are making money and it is going somewhere but they won't tell you about it. When you go deeper and bring new ideas, that person opens up and says "I have opened a business in another location. That's where my money is going." They have plans, but they won't expose them. In camp we have a fear that when people know you have a large amount of money it can create issues." – Anne, Business advisor



4

Lived experience leadership and the pivotal role of trust work

Trust between clients and advisors is a crucial component of Inkomoko's program. Camp residents had negative past experiences with business support and loans schemes. "Some organisations come and preach about what they're going to do, but then they don't deliver" explained Vivian, a senior advisor.

When Inkomoko first arrived in camp in 2019, residents were uncertain about who they were. The lives of camp residents could be very complex and there was initial uncertainty in camp about whether advisors would be sensitive to this. Inkomoko's approach of hiring local Kenyans and camp residents was one way to address these challenges. One advisor described how her community encouraged her to apply for the position so they could turn to someone they trusted; "Some people were worried to go to the office to register businesses. They feared they would be misunderstood" Zaituni elaborated, "Now I can represent them in their own language and understand their culture, they have no fear." "They tell me things they cannot tell a foreigner because I'm one of them," added Idris, another advisor, "Nobody is willing to talk about sensitive situations unless they know you are among them." Camp residents said they recognised the advisors and felt they were on their side. "Over a weekend you spend time with them to discuss different things (outside of business)" explained Abdullahy, another advisor, "that energy lets them feel we're always connected to them."

Adaptive advisors have big impact

From Kenya Cohort 1:
Those accessing consulting reported the biggest changes in self-reported skills in sales, operations management, and inventory management. Qualitative comments about the impact of consulting strongly underlined the variety activities undertaken by advisors. Showing participants how to keep records and do bookkeeping was one prevalent theme. Debt management advice, reminding business owners of the skills they received from the training, advice on keeping an inventory, and customer care also received several mentions. Advisors adapted their consulting according to the needs, circumstances, and aspirations of the business owners. They also appeared to support participants in applying the learning from business training in specific ways that were relevant to their business.



Getting close to notice cues

The process of developing trust remained important as clients progressed through the program. Advisors visited business locations to check in, spot problems and recommend opportunities for growth. Advisors needed to "sit and look at how a client [was] behaving, how he interact[ed] with his customers, how he [was]keeping his books" (Hussein, advisor). They developed sensitivity to cues about how things were going. "Our clients are our neighbours. As an advisor you create a relationship where they should not fear to talk to you", explained Roger, senior advisor. "If I go to advise, but they are sick or struggling, I have to know when to stop and just listen to their problems" adds Mateyos, an advisor. Business progress could be impacted by personal problems (unexpected pregnancies, threats to safety, children committing crimes) and national or international pressures (rising prices, foreign wars, corruption). "Most of our clients feel vulnerable" continued Mateyos "and we understand that from our own experiences". Clients were keen to know that Inkomoko did not share what they observed with other organisations. As trust grew, they began to open up with crucially important information about their wellbeing and businesses.

Solving problems as they emerge

Support and camaraderie from the advisors mitigated the worst impacts of challenges for businesses in camp. Roger recalled, "I found one client pushing a customer around near his shop. If you are fighting in front of your shop people will think you are stubborn and avoid buying from you. I helped them understand each other and come to an agreement that the outstanding debt would be paid at the end of the month." Advisors also encouraged trust among business owners who used to see each other as competitors, and sometimes enemies. "During COVID, one business alone could not afford to make big purchases" remembers Abdakadir, an advisor, "We told clients to work in partnership with competitors to afford to bring products into the camp. The idea worked. They negotiated price reductions to ensure they could still make a profit." As advisors walk around the camp, settlement or town, they are frequently called on to visit and advise, something the team are very proud of.

I'm really grateful for their visits when I think of how I've benefitted. I feel like I am in a family. They have assisted me and opened my mind." – Deniza, Camp resident and trader



Advisors and researchers are welcomed to the store room of Abdihamid's business. Advisors explained that it took time to be trusted with access to the 'back stage' areas of a business.

FOCAL POINT

Advisors support funding cycles

The funding element of the program offered a useful reference point for understanding how and when progress was occurring. Business support programs often treat funding as an end point, output or success criteria. For Inkomoko, funding was a dynamic, recursive part of the growth process, requiring new skills and enhancing clients' ability to seize new opportunities.

Clients become eligible for their first Inkomoko funding cycle by using the formal skills and practices from the business training (bookkeeping, customer accounts, registration). Advisors are very active in making sure these skills and practices are fit for purpose in the camp setting. *"We follow up with refresher training and see what their problems are"* says Hussein, an advisor.

