

# **THE PRACTITIONERS' GUIDE TO HEA**

## **Chapter 3: Baseline Assessment**



## 3

**BASELINE ASSESSMENT**

<b>INTRODUCTION .....</b>	<b>1</b>
Where you'll be gathering your information.....	2
What resources are required?.....	4
<b>BACKGROUND ON RURAL AGRICULTURAL ECONOMIES .....</b>	<b>7</b>
The basic building blocks .....	7
An example of rural household livelihood patterns .....	8
Some principles about rural household economies .....	9
Seasonality.....	10
<b>HOW TO GATHER BASELINE INFORMATION.....</b>	<b>12</b>
Activity 1. Compile and Analyse Secondary Data.....	13
Activity 2. Visit District Level and Carry out Key Informant Interviews.....	15
When you arrive at district level .....	15
Who you should talk to.....	15
Information to collect.....	16
How you should carry out the interviews.....	17
Before you leave this level .....	17
Activity 3. Visit Market and Conduct Trader Interviews .....	18
Background.....	18
When you arrive at the market.....	21
Who you should talk to.....	22
Information to collect.....	22
Before leaving this level .....	26
Activity 4. Visit Community and Interview Community Representatives.....	27
When you arrive in the community.....	27
What you need to know before the interview .....	28
Information to collect.....	29
How to conduct the wealth breakdown interview .....	31
Before leaving this level .....	34
Activity 5. Conduct Interviews with Household Representatives .....	35
When you get to the interview.....	35
Information to collect.....	36
How to conduct the interview .....	39
Details on cross-checking .....	41
Before leaving this level .....	43
<b>HOW TO ANALYSE AND STORE FIELD INFORMATION.....</b>	<b>44</b>
Activity 1. Analyse Field Information.....	44
Preliminary, interim and final analysis.....	44
Summarising results.....	46
Cross checking.....	47
Activity 2. Fill in the Baseline Storage Sheet .....	49
<b>FREQUENTLY ASKED QUESTIONS .....</b>	<b>51</b>

This chapter provides reading material to be used in conjunction with a training course on baseline assessments or as a refresher course for a previously trained practitioner. It is not a teach-yourself-guide to carrying out HEA baseline assessments. In practical field assessment work, the best way to guarantee an acceptable degree of accuracy in terms of information collection is to have good interview techniques and mechanisms for cross-checking. How questions are asked and how answers are cross-checked during and after the interview are critical. These techniques are most effectively transferred through a training exercise and through practice rather than through written guidelines. The training programme linked to this chapter should clarify how to use the interview formats and focus on appropriate field techniques to improve the accuracy of information obtained.

After reading this chapter, practitioners should be able to list and describe the five core activities involved in gathering baseline information, and the two main activities associated with analysing and storing field information. They should be familiar with and able to explain a number of key terms and concepts, including: key informants; rapid rural appraisal; semi-structured interviews; district interviews; community interviews; household representative interviews; seasonality and seasonal calendars; wealth groups and wealth breakdowns; reference years; categories of food, income and expenditure; kilocalorie calculations; cross-checking (internal and external); preliminary, interim, final analysis; and the Baseline Storage Sheet.

*The text for this chapter is based on a combination of sources, including: text taken from the F.E.G. Guide to Rapid Food Security Assessment (originally written by Mark Lawrence, Julius Holt and Alexandra King) and the SC UK Facilitators' Resource Pack for Ethiopia. Mark Lawrence provided the text for the sections on *Analysing and Storing Baseline Information*. Julius Holt wrote the section on *rural agricultural economies*. Lesley Adams contributed to the section on *Market Assessment* as did Michael O'Donnell and Tanya Boudreau. Tanya Boudreau wrote the *Introduction* and provided supplemental text and graphics specific to this guide.*

**List of Boxes**

Box 1. Important principles of Rapid Rural Appraisal to keep in mind .....	16
Box 2. Semi-structured interview tips.....	17
Box 3. Linking price projections to outcome analysis and response plans .....	21
Box 4. Recording common standards:.....	23
Box 6. Tips for introducing your team in the village .....	27
Box 7. What is a 'Reference Year'? .....	29
Box 8. Seasonal Calendar from Western Rumphu and Mzimba, Malawi .....	30
Box 9. Wealth breakdown results from Western Rumphu and Mzimba, Malawi.....	31
Box 11. Household representative interview tips .....	35
Box 10. Categories of food, income and expenditure .....	37
Box 13. Categories of expenditure.....	39
Box 10. Calculating kilocalories .....	42
Box 14: When and why calculations are done .....	45
Box 15: Data storage and quality control in the field.....	49

**List of Figures**

Figure 1. Where the interviews take place.....	2
Figure 2. Relationship between field work activities and HEA framework steps.....	3
Figure 3. Gwembe Valley Livelihood Zone, Zambia .....	8
Figure 4. Seasonal calendar for the Gwembe Valley Livelihood Zone .....	10

**List of Tables**

Table 1. Human and time resources required for Baseline Assessments .....	5
Table 2. Core information requirements for an HEA Baseline .....	12
Table 3. Secondary information requirements .....	13
Table 4. Core market-related information requirements in HEA .....	18
Table 5. Tools for market information collection .....	22
Table 6. Example of wealth criteria .....	32
Table 7: Suggested procedure for deriving mid-points and ranges from a limited amount of data .....	46
Table 8: Suggested ranges and mid-points for use in Household Economy Analysis ....	47
Table 9. Internal consistency cross checks .....	48

### **RELATED CD FILES**

The CD that accompanies the **Practitioners' Guide** contains the following files relevant to **Chapter 3**, found in the **Chapter 3** Directory:

- **Annex A: Main Interview Formats**
  - Interview Form 1: District Level
  - Interview Form 2: Market and Trader
  - Interview Form 3: Community Leader
  - Interview Form 4: Household Representatives
  
- **Annex B: Specialised Market Forms**
  - Form 2A: In-depth Trader Interview for the Baseline
  - Form 2B: Market Prices
  - Form 2C: Post-disaster Assessment to Guide Response
  - Form 2D: Labour Market
  - Form 2E: Trader Interview – Hazard Assessment
  - Form 2F: Inputting and Graphing Raw Time Series Market Data
  - Form 2G: Monitoring Prices Against Projections
  
- **Annex C: Supplemental Market Guidance**
  - Guide 1: Market Chain Analysis
  - Guide 2: Interpreting Time Series Data
  - Guide 3: Trader Interview Preparation
  - Guide 4: Price Data Collection Preparation
  - Guide 5: Market Structure Diagrams
  - Guide 6: Mapping Markets and Commodity Flow
  - Guide 7: Market Integration
  - Guide 8: WFP (and MSU) Guides to Selecting an Appropriate Response
  - Guide 9: Oxfam Decision Map for Response Planning

### **RELATED TRAINING SESSIONS**

The **HEA Training Guide** provides the following sessions relevant to **Chapter 3** in the **Practitioners' Guide**:

#### **MODULE 2: BASELINE ASSESSMENT**

- *Session 1: Introduction to the Field Process*
- *Session 2: Ensuring High Quality Field Information*
- *Session 3: The Livelihoods Field Handbook*
- *Session 4: Livelihood Zoning*
- *Session 5: Market Assessment*
- *Session 6: The Reference Year*
- *Session 7: Seasonal Calendars*
- *Session 8: Wealth Breakdowns*
- *Session 9: Baseline Livelihood Strategies*
- *Session 10: Introduction to Kilocalorie Calculations*
- *Session 11: Meru Lowland Exercise*
- *Session 12: Coping Strategies*
- *Session 13: Household Representative Interviews*
- *Session 14: Review of Field Forms*
- *Session 15: Field Testing and Interview Practice*
- *Session 16: Storing Baseline Information*
- *Session 17: Analysing Baseline Information*
- *Session 18: Understanding Agricultural Economies*
- *Session 19: Non-food Needs Baseline Information*
- *Session 20: Incorporating Secondary Information*



## INTRODUCTION

A Household Economy Baseline is a defined set of basic data on food, income and expenditure for each of (usually) four main wealth groups within a livelihood zone. The wealth groups are typically from among the following categories: very poor, poor, middle (sometimes split into lower and upper middle) and better-off. Taken together these data provide a basic description of how typical households living at different levels of wealth survive; how they obtain food, how they generate income, and how they organise their patterns of expenditure. Typically, baseline data are compiled for a defined 12-month period or 'reference' year. Since the focus of the analysis is on patterns of consumption, our concern is to map out the consumption year, not the calendar year. In an agricultural setting this begins with the harvesting of main season crops and concludes 12 months later at the end of the annual hungry season. In a pastoral setting, the consumption year typically begins soon after the start of the main season rains, when an increase in milk production brings an end to the previous year's hungry season.

As mentioned in previous chapters, the household economy approach is primarily an **analytical framework**, i.e. it defines the data to be collected (for a specified purpose), and sets out how that data will be analysed and used. It is **not a particular method of data collection**. Data may be collected using rapid assessment procedures or other survey methods<sup>1</sup>. However, because of both quality and practical considerations, most assessments designed to gather the majority of Household Economy baseline information<sup>2</sup> over the past twelve to fifteen years have used rapid assessment approaches (see **page 3** of **Chapter 1** for more on this subject) for which a set of best practices and procedures have been developed over time. These are presented in the chapter that follows. It should be noted that information for other areas of the Framework (the Problem Specification, in particular) are more appropriately gathered by survey methods. And particular aspects of the baseline information requirements, such as demographic data, rely on household survey methods as well.

If you are reading this chapter, chances are you are preparing to undertake a baseline Household Economy assessment in the field. You have likely already read or received training in the first and second chapters of this guide, which introduced you to the main features of the HEA Framework and the concepts and steps involved in conducting a livelihood zoning exercise – a prerequisite for carrying out a baseline assessment in a single livelihood zone.

The next step is to take part in the actual implementation of an HE assessment. The most important principle to keep in mind is that your work needs to be guided by a keen and continual focus on what you need to know. It is easy to be led down tangential paths; or to spend an unbalanced amount of time on one area, forgetting about the whole picture. It is helpful to think of an HE assessment as an iterative learning path with each stop along the way allowing for increased knowledge, detail, and precision. If you are clear about the objectives of your overall journey, and the specific goals of each stop along the way, you will gain the maximum amount from your investigation, and your final picture will be rich in substance and accuracy. Thus the most important preparation you can make for field work is

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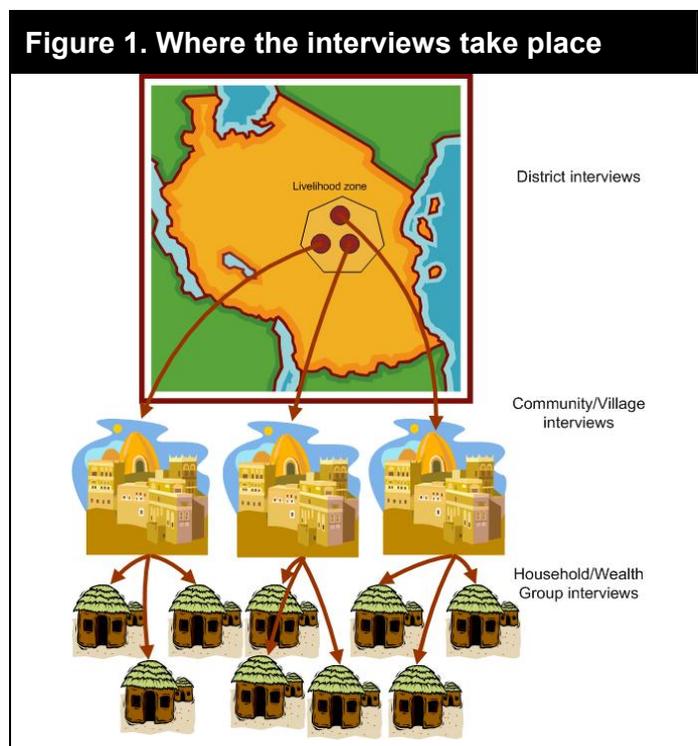
<sup>1</sup> The subject of why HEA uses RRA techniques rather than survey methods to collect baseline information is covered in more detail in the HEA training materials: particularly in **Module 2 (Baseline Assessment)**, **Session 1 (Introduction to the Fieldwork)** of the **Training Guide**.

<sup>2</sup> Certain aspects of HEA Baseline information are typically obtained indirectly, from census or other data that uses survey instruments.

to learn and really understand what you need to know at each of the levels of enquiry. This will make you an efficient field practitioner, and help you to apply and develop appropriate techniques and tools along the way.

### Where you'll be gathering your information

In the field there are typically three levels at which inquiry takes place. All HEA baseline assessments include interviews at the community or village level, and then a further set of interviews at the household level. Most assessments also include district-level interviews. The core process involved at all stages is one of grouping, selecting and moving on to the next level. At the district level, you group representative villages or communities, select ones you will visit, and then move to the community level. At the community level you group households according to common wealth determinants, select representative households, and move on to the household level for further enquiry. It is at the household level that the detail begins to emerge, and that the pieces of the puzzle begin to fit together.



#### *At the district level.*

District interviews are necessary in order to develop or refine livelihood zones, and to choose villages where interviews will be conducted. Another important reason to begin at district level is to inform district officials of your work and to obtain agreement and clearances to work at the village level. District administrative offices can also usually provide information critical for understanding market networks, and for building up a timeline of events for the zone, including any unusual hazard events, good production years, and conflict events. Many district offices also house data on production and prices, which is important for building up the reference information for designing a good problem specification, and for developing a monitoring system. Usually the visits to the district administrative offices take around a half a day. The section on what to expect at the district level and how to carry out the district interviews starts on **page 15**.

