



FIELD NOTE

“PERFORMANCE-BASED INCENTIVE MODEL FOR SANITATION PROMOTERS ACROSS USHA’S CENTRAL EAST & CENTRAL WEST REGIONS”

Authors: Stephen Anecho, Pavithra Renganarayanan, Rahul Singh, and Jonathan Annis
*Contributors: USHA Grantees, Water Mission, CCAYEF, UMURDA, Water Compass, Villa Maria,
Busoga Trust and JOYI Uganda*

*Tetra Tech Contacts:
Jonathan Annis, Chief of Party
Jonathan.Annis@uganda-sanitation.org
USAID Uganda Sanitation for Health Activity (USHA)
Plot 12A, Bugolobi, Kampala, Uganda*

*Tetra Tech
159 Bank Street, Suite 300, Burlington, VT 05401
Tel: 802-495-0282, Fax: 802 658-4247
www.tetrattech.com/intdev*

1.0 BACKGROUND

1.1 Objectives of the note

Through this field note, we aim to share the ongoing modifications in the incentive structures for sanitation promoters (SP), as a part of the MBSIA model implemented by USHA. This field note captures the journey of USHA grantees in transitioning from a fixed-stipend model for incentivizing the sanitation promoters, to a performance-based model. The note also provides an overview of the different types of performance-based incentive models that the grantees have piloted, along with anecdotal accounts on the benefits of, and challenges with the new models. But first, let us share an overview of the MBSIA model implemented by USHA.

1.2 MBSIA model overview

The Market Based Sanitation Implementation approach (MBSIA) is a facilitated approach of community collective action that encourages household investment in basic sanitation¹ products (i.e., toilets) delivered through a network model characterized by sales agents (sanitation promoters) linked with well-trained and capable masons (Refer figure 1 for more details).

¹ A basic sanitation facility is one designed to hygienically separate excreta from human contact, and which is used by a single household

About USHA

USHA is a five-year contract, February 2018 - January 2023, implemented by Tetra Tech in consortium with partners SNV, Sanitation Solutions Group, FSG, and BRAC.

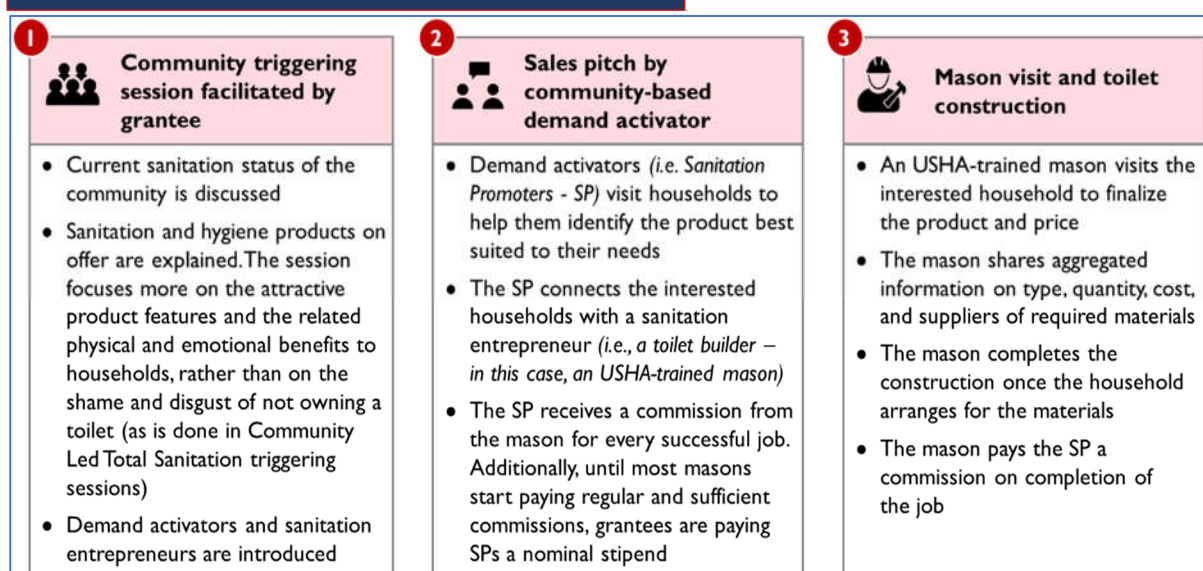
The Activity works in 21 districts within three regions, implementing a series of contemporary and integrated WASH interventions at the district, community and household levels that lead to increased access to sustainable water and sanitation products and services.