"One resident asked me about the payment he makes to the police every month. He asked "How can I record it?" Well, it is common in Kakuma. It is accepted as unavoidable, so I advised him he should include it under payment for security." – Mateyos, Business advisor

The advisors use transparent practices to monitor the health and progress of a business. Business owners can be empowered by this too, as Fungo, a camp-based trader explained "the bookkeeping was so useful. Without it you don't know your profit or how to invest it." When advisors can see clients adopting good practices and generating a profit, they can support them in applying for a funding cycle from the investment team.

"They need to know they are not making a loss and have the confidence they can repay the loan." – Abikadir, Business advisor

The Inkomoko investment team operates in tandem with the advisors and rely on the recommendations of their camp-based colleagues. "We look at transactional data alongside the character endorsements from the advisor team" explains Leonard, investment team manager. Transactional data comes from digital payment records and the clients own bookkeeping efforts. These data and the advisors' recommendations give the investment team confidence to offer clients a funding cycle.

Clients receive funding in cycles, beginning with two modest interest free cycles. Once these are repaid they can access subsequent larger funding amounts with an interest rate of 5%. (During the project the team were also developing an Islamic finance product, but it was not available during our visits). Advisors remain active during the funding cycle process, to ensure money is well used and repaid "We text, call and visit clients to physically remind them about repayment and see how the money has been used to invest in the business" explains Anne, an advisor. Leonard, investment team manager, emphasised the impact of the advisors during the funding cycle, adding that "clients may tell the investment team they cannot pay this time, but when the advisors visit they get a different response".

DATA SNAPSHOT

From Kenya Cohort 2:
Higher bookkeeping skills were strongly linked to many intermediate outcomes: keeping records, having a bank account, launching a new product or service and a new business practice. Exposure to the training was linked to an increase in self-evaluations of these skills - an increase that was not observed in the control group.

FOCAL POINT

Continued...

The advisory team agreed that clients making the best progress received both training to build capabilities and opportunity building funding. "Other finance organisations don't offer training or support. Without help growth is hard. I see people stuck at about $20 per month. They often have to close. With support and funding my clients do grow. Starting small, taking a small amount of money, growing from $100 a month and in 18 months they are at two or three thousand dollars." Idris, advisor.

"Now we have some clients who are now at their sixth cycle – taking funding and then bringing back money and then continuing to request more financial support." Roger, Senior advisor



Leonard, investment team manager, visits a camp based client to discuss his prospects for another funding cycle.

FOCAL POINT

Advisor roles change lives

For many advisors the 'lived experience' element of leadership did not end with their work. Some were refugees themselves, subject to wage restrictions, travel restrictions and pressure or scarcity in camp. They described the physical and mental toll of camp, which could expose them to hunger, fatigue, malaria and a host of challenges along with their clients. Other advisors were local Kenyans, sensitive to the dynamics of camp life and its influence on the local area. Advisors who came from the local Turkana tribe remembered how scarce local opportunities for education and work had been in previous years. Their lived experiences meant the team found Inkomoko's approach to employment and training extremely beneficial.

From a business perspective, the advisors sharpened their skills and gained new ones. Some had businesses of their own elsewhere in the camp and found they could improve and grow their own livelihoods. Others who had not owned businesses before, reflected that if Inkomoko ever left the are they now had transferable knowledge and could provide for themselves.

The advisors felt empowered by their experience as Inkomoko employees. Even though advisors with refugee status experienced constraints to the amount they could earn, they were treated with dignity and offered opportunities wherever possible. "Inkomoko is totally different, '' explained Mateyos, "They don't tell us we're working for pocket money. We have a professional title, staff development, benefits and incentives. Inkomoko don't make me feel like a refugee." Jean Marie, another advisor, noted the care Inkomoko had extended to his whole family; "Inkomoko Kenya shows love to its staff and also care of their families, providing us healthcare. We live in the camp and they gave our family and community provisions during the pandemic. They upgrade our educational training. This is so different compared to other organisations."

Advisory roles also enabled the team to make meaningful contributions to their community, which they explained was a motivational aspect of their work. They enjoyed being recognised and were proud that they could help improve the livelihoods of people around them who would otherwise struggle. "I enjoy meeting my clients" explained Jane, an advisor who grew up in the local area "with our advice, at least they have enough to send their children to school and take care of their families. I really enjoy that." "This is the advice our people have been yearning to have" added Andrew, another local advisor, "because it means they can now grow." As dispensers of such valued advice and access to loans, the team were respected and sought after in the local community.