#### *At the community level.*

The community level is where things begin to get interesting. It is here that you begin to learn how the local economy functions and how households fit into this context. You will have already learned at the district level what kinds of crops and livestock are raised in this area; but it is from the community that you begin to understand just what role crops and livestock play in determining wealth, status and power. You may have learned about the natural resources available in the area from having read secondary literature; but it is from the community that you begin to get a sense of just who takes advantage of these

**Figure 2. Relationship between field work activities and HEA framework steps**

resources, how, and to what end. And you may have even learned which markets tend to service this community in discussions with district officials; but with the community leaders you find out who benefits most from these markets and how. Your objective at the community level is to learn enough to move on to the next level: the households. And in order to do this you need to conduct a wealth breakdown interview, to find out what determines who is poor and who is better off in this community; and just what percentage of the population falls into different categories of wealth. Once your wealth breakdown is complete, community leaders are asked to help select representatives from different wealth groups (very poor, poor, middle, rich, etc) and your interviews are arranged for the coming days. The wealth breakdown interviews tend to take a couple of hours, or half a day once travel and set up is taken into account. The section on community interviews begins on **page 27**.

### *At the household level.*

Household members are the true source of information about livelihoods in any area. Their knowledge is irreplaceable and is rarely, if ever, captured by sets of statistics or data. Interviews at this level are structured conversations that follow a path of inquiry designed to pull forth and begin to put in place the varied pieces of an elaborate puzzle. In a good interview, you can often learn more in two hours than you could in weeks of searching through secondary literature. The true comparative advantage of the household level interview is the opportunity it affords for adding things up and making sense of the system and rules that govern the household economy and by extension, the community networks of rights, obligations and exchange. While you may have found out who grows what kinds of crops and keeps what livestock during the community-level interview, in the household interviews you'll learn just how much it costs in terms of labour, inputs and opportunities lost in order to cultivate a certain crop; you'll learn how much you can harvest from a half-acre, and what happens to the crop when it is harvested – how much gets eaten green, stored, sold, and saved for seed. You will learn what happens when the grain stores run out, and how much food a day of weeding can buy. You will learn who in the community works for whom, who shares with whom, and what happens to these labour and sharing networks in a year when sharing is not an option. While you may have learned at the district and community levels what kinds of livestock are owned, it is in the household interviews that you begin to understand which livestock are sold, how that money is spent, how much in

both land and financial resources it costs to maintain a herd, and how many livestock a household needs to retain to ensure the herd is productive in coming years. The household is the nexus at which a livelihood takes its form, and there is no substitute for what you will find out in these days of work. Detailed guidance on the information required at the household level and the methods for obtaining this information is provided in the section that begins on **page 35**.

### What resources are required?

#### *Human and time resources*

**Table 1** outlines the human resources required for a baseline assessment. Two contexts are considered: 1. a single-zone in-depth baseline, usually associated with project planning requirements (e.g. for poverty reduction, social protection, monitoring/evaluation, emergency needs, or development planning purposes); and 2. a national baseline, usually required for early warning or national needs assessment purposes. The exact time required varies according to factors such as the geographical spread of the area covered, prior knowledge of and existing information about the area and the extent of organisational support in the field (for example, ongoing projects can provide useful information as well as access to knowledgeable key informants). It is recommended that the single-zone in-depth baseline be undertaken by at least two 2-person teams. For the larger-scale national work, at least four teams per region are recommended. The table is based on this assumption.

Although there are no hard and fast rules about sample frame and sample size, there is a body of experience that can provide some guidance. The most important factor to consider is the number of interviews undertaken with each wealth group. Practical experience indicates that for an in-depth baseline assessment in one livelihood zone, at least 8 villages should be visited, and at least 10 interviews should be done per wealth group<sup>3</sup>. Separate interviews should be conducted with men and women because women's and men's income and expenditure may be quite different. Detail and accuracy are gained when you have both sides of the story. It is usually desirable for at least two interviewers to work together (to allow for the minimum of triangulation between different investigators) and you need a minimum of two teams. One two-person team can do a maximum of two household representative interviews in one village in one day, along with some visual checks and informal discussions. Therefore, with 8 villages, it will take two teams approximately 14 days to complete both the community leader and household representative interviews. Additional time is required for secondary literature review (2 days), training (5-6 days), interviews at the district level (2 days), the interim and final analysis (3-4 days), for report writing and for travel. With one team, therefore, at least 24 work days need to be set aside to complete the baseline work, plus travel time and 10 days of report writing.

For the preparation of national baselines at least four teams are required. More time needs to be spent at the outset on the secondary literature review (with more ground to cover). But doubling the number of teams allows for each livelihood zone to be done in around half the time so that the actual field work (not including training, analysis or travel) for one zone might take only 6 days in a livelihood zone, as opposed to 10. See **Table 1**.

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<sup>3</sup> If you do separate interviews for men and women in each village, with 2 interviews (separate men and women interviews) per wealth group, you would end up with 16 interviews per wealth group, not 10. However, in practice, time usually does not allow for this number of interviews to be conducted. A minimum of 10 is required based on past experience of what is necessary in order to ensure information quality, but more can be done if time allows. If time does not allow, the team leader determines, based on the quality of the interviews so far, which wealth groups have sufficient coverage, and which require additional attention.

For rapid assessments associated with emergency needs determinations a smaller number of interviews can be conducted and fewer villages visited; perhaps half the number suggested above. Larger teams can also allow the work to proceed more rapidly. See [Chapter 6 \(Adaptations of HEA\)](#) for more on rapid HEA assessment procedures.

<b>Table 1. Human and time resources required for Baseline Assessments</b>				
<i>Step</i>	<i>Human Resources</i>		<i>Time</i>	
	Single zone in-depth baseline	Large-scale national	In-depth sub-national	Large-scale national
1. Secondary Literature Review	2 Team Leaders with local counterpart	1 survey director and one local counterpart	2 days	5 days
2. Training <i>Note: This step is only necessary if the participants are not experienced HEA practitioners.</i>	1 team leader per 10 participants, maximum 20 participants = 2 facilitators/team leaders		5-6 days	
3. District Key Informant Interviews	Number of districts depends on size of livelihood zone; entire team may be involved in each interview, or teams could split up depending on logistics.	With 4 team leaders, you can split into 4 teams and cover up to 4 districts a day	In practice it takes about ½ day per district including set up time. So with 4 districts, 2 days in total need to be put aside for this, leaving out travel time.	1 day per district (leaving out travel time) – total time depends on number of districts included in survey
4. Community Leader Interviews	8 communities per livelihood zone; 1 Team Leader and 1 – 2 team members per interview; so each team does a total of 4 interviews at this level.	With 4 teams, you could split up and cover 8 communities a day	With set up time, these interviews normally take around ½ day. With two teams, you could cover these interviews in a total of 2 days (spread out over the assessment period)	4 teams could complete these interviews in one livelihood zone in 1 day (not including travel time). Total number of livelihood zones will determine total time
5. Household Representative Interviews	10 household representative interviews per wealth group; 1 Team Leader and 1-2 team members per interview	With each team able to conduct 2 interviews a day, you could do 8 interviews a day.	It is reasonable to expect a team to do 2 household interviews per day. It is, therefore, possible for two teams to do 40 interviews in 10 (non-consecutive) days (excluding travel time).	8 villages could be covered in approximately 4 days with 4 teams doing 2 interviews each a day. (4 wealth groups x 8 villages = 32 interviews/8 interviews a day = 4 days per livelihood zone)
6. Interim Analysis	Entire team	Entire team	1 day	1 – 2 days per

in Field				livelihood zone
7. Final Analysis	Entire team	Entire team	2-3 days	5-6 days for region
8. Report Writing	Team Leaders	Team Leaders	5 days each (10 days total)	Around 3 days per livelihood zone plus 5 days for the national overview
TOTAL			At least 34 days (not including travel time)	A country with 10 livelihood zones (3 regions) would take 120 days (not including travel time)

### *Other resources required*

Other resources, depending on the country and circumstances, include:

- Transport to the region and in the field
- Accommodation for international and national consultants
- Expenses and per diems for international and national staff
- Stationery, paper and printing

## BACKGROUND ON RURAL AGRICULTURAL ECONOMIES

A primary feature of nearly all developing countries is that their rural population is far larger than their urban population. As a rule of thumb, the poorer a national economy, the greater the proportion of people whose livelihoods are based on getting a living directly from the land, producing staple and other food, cash-crops or livestock. Pastoralism, a form of land use where people are wholly or overwhelmingly dependent on herding animals on open grazing and browse, is a minority system in most countries where it appears as a mode of livelihood. HEA has quite frequently been used in pastoral settings, and also on a number of occasions in urban settings, as described in [Chapter 6: Adaptations of HEA](#). But by far the majority livelihood around the developing world is that of the farming smallholder, and so that has been the default subject of HEA analyses to date.

The first thing which is striking about smallholders today is how rarely they are simply subsistence farmers, more or less self-contained except for the purchase of a few goods on the local market. In most places that picture is now a generation or two out of date. The modern setting is increasingly dominated by cash even in remote areas - cash which mediates not only the exchange of goods but of rural labour. HEA studies have shown us that around half of households in a typical smallholder economy gain more of their food and other rural products from the market than from production on their own land. There are two main reasons for this. One is the reduced size of their smallholdings due to natural increase of the local population, where the doubling of numbers within 25-30 years cannot be matched by the expansion of agriculture on viable land. The second reason is the growth in market access - in road communications and transport together with a growing urban demand for higher - value rural produce (as well as export demand in some cases). The following sections describe how these challenges and opportunities are reflected in the livelihoods of smallholder households, and therefore in HEA analysis.

### The basic building blocks

All three basic kinds of rural product - food, cash crops, and livestock - are affected by the amount of available, arable land. In the case of crops there is an obvious connection, but the question then arises of the possibilities of intensifying production on the same amount of land. For rural households in developing countries, this challenge is increasingly difficult to meet. The cost of chemical fertilizers, especially with the disappearance of subsidies in the last decade or so of Structural Adjustment, is increasingly prohibitive for poor farmers to use on staple crops, and even limits what they can put on cash crops with good price prospects. At the same time, mechanisation efficiencies depend on a minimum size of land as well as sufficient inputs.

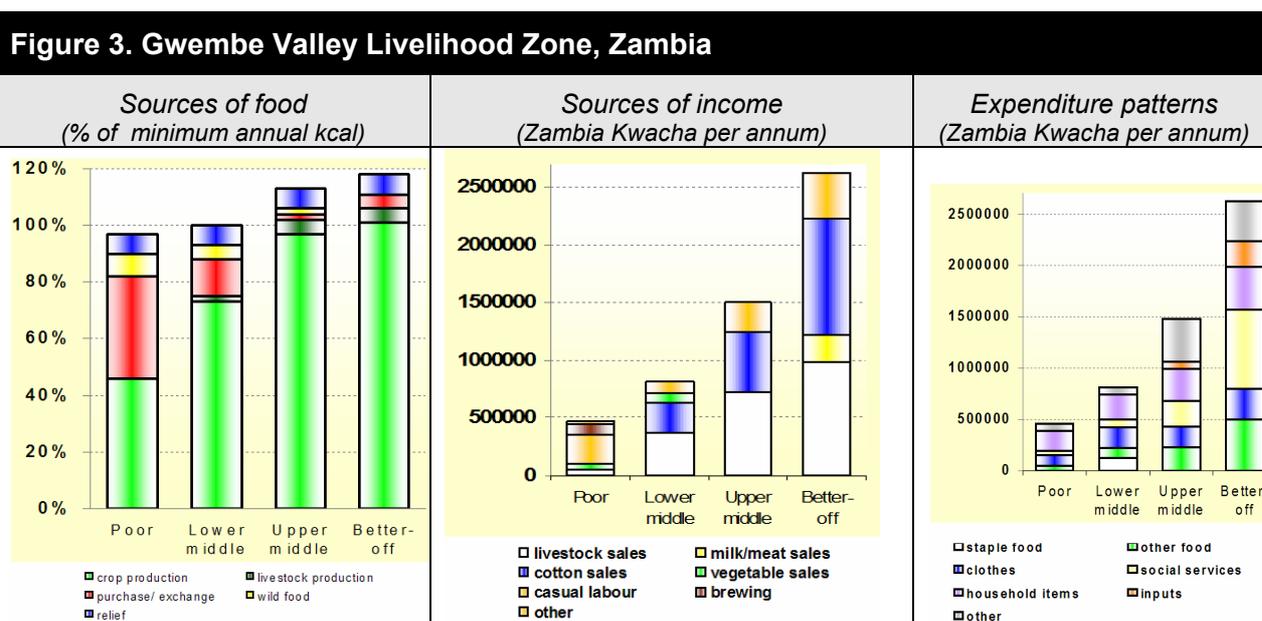
In many agricultural settings livestock and their products bring as much cash to farmers as the produce they are able to sell from their fields. In highland Ethiopia people commonly refer to their small stock as 'our money'. At the same time, milk is an important addition to the diet, and a highly palatable one, when rural households are in a position to consume significant quantities. But arable land is usually critical for a farmer's livestock production too. Those same Ethiopians have an old saying: "A man who has many animals has much land." This is not only because of direct grazing resources around the fields, but because crop residues usually form an important part of livestock feeding, especially for cattle. In recent times the expansion of cultivation is mainly achieved at the cost of encroachment on open pastures, to the extent that these 'commons' are under threat of disappearance in many an agricultural system, and crop residues and even bought feed-cakes made from waste material of food processing industries must increasingly substitute for natural grazing.