Specifically, USHA aims to achieve three reinforcing outputs:

1. Increased household access to sanitation and water services.
2. Key hygiene behaviours at home, school, and health facilities adopted and expanded; and
3. Strengthened district water and sanitation

USHA partnered with seven community-based organizations in Uganda (hereafter referred to as *grantees*²), to manage the day-to-day implementation of the MBSIA model. Typically, a household is meant to engage with the model across three touchpoints, as described in Figure 1.³

Figure 1: Overview of USHA's MBS model, across key customer touchpoints



The roll-out of the MBSIA model has taken place village-by-village, starting with triggering sessions from mid-2019 (i.e., June 2019 to July/August 2020 – phase I and from July/August 2020 to October 2021 – phase II). Phase-I was the pilot phase from June 2019 to July 2020 and involved working in 13 sub-counties across CE and CW, and phase-II was the scale-up phase from August 2020 to October 2021 when USHA expanded to more sub-counties i.e., 27 sub-counties (i.e., 10 in CW and 17 in CE). Over the two-phase period, lots of learning has taken place leading to adaptations to ensure that the model is attuned to the granularity of the community aspects, including changes in the incentive mechanisms used by grantees to remunerate the SPs.

² USHA grantees include Water Mission, CCAYEF, UMURDA, Water Compass, Villa Maria, Busoga Trust and JOYI Uganda

³ Refer to the blog, [Developing a Market-Based Approach to Sanitation in Uganda](https://www.fsg.org/blog/developing-a-market-based-approach-to-sanitation-in-uganda), at FSG.org for more details on the MBS model.

1.3 SP's roles, and where they fit into the MBSIA model

Working closely with district and sub-county governments, USHA, through the MBSIA, seeks to establish new and strengthen existing collaborative and dynamic partnerships with local actors to market and sell a limited range of new and upgraded toilet options through a network delivery model. The four optimized USHA promoted basic sanitation products across the CE and CW include the base product (i.e., only the toilet interface), upgrade product (i.e., upgrade of the existing un-washable interface to washable), new single stance toilet, and the new double stance toilet.

Sanitation promoters are demand activators that are involved in community triggering sessions and are engaged in door-to-door sales and marketing of improved latrine products and encouragement of positive sanitation behaviors. They encourage households to adopt improved sanitation products and positive behavior changes and link interested households to trained masons. In terms of the SP profile, the majority double as Village Health Teams (VHTs) and these comprise a mix of youth and older people from within their communities. VHTs work closely with local leaders to improve the sanitation and health conditions of their grassroots communities. They are often engaged in selling a range of health products including medicines, mosquito nets, mama kits for baby deliveries, etc. They are purposed to ensure efficient mobilization of communities for better health services, hence bridging the gap between communities and health facilities. They are involved in health promotional campaigns such as mass immunization and vaccination campaigns. The other non-VHTs are persons with persuasion and marketing skills; USHA grantees identify them with the help of the local leaders or sanitation champions in the communities. Once recruited, SPs are expected to play the main role of conducting door-to-door sales and marketing for uptake of basic latrine facilities, elimination of open defecation (OD) among the target communities, and dissemination of positive sanitation behaviors among the communities where they work.