> "[Referring to a business run by his wife] Our working lives have totally changed. Record keeping was not important to us before. Inkomoko's program has made a big difference to our business." – Abdikadir, advisor

5 Incorporating 'outliers'

It is common for evaluators to remove outliers from quantitative analysis because they skew results. Rather than thinking about businesses in static size categories, we considered the dynamic nature of these businesses and their change trajectories during the program.

Diverse program participation

Businesses receiving Inkomoko's support varied dramatically in size. At the upper end of the spectrum, large businesses were prominent in the local communities, offering steady employment, funding local amenities (providing power to market streets, building churches and mosques, offering academic scholarships). There were a handful of businesses this size at the time of the study, but the growth trajectories of mid-sized businesses suggested viable pathways to these levels of success. "One client started small and built his premises out of old oil cans" related Zaituni, an advisor, "He recently applied for a loan of one million shillings (around £7070) and now has fourteen employees". At the other end of the spectrum were micro businesses, often operating at the roadside and reliant on the labour and start up funds of an individual. "Imagine mothers and elders" described Mateyos, an advisor, "selling potatoes or tomatoes by the roadside. They make a profit but it is often not enough for a large family."

Businesses were smaller in the beginning and whose owners were responsible for high numbers of dependents were able to access advice and training to manage their business effectively, making small improvements that made a big difference (such as acquiring small premises or expanding their product offering). They were able to access modest funding cycles and stabilise their businesses. Often these individuals were motivated by providing stable livelihoods and educational opportunities for their children. At larger end of the spectrum, individuals were able to received larger funding cycles with affordable interest that enabled them invest in growth opportunities for their businesses and employment or infrastructure improvements for their neighbours. Mesfin, a well-known, camp-based founder of multiple thriving businesses, uses his profits to reinvest in his community, "The businesses should help more than just me. I have three generators that power these market streets, the business has funded 53 mosques and churches in camp and supported over 500 children to attend school" he says.

Progress experienced by all

The progress made by outliers paints a vivid picture of the broad effectiveness of business and loans support in camps. "Very small businesses may not have much hope at first" continues Mateyos, "but over the months they see progress". "We are working hard to make our funding and business support accessible to everyone in camp," added Julienne, Inkomoko's CEO and founder. The progress and growth of very large and very small program participants suggest that the combination of training, consulting and funding cycles offers a viable pathway to upward mobility for the kinds of diverse cohorts found in camps. This appears to be made possible by the mixture of new opportunities (funding) and capability building (training in new skills, consultancy to support new behaviours).