HEA records the ways in which communities adapt to land shortage, insofar as they can without simply migrating to the city. This adaptation cannot be understood without looking at the wealth division within the community. Except in the very rare circumstance of rigid official control of land users as well as land ownership, population pressure has the effect of accumulating land use in the hands of wealthier members of the community. This comes about by various means. A poor farmer under a particular need or misfortune may take loans from a richer neighbour which he cannot repay, so that first his labour and then his land, or the use of it, become increasingly forfeited to the creditor. Or a farmer may rent out a proportion of his land to a richer neighbour because he cannot cover the labour or other inputs required to use all his land profitably; or because he needs to pay somehow for the rent of draught power, whether oxen or tractor, which he doesn't own himself; or simply because it is more profitable for him to work elsewhere than to devote his labour to his land. Some or all of these factors tend to be even stronger in the case of female-headed households.

Thus whilst wealthier farmers produce the surpluses of staple crops, poorer farmers tend to get half or more of their livelihood from activity off their own land, because they have no other option or because of opportunity cost judgements. But the corollary is that they must be able to buy the food and other essentials that they do not produce, and so the cash economy - the availability of paid work, the going wage for it, and the price of goods - becomes paramount. These fundamental factors are analysed in a quantified way between the three pillars of HEA inquiry: sources of household food; sources of household cash; patterns of household expenditure.

**An example of rural household livelihood patterns**

Households at different levels of wealth within the same livelihood zone can differ quite markedly in their sources of food, i.e. where they obtain the bulk of the food they actually consume. The graphs in **Figure 3** represent a livelihood zone in south-east Zambia, just off Lake Kariba, which as a whole is relatively self-sufficient in staple food production when not subject to drought or flooding. The year of reference is 2004; a year of more or less ordinary levels of production, (and when food relief was distributed across the board but did not, in this case, reflect acute need). There is a notable skewing of self-sufficiency and surplus production for sale, towards the two upper wealth groups who together comprise some 40%



of all households. The poor wealth group who comprise about a further 40% are usually unable to obtain more than half of their staple food requirement from their own fields, whilst the lower middle 20% have a gap of some one-fifth of their requirement. The poor make up most of their gap by working for others and obtaining payment directly in food ('exchange' of labour'); the lower middle group do this too but may rely more on food purchase. Seasonally collected wild foods are 'free' (although they require labour to gather and process) and even the upper middle households take advantage of this resource. But only they and the better off, who own by far the greater part of the area's cattle, are able to drink milk ('livestock production'), to any real extent, whilst at the other end the poor have no cattle and mainly not even any goats, so that if they very occasionally drink a little milk, it is milk donated to them by neighbours or kin.

### Some principles about rural household economies

HEA data expressed in this way tend to give a very clear picture of the fundamentals of the rural economy, in this case showing where people get their food and cash. The pattern seen is one repeated very frequently in different African countries. In this - a not-wealthy rural area of a low income country, which is heavily dependent on a very limited repertoire of agricultural production - one thing that stands out is the **more than five-fold difference between the earnings** of typical poor and better off households (about \$105 versus \$540 per household of 6-8 people). The second thing of note is the great difference between the poor and the rest in *sources* of earnings. In this case, **to be poor is essentially to work for others**; in addition you try get value out of your labour by **self-employment**, in this case brewing and selling local beer, with ingredients usually purchased rather than produced by yourself; elsewhere, common forms of self-employment are cutting and selling firewood and grasses, or making handicraft items from grass, wool, wood or clay.

The threshold between poverty and relative wealth (as measured in local terms) is clearly defined by two factors. One is the **ownership of livestock**, and in this case the market demand from the not-too-distant capital city, Lusaka, adds value to animals and milk products. The second factor is the **capacity to produce cash crops profitably**. In this case the main cash crop is cotton, with its demand for labour (family or hired), fertilizers and pesticides. Elsewhere the staple maize or other crop may also be the cash crop in the sense that surpluses are regularly grown for sale by wealthier households. 'Other' earnings in this example include the hiring-out of oxen and ox-carts, remittances from family members working in the city or elsewhere, some small-scale trading, and sales of pigs and guinea fowl which are kept in numbers by some households.

#### *The cash economy*

Wealthier farmers produce the surpluses of staple crops, while poorer farmers tend to get half or more of their livelihood from activity off their own land...

But the corollary is that they must be able to buy the food and other essentials that they do not produce, and so the cash economy - the availability of paid work, the going wage for it, and the price of goods - becomes paramount.

In looking at expenditure, additional principles emerge: staple food purchase is a feature only of the lower middle households because on the one hand the poor obtain food by working directly for it as payment (as shown above), whilst the wealthier households cover their staple requirements from their own production. By contrast, 'other food' purchases - the daily relish items and the oil and sugar that add quality and palatability to the diet - are almost a luxury for the poor, without even considering milk products, or meat, or fish brought in from the nearby Lake Kariba. The poor have other pressing demands for the little cash they can spend: **the most basic 'household items'** -

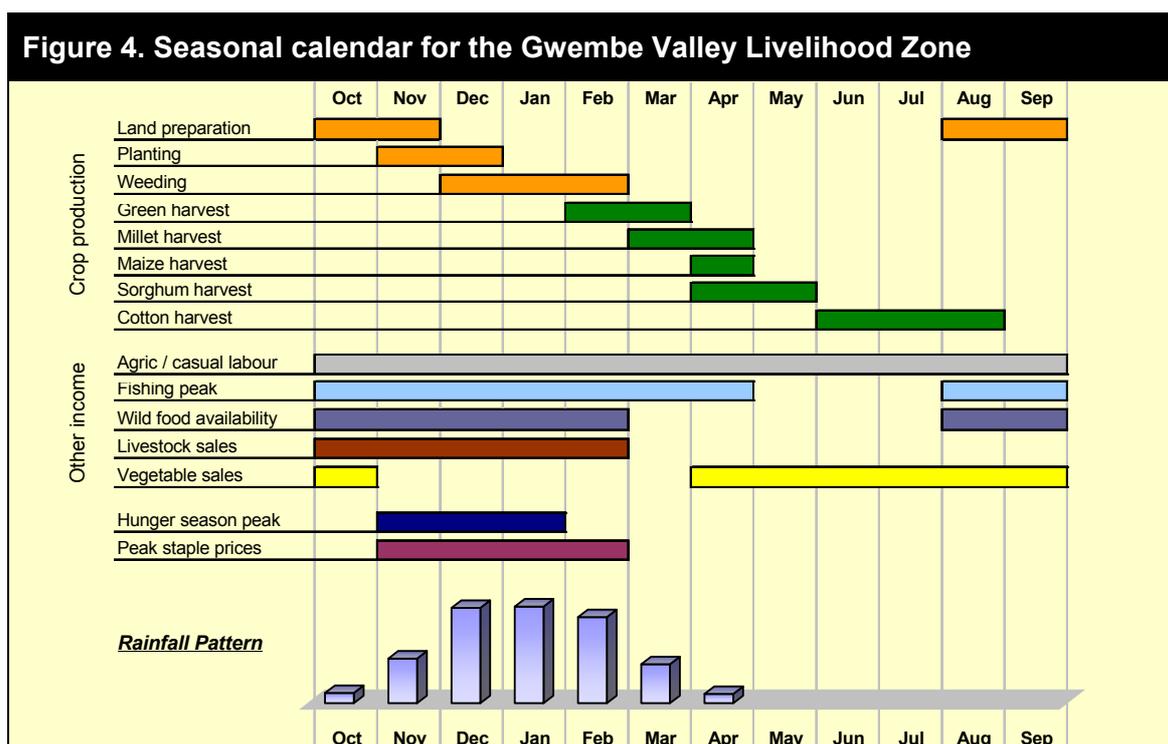
**salt, soap, candles or diesel for a single lamp, milling costs - mount up day by day** to represent their major expenditure.

On the other hand, **the wealthier you are, the more you spend on agricultural inputs**, notably for cash cropping as seen above, and on clothes, and on 'other' items, which typically includes the costs of ceremonies as well as modest luxuries ranging from a radio and batteries to the beer produced by poorer households, or bus fares for town visits and perhaps a bottle or two of the commercial beer. But the **most glaring difference between the better off and the others is the expenditure on social services**. This includes mainly expenditure on education, and less regularly on medicine. The education element is of particular significance in offering a longer-term message. **Poor people no less than better off households are clear, and often voluble in discussion, about the crucial value of education for their children**. In a sense it is seen as the one real path away from the problems encapsulated above as 'land shortage': education out of direct dependence on land and into the wider sphere of professional employment. What the above graph tells us is that the poorer 60% of households can hardly afford to put their children through primary schooling, which anyway does not usually lead to employment. On the other hand, wealthier people can at least face the costs of secondary schooling, which very often requires paying for a child to live away from home in a town, if not of education beyond that.

Finally, we see something about the **inter-dependence of the different wealth-groups**: the poorer households could not survive here without being hired by the wealthier households. The wealthier households could not maximise their profits from farming, especially of cotton, without the labour of the poor; and they even make back some of their money from poorer households by hiring draft animals to them. On the other hand, the wealthier households are the main customers for the vegetables produced and the beer brewed by the poorer farmers.

### Seasonality

Rural life is commanded by the seasons, and HEA fieldwork always involves early on the construction with villagers of a seasonal activity and events calendar concentrating on production, markets and food availability among other things. **Figure 4** illustrates the main



components of a seasonal calendar from the Gwembe Valley Livelihood Zone.

This example shows the dynamic view obtained in this way of household economy revolving around a single rainy season giving five months of agricultural moisture. We see the staggered harvests of staples - millet, maize and sorghum; we note that the cotton harvest comes later, so that labour does not have to be divided between grain and cash-crop harvesting, although it must be shared during part of the respective growing periods. We see that the all-important local casual employment for the poor lasts all year to a greater or lesser extent from land preparation beginning in August through planting and weeding to harvesting which for cotton reaches into the next August. We see that the small contribution of different wild foods spreads usefully across part of the dry season as well as the wet season, as does the minority fishing activity, whilst vegetable production is a dry-season occupation, depending on small irrigation. We see that livestock sales peak during the rains, when the animals are in better condition from the regenerated grazing, and the price food purchase is at its highest before the harvest. Finally we see that for many a poor household, despite all the activities in which they engage on and off their land, there comes a season of hunger before the harvest, when previous harvest stocks are long gone, and food purchase prices are high, and even labour payment in grain must wait until the new harvest - a period only broken by the consumption of green maize, at some cost to the mature harvest.

## HOW TO GATHER BASELINE INFORMATION

A full household economy baseline contains the following information:

<b>Table 2. Core information requirements for an HEA Baseline</b>	
<i>General information for the livelihood zone</i>	
<i>Wealth Groups</i>	A breakdown of households into groups based on common means for obtaining access to food and cash income, and similar levels of wealth/income (both food and cash).
<i>Seasonality</i>	A seasonal calendar showing key times of the year related to food, cash and expenditure activities and activities central to related sectors (especially health/water).
<i>Key Reference Data</i> <i>(for problem specification and outcome analysis)</i>	<ul style="list-style-type: none"> <li>• Market prices in reference year</li> <li>• Yields and acreage planted for key crops in reference year</li> <li>• Livestock numbers in reference year</li> <li>• Population data</li> </ul>
<i>For each wealth group (poor, lower middle, upper middle, rich), data on the following is required:</i>	
<i>Food:</i>	Sources of food and the contribution of each source, expressed as a % of minimum annual food energy needs for the household.
<i>Cash Income:</i>	Sources of cash income and amounts of cash generated in the reference year from each source.
<i>Expenditure:</i>	Amounts of cash spent in the reference year on four defined categories of expenditure including survival: food, survival: non-food, livelihoods protection, and other.

Your objective throughout the assessment will be to gather information that allows you to fill in the requirements stated above, with the highest degree of accuracy possible. **Step 1** is to *gather baseline information* and the first set of activities, detailed to the right, is designed to achieve that goal. Guidance on step one activities is provided on **pages 12- 43**. **Step 2** is to *analyse and store the baseline information* you have gathered. Guidance on the second step activities is provided in the second half of this chapter, beginning on **page 44**.

<b>STEP 1. GATHER BASELINE INFORMATION</b>
Activity 1. Compile and analyse secondary data
Activity 2. Visit district level and carry out key informant interviews
Activity 3. Visit market and conduct trader interviews
Activity 4. Visit community (village) level and interview community representatives
Activity 5. Conduct interviews with household representatives

## Activity 1. Compile and Analyse Secondary Data

One of the first preparatory activities for a baseline assessment is to gather appropriate secondary information. This information will help with refining livelihood zones and with defining the economic consequences of particular hazards. In addition, it should provide background information for your interviews with wealth groups and information on yields, production levels and prices to cross-check against<sup>4</sup>.