The main roles for Sanitation Promoters (SPs) are to:

- i. Create demand for basic sanitation products and services through participating in triggering events.
- ii. Conduct door-to-door selling of improved latrine products and subsequent follows with targeted households.
- iii. Refer households to trained local masons through physical visits together with the mason or sharing contact details.
- iv. Assist the masons in aggregating demand from a cluster of households that are close to each other to minimize the mason's transportation time and costs.
- v. Report to the Grantee staff (i.e., MBSIA officer and Sales Catalysts) on any issues/ challenges related to demand creation and supply of product offerings.
- vi. Promote positive WASH behavior in all households in targeted villages.
- vii. Attend all the progress meetings organized by the grantee.

2.0 CONTEXT FOR PERFORMANCE-BASED INCENTIVE MODEL FOR SPS

2.1 Why grantees moved from a fixed-stipend model to a performance-based incentive model."

At the onset of MBSIA phase I, USHA had envisaged a uniform fixed stipend payment to sanitation promoters, paid through the grantees. The fixed stipend was intended for covering their overhead costs, specifically transport, airtime and meals while conducting the door-to-door marketing drives for improved latrines. The SP sales model had been designed on the premise that the USHA-trained masons were to pay commissions to SPs for successful jobs completed. However, given that in the initial phases of the MBSIA model, toilet jobs were few, little or no commission payments from masons to SPs were made. As a result, the insufficient or irregular sharing of commissions between the USHA-trained masons and SPs meant that SPs were solely dependent on the fixed stipend that was being paid.

The fixed and uniform stipend that was being paid by USHA grantees irrespective of what targets/conversions an SP had made led to some SPs not being motivated to sell more. Sanitation promoters started complaining about among others:

- i. Inequity resulting from a uniform flat rate across the board irrespective of results. As such there was limited incentive for inactive SPs to improve, as stipend was not linked to results.
- ii. Inactiveness of many of the SPs as they were assured of their pay at the end of the month irrespective of the results attained. Since the mason commissions that were intended to incentivize SPs were not coming as expected, SPs who were satisfied with the monthly stipend largely remained inactive.
- iii. The fixed stipend across the board was a disincentive for active SPs to maintain/ improve performance levels

On the grantee's side, the inactiveness of SPs ultimately resulted into:

- i. Difficulty in meeting grant targets, due to presence of inactive SPs.
- ii. Due to the less effort put in by SPs, some grantees had to rely on intensive follow-ups by their staff (i.e., MBSIA officers, Sales Catalysts, etc.) to obtain some results from the communities which frustrated the network delivery model.
- iii. Unproductive use of funds, as inactive SPs are paid despite no/ low results
- iv. Low sustainability, as project funds were the main source of income for inactive SPs.

Given the above, the USHA-supported grantees started to innovate around moving to a performance-based approach to payments of their SPs in a desire to have them hit the grant targets. Among the innovations and modifications that USHA grantees came up with related to:

- i. Using the amount allocated for stipends to incentivize good performance, thereby moving towards a more sustainable, market-driven model. This was made possible through:
 - a. Reducing the stipend amount and paying it only to SPs who have completed a certain minimum number of household visits in the month.
 - b. Paying an incentive, based on the number and type of toilet sales made by the SP.
- ii. Classifying the SPs as 'active' or 'inactive' based on a specified number of monthly visits and the sales they are expected to make in a defined time frame so that inactive SPs can be replaced with new SPs.

Inspiration for adopting the changes was aimed to instill a more action-oriented/ positive attitude among SPs to sell more and reduce dormancy, create value for money (efficiency) paid to the SPs, increase innovativeness among SPs, and foster equity. The modifications were therefore to make SPs more accountable, reduce pressure for results on grantee staff and foster learning through SP innovations. Additionally, some grantees entered well-defined grantee-SP contracts with clearly stated performance-based plans so that SPs are aware of the payment terms before beginning their engagement.