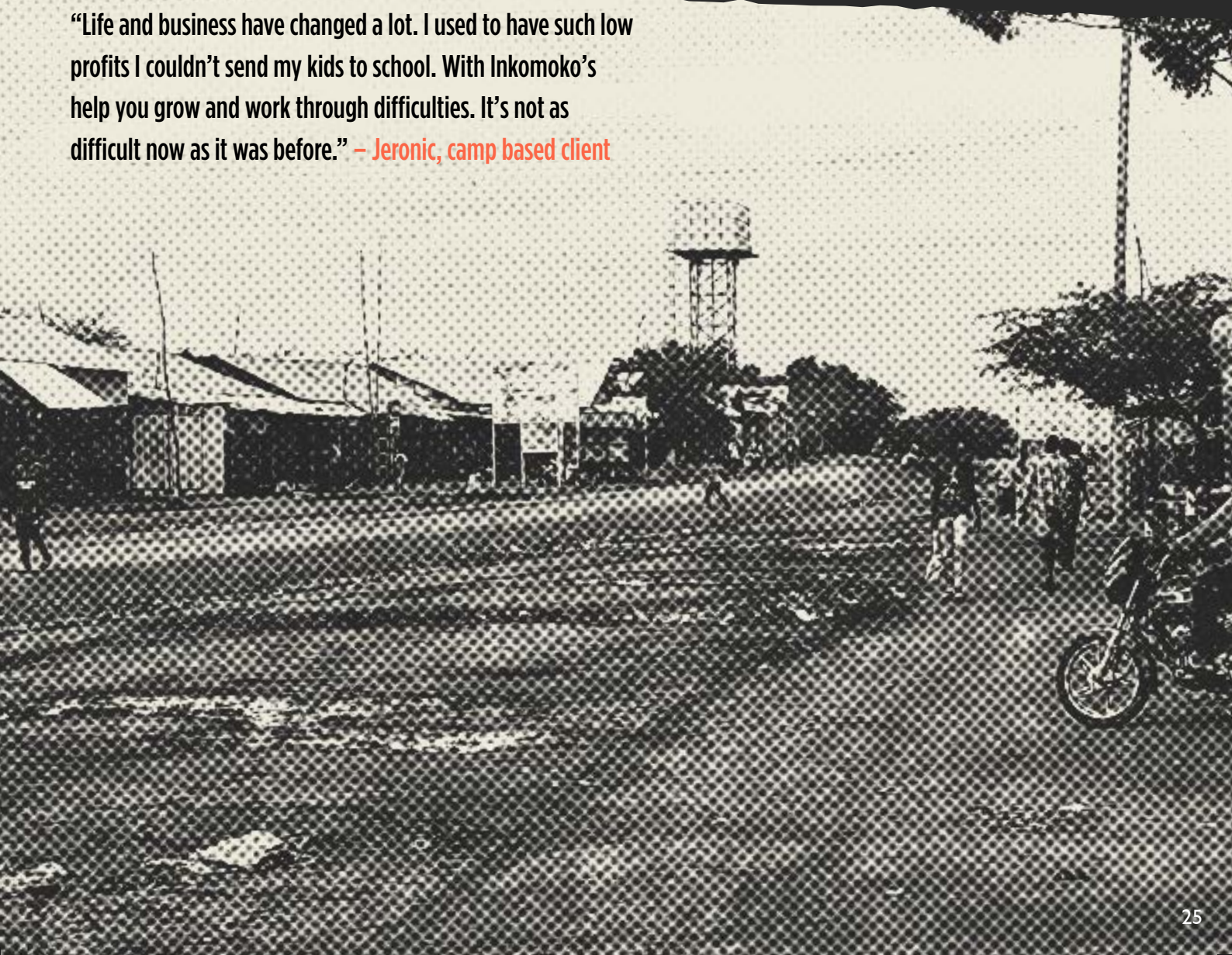


The research team visits Anna, a mother supporting 13 family members and two additional children through her business selling vegetables. She received a modest amount of funding that allowed her to invest in additional produce to sell.



Mahan has grown a large wholesale business with the support of his advisors and Inkomoko's loans. He supplies many other businesses in the camp, offers employment and plans one day to hand the business over to his son, also pictured.

"Life and business have changed a lot. I used to have such low profits I couldn't send my kids to school. With Inkomoko's help you grow and work through difficulties. It's not as difficult now as it was before." – Jeronic, camp based client



Methodology

Inkomoko's interventions are complex and multi-faceted. They are designed to meet diverse, fluctuating needs in challenging and unpredictable camp contexts. This situation is not conducive to randomised control trials, where delivery, program experiences and contexts need to be carefully controlled. There are likely insurmountable challenges to maintaining over many months stable and clear differences between participants and control groups in the context of a busy refugee camp. The close proximity of participants and pressing needs in camp make the communication and exchange of program resources between participant and control groups inevitable. Indeed, qualitative data from this study indicate that such effects are desirable as they spread the effects of the program beyond the target group ("the rising tide lifts all").

In response to these challenges, we adopted a realist approach designed to capture and include diversity and unpredictability in the evaluation (Pawson and Tilley, 1997). We attempted to capitalise on diversity and unpredictability to achieve deeper insights into intervention processes. A realist approach involves the collection and analysis of multiple sources of data about the content (what is delivered) and process (how interventions are delivered and received) of a program. It also foregrounds intervention contexts, considering their impacts on intervention activities and their outcomes. Done rigorously, it usually involves a mixed methods research design to capture large amounts of data about how a program is delivered, experienced and perceived.

Our approach to data collection and analysis aimed to treat the complexity of camp and the lives of research participants with sensitivity and respect. We drew on tenets of 'engaged scholarship' (Van de Ven, 2007) which considers research participants to be experts and invites them to participate in co-creating interpretations of research data. The expertise of the research team in entrepreneurship, emerging economies and refugee-focused program interventions was complemented by the contextual knowledge of our partners at Inkomoko and their clients. From the earliest stages of data analysis, we shared our emerging interpretations and findings with the Inkomoko team and sought their input. Through this iterative process and the collection of a rich multi-dimensional data set, a stable set of recommendations and findings evolved.

Data Collection

COVID-19 restrictions constrained our data collection. We began with orientation meetings with key Inkomoko team members that took place virtually and were recorded. The first major data source were program participant surveys collected by Inkomoko's monitoring and evaluation team. The surveys were collected from one cohort participating in Inkomoko's original setting in Rwanda and then subsequently for the first two cohorts participating in the new program established in Kenya. The following pages summarise the survey data from one program cohort in Rwanda and two in Kenya that were analysed in the first research phase.

Each survey included several hundred data points capturing data about the contexts, processes and outcomes of the program. It is worth noting that the collection of such a comprehensive data set represents a considerable achievement by Inkomoko staff. Few program evaluations attempt this, very few achieve it.