<b>Table 3. Secondary information requirements</b>	
<b>Sources</b>	<b>Type of information</b>
Ministry of Agriculture	Agricultural data (including historical data and current projections on crop yields and production levels)
National Statistical Office/census department	Population data
Early Warning Department	Market price and other hazard monitoring data
Meteorological Office	Rainfall data
World Food Programme	Food aid distribution figures
FEWS NET, WFP/VAM and EU food security units	Consolidated and worked-through analysed data sets
Ministry of Health, UNICEF and NGOs	Nutrition surveys
NGOs	Food security surveys or localized studies on rural livelihoods; information on interventions
Academic institutions	Local studies on rural livelihoods
<b>What you're really after from the above data</b>	
<ul style="list-style-type: none"> <li>• Main geographic and environmental features of the area/s under consideration</li> <li>• Brief historical background, particularly significant events in the past 5-10 years – droughts, floods, conflict etc.</li> <li>• Main food and cash crops grown, by livelihood zone, including: <ul style="list-style-type: none"> <li>○ Yield per hectare for major crops – for the last 5-10 years</li> <li>○ Crop production levels by season – for the last 5-10 years</li> <li>○ Seed requirements per hectare</li> </ul> </li> <li>• Main livestock kept, including: <ul style="list-style-type: none"> <li>○ Lactation periods (wet and dry seasons, good and bad years)</li> <li>○ Milk yields (wet and dry seasons, good and bad years)</li> </ul> </li> <li>• Land ownership and access issues</li> <li>• Main labour activities</li> <li>• Other relevant household or local economic activities</li> <li>• Price data – time series for the last 5-10 years for staple food, crops, livestock and livestock products, labour, etc.</li> <li>• Known migration patterns (labour or livestock related)</li> <li>• Main markets accessed (for food, livestock, other)</li> <li>• Maps of areas to be visited</li> <li>• Administrative units in each livelihood zone</li> <li>• Population data (as disaggregated as possible)</li> </ul>	

<sup>4</sup> It is assumed, in compiling this guide, that a Livelihood Zoning will have taken place prior to the baseline assessment. It is possible, when carrying out a rapid assessment, to combine the zoning and baseline steps, but it is not recommended. Therefore, the guide is written on the basis that the only zoning activities that may need to occur at the baseline stage is the normal checking and refining of the boundaries.

- 
- |   |
|---|
| <ul style="list-style-type: none"><li>• Historical data on food aid distributions (both planned and actual figures, as disaggregated as possible)</li></ul> |
| <ul style="list-style-type: none"><li>• Rainfall figures – time series data</li></ul>   |

Extracting and summarising much of the above information from secondary sources is important; it can help refine your parameters of analysis in the field, and narrow down the field of information required; however, certain information can only be obtained at district or village level and some of it will not be available at all. Also, it is often useful, even where secondary information exists, to *confirm* its accuracy with government and village key informants (as it may be out of date or inaccurate). The subject of secondary information is covered in more detail in the Training Guide, Module 2 (Baseline Assessment), Session 20 (Incorporating Secondary Information).

## Activity 2. Visit District Level and Carry out Key Informant Interviews

### When you arrive at district level

It is important to get off to the right start at the district level, making sure that district officials not only understand the nature of your mission, but are brought into the process in an inclusive and participatory way. Even though time is always in short supply, try not to rush through the introductions. Give people around the table the time to voice questions or concerns. Make sure your intentions are clearly stated. It is also important to fully explain your schedule and plan so that logistical arrangements can be made, if

necessary. After introducing yourselves and making sure the mission is clear, the team should divide into two. While part of the team is interviewing key informants at district level, one or two people should visit the market centre (see section below on trader interviews, starting on **page 21**). **Session 5 (Market Assessment) of Module 2 (Baseline Assessment)** in the [Training Guide](#) covers in more depth the subject of how market assessment and analysis fits into HEA.

### Who you should talk to

In the world of information about poor, rural populations, a 'key informant' is somebody you consult because you think he or she has sufficient knowledge of a group or given population, or can usefully describe a subject area (e.g. local market patterns). They may be government workers or NGO employees (working on agricultural, veterinary or other programmes), teachers, representatives from village organisations (farmers' union, women's union), traditional local leaders or traders. You should ask to speak to certain individuals not because they hold a position in government, but because they have a certain knowledge and understanding of the area. The district office can be a starting point, but, time permitting, this should not be your only point of contact at this level.

#### *The role of the team leader*

The team leaders in an HEA baseline assessment play a critical role in keeping the assessment on track, resolving questions and debates, leading the analysis, and ensuring the quality of the information. In particular, the team leader is responsible for:

- Setting the schedule
- Ensuring the selection of districts and villages meets the assessment's objectives
- Deciding on the team composition
- Helping resolve technical questions and debates
- Helping sort out logistical issues
- Ensuring an appropriate reference year is selected
- Making sure interview forms are customised to take account of local variations
- Reviewing completed interview forms
- Inputting interview data into the Baseline Storage Sheet
- Leading analysis sessions

#### *What makes a good investigator?*

- A keen interest and curiosity
- Your knowledge (but not your preconceptions)
- Patience
- A sense of humour

## Information to collect

Interview Form 1, included in Chapter 3: Annex A on the CD that accompanies the **Practitioners' Guide**, should act as a checklist for your discussions at district level and includes the following categories of information: livelihood zoning, market prices, agricultural and livestock yields, a timeline of events in recent years (positive as well as negative), current hazards, a seasonal calendar (optional), and a wealth breakdown (optional). The form contains the *minimum* amount of information you should gather for each topic – it is not meant to be restrictive.

### *A note about the interview forms*

The Interview Forms provided along with this Guide should be used as **reporting formats**, not as **questionnaires**. In other words, these forms are a place to organize and record the output from an interview **after** the interview. They can be used during the interview as a checklist, if necessary, to make sure all the information is covered, but not as questionnaires. If they are used as questionnaires, they greatly limit the flexibility and cross-checking potential offered by semi-structured interviewing.

### Box 1. Important principles of Rapid Rural Appraisal to keep in mind

#### **Management of bias:**

- Be aware of who you are talking to. It is always useful to know how long your informant has been in the area and what contact s/he has had with villagers themselves.
- Be clear about the geographical area your informant is referring to.
- Try to assess how the interview went. Were the respondents well-placed to know about the various subjects under discussion? What might have motivated the respondents to give certain answers?

#### **Optimal Ignorance:**

- For speed and efficiency, the team must have a clear idea of the minimum information set required.

#### **On the spot analysis:**

- Allowing follow-up and clarification of issues in the field.

#### **A learning process:**

- The researchers' understanding of the problem grows throughout the field study.

#### **Use of indigenous knowledge:**

- This is clearly central to the approach. But the researcher should also try to understand problems from the informants' point of view.

#### **Flexibility:**

- While the researcher must have a clear conception of what information s/he is trying to get, the approach must be sufficiently flexible to allow adaptation to any new situation arising in the field.

#### **Triangulation:**

- It always pays to get two or three points of view, and to cross-check between these. In RRA this involves using different investigators, different respondents, different information sources and different techniques.

The first two pages of the form cover the main aspects of livelihood zone refinement and checking, and market price information for the main district market. The following pages are specific for one livelihood zone. **If detailed information for more than one livelihood zone is to be covered at district level, then further copies of these pages will be required.**

The seasonal calendar and wealth breakdown exercises are optional at district level, depending on the time that the team has and the level of detail/knowledge that the key informants have regarding the situation at village and household level. Although some key informants at district level are very well informed, wealth breakdowns are usually best conducted at village level.

### How you should carry out the interviews

**Box 1** and **Box 2** contain important rapid appraisal and semi-structured interview tips relevant for all aspects of the field work, not just the district interviews. **Sessions 2** (*Ensuring High Quality Field Information*); **3** (*The Livelihoods Field Handbook*); **13** (*Household Representative Interviews*); and **15** (*Field Testing and Interview Practice*) in the Training Guide are designed to prepare you for interviewing in the field. For now, be sure to study the tips in **Boxes 1** and **2** and consider how to apply them in your work.

#### Box 2. Semi-structured interview tips

- Questions can be asked (or answers provided) in any order. At the end of the interview, check that all the various questions have been posed.
- Try to keep the flow of the interview going as you would a conversation, with one question leading to the next in a natural way.
- Keep track of the story you are being told. Is it consistent? Clarify inconsistencies.
- Finish enquiries into one topic before moving on to the next. But balance this with following the flow of the conversation, keeping a track of leads, so that you can follow these up later.
- Cross-check as much as possible, both by asking the same question in different ways and by comparing the response of different people. But don't ask the same question over and over again.

### Before you leave this level

- *Select villages to visit.* One of the main objectives at this level is to select the villages you are going to visit. Therefore, before ending your district key informant interview, make sure you have asked district officials to help you select at least ten villages to visit per livelihood zone. You should conduct interviews in at least six to eight villages. Always identify more villages than you will have time to visit in case things do not go according to plan in a particular village and you are forced to find another one. For example, you may discover when you arrive in a village that it is market day and no one has time to meet you or that there is a funeral and villagers are occupied. In this case it is important to have a back up plan. As with district selection, these should be villages that are typical of the livelihood zone in terms of their 'normal' situation. They should not be villages in 'transition' areas, which are areas along the border of two livelihood zones, where a clear picture of the zone is difficult to obtain.
- *Gather any relevant secondary literature. See Table 3 for further guidance*
- *Obtain necessary letters of introduction or directions to selected villages*

## Activity 3. Visit Market and Conduct Trader Interviews

### Background

The objective of your market assessment during the baseline is to find out how the market typically functions and what this means for households in the livelihood zone. Understanding fluctuations in prices over the year and year to year is important because it determines terms of trade for people in the zone, which helps us analyse what constraints and opportunities households face in the market, highlighting, for instance, what cash income they can make for the goods they sell and how much cash they need to have in order to pay for the basic goods they need to buy. In the process, we are aiming to find out something about the relationship between local markets and the wider economy, because it is the demand from this larger environment, and the physical connections between this demand and the local economy that will determine just how much households can benefit from the sale of their livestock, labour, crops and other commodities.

**Table 4. Core market-related information requirements in HEA**

<i>Why do we need market information in HEA?</i>	<i>The core market-related questions</i>
As an input to the <b>baseline picture</b> : people only get part of their food from their own production, and the poorer the household, the more it tends to rely on the market.	<ul style="list-style-type: none"> <li>• What is the balance of household food that comes from the market at different times of year?</li> <li>• Where do households get their cash income at different times of year?</li> <li>• How much do the items that people must buy cost at different times of year?</li> </ul>
As an input to the <b>outcome analysis</b> : An accurate <b>projected outcome</b> can provide enough lead time to avert a food crisis. This depends on the ability to create reasonable scenarios about what will happen to the prices of goods that people buy and sell (which shapes the <b>problem specification</b> ) and then to monitor against these scenarios.	<ul style="list-style-type: none"> <li>• How elastic are local/regional/national labour/livestock/food markets?</li> <li>• What happens to normal seasonal price patterns in a bad year? In a good year?</li> </ul>
As part of the <b>response analysis</b> : The main goal of HEA practitioners is help decision makers take the best course of action to help save lives, protect livelihoods and reduce poverty. Determining whether or not markets are an appropriate channel for distributing goods or services is a central part of this effort.	<ul style="list-style-type: none"> <li>• Will there be enough supply in the market if cash vouchers are provided to purchase the needed commodity?</li> <li>• What will happen to prices?</li> <li>• How integrated is the market?</li> </ul>

The core market-related questions we are trying to answer in relation to different parts of the HEA Framework are presented in **Table 4**. These are outlined in a bit more detail below:

### *The Baseline*

The main goal during baseline market assessment is to explore *to what extent markets for core goods and services are functioning effectively at different times*.

### *Step 1: Livelihood Zoning*

Access to markets is one of three main determinants of livelihood zone boundaries, with the others being geography and production system. Where people sell their produce and which markets they depend on to procure food and other items is an essential piece to grasp in order to understand vulnerability to market shocks. This information is obtained through key informant interviews and by mapping markets. A key tool for this activity is mapping the flow of major commodities – usually food crops, plus livestock in a pastoral environment.

### *Step 2: Wealth Breakdown*

Market assessment at this stage needs to help us understand the market relationships between different wealth groups. The ability of each group to profit from market interactions is a major determinant of wealth. Therefore we need to find about connections and interdependencies between different types of households within the community and how those households transform their assets through market interactions into different levels of wealth. A particular issue of interest at this stage is contractual agreements which enable people to make better use of certain resources that they may otherwise be unable to exploit. For example, a crop sharing agreements for farm land may allow for a mutual benefit for a widow with land but lacking in labour and a labourer with no land. Another example is the keeping of small ruminants owned by richer households by poor households, in return for a share of the offspring and perhaps with some cash or food payment. Credit relationships also can be of mutual benefit. It is important to recognise that power imbalances can in some situations result in these arrangements becoming exploitative.

### *Step 3: Food, Income and Expenditure Quantification*

All population groups rely on the market to a greater or lesser extent to get food: they exchange goods and services in the market either to generate cash to buy food, or in the form of direct exchange for food (barter and labour exchange). They also rely on the market as source of the non-food items and basic services that they buy. And the process of earning income involves markets of different sorts: international markets for cash crops, national markets for livestock, urban markets for the skills a person has, local markets for vegetables and petty trading, etc. This makes an understanding of markets vital for explaining people's food security, their constraints and their opportunities. It is also important to understand how markets react to changes from good years to bad years. As crop production falls or rises, how does the supply of grain into and out of the area change? how does its price change? do people try to sell more livestock or do more casual work? will livestock prices and wage rates change in response?

Our information for this step comes from a number of sources. Interviews with households tell us about quantities and prices in different seasons and different types of year (good, average, bad); and we cross-check this information with data on prices (and to a lesser extent quantities) from traders as well as from key informants.