In the next section, we share the granular aspects of the new SP performance-based incentive model adopted by each of the seven grantees across USHA's CE and CW regions.

3.0 SUMMARY OF DIFFERENT PERFORMANCE-BASED INCENTIVE MODELS

3.1 The three model archetypes implemented by grantees

During phase: I, the SP incentive model was the same for all grantees, wherein a monthly fixed stipend of UGX 50,000 was paid to the SPs. Moving into phase II of implementation, all the seven grantees implemented a performance-based incentive model for SPs. Three broad types/ strands of incentive models were varyingly adopted by the seven grantees in phase-II namely:

- i. Fixed stipend + variable incentive on sales
- ii. Only Variable incentive on sales, with no fixed stipend
- iii. Milestone-linked incentive model

The adopted models are closer to a pure market-based model as a greater share of SP payments is based on actual sales. These are further summarised in the table below.

Sno.	Model type	Brief description	Grantee name
1	Fixed stipend + variable incentive	<ul style="list-style-type: none"> Under this incentive model, the SP is paid a fixed stipend along with a variable incentive linked to performance. The partly fixed component is used to, among others, facilitate transport and communication costs and is linked to a minimum number of monthly visits to households an SP makes. The variable incentive component of this model is linked to the number and type of toilet sales made during the month. 	CCAYEF, Villa Maria (VM), UMURDA, Water Mission (WM)
2	Only variable incentive	<ul style="list-style-type: none"> There is no fixed payment made to the SPs under the model and all the payment is linked to the sales they make. Payments are based on the number and type of sales made by the SP. For example, the grantee 'Busoga Trust' set targets of 10 washable floors and 30 handwashing facilities per month for (one) SP to qualify for a sum of UGX 30,000. 	Busoga Trust (BT), Water Campus (WC)
3	Milestone-based	<ul style="list-style-type: none"> Under this type of incentive model, a lumpsum payment is made to the SP whenever he/ she reaches certain milestones targets that are defined by the grantee. 	JOY initiatives (JOYI)

3.2 Key differences/ nuances in the way each grantee has implemented the specific type of incentive model

Within each of the three model archetypes described above, the actual incentive mechanisms and rewards adopted differ from one grantee to another. Below is a summary of the key differences:

A. Fixed stipend + variable incentive

- Three grantees (VM, CAYEFF, WM) have linked the fixed payment to a minimum target on HH visits while one grantee (UMURDA) pays a fixed amount on a per-visit basis (e.g., VM pays UGX 50,000 per month to SPs who visit at least 120 HHs while UMURDA pays UGX 2,000 for every HH visit made by the SP).
- Three grantees (CAYEFF, WM, UMURDA) have defined different incentive amounts for different product types while one grantee (VM) paid the same incentive amount for all product types (e.g., VM pays UGX 2,500 per sale for both new constructions and upgrades whereas CAYEFF pays UGX 3,000 for a new basic sanitation facility construction and UGX 1,500 for an upgrade).

B. Only variable incentive

- One grantee (BT) had set a minimum target for SPs to qualify for the monthly payment and also had non-monetary incentives in place while the other grantee (WC) didn't set a minimum target but paid based on how many ever sales were made (e.g., BT paid UGX 30,000 to SPs who sold 10 washable floor toilets and 30 handwashing facilities in the month while WC paid UGX 4,000 for every basic sanitation facility sale made by the SP)

C. Milestone-based

- This model was implemented only by one grantee (JOYI). JOYI gives each SP an allowance of UGX 300,000 per village in total, and this allowance is split into three payments of UGX 100,000 each. Each of the UGX 100,000 payments are made when the SP meets certain milestones; the milestones include the number of HH visits completed, number of constructions/ upgrades in progress, and number of constructions/ upgrades completed

3.3 Why grantees chose the specific type of model?

The table below summarizes the key aspects considered by grantees while opting for the specific model archetype.

