



Sanchay Sathi

TRANSFORMING VSLA ENGAGEMENT THROUGH DIGITAL TOOLS



Introduction

The Sanchay Sathi mobile application represents a pivotal advancement in the digital empowerment of Village Savings and Loan Associations (VSLAs) in Bangladesh, especially within the challenging environments of the country's char (low-lying island) and haor (wetland) regions.

Sanchay Sathi plays a critical role in CARE Bangladesh's SHOUHARDO 3 projects which focuses on enabling financial inclusion and economic enhancements through digital tools. The app is specifically designed to meet the unique requirements of VSLA members in the char and haor where inadequate infrastructure and frequent damage caused by flooding hinders communication and development, and limits economic activities to traditional farming. Because the challenging climate, coupled with the remoteness of some of these areas, make it difficult for locals to meet their basic needs, literacy levels are typically low.

Sanchay Sathi

"SANCHAY SATHI," which means "friend who aids in saving" in Bangla, is a term used to describe both the VSLA village agents/trainers and the mobile application. Village agents play a crucial role in guiding and supporting community members in their savings efforts, acting as trusted advisors and facilitators. The application, also named Sanchay Sathi, embodies this supportive role by providing users with tools and resources to manage and grow their savings effectively. Together, the village agents and the app work hand-in-hand to empower individuals and enhance financial inclusion within the community.



Objectives

The Sanchay Sathi app aims to navigate obstacles to financial inclusion by providing an intuitive, user-friendly interface with robust offline functionality. This approach aligns with CARE's overarching Digital CARE Package initiative, emphasizing convenience, efficiency, and inclusivity in digital solutions.

CHALLENGES AND COMMITMENTS

Despite the app's potential, implementing digital solutions in char and haor is a complex undertaking due to geographical barriers and traditional economic structures. Nevertheless, CARE Bangladesh remains committed to sustainable integration of digital tools to make meaningful impact in even the most challenging environments. The app currently supports over 2000 VSLA groups, with the goal being to fully transition these groups from traditional ledger books to digital operations.

DEVELOPMENT AND SUPPORT

The development of the Sanchay Sathi mobile application was supported by USAID under the SHOUHARDO 3 project, with additional investment from CARE Bangladesh. Created by a local Bangladeshi firm, and shaped through collaboration, insights and learning from the VSLA groups, this digital tool aims to completely modernize VSLA operations.

A dedicated team, including a Chief Technology Officer, Project Manager, VSLA User Experience Designer, IT support, and field officers, worked to integrate the Sanchay Sathi app into VSLA activities. The team ensured that the app aligned strategically with VSLA needs, facilitated its smooth rollout, and integrated feedback from VSLA members to enhance the app's functionality.

The rollout involved providing smartphones equipped with strong security protocols to community-based VSLA agents, known as "Sanchay Sathi," who train their group members to use the app.

FEATURES AND FUNCTIONALITY

The Sanchay Sathi app serves as a digital record-keeping system, reducing reliance on paper documentation within VSLAs.

It enables groups to digitally store member information and meeting records, simplifying loan calculations, repayments, and share-outs.

The digital format of the app also offers enhanced security compared to manual record-keeping methods.

IMPLEMENTATION AND ADAPTATION

While the Sanchay Sathi app has been well received, several challenges have been encountered in the transition to fully digitized operations. Ensuring user proficiency and adapting the app to the unique needs of VSLA members have been significant hurdles. However, these challenges have not diminished the app's impact. The Sanchay Sathi initiative represents a significant advancement in VSLA programming through digital technology, streamlining financial operations and affecting the broader socio-cultural dynamics of the communities involved.

The app provides real-time data on VSLA activities such as savings, lending, and member information, accessible via a web-based application for managerial decisions.

The app currently supports

2,000+

VSLA Groups



Initial outcomes indicate a positive shift in behavior and increased adoption of mobile financial services by VSLAs, particularly among women and girls who have traditionally had less exposure to such technologies.

While comprehensive research data is yet to be collected, the program's facilitation of mobile financial services has significantly increased participants' exposure to these technologies.

Cyriel le Tourneur d'Ison / CARE

Key Challenges and Solutions

LANGUAGE AND LITERACY

Initially, the lack of a fully functional Bangla version of the app posed a significant obstacle for users with limited literacy. Many VSLA members in Bangladesh, particularly women, have low literacy levels, requiring that digital tools be accessible in their native language. The absence of a Bangla interface meant that users struggled to navigate the app, understand its features, and use it effectively for their financial activities.

Recognizing this barrier, CARE Bangladesh prioritized the development of a comprehensive Bangla version of the app. This involved translating all user interfaces, help guides, and instructional materials into Bangla. Additionally, the app was redesigned to include visual aids and icons that made it easier for users to understand and interact with the system, even with limited reading skills.

These improvements significantly enhanced the app's usability, demonstrating the importance of integrating local languages in digital tools. This approach not only facilitates user engagement but also ensures that the technology is inclusive and accessible to all members of the community, thereby maximizing its impact.



Mohammad Hasam Zobayer / CARE

RECORD KEEPING

Shifting to digital record-keeping, especially in less literate, hard-to-reach areas like char and haor, presented unique challenges. Traditional record-keeping methods involved maintaining detailed ledger books, which, while familiar to the members, were time-consuming, prone to errors, and lacked security. Transitioning to a digital system required several modifications to ensure the app was user-friendly and met the members' needs.