### *Hazard and outcome analysis*

#### *Step 4: Problem specification*

At this stage we need to find out about the effect of a given shock on market prices and quantities exchanged. Market assessment at this step focuses on the collection of price data in the local markets – and from secondary data sources – for all commodities which are traded by the study population, and we need to understand change in quantities traded. We are essentially trying to determine the change in price and quantity for all items bought and sold – compared to the reference year. Determining the price problem specification requires us to review the prices that have already been recorded up to that point in the marketing year (post disaster), and we need to predict how prices are likely to change during the months leading up to the next consumption period. (See **Figure 4** in Chapter 4 for an illustration of a typical monitoring cycle.)

So, while in the last step our interest lay in understanding in general terms how market prices fluctuate according to supply and demand, and how markets function, we need to draw further on this kind of market assessment and compare the reference year to the current year to guide the price problem specification.

#### *Step 5: Analysing Coping Capacity*

At this step, where the value of coping strategies is incorporated into the calculation of impact of a shock on households, we need to know the market-related limits of these coping strategies. For instance, if our baseline information tells us that in one area villagers try to make up for crop production deficits by selling extra livestock, it is important to understand how prices will change when more livestock enter the market because this determines the extent to which people can expand their income by selling livestock. This requires an understanding of *market elasticity*:

- What will happen to the price if more people try to sell more livestock (what is the relationship between price and supply?)
- Will people be able to sell *more* than they usually do during difficult times, and at what price? Will the demand for livestock increase if the price decreases? (is the demand for livestock elastic or inelastic in relation to price?)

The same analysis must be done with all important commodities. If people migrate for work to a town where they don't normally go to is there likely to be a reduction in wage rates, or is the town able to absorb an increase in labour supply?

At this stage of the analysis it is necessary to check on what actually happens with markets, and make sure the predictions are as accurate as possible by asking people *who should know* – in the case of labour markets this might be the urban planning department, for instance; or a large employer.

#### *Step 6: Projected Outcome*

#### *Non-market limiting factors*

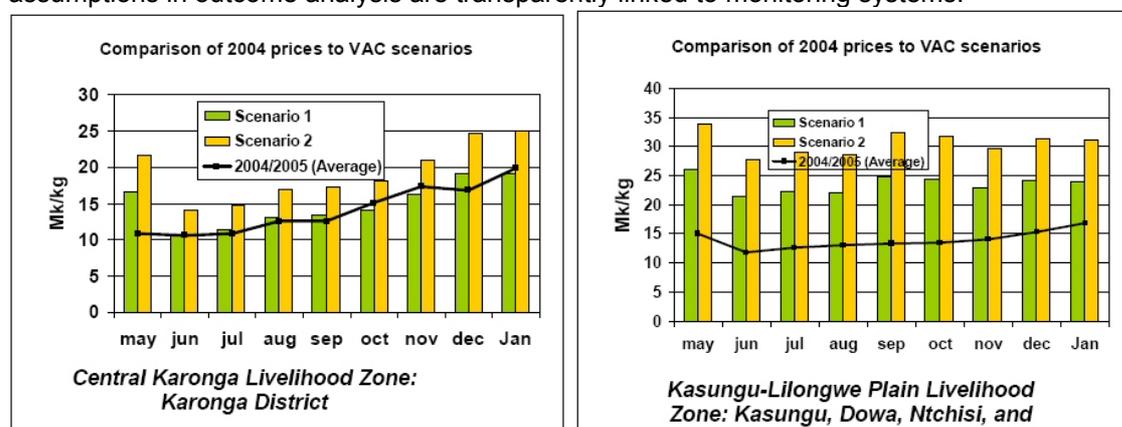
We have to be aware of limits to "coping" which are related to household assets (or capital) rather than to the market. These limits are explored in household economy and wealth breakdown interviews.

Labour scarcity, technology and transport are all limiting factors that may be a constraint for one household – or group of households – but not for others.

Market assessments for this step are concerned with monitoring prices to check our assumptions about what will happen to the prices for a whole range of commodities, as these prices have formed one key element in the calculation of the scenarios and have a significant bearing on the scale of response planned. Monitoring price changes as they happen and seeing the degree of fit to our predictions may result in an adjustment to the intervention. (See **Box 3**.)

### Box 3. Linking price projections to outcome analysis and response plans

The following graphs depict two scenarios for grain prices over the course of the year for which a projection was being made (2004), based on different possible inflation rates. This is compared to the actual prices observed from month to month, indicated on the black line. While in Central Karonga Zone the actual price closely matched Scenario 1, the actual price in the Kasungu-Lilongwe Plain was lower than predicted, and the outcome analysis should have been revised accordingly. Response plans can be updated at key points of the year when the links between assumptions in outcome analysis are transparently linked to monitoring systems.



Source: FEWS Malawi – Monthly comparison of 2004 prices to MVAC scenarios

The section below provides guidance on the minimum information required to meet the **baseline requirements** and the minimum reference information needed for the **outcome analysis**; where appropriate, suggestions are offered for useful additional information relevant to the **problem specification and response analysis** that could be gathered if the team has enough time. The Market Supplement, which accompanies the Practitioners' Guide, contains more detailed tips and tools on markets, with a lengthier treatment of the particular information requirements associated with **response analysis**.

#### When you arrive at the market

The first thing to find out is the location of local markets and the market day associated with each, so that you can plan for a market visit to fit with your assessment schedule. Markets are usually organized into different sections: cash crops; grain and pulses; vegetables and fruit; livestock; crafts; firewood/charcoal etc.

Make sure you check with the local population to find out which markets they use; it could be that the most important market for them is not the local market but a market farther away. For example, the local market might not be a specialist trading location for livestock, even though livestock are sold there in small numbers; a market which is farther away, and on the trade route with markets abroad might be far more important in determining livestock prices than the local one.

## Who you should talk to

Traders are a useful source of information on past and present prices, normal seasonal price variations, and expected price trends in future. Information collected at this level will be helpful in defining the economic consequences of the current hazard that households face – and their development over time. For each market visit, you need to organize to visit two or three people on the main market day. You will need to collect price data from retailers and producers selling their own produce, and you will also need to interview the larger traders (wholesalers).

## Information to collect

In HEA we are focused on the markets for the most important commodities that people sell to get cash, and the 'cheapest' staples that most people rely on when their stocks runs out. Important commodities sold will typically include grains, cash crops, livestock and/ or casual labour.

**Table 5** highlights the formats and guidance you will use in collecting the market information. The left-hand column indicates tools associated with the minimum information required; tools for assessments where you have more time to focus on market information are indicated in the right hand column.

<b>Table 5. Tools for market information collection</b>	
<i>At a minimum</i>	<i>If you have more time</i>
Interview Form 2: Annex A	Variants of Interview Form 2: Annex B
Guide 3: Annex C	Guide 6: Annex C
Page 18 of the Livelihoods Field Handbook	Guide 1: Annex C
Format 2F: Annex B	Guide 5: Annex C
Guide 2: Annex C	

In a typical baseline, we are particularly interested in the following information:

- The prices of the most important items that households buy and sell in the livelihood zone at different times of years and in different types of years.

To obtain information for constructing an accurate problem specification, we also need to know:

- How well linked the local market is to the wider economy, which is indicated by how efficiently local commodities are sold on to areas of bigger demand, and how much of a 'mark up' is placed on commodities produced elsewhere but purchased locally. Linked to this, we will also occasionally want to know about the supply chains that link producers of certain key goods and the final consumers of those goods and services. To determine efficiency we need to know something about how *competitive* markets are and how *integrated* they are.

Interview Form 2 in **Annex A** on the CD provides a checklist of the minimum information you need to cover in the Trader Interview. Guide 3 in **Annex C** on the CD provides more detailed guidelines and tips for interviewing traders. For assessments where additional detail on

markets is needed, the practitioner should use one of the variants of Interview Form 2, provided in **Annex B** on the CD.

### Collecting price data

The data collected on the current prices of key goods and services is used primarily to cross check information collected during the **Household Representative Interviews** on things like prices, weights and volumes of measures. The data collected on the range of prices during the reference year helps provide a basis for developing seasonal fluctuation graphs.

In your practical training before going to the field, you will prepare in advance the data collection section of the form for collecting market prices Interview Form 2. In this process, you will modify the form to include locally-specific commodities, and to eliminate items that are not relevant for the area and you will be led through the instructions for collecting this information with the market assessment team (Guide 4, Annex C). One of the most important functions of this initial review with the team is to ensure that all members are using the same standards in their information gathering, referring to a standard category for each commodity, and using accurate measures of the weight and volume for each. The Livelihoods Field Handbook, which is reviewed in **Session 3** (*The Livelihoods Field Handbook*) of the Training Guide, provides a common reporting format for recording standard weights and measures which should be used by the team during the fieldwork. See **Box 4**.

### Comparing information from traders with historical price trend analysis

A time series of market prices provides important evidence for understanding seasonal and year-to-year trends, market integration and marketing constraints for particular commodities. It is best to review any secondary information you managed to gather in the capital or district headquarters before your interviews with traders so that your questions can be more targeted and intelligent. Here we explain the process for collating and interpreting secondary market price data in more detail. This information will be used when constructing a problem specification and scenarios in the Outcome Analysis.

#### Box 4. Recording common standards: The Livelihoods Field Handbook

- 18 -

**HOUSEHOLD SIZE AND COMPOSITION**

Population breakdown (typical developing country)			Household composition (based upon developing country population breakdown)						
Age	%population		%pop	Household size					
	male	female		5	6	7	8	9	
0-4	6.3%	6.1%	adult men	25%	1.2	1.5	1.7	2.0	2.2
5-9	6.0%	5.7%	adult women	24%	1.2	1.4	1.7	1.9	2.1
10-14	5.4%	5.1%	15-19 yrs	10%	0.5	0.6	0.7	0.8	0.9
15-19	4.9%	4.6%	children/aged	42%	2.1	2.5	2.9	3.3	3.8
20-59	24.8%	23.8%	total	100%					
60+	3.4%	3.8%							
total	50.8%	49.2%							

**WEIGHTS AND MEASURES**

Name of measure	Weight in kg			
Item				

**YIELDS AND SEED RATES**

Crop	Yield (kg/ha)	Seed rate (kg/ha)	Seed rate (% harvest)

*Page 18 of the Livelihoods Field Handbook is where you will find blank formats for recording the weights and measures and yields and seed rates that will be used as common standards by the assessment team.*

#### Checklist for determining price data quality

- Is the market from which the price was collected specified?
- Is the weight/ measure specified?
- Is the commodity sufficiently specified (e.g. white maize, yellow maize, maize meal; local/ imported...)

**1. Gather and collate the historic data** In most district offices price data is collected on a regular basis. Even if there is no formal early warning system it is likely that such data is being collected, even if it is not locally analysed. The data might be collected by the Ministry of Agriculture, the Bureau of Trade, or perhaps the Central Statistics Office (if there is one), or it might be collected by national or international NGOs as part of their programme monitoring system.

**2. Data entry** Obtain as much data as you can from the relevant office and transfer it, if it is in hard copy, to your computer. An excel file, Format 2F, has been provided to facilitate this transfer. This format can be found in **Annex B** on the CD and has been set up to automatically graph your data.

**3. Interpreting time series price data** You need to graph the price data you obtain in order to see trends and patterns. Format 2F has been set up to automatically graph time series data input into the relevant cells. It has sufficient space for 5 years of data for 12 commodities. For those who have never used spreadsheets to graph time series data the file provides a useful starting point. Please also see Guide 2 in **Annex C** for more on how to interpret time series data.

### *Information about how markets function*

How the market functions is directly related to an area's relative poverty; if households in Area A get less for the same goods that households in Area B are selling, it stands to reason that Area A will continue to be worse off in relative terms. In addition, in a year when a shock occurs, households in areas where markets function poorly tend to be less able to use the markets to cope; when crops fail, prices for staple foods will likely be even higher for an area that is not well connected to the national market infrastructure. This is because regional or national supplies do not reach the local area quickly or at all, leaving the shortfalls in local production unmet. As supplies drop, prices rise. How integrated and competitive the market is ultimately determines whether local commodities fetch a higher or lower price in relation to other areas in the country or region; and whether local households have to pay more or less in relation to these outside areas in order to obtain basic goods and services. This information is important because it sets a context for understanding households' constraints and opportunities, which can lead to better development planning; and it also helps determine whether households in an area will be able to cope, or will need humanitarian assistance, in bad years.

One of the basic tasks is to examine whether prices and changes in price levels for the same good in different markets move in sync with one another when price differences related to transport costs are taken into account. If so, the market is said to be well-integrated.

Interview Form 2A in **Annex B**, contains questions which are useful for getting a basic understanding of how well markets function. This information, while not absolutely essential for filling in the baseline requirements, should be prioritised if extra time permits. The form is divided into two sections:

#### **1. General questions about the trader's operations in the reference year**

- Trading volume for particular commodities and the marketing chain: Where supply for different commodities comes from and reasons for fluctuation in supply and demand for these commodities.
- Trader's capacity: storage capacity, access to transport; position in the market (size compared to others), the number of competitors (other retailers, other wholesalers), access to credit and whether the trader extends credit to others; and whether he has access to market information.

- Marketing margins and transport costs: how expensive and difficult is it to physically move goods between markets
- Market regulation: how government control and market intervention affect traders.
- Marketing constraints and opportunities.