Type of incentive model	Pros of the model	Cons of the model
Fixed stipend + variable incentive	<ul style="list-style-type: none"> As not all of SP's effort would result in a successful sale, the fixed component is intended to compensate SPs for their travel costs thereby encouraging them to make sales visits 	<ul style="list-style-type: none"> Fixed component of the payment could result in dormancy/ laziness amongst some SPs resulting in lower/ no sales from them
Only variable incentive	<ul style="list-style-type: none"> Effective use of grant funds, as every payment is tied to the results produced by SPs 	<ul style="list-style-type: none"> In communities where it is relatively more difficult to convince HHs, the average number of sales per SP is low despite their best efforts – this results in lower monthly payments for the SP which could be a disincentive for them
Milestone-linked	<ul style="list-style-type: none"> SPs get the full amount of money after hitting specific and clearly defined targets instead of payments in bits. 	<ul style="list-style-type: none"> In the first two months of implementation, most sanitation promoters may not fully understand the model of payment, for example at onset some were unhappy not getting monthly payment due to not hitting the milestone targets.

Across the seven (7) grantees there were different inspirations for choosing the model they are currently working with. For example.

- a) Water Mission mentioned that they opted for a fixed stipend (instead of only-variable) because they felt it would be unfair to tie all payments to results, and not all efforts would result in results- hence they decided to have a fixed component
- b) Water Campus mentioned that they felt any form of fixed payment brings in a sense of laziness/ dormancy with the SPs and hence they decided to tie the entire payment to results
- c) JOYI opted for a Milestone-based incentive model so to ensure effective use of funds and to weed out non-performers, they decided not to have any fixed component. However, they also mentioned that they are considering introducing a fixed component in the future because they felt the current model is unfair in some scenarios (e.g., cases where despite SPs best efforts, some communities/ HHs are hard to convince)
- d) UMURDA opted for the Fixed stipend + variable incentive mainly because they wanted to motivate the committed and hardworking sanitation promoters so that they can feel appreciated for their efforts. Another reason was that results were not coming out as expected and they thought this would add momentum to the performance of the sanitation promoters.
- e) CCAYEF as well opted for the Fixed stipend + variable incentive to ensure that hardworking SPs receive more money than their counterparts (non-hard working) to motivate them to work harder.

4.0 BENEFITS OF THE PERFORMANCE-BASED INCENTIVE MODEL

Some of the perceived benefits of the new model from SP's and grantee's points of view have been documented as below:

- i. SPs are more motivated to focus on results; Implementation of the performance-based model has helped in motivating SPs that are particularly active and helped grantees to eliminate those that are not active early enough, ultimately providing an indication of payment that is related to performance.
- ii. SPs who are working hard and receiving adequate stipends are satisfied with the model, and it still aids them in determining the amount of time and energy they must devote to the project, as well as ensuring that they know what they are working for. Those who have completed fewer sales but have toilet constructions/ upgrades which are under progress, always expect to receive something in the future
- iii. The incentive payment method encourages SPs to work since it uses a precise incentive system that tracks each of their efforts for example under Water Mission's sales-based system. It guarantees that starting from the baseline date, every toilet that is built or upgraded within their area of operation will be paid for as long as it is recorded on USHA's monitoring system. This allows SPs to understand why they work and keeps them motivated to work because they know that if they don't get something in the current month, they will get something the next month.
- iv. Grantees find it easier to manage and follow-up with SPs using a performance-based system of SP payments.
- v. As grantees the incentive-based mechanisms have helped them plan better and know how much money they'll need to pay for such improvements and how to align to meet the overall project goals.