Pawson, R. and Tilley, N. (1997) Realistic evaluation. London: Sage

Van de Ven, A.H., (2007). Engaged scholarship: A guide for organizational and social research. Oxford University Press on Demand.

Rwanda: CMO Model and Survey Data

Light touch program
85 participants

Full program
157 participants

Those in the full program received more intensive tailored support

CONTEXTS

Target group context

Nationality, gender, age, level of education, status as income earner and number of financial dependents, primary and other sources of income, motivation to grow business, motivations for engaging in the intervention.

Business context

Industry sector, age of business, pre-intervention employees (number and type), urban or camp location, how business is financed, access to bank account, type of customers, seasonal fluctuations in revenue, number of suppliers, types of transportation used.

PROGRAM MECHANISMS

Inkomoko Loan

Consultancy

Participants' ratings of most useful business training components.

(Business Model Canvas, Boot Camp, Bookkeeping, Cash flow and inventory management, Doing Business in Rwanda, Taxation, Financing for Growth, Marketing).

Full program included all training components.

OUTCOMES

Proximal

Self-evaluations of business-related knowledge and skills.

Intermediate

Record keeping, adding new product or service, adopting new business practice, obtaining financial support, having a bank account, registering the business and paying taxes.

Distal

Self-reported change in employee number (including type of employee and type of contract, customers and revenue.

Kenya Cohort 1: CMO Model and Survey Data

Intervention Group
121 participants

Control Group
96 participants

CONTEXTS

Target group context

Nationality, gender, age, level of education, status as income earner and number of financial dependents, primary and other sources of income, motivation to grow business, motivations for engaging in the intervention, types of business skills they would like to improve.

Business context

Industry sector, age of business, pre-intervention employees (number and type), revenue and customer numbers, urban or camp location, how business is financed, access to bank account, type of main customers, seasonal fluctuations in revenue, number of suppliers, transportation used, access to IT equipment for business use, current challenges facing the business.

PROGRAM MECHANISMS

Inkomoko Loan

Consultancy

Business training: Bookkeeping, Cash flow and inventory management, Doing Business in Kenya, Taxation, Marketing, Operations, Business Planning, Getting Finance.

Community Network Open Days

OUTCOMES

Proximal

Changes to self-evaluations of business-related knowledge and skills.

Intermediate

Registered business with authorities and paying taxes, monthly record keeping, adding new products or services, adopting new business practices, obtaining financial support, purchase of new assets, business having a bank account.

Distal

Self-reported change in employee number (including type of employee and the nature of their 'contract'), customers, revenue, and livelihood.

Kenya Cohort 2: CMO Model and Survey Data

Intervention Group
145 participants

Control Group
116 participants

CONTEXTS

Target group context

Nationality, gender, age, level of education, status as income earner and number of financial dependents, primary and other sources of income, motivation to grow business, motivations for engaging in the intervention, types of business skills they would like to improve

Business context

Industry sector, age of business, pre-intervention employees, revenue and customer numbers, location, how business is financed, access to bank account, type of main customers, seasonal fluctuations, number of suppliers, transportation used, access to IT equipment, challenges facing the business, COVID-19 disruption

PROGRAM MECHANISMS

Consultancy

Business training (Business Model Canvas, Bookkeeping, Cash Flow and Inventory Management, Investment Readiness)

Inkomoko Loan

OUTCOMES

Proximal

Changes to self-evaluations of business-related knowledge and skills.

Intermediate

Record keeping, adding new service or new product, adopting new business practices, obtaining financial support or accessing new finance, having a bank account, opening of new branch / location, purchase of new assets.

Distal

Self-reported change in employee number (including type of employee and their 'contract'), customers, revenue and livelihood.

Methodology Continued

Survey data relied on self-reports from participants at two different points in time (beginning and end of program). This allows for some interesting insights into changes over time, but these cannot be taken in isolation. It can be challenging for participants to recollect everything that happens in a busy, complex setting and much can occur over time that surveys are not well placed to capture. Thus, the quantitative analysis of this type of survey data should be viewed alongside other sources of evidence.

Patterns observed in the surveys were discussed with the team at Inkomoko, who were able to explain puzzles and identify where there were real needs for further or more granular, contextualised explanation. For example, we noted that by the end of the intervention, some clients had fewer customers, which we raised with the team. However, there was a simple explanation for this (which was later borne out during field observations): these participants had likely changed their business model and moved from serving everyday customers to supplying wholesalers. There were, however, patterns that were unexplained or underspecified by the survey data. For example, we could see that interactions with an advisor had a big impact on the positive outcomes experienced by the participants, but what exactly the advisory team did was under specified.