## 2. Questions for wholesalers trading in commodities which are of particular importance to the livelihood zone, such as food crops, cash crops and livestock

- Volumes and price traded in peak and slow trading periods
- Trade routes for the two major types of commodity traded
- Changes in a “bad” year
- Explanation of recent price trends
- Marketing constraints

Also, if time permits, It may be helpful for you to develop some market maps, as these can help present in visual terms the connections and relationships between different markets:

- When the trader explains the market route it will be easier for you if he or she draws the links in the chain, particularly if you don't know the names of the markets, or their location. Some guidance on market mapping has been provided in [Guide 6](#) of **Annex C**.
- Map out the market chain through which local produce is sold and staples and important inputs are brought into the area. See [Guide 1](#) in **Annex C** for information on market chain analysis. Traders can tell you who they buy from and who they sell to, the price at which they buy and sell (gross margin) and what the marked up price includes (the purchase price, plus which other marketing costs plus how much profit). (See **Table 2** in [Guide 1](#)). If you also ask them how many people are buying and how many are selling at each link in the chain (and the relative market share of the buyers) you will start to develop an idea about competition. You can also map the trading links as a market structure (see [Guide 5](#) in **Annex C**). Together, this information adds up to a picture about how the market functions.

### *Information about market regulation*

Despite a push for liberalization over the past decade, many governments still intervene in one way or another in the dominant cereal markets (e.g. maize in southern Africa and rice in many countries in south and southeast Asia). Regulation may be targeted at increasing the competitiveness of national actors, or at ensuring the survival of an at-risk population.

Examples of some common objectives and means of regulation include:

- inhibiting traders from selling grain abroad (which may be achieved through an absolute ban or a tax on exports)
- increasing the competitiveness of local farmers by providing them with production support (e.g. U.S. and European farm subsidies)
- encouraging people to buy locally by imposing a duty on imports
- ensuring the survival of food insecure populations by maintaining a strategic reserve of grain which is released on to the market in times of short supply
- imposing price controls on key foods to try to make them affordable (e.g. in Zimbabwe, where price controls have led to the creation of a parallel black market for goods at higher prices)

In all cases, these policies have an effect on the price of commodities on the market, and the links between the policy and its price effect needs to be understood in order to see how future changes in policy might affect prices, and the welfare of households.

Examples of relevant questions in this area of enquiry include: What are the official market regulation policies? Do people adhere to these policies? Is there a strategic grain reserve and how is this managed? What role do donors have in maintaining this reserve and influencing the policy? How are official taxes levied? Do people have to pay unofficial taxes? How are traders taxed, and do farmers selling their produce in the local market have to pay taxes? Does the taxation system exclude some from trading? Or otherwise negatively affect how they trade?

This information can be collected from early warning agencies, donors, government marketing agencies, planning departments, and food relief agencies.

### **Before leaving this level**

Make sure the trader interviews have provided you the following information, at a minimum:

- a completed Interview Form 2 (or one of the more detailed variants)
- sufficient reference information on prices and markets that can subsequently be used to cross-check information at the household level
- a clear trend of how prices and trading patterns change across good, bad and average years, and
- an understanding of how local markets function to serve as a basis for price projections in the outcome analysis step (see Chapter 4) and the response planning process

## Activity 4. Visit Community and Interview Community Representatives

### When you arrive in the community

First, seek out the village leader(s) and explain the purpose of the visit and what you would like to do. Explain that you would like to start your activities in the village with a group of 6-8 men and women who can explain the overall situation of people living in the area. See **Box 5** for more tips on the introduction.

Before completing the community level interviews you should aim to do four things:

- gather **background information** on the village (including details of recent hazards and household-level responses),
- prepare a **seasonal calendar** of activities
- do a **wealth breakdown**, and
- **arrange for further interviews** with small groups of people from each wealth group.

It is advantageous to divide the information collection responsibilities, with **one sub-team gathering background and seasonal calendar information with 3-4 key informants**, while **the other sub-team does a wealth breakdown and arranges for further interviews with another 3-4 key informants**.

The team that does the wealth breakdown should always arrange the wealth group interviews, because only they (and their key informants) will have a good picture of the precise characteristics of each wealth group. If the team decides to split in this manner, then the two teams should brief each other while waiting for the wealth group interview participants to gather. This is important as there will be plenty of information from each interview that will be useful as background and for cross-checking purposes during the wealth group interviews.

### Box 5. Tips for introducing your team in the village

Welcome the participants to the interview and thank them for coming. Explain carefully that you are not part of an official delegation or mission to the region, but that you have come to try and understand better the real situation of local people.

Explain the objective of your visit:

- *that you have come to understand better how people in this area are living*
- *that your visit is not linked to any short term intervention but may help people to make more appropriate planning decisions in the future*
- *that the village has been selected to represent the local area, and that the information given will not directly affect the level of assistance received by the village*

Never make any promises of assistance to the village.

Make sure the whole team is clear on the key points in the introduction before the interviews take place, and spend time with the translators to make sure they are also clear about your collective message before starting the interviews.

## What you need to know before the interview

### *What defines differences in 'wealth' in HEA?*

Within any community, even one where everybody can be considered poor in absolute terms (i.e. compared to other better off parts of the country or compared to those living in the developed world), there will be different types of household, who live in different ways, and who will respond in different ways (with differing levels of success) to periods of food shortage. The wealth groups within a livelihood zone are sets of households who have similar asset holdings, and employ similar strategies to gain access to food and cash income.

It is important to bear in mind that for the wealth breakdown ***we are thinking of wealth in relative (and local) terms***. Statistical data may indicate that 80% or even 90% of the population of the district lives below the national poverty line, but this is measuring poverty on a national, absolute scale. In a livelihoods analysis we are interested in understanding the differences in livelihood pattern within the community, because these differences determine how people will be affected after shocks or changes in access. In other words, because we are interested in differences in how people obtain access to essential goods and services, and because basic economic logic suggests that this will vary depending on access to land, labour and capital, it is not useful to lump 80% or 90% of the population solely on the basis that these people fall below a certain absolute income. Wealth groups are derived from community-based key informants, and thus the size of each group, and the description of the livelihood patterns of each group, will be determined by the *local* socio-economic environment and by how options for obtaining access to food and income vary across wealth levels. The HEA income data can, however, be used to place wealth groups in relation to national poverty lines if necessary.

*What makes an HEA wealth breakdown different from a wealth ranking?*

HEA wealth breakdowns focus on what **causes differences in wealth** (such as access to land, labour and capital). This makes them distinct from a 'wealth ranking' which focuses on grouping indicators, or outcomes, of wealth, such as roofing type or number of assets.

### *What is a reference year and why is one needed?*

The actual wealth breakdown must be connected to a particular year – the reference year that you will use throughout your interviews. Which year should you choose as the reference? While HEA practise used to define the reference year to be the one that occurs most frequently, in practice, this does not always make for a good interview, especially if this type of year has not occurred recently. It is hard for interviewees to recollect details if you chose a reference year that occurred more than two years in the past. Also filling in gaps in asset profiles (i.e. taking into account losses or gains in livestock herds over subsequent years, for instance) provides a challenge as well if the year was too far back.

Therefore, practically speaking, in terms of the ability of interviewees to recollect details (including quantities and prices), it is usually best to choose a recent year. The most recent 12 month period is ideal<sup>5</sup>, provided there hasn't been an unusually large amount of food aid distributed and provided it wasn't a very good year. If either of these situations applies, then

<sup>5</sup> Note that the reference year is a consumption year and, in cropping areas, should start in the month when people normally start to consume food from their fields (green or mature). This is different from the agricultural year, which usually starts when people start preparing their fields or planting seeds.

it is very difficult to understand coping or response strategies and it makes sense to choose

### Box 6. What is a 'Reference Year'?

A **household economy profile (or baseline)** describes a population in a particular year. Since a livelihood profile contains **prices** and **quantities** of production etc. we need to know which period the data comes from (since this will affect whether we interpret it as high or low). Ideally all interviewers should be using the same year. The baseline or reference year household economy profile is essentially a **set of reference information**, with values in a particular year for how much is produced, bought, earned, sold etc., and how people made decisions (e.g. what crops people grew, what they did with their cows' milk, where their livestock migrated to and when, how they store their crops and for what periods).

It is important to have this information linked to a particular year so that the baseline information can provide the context against which monitoring and projections can be done. This is the only way to ensure that existing monitoring systems and data collection regimes (such as the Ministry of Agriculture data, or price data) can be used in conjunction with the HE baseline.

In practice, it is best to use the last consumption year as the reference year as long as it was not a very good year, or so bad of a that there was unusual out-migration or food aid received. Using a bad (but not very bad) year as the reference year has certain advantages in that it already highlights the types of coping strategies people employ, and provides a good indication of just how expandable different options are. It is best to avoid using a very good year as the reference year, because typical patterns of livelihood may be lost or misunderstood in a surplus year.

an earlier year. A poor (or typical) year in which people survived without unusually large amounts of food aid is ideal. If the year chosen is not the most recent year, care must be taken to update key asset information (e.g. livestock ownership) that may have changed in the interim (e.g. if there has been a drought). **Session 6 (The Reference Year)** in **Module 2 (Baseline Assessment)** of the **Training Guide** provides more detail on how to choose a reference year.

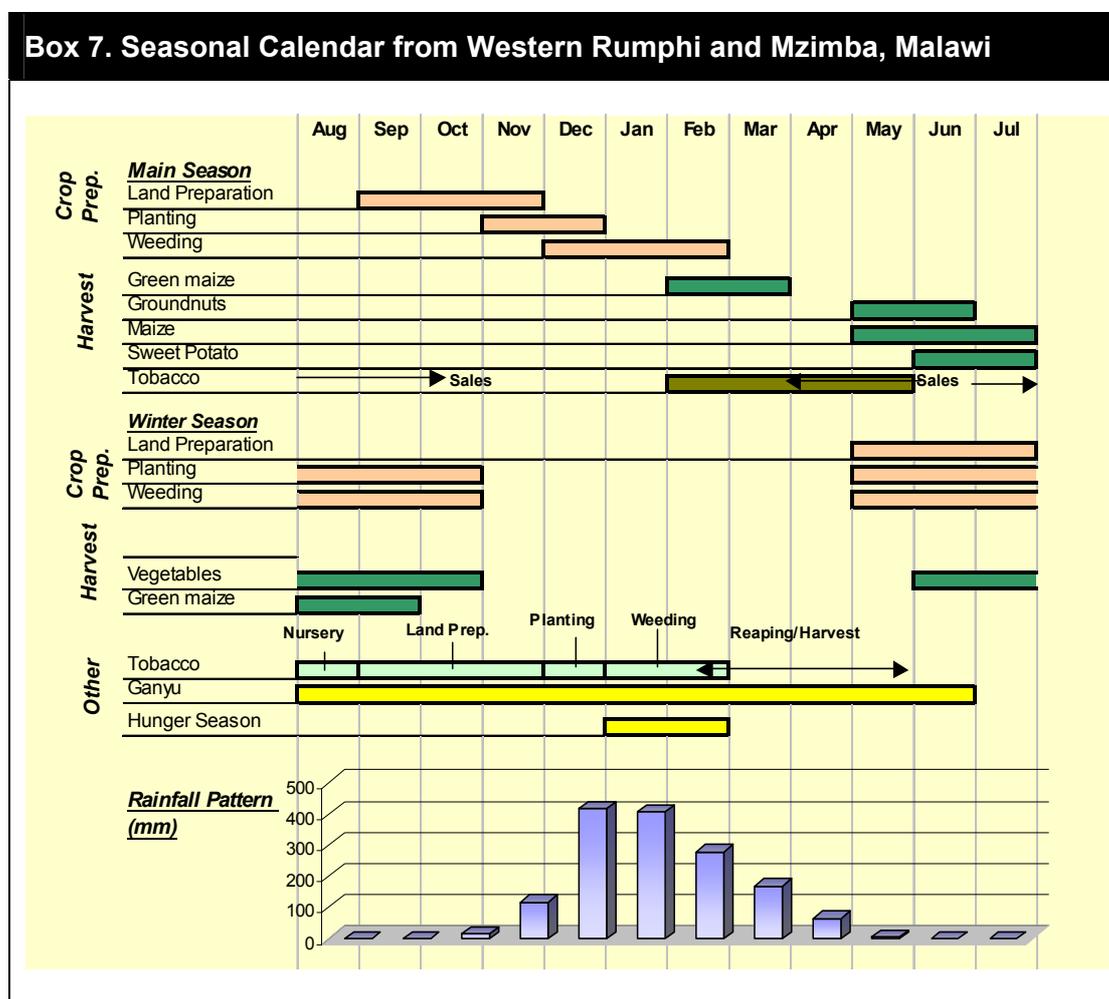
### Information to collect

**Interview Form 3** (in **Chapter 3: Annex A** on the CD) outlines the main points that you should cover during the community-level interview. Once again, the form contains the *minimum* amount of information you should gather for each topic – it is not meant to be restrictive. In your practical training before going to the field you will have an opportunity to review each of the interview forms in detail in **Session 14 (Review of Field Forms)**. Take a moment now to look over **Interview Form 3** so you are familiar with the minimum information required at this level.

### For the team gathering **Background and Seasonal Calendar** information

The first part of the form on *background information* covers chronic hazards and a timeline of periodic hazards (at least 5 years), plus household responses to these (which should be as detailed as possible). This should be followed by a discussion of current hazards. Basic information on crop and livestock production should be touched on, including 'normal', recent and expected yields. A list of the main markets that are used by villagers should be compiled, along with market prices for the most relevant items (prices now, last season and in the reference year). Much of this information will be used for defining the current hazard and its expected consequences at household level.