5.0 CHALLENGES/ SHORTCOMINGS OF THE PERFORMANCE-BASED INCENTIVE MODEL

The key challenges/ shortcomings as shared by the grantees about the performance-based incentive models include:

- i. The model doesn't consider community-level differences (e.g., SPs in some communities need to put in a lot more effort for the same results compared to SPs in other communities)
- ii. The model doesn't work for all SPs as some of them are only interested in receiving a regular salary and not keen on putting in additional effort to earn incentives
- iii. There are no solutions in the model for villages with little sales potential. For example, if a village has ten possible sales, the SP will be laid off after those few are met.
- iv. Because the strategy does not support other hygiene and sanitation promotion and sensitization efforts, SPs often wind up focusing just on latrine sales and ignoring behavioral change messaging. Behaviour change is a process that is gradual a 15-month project/ contract period may be too short for the late adapters in communities to improve.
- v. Performance-based incentives cannot solve issues related to the selection of SPs, e.g., grantees have reported that VHTs that double as SPs are often quite stretched with multiple workloads beyond the project. They've also reported that female SPs perform better than male SPs. These differences in performance are related to the profile of the SPs and need to be considered when selecting SPs.
- vi. Some grantees faced a challenge because SPs took too long to understand the model and some of them complained that they were not receiving the entire amount.

- vii. It's a tedious process checking SPs trackers. In addition, making corrections, and giving support to each SP is time-consuming especially with the different educational levels of the SPs.

Some of these challenges can be addressed in the following ways.:

- i. The contract needs to be introduced before the training of SPs to avoid wastage of time on those that would not agree to it. This is because some of the terms such as costs appear not friendly to SPs. Due to budgetary limitations, some of the terms like the incentive amount per sale (especially for upgrades) might be unattractive for some SPs.
- ii. The terms of the contract need to be clearly explained to the SPs before they sign it to avoid any miscommunications and misunderstandings. Explaining it at training before they sign proved to be timely.

6.0 CONCLUSION

The performance-based incentive model has been piloted across grantees for varying durations. For example, CCAYEF - 11 months since November 2020 to date, WMU – from September 2020 to September 2021. Overall, the following conclusion can be drawn from the early learnings by grantees while implementing the performance-based SP incentive models namely.

- Anecdotal reports from the grantees suggest that the performance-based incentives could lead to increased sales through SPs due to the setting of targets tagged to amounts paid. However, grantees still face key challenges in implementing this model, such as community-level differences, the model doesn't work for all SPs as some of them are only interested in receiving a regular salary and not keen on putting in additional effort to earn incentives, there are no solutions in the model for villages with little sales potential, the SP performance-based strategy does not support other hygiene and sanitation promotion and sensitization efforts, SPs often wind up focusing just on latrine sales and ignoring behavioral change messaging, etc.
- Based on early impressions and anecdotal feedback from the grantees, female SPs seem to perform better than male counterparts, because they are most of the time available and they give ample time to the sanitation work. The men seem to be busy with other responsibilities giving the SP work limited time.
- The SPs that were non VHTs before recruitment, perform better than those that were originally VHTs in some of the grantee areas for example under CCAYEF. The main reason is that SPs that doubled as VHTs are involved in many other health activities/campaigns or projects and often pay less attention to market sanitation products. However, some grantees also reported that some SPs that doubled as VHTs found it easier for them to do sanitation promotion work as they felt it is part of what they are meant to do.
- Results from SPs are tracked monthly, and they are entered and uploaded to ONA by the grantee M&E officer, this ultimately supports SPs to do targeted household visits and improves the supervision by the grantee project officer. By leveraging these monitoring tools, USHA intends to analyze the impact of the new incentive model on SP's performance after a meaningful implementation period (i.e., approx. one year). Any learnings from the same will be shared as a follow-up note at a later stage.
- Conclusively, there is potential for replicability of a performance-based model for other WASH implementers, and in local government-led setups. Leveraging on the learnings from the government VHT health extension framework, learnings from this performance-based model can help the government to better structure the deployment of resources available for paying VHTs. Later at end of phase III, the project will track the results and share them. If the performance-based model proves to be effective, there is potential for replicability by other WASH sector players.