Thus, the Sanchay Sathi app was designed to mirror the traditional ledger books as closely as possible, making it easier for users to adopt the new system. This involved creating digital formats that resembled the layout and structure of the physical books, using familiar terms and processes. For example, the app included sections for recording savings, loans, repayments, and shareouts, just as members were accustomed to with their paper records.

Additionally, the app incorporated features such as automated calculations and error checks, which reduced the risk of mistakes and saved time during meetings. The enhanced security of digital records also addressed concerns about the safety of sensitive financial information, providing an added layer of protection that was not possible with manual methods. These adaptations were critical in ensuring that the app was not only effective but also intuitive and aligned with the existing practices of VSLA members.



Josh Estery / CARE

INTERNET CONNECTIVITY

This remains a significant challenge in remote areas where most VSLA members reside.

These regions often have limited or no access to reliable internet, which can hinder the adoption of digital tools that require constant online connectivity. To address this, the Sanchay Sathi app was developed with robust offline capabilities.

Users can perform all essential functions, such as recording transactions, updating member information, and managing loans, without an internet connection. The app only requires internet access for periodic data synchronization, ensuring that users can operate independently of network availability.

Even after localizing the app to Bangla, further adaptations were necessary to ensure ease of use by the members. This involved multiple revisions based on user feedback, simplifying the interface, and adding features that mimicked traditional practices. These efforts were crucial in making the app relatable and accessible, even in the absence of reliable internet connectivity.



Cyril le Tourneur d'Ison / CARE

Special app features

Automated group management for forming groups, conducting meetings, and tracking transactions.

Streamlined accountability and internal control.

Multi-lingual support with user manual and video tutorials.

Facilitates linkages between community groups and the private sector.

Accurate, secure, and time-sensitive data management with server backup.



Available on Google Play Store with a dashboard for transaction visualization.

BUILDING TRUST AND ENSURING RETENTION

The transition to digital platforms required a gradual approach to avoid overwhelming the members, and to foster a sense of confidence and ownership.

The project adopted a phased implementation strategy, initially introducing the app alongside traditional paper methods. This allowed members to become familiar with the digital tool while still relying on their established practices.

During this phase, the Sanchay Sathi trainers provided hands-on support, helping users navigate the app and addressing any concerns or difficulties they encountered.

Gradually, as members grew more comfortable and proficient in using the app, the reliance on traditional methods reduced. The phased approach ensured that the transition was smooth and non-disruptive, building trust in the technology and its benefits. Continuous engagement and feedback loops were maintained, allowing the project team to make necessary adjustments and improvements based on user experiences.

Patience and step by step implementation were key to this process, emphasizing the importance of empowering members rather than imposing a new system abruptly. This strategy underscored the value of building digital literacy and confidence over time, ensuring that members felt supported and capable of managing their financial activities digitally.



Parvez Ahmad / CARE

By respecting the pace and comfort level of the users, the project fostered a sustainable transition to digital platforms, enhancing the overall effectiveness and acceptance of the Sanchay Sathi app.



Tasneem Chowdhury / CARE

Key Pillars of VSLA Digitization



ACCESS TO TECHNOLOGY

Sanchay Sathi elevates the technological capacity of VSLA members by placing advanced tools within easy reach. While many members previously had feature phones, the strategic provision of smartphones has allowed them to become adept in using more sophisticated mobile technology. The app simplifies complex financial processes through automation, aiding those with limited literacy. Its user-friendly interface is further augmented by visual aids, ensuring that even members who cannot read fluently can navigate and use the app effectively, enhancing their familiarity with digital technology.



RELEVANT TOOLS

The app is tailored to the financial rhythms of VSLA members, equipped with features that directly support their day-to-day monetary management. With options for both the local language and English, the tool accommodates users regardless of their primary language, facilitating smoother adoption. Additionally, integration with mobile financial services provides members with access to real-time transactional data, bridging the gap between traditional savings methods and contemporary digital finance solutions.



DIGITAL SKILLS AND CONFIDENCE

Sanchay Sathi stands as a pillar for promoting digital know-how. The application has been instrumental in building user confidence by providing an intuitive platform coupled with rich educational content. It has been particularly effective due to its visual aids, which support the learning journey of members with lower literacy, enabling them to progressively improve their digital competencies and embrace digital interfaces with greater assurance.



OWNERSHIP AND USAGE OF TECHNOLOGY

The Sanchay Sathi app is designed with deep understanding of and respect for existing social norms, particularly regarding technology adoption. This approach is especially significant for women in the community, who historically have had limited access to technology. Key features of the app, such as SMS verification, play a crucial role in protecting user data and building community trust. These security measures have been essential in gaining wider acceptance for the use of digital tools within the community, leading to a stronger sense of ownership and engagement among VSLA members as they integrate the technology into their routine financial activities.



Conclusion

The Sanchay Sathi application stands as an indication of the potential transformative power that digital tools can play in community finance. Its successful integration into the VSLA framework in Bangladesh provides a blueprint for innovation, inclusion, and adaptation.

Key lessons learned include: the importance of local language integration, the necessity of accessible and relevant digital tools, and the gradual approach to technology adoption that respects cultural norms.

All of the above are valuable insights for other country offices embarking on digital programming include the need to: understand the local context deeply, prioritize user-friendly design, and foster partnerships that enhance connectivity. As digital platforms become increasingly central to VSLA operations, the experiences from Sanchay Sathi offer a guiding light on the path to a more inclusive and digitally empowered future.

Report written by Eric Kaduru