All aspects of a household economy are influenced by seasonality. **Seasonal calendars** are the basic tool for seasonal analysis. **Box 7** illustrates just how much information is contained in a seasonal calendar, and how critical this information can be.



Understanding seasonal variations is essential in order to understand the multiple effects of a shock that occurs at a particular time of year, among other things.

Seasonal calendars help reveal:

- when crops are planted, eaten green, harvested and sold
- how food access varies through the year for different groups
- which indicators are useful for monitoring seasonal food access
- availability of rainfall and water, which affect crops, grazing, migration and disease

**Session 7 (Seasonal Calendars)** in **Module 2 (Baseline Assessment)** of the **Training Guide** provides more detail on what seasonal calendars are and how they can be used. **Page 3** of **Interview Form 3** in **Chapter 3: Annex A** will guide you through the main points to cover in developing a seasonal calendar.

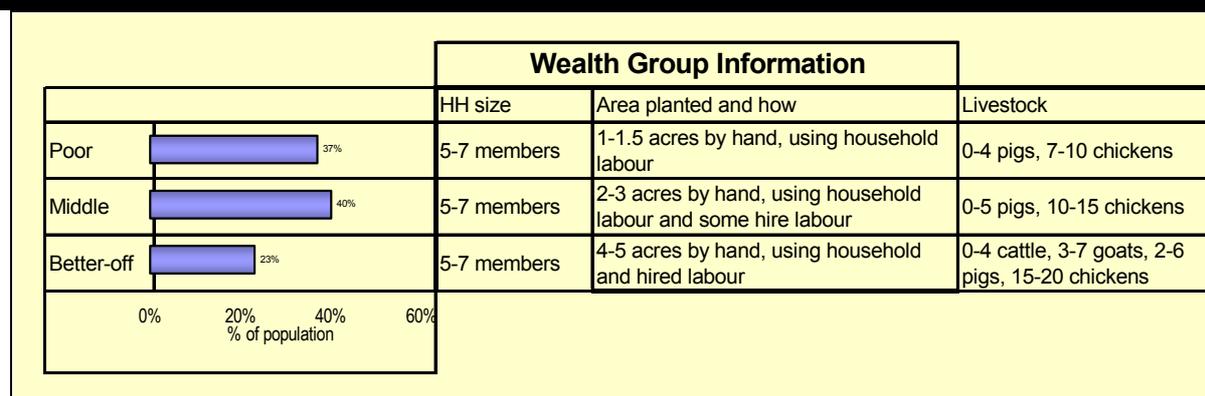
### For the team covering the **Wealth Breakdown** information

The last two pages of Interview Form 3 outline the main information required for the wealth breakdown. In the Training Guide, Session 8 (The Wealth Breakdown) of Module 2 (Baseline Assessment) provides more detail on the concepts involved in wealth breakdowns and the process of conducting this important interview.

The minimum set of information required for the **wealth breakdown** is:

- The proportion of households in each wealth group (normally obtained through proportional piling)
- The typical household size & dynamics – permanent members, including wife/wives, of different wealth groups. (Note: People 'eating from the same pot' may not be constant throughout the year, which needs to be taken into account when quantifying food and income.)
- The assets owned and or accessed by different wealth groups – including land owned and land cultivated; livestock owned and borrowed; savings and other assets
- Other economic or social activities/characteristics typical of each group (i.e. The poor may work for the wealthy and/or receive gifts from them)

#### Box 8. Wealth breakdown results from Western Rumphu and Mzimba, Malawi



### How to conduct the wealth breakdown interview

The types of question that can be used to start the wealth breakdown include:

- *We know that households are not all living in exactly the same way – what is it that makes one household better or worse off than another in this area?*
- *What are the different characteristics of households who are doing well, or not doing well, in this area?*

Further prompting will then lead to discussion and estimates of household size and asset ownership and so on. Bear in mind that the terms “rich” and “poor” may be loaded with subjective pre-conceptions and should be avoided. It is often easier to talk about differences in how people obtain access to food and cash: those who have to work for others to get food; or those who hire people; use

#### *What is a household?*

**A household is the basic community unit at which resources are managed. It is typically a group of people eating from the same pot.**

“better off” rather than “rich”. Listen carefully to pick up the terms your informants use try to use similar language. Your conversation should be carefully crafted to provide the space to let your informants define the wealth groups.

### *Establishing the wealth criteria*

Your goal in the first instance should be to develop agreed-upon wealth criteria of each of the wealth groups such as:

**Table 6. Example of wealth criteria**

Wealth Criteria	Household Type			
	Poor	Lower Middle	Upper Middle	Better Off
Number of people in hh	2 - 3 (usually with disabled members)	5 - 7 (with 1 or 2 productive members)	5 - 7 (with 2 or more productive members)	5-7 (with 2 or more productive members)
Number of acres cultivated	0 - 0.5	0.5 - 2	2 - 4	2 - 10
Number of shoats	0 - 1	1 - 5	5 - 10	>10
Number of cattle	0	0	1 - 3	>3
Number of chickens	0 - 3	3 - 8	5 - 10	5 - 10

### *Finding out how many households fall into each group*

Once you have come to an agreement on the wealth criteria for each group, you need to find out the proportions of households falling into each of these groups. The best way to do this in the field is through proportional piling. Proportional piling is an RRA technique in which 100 beans, nuts or beads of equivalent size are used to represent the total number of a particular set (e.g. households, cattle, children, etc) and interviewees are invited to divide the pile and group according to the relative size of a particular category of interest (e.g. poor vs. better off households; female vs. male cattle; children who attend school vs. those who do not, etc.). Proportional piling, beyond simply being a tool for quantifying sub-sets, is a useful communication device.

Once the division is made, you can use the visual map of groups that has been created to refine your questions, confirm your understandings, cross-check your results, and ensure that your communication with your interviewees has been clear. Having something to point to can help you save time and develop a rich, interactive conversation. You will practise how

#### *A common pitfall*

Keep in mind that – depending on household size and composition – the percentage of households is typically not equal to the percentage of the population. For example, if the poorest households are also small (with 2 or 3 people, say) while middle households are larger (with 6 or 7 people) then even if the poorest make up 20% of the households in the area, this will represent far less than 20% of the people in the area. Make sure informants are clear about whether you are asking for the percentage of households, or percentage of the population

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to do proportional piling in your practical training in **Session 8** (*The Wealth Breakdown*) of Module 2 (*Baseline Assessment*).

HEA practitioners aim to divide the population into four or more wealth groups, because – in reality - a breakdown with fewer than four groups tends to mask real differences in access. When you proportional pile the groups, if there are fewer than four groups and one is very large, you should sub-divide it, asking your key informants to describe critical differences *within* the group. It may even be necessary to divide beyond four groups (for instance if there is a very rich group that constitutes only 1 or 2% of the households); even though it may not be possible to conduct intensive interviews with this kind of group, it is sometimes useful to include these in the subdivision simply as a means of ensuring you have a complete picture of the community economy. It is necessary to do at least ten interviews per livelihood zone for each of the four wealth groups identified (see **Table 1**); and there may be cases when doing a few additional interviews with the very richest (if five wealth groups have been identified) can provide important information to cross check labour or service demand.

### *Setting up the next interviews*

The last task is to set up interviews with representatives of the wealth groups identified. Therefore, as the wealth breakdown exercise is coming to a close, you should ask the community representatives doing the wealth breakdown to select 3-5 people from each of the different wealth groups for further interview. You should be *very* clear about who you would like to meet and make sure you give the leaders enough time to gather people. You should be as specific as possible when you are requesting interview participants. Rather than asking 'Could you please bring me 4 poor women to interview?', you should ask 'Could you please bring me 4 women who cultivate about 1 acre each, own about 5 shoats, and have a family size of about 6? They shouldn't be too old and they should have husbands who are alive and living with the family (for at least part of the year).' The details of the request will vary from one place to the next, but the point is to be as specific as possible – using what the key informants have told you about what is typical for each wealth group. You should mention that you want normal, active people who can explain how they are surviving – not the very old, or feeble-minded. Be clear when you request a group of women if you want female-headed households or not – whichever is typical for the wealth group – as it is easier to interview a consistent group. It is best to ask for households that represent a specific level of assets within the most important defining criterion. For instance, in an agricultural area, where the amount of land cultivated is a critical determinant, it may be the case that lower middle households comprise those that cultivate between 0.5 – 2 acres; however, it helps to minimize the variability in replies that ultimately results from households at the extreme ends of the range if you ask for households that represent **a certain point in this range** – for example, households that **cultivate 1 acre** rather than asking for households that cultivate between 0.5 and 2 acres.

The household representative interviews are normally done with 3-5 village members each representing households of a particular wealth group. As a rule, it is usually not possible to do more than two household representative interviews in a day<sup>6</sup>. Even if the time permits, it is too taxing on the interviewers, and the third interview tends to be of poor quality. It is advantageous to interview groups of men and women separately. This is because women and men have different perspectives, different access to different sources of income and food, and different responsibilities. In countries where there are cultural restrictions on women, you may have to find out about the prevailing norms and organise your interviews accordingly (with, for instance, female members of the assessment team assigned to women

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<sup>6</sup> However, it is possible to do one community leader interview and two household representative interviews in a day, if such a schedule can be arranged.

interviewees). You may want to interview other specific members of the community if your research agenda requires this: for example, children, household afflicted by HIV/AIDS or that have taken in orphans, or disabled individuals. [Chapter 7: Emerging Links, Issues and Approaches](#) goes into more depth on how to proceed in these cases.

You should be clear that you want to speak with new people – not the people who participated in the community-level interviews. It is especially important to provide sufficient time to the leaders to gather the right people. If you expect to meet wealth group representatives immediately, then the leaders will round up anyone who happens to be nearby and they may not fall into the groups you have requested. Also, they may not have time to sit through a two-hour interview. The ideal scenario is to do the community level interview late one afternoon and then return the next morning for the wealth group interviews (proceeding to the next village in the afternoon for another community level interview). This allows the leaders enough time to request people to attend and to warn them that the interview will be about 2 hours. It also gives the participants time to make other arrangements for the activities they would normally be carrying out during the interview period. If you decide to arrange your interviews in this way, you should write down the precise details of who you want to meet the following day for the leaders to refer to when they are arranging the groups.

If you decide to conduct wealth group interviews on the same day as the community level interviews and want to give the leaders enough time to gather participants, one way to use the intervening time usefully is to make some **household visits**. A couple of the participants from the community key informant interview can be requested to take team members to the homes of people in specific wealth groups (while other community representatives are arranging the wealth group interviews). **Page 9** of the [Livelihoods Field Handbook](#) includes the rationale and some guidance for these visits. They should only be carried out if you have enough time as they are less important than the wealth group interviews.

### **Before leaving this level**

#### *For the team gathering Background and Seasonal Calendar information*

The team that concentrated on gathering background and seasonal calendar information must make sure they have collected the following:

- **background information** on the village (including details of recent hazards and household-level responses) as set forth in [Interview Form 3](#),
- enough information to prepare a **seasonal calendar** of activities
- information to put together a **timeline**
- enough information to choose or refine the decision about a **reference year**

#### *For the team covering the Wealth Breakdown information*

The essential tasks for this team are to:

- do a **wealth breakdown**, and
- **arrange for further interviews** with representatives from each wealth group.

## Activity 5. Conduct Interviews with Household Representatives

### When you get to the interview

There are a few things that need to be discussed and understood at the outset of the interview. These include the basic introduction including the purpose of your visit, confirmation of the wealth category, and a discussion of the reference year. Establishing clear communication on these three points is essential for a good interview. Confusion, potential bias, and misunderstandings can be avoided by taking the time to establish a good basis for your interview in the beginning. While you may feel the pressure of time constraints, the effort spent on the front end can help you avoid wasted hours in the long run.

### Introductions

Introduce your team to the household representatives of each wealth group in much the same way as you started the community level interview, letting everyone at the interview know why you are there, what you hope to accomplish, and why they have been asked to come speak to you. Take the time necessary to make sure it is clear you are not there to hand out food aid, or provide direct assistance. If your interviewees feel comfortable sharing their names, invite them to do so at this time.

### Confirming your wealth category

The second task is to make sure that the group of people you are talking to falls into the wealth category you expect to interview. It is sometimes useful to re-create the proportional piling exercise from the interview with the leaders, explaining what you learned the day before about the characteristics of each group, and finding out in an open-ended way which category your interviewees fall into. Another way to go about this task is to obtain a few personal details from each of the interviewees – How many acres does each cultivate? How many shoats does each own? Once you have confirmed you have a homogenous group and are ready to start the interview, you should thank and then politely excuse the village leaders who organised the groups (if they are still around). You can explain that you have already heard their views and will now be discussing the situation of a particular wealth group. You can also say that you know they are busy and thank them for already giving up so much of their time for the team.

At the start of the interview you should remind the interviewees that they have been selected as **representatives of households with particular characteristics in the community** (e.g. households that cultivate 1 acre and spend part of the year working for larger farmers in

### Box 9. Household representative interview tips

- Make sure you understand to whom you are talking. Clarify which wealth group the interviewees represent. Check that their appearance corresponds with their supposed wealth group. Find out if any of them are related to participants in the community level interview.
- Ask participants to represent their wealth group, not to speak as individuals.
- Be clear about the time period to which the questions refer.
- Remember the basic questions: who? what? where? when? why? how often? How long? how much? how many? what then? what else? what if?
- And keep asking why...

the community). Explain that you do not want them to talk about their own personal situation unless it is 'typical' for households with those particular characteristics. You will have to repeat this point throughout the interview. You will need to establish the household size that they think is 'typical' for the group and then ask all questions in relation to a household of that size.