Contextualising record keeping: Those involved in delivering the program in Kenya indicated that keeping records may at first appear a modest achievement. However, in this context it takes on great significance. It is a vital step for businesses to take if they wish to apply for a loan or finance.

We took these questions into a round of qualitative data collection (see table x), beginning with interviews with the team of Kenyan business advisors, working with participants in Kakuma camp, town and Kalobeyei settlement. The interviews were conducted (virtually because of COVID restrictions) with thirteen business advisors. We also hired and worked closely with a team of videographers who recorded interviews with thirty-eight program participants. As restrictions lifted, the lead researcher visited Kakuma camp, town and Kalobeyei settlement to accompany the advisory team, observe their work, visit clients in their businesses, and observe how businesses interacted with customers and each other in camp. The themes and learnings from the qualitative data collection are summarised in the themed findings sections later in the report. Overall, the qualitative data gave meaning to the measures in the survey data.

Questions about consultancy

From Kenya Cohort 1: Compared to those just receiving business training, those accessing consultancy reported bigger changes in self-evaluations of their skills in sales, operations management, and inventory management. We did not have detailed data from the survey about exactly what consultants did to enhance participants' assessments of their own skills.



Table 1: Qualitative data collection summary

Inkomoko's "Inkomoko" impact reports 2018 and 2019



6 recorded focus group meetings with Inkomoko key team (CEO, Regional Director, Local Managers and Advisors), plus regular informal contact with the team throughout the project.



34 pages of notes from ongoing interactions with Julienne (CEO) between 2019 and 2022



13 recorded and transcribed interviews with business advisor team based in Kakuma



38 video interviews with refugee/local entrepreneurs in Kakuma (av. 50 minutes)



53 pages of field notes and **293 minutes of voice notes** and around **200 photographs** collected during field visit to Kakuma camp, Kalobeyei settlement and Kakuma town in 2022, including interviews with loan dispersal team, monitoring and evaluation team and local camp governor.

We use the figure to describe the Context-Mechanism-Outcome connections we analysed in our final analysis. The outer box in the figure represents C in the model: the contexts in which programs take place. The middle box represents the M in the model, the mechanisms by which the program is delivered. In the model the distinct program elements overlap to represent the varying combinations in which they can be offered. In the centre of the model, are the program participants, with their own personal resources and demands which shape their businesses. These may differ greatly between participants at program entry.

Three types of outcome (O in the model) are used to evaluate the impact of the program. These reflect the immediacy (or lag) of outcomes and extent to which outcomes could be influenced by additional factors originating outside of the intervention mechanisms but within its contexts.

- Proximal outcomes were most likely to be immediately impacted by the intervention and least by factors outside it. Proximal outcomes emerged at an individual level (e.g. self-evaluations of business-related skills such as bookkeeping, investment readiness and cash flow and inventory management).

- Intermediate outcomes took more time to take effect than proximal outcomes and were more likely to be impacted by factors outside the program. Intermediate outcomes took place during the process of the program (e..g. accessing finance, transitioning to having a bank account, adopting new business practices, launching a new product or service etc.).

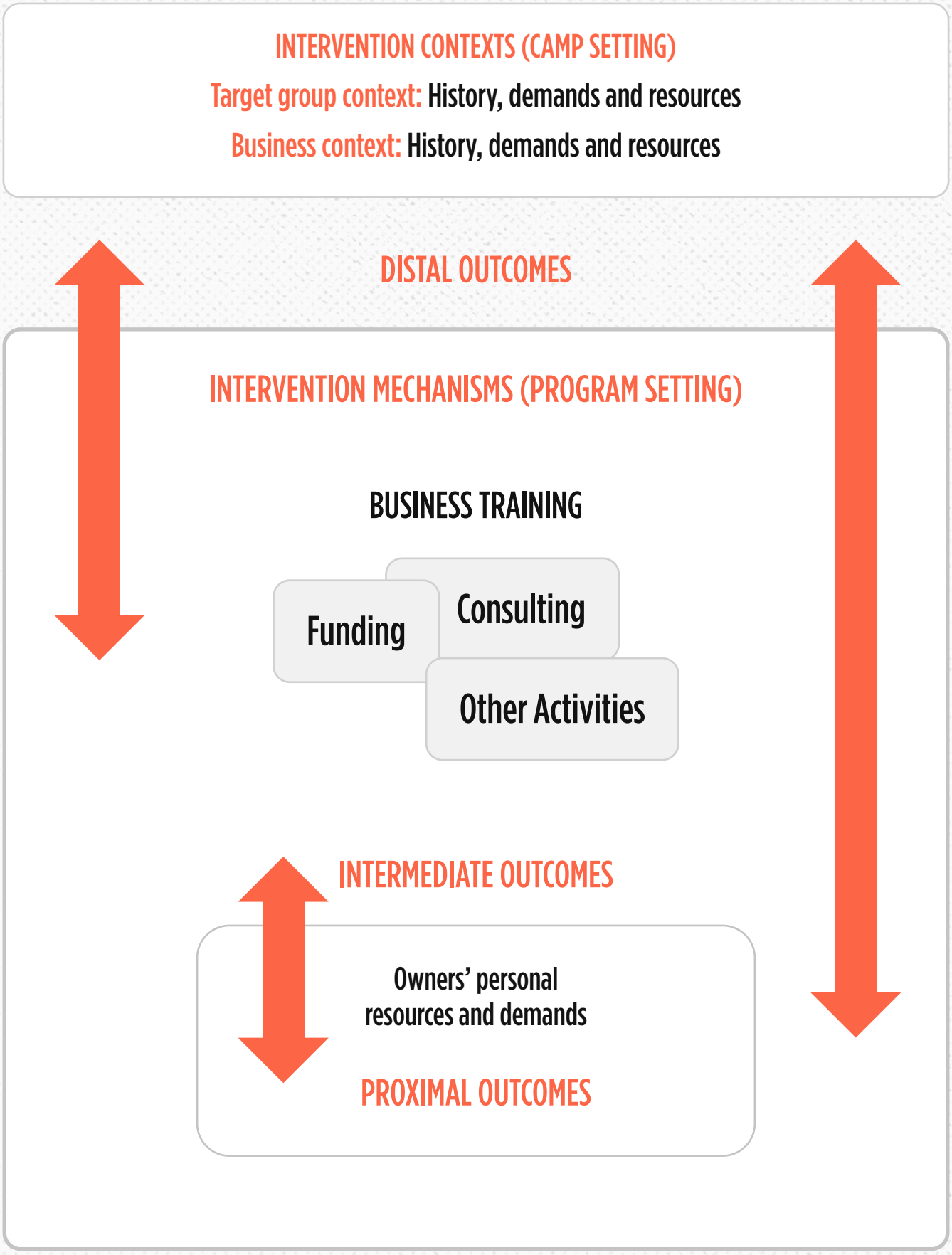
- Distal outcomes were likely to take the most time to be impacted by the program and most likely to also be influenced by factors outside the program. These include revenue, number of customers, number of employees and various measures of livelihood. Distal outcomes emerged in the context of the business and local settings.

The C-M-O framework enabled us to analyse, in steps and stages, pathways between the immediate and direct impacts of the program and the longer term or more indirect outcomes. While many programs focus on what we refer to as distal outcomes, there are good reasons to incorporate a wider range of more program-specific outcomes at earlier stages. For example, our qualitative data suggest that some business owners may be making good progress but feel reticent to report distal outcomes. They fear that visible signs of success carry with them perceived risks (threat of robbery or reduced chance of resettlement). For other participants, proximal and intermediate outcomes were most valuable to the business demands they had when they enrolled. For example bookkeeping was a valuable management tool that was immediately useful, that also helped unlock access to loans later down the line. The C-M-O framework we use examines the connections between these different types of outcome and clarifies the factors influencing each one.



Figure 1: Context-Mechanism-Outcome evaluative framework

During our final round of data analysis the surveys were revisited again, using the evaluative framework shown in figure 1 below



Conclusion

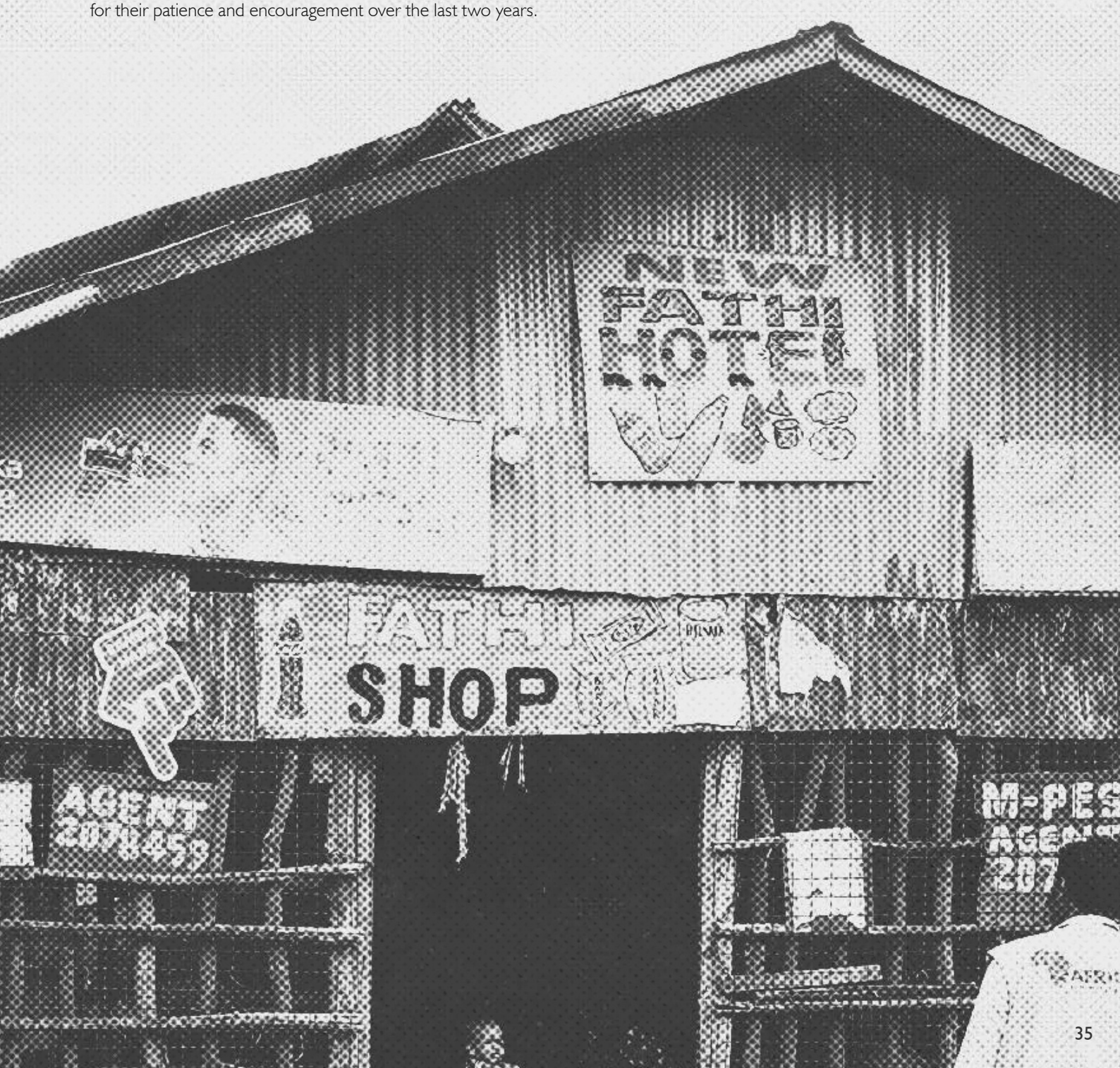
In conclusion, we offer some counterfactual provocations that highlight the value of nurturing businesses in camp settings. In the absence of Inkomoko's program, what would business in camp look like? We don't have to go too far into the realms of imagination or guesswork. Camp residents spoke of a time in recent memory before Inkomoko arrived. Businesses existed but many struggled day to day. Competition between business owners could be acrimonious and relationships with customers terse. Suppliers rarely came to camp, limiting choices for all residents. Employment opportunities were sparse. Those relying on stipends alone could not quite cover their basic needs. An atmosphere of uncertainty and mistrust overshadowed interactions, limiting progress and stifling social cohesion. Camp residents report that these dynamics are shifting. Many aspects of camp life are still extremely challenging, but for those with growing businesses there is a greater sense of hope and dignity.

The importance of valuing diverse businesses operating within the confines of camps has been a theme of this study. The entrepreneurial trajectories of refugees are many and varied. Perceptions of business 'success' are fluid and reflect the personal and household circumstances of locals and refugees. Taking the first steps towards bookkeeping is a highly consequential milestone for some entrepreneurs, whilst others see success as the pursuit of business growth. This diversity of pathways and the varied contributions to camp life that ensue deserve to be valued equally.

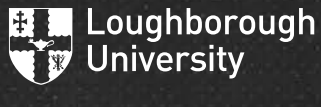
The hopeful trajectories of businesses on Inkomoko's program challenge common perceptions of what businesses in camps look like. These are not strictly necessity businesses that remain small, providing only for basic needs, nor are they strictly growth businesses that can accommodate the demands of high-growth focused investment. These are businesses that support an array of personal and local transitions that are steadily remaking life in and around camp. Fresh thinking and policy are needed to accommodate them. What will happen as many more of these businesses reach new growth milestones? What opportunities for further expansion and local development can they be offered? Can nurturing relationships between refugees and local communities unlock sustainable development for regions hosting camps? These questions are outside the scope of the present study, but at the forefront of developing sustainable approaches to hosting refugees.

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