### *Confirming the reference year*

The next thing to discuss is the reference year. It is important that you establish at the outset the year that you are going to be discussing and regularly remind the participants of the reference year to which you are referring. This is easiest if the year is the last 12 months (with the important exceptions mentioned above).

Having established these main points with the group, you are now ready to ask how households in this particular wealth group obtained their food and cash income in the reference year.

### **Information to collect**

Interview Form 4 outlines the minimum amount of information required from the **Household Representatives Interviews**. You will review this form and become familiar with it during your pre-fieldwork training. In a nutshell, you will be gathering quantitative information on people's sources of food and cash income, and their essential expenditure requirements.

The checklist in **Box 10** provides a general list of the types of food and cash sources you are likely to come across, as well as typical expenditure categories.

### *On food sources*

One important thing to keep in mind is that HEA is concerned with the economic question of **how people obtain access to food**. It is less concerned at this level with the question of just what people consume. So your line of questioning should be aimed at mapping out the links that determine the pathways of access – or **how** people get their food. This is quite different from asking people **what** they eat. The reason for this is that if we understand *how* people get their food, we will be able to systematically analyse just what kinds of things might close down those avenues, and help find ways to improve access, and keep it open in the event of a shock. This is what makes HEA useful for a wide range of programming options, including both longer term development design and emergency relief interventions. That is not to say that HEA does not uncover information about what people eat. It does, and this information can be useful for those conducting nutritional assessments, and for in-depth studies of dietary diversity. (See Chapter 7 for more on the links between HEA and nutrition assessments.) However, understanding *what* people eat, while interesting from a nutritional research perspective, does not offer the same degree of utility from a programming point of view. And it offers little entry point for understanding vulnerability to different hazards, or the relative risk of hunger given different changes in the economic context.

#### *Not 'what' but 'how'*

HEA is concerned with the economic question of **how people obtain access to food** rather than the nutritional question of exactly **what** people consume.

The standard categories for organizing information about sources of food include:

- own crop production

- livestock production
- purchase (including barter)
- labour exchange
- collection (e.g. wild foods, hunting, fishing)
- gifts and relief
- credit/loans

### Box 10. Categories of food, income and expenditure

Food	Income	Expenditure
<p><b>Own Crop Production</b></p> <ul style="list-style-type: none"> <li>• Cereals: <i>Maize, sorghum, millet</i></li> <li>• Pulses: <i>beans, chickpeas, groundnuts</i></li> <li>• Tubers: <i>cassava, sweet potatoes</i></li> </ul> <p><b>Own Livestock Production</b></p> <ul style="list-style-type: none"> <li>• Milk</li> <li>• Meat: <i>beef, chicken, pig, lamb</i></li> </ul> <p><b>Collection</b></p> <ul style="list-style-type: none"> <li>• Fish</li> <li>• Wild Foods: <i>nuts, berries, leaves</i></li> </ul> <p><b>Purchase</b></p> <ul style="list-style-type: none"> <li>• Purchase (<i>including barter</i>)</li> </ul> <p><b>Labour Exchange</b></p> <ul style="list-style-type: none"> <li>• Food in kind for labour (<i>including meals provided on the job</i>)</li> </ul> <p><b>Gifts and Relief</b></p> <ul style="list-style-type: none"> <li>• Food Aid</li> <li>• Gifts</li> </ul> <p><b>Credit</b></p> <ul style="list-style-type: none"> <li>• Local loans</li> <li>• Formal credit</li> </ul>	<p><b>Crop and Livestock Sales</b></p> <ul style="list-style-type: none"> <li>• Crop (and crop residue) sales</li> <li>• Livestock sales</li> <li>• Livestock product sales: <i>milk, ghee, skins</i></li> </ul> <p><b>Labour Sales &amp; Remittances</b></p> <ul style="list-style-type: none"> <li>• Local labour: <i>agricultural labour, local herding, construction, brick making</i></li> <li>• Migratory labour: <i>agricultural labour, town labour, mining, domestic work</i></li> <li>• Salaried employment</li> <li>• Self-employment: <i>handicrafts, brewing, charcoal making</i></li> <li>• Remittances: <i>money sent by someone living outside the village</i></li> </ul> <p><b>Sales of Collected Goods</b></p> <ul style="list-style-type: none"> <li>• Fish sales</li> <li>• Collected goods sales: <i>wild foods, firewood, grass, honey</i></li> </ul> <p><b>Small Business &amp; Trade</b></p> <ul style="list-style-type: none"> <li>• Petty trade: <i>purchase and re-sale of goods on small scale</i></li> <li>• Trade: <i>purchase and re-sale of goods on large scale</i></li> <li>• Transport: <i>taxi, pick-up</i></li> <li>• Small business: <i>village kiosks, milling, tea stall, agro-processing</i></li> <li>• Rental/Hire: <i>ploughs, livestock, vehicle, housing</i></li> </ul> <p><b>Gifts</b></p> <ul style="list-style-type: none"> <li>• <i>Cash from relatives/neighbours</i></li> <li>• <i>Sales of relief food</i></li> </ul> <p><b>Credit</b></p> <ul style="list-style-type: none"> <li>• Formal credit and local loans</li> </ul>	<p><b>Survival food</b></p> <ul style="list-style-type: none"> <li>• Staples: <i>cheapest cereals and pulses</i></li> </ul> <p><b>Survival non-food</b></p> <ul style="list-style-type: none"> <li>• Soap</li> <li>• Salt</li> <li>• Oil</li> <li>• Paraffin or Firewood to cook and see at night</li> <li>• Water (if applicable)</li> </ul> <p><b>Livelihood Protection</b></p> <ul style="list-style-type: none"> <li>• Primary and secondary school: <i>including fees and books/materials</i></li> <li>• Basic health care</li> <li>• Livestock inputs: <i>pest control, vet services, fodder, minerals, labour, drugs</i></li> <li>• Crop inputs: <i>ploughing, seeds, fertilizer, fungicide, insecticide, labour, materials</i></li> <li>• Inputs for business: <i>brewing, tea, etc</i></li> <li>• Clothing</li> <li>• Sugar</li> <li>• Grinding</li> <li>• Repayment of loans/credit</li> </ul> <p><b>Other</b></p> <ul style="list-style-type: none"> <li>• Non-staple food: <i>milk, meat, sauce items, vegetables<sup>7</sup></i></li> <li>• Gifts</li> <li>• Beer</li> <li>• Tobacco</li> <li>• Funerals</li> <li>• Travel</li> </ul>

As we are primarily interested in understanding how a household meets its minimum calorie needs, the focus is on the main energy-producing staple foods. For example, information on items such as spices or coffee may be important for calculating income and expenditures, but will not contribute significantly to total caloric intake.

<sup>7</sup>For most purposes, the cost of a diverse diet/micronutrients is not included in the survival threshold because in practice the cost would be so high that everyone in most areas where HEA is practised would fall below the survival threshold. This would not be helpful to decision-makers concerned with prioritising scarce resources. This is not to say that a threshold representing adequate dietary diversity could not be established and presented for outreach and advocacy purposes. Please see Chapter 7 again to find out more about how HEA can be used to help inform and understanding of dietary diversity and micronutrients.

Differentiating between sources of food is at the core of the assessment because **the way a household obtains its food defines its vulnerability to different hazards**, and ultimately its risk of hunger. For example, your risk of hunger obviously increases if you are wholly dependent on crop production and a drought occurs. Likewise, your risk of hunger is lower if you depend on sources of income, like remittances, that are outside the drought-affected zone.

Once you have a general list of food sources, you will need to ask and prompt in order to obtain details for each one. For the main production categories – crops and livestock – you will need to find out how much is produced and what is done with the production, quantifying the amount consumed, sold, given away, etc.

### *On income sources*

Interviewees will tell you that their income comes from some of the following general sources:

- Crop and livestock sales (you should already have these from the previous food questions but you may need to confirm prices)
- Labour, employment and remittances
- Self-employment (this includes things like handicrafts, brewing, charcoal making);
- Small business & trade
- Gifts
- Credit

Once you have a complete list, you will need to ask and prompt in order to obtain details for each one. Again you will need to quantify each income source, according to *number of people engaged in an activity, volume of sales, frequency of sales and price/s* obtained. Interview Form 4 outlines the information required.

### *On expenditure items*

Information on expenditure is important in order to know what else besides food is purchased and what might be temporarily cut back in difficult times. **Box 11** sets out the four basic categories of expenditure. These are related to specific response thresholds, as explained in Chapter 1, in **Box 8. Livelihoods and Survival Thresholds: Triggers for Appropriate Livelihoods-based Responses**.

The specific composition of each category will be locally-defined. For instance, in an urban area, where water is purchased, expenditure on water will need to be included in the survival non-food category, whereas in a rural area where households do not spend cash on water, water will not feature in any of the categories. Likewise, in a pastoral area, the livelihoods protection category might include substantially more expenditure on veterinary services and possibly fodder, whereas agricultural inputs and travel costs associated with purchasing seeds might fall into the livelihoods protection category. These local variations notwithstanding, what the categories represent in terms of their relationship to appropriate responses (as defined in **Box 11**) should be consistent across contexts.

A common problem with expenditure information is exaggeration of the items and quantities purchased. You need to use your judgement and experience to explore and discuss the figures. You might emphasize, for example, the type of year to which you are referring (i.e. not a good year), and the fact that you want the 'typical' pattern for the wealth group (not an

unrealistic ideal or exceptional situation). Be clear that you want to know what households in that group *actually* spent, not what they would *like* to have spent.

### Box 11. Categories of Expenditure

**Survival - food:** The amount of money spent on basic staple foods, i.e. those providing the bulk of food energy at minimum cost.

**Survival - non food:** The amount of money required to cover the cost of preparing and consuming food plus any cash expenditure on water for human consumption. This is the amount of money that cannot, except in the most extreme conditions, be switched to staple food purchases. The survival non-food basket includes basic items such as water (where people must buy water), salt, soap, , kerosene for cooking, etc.

**Livelihoods Protection:** The amount of money required to protect existing patterns of livelihoods, i.e. the amount that must be spent on items that are essential in terms of either i) maintaining access to basic services (e.g. routine medical and schooling expenses) or ii) the maintenance of livelihoods in the medium to longer term (e.g. purchase of seeds, fertilizer, veterinary drugs, etc.) or iii) the maintenance of a minimum acceptable standard of living (e.g. purchase of basic clothing, coffee/tea, etc.)

**Other:** The amount of money left over for expenditure on other non-essential or discretionary items, such as better quality clothing, more than the minimum on foods as set out in the 'survival' and 'livelihood protection' categories, cigarettes, etc.

**Other information:** The next section in [Interview Form 4](#) asks interviewees to predict the situation in the coming year and how it will compare with the reference year. You should go through each source of food and income from the reference year and quantify the changes in quantity and price that the interviewees expect. You should also explore any new strategies for obtaining food or cash income that households in the wealth group may pursue (or have already started pursuing).

Some examples:

- *Instead of selling 50% and consuming 50% of milk in normal times, pastoralists may sell 75% in difficult times, as the price of milk is high and the exchange value with staple food is good.*
- *Instead of selling 5-8 goats normally, agro-pastoralists may sell up to 10 in difficult times without damaging the herd's reproductive potential.*
- *Similarly, additional firewood, charcoal or other bush products may be collected in difficult times due to the loss of food and income from crops*

Finally, if you have time and if the wealth group representatives have been particularly forthcoming with information that adds up and makes sense, you may want to repeat the **wealth breakdown** exercise with this group. Because of time constraints, you may need to do a rapid version of the relevant section (last two pages) of [Interview Form 3](#) – just get the main characteristics (land area cultivated, livestock holdings, and household size) and proportional pile the percentage of households in each group.

### How to conduct the interview

With the household representative interviews you should keep in mind that you will be holding a conversation with people who may or may not have had experience in this kind of setting before. While many of the participants in your interviews so far (district level, market/trader, and community leader) have been involved in interviews with outsiders, it is less likely that household members have had this kind of exposure before. So you must be sensitive to how you come across, and be especially careful to keep in mind the semi-structured interviewing dos and don'ts that you will learn during your practical training in [Session 13 \(Household Representative Interviews\)](#).

### *Relax!*

By setting up your interview as a guided conversation rather than a stilted question-answer session you increase your chances of creating a relaxed and open environment that encourages truthful, complete, and interesting replies.

When you do your first interviews you may want to use [Interview Format 4](#) as a checklist, keeping it in hand and following the order set up there. However, as you gain more experience, you will find your own best way of conducting an interview. Each interview has a different flow to it, and you will become more adept at making the most of openings provided by interviewees, exploring issues in a non-linear way while still staying on track. By setting up your interview as a guided conversation rather than a stilted question-answer session you increase your chances of creating a relaxed and open environment that encourages truthful, complete, and interesting replies.

Make sure that you **cross-check calculations** during the interview. Please see additional guidance on cross-checking starting on **page 41**:

- Add up *total food intake* to make sure you have found close to the minimum 2100 kilocalories per person per day.
- Add up *total income* and *total expenditure* to make sure these are similar to one another.

**Probe** to make sure you have a clear answer to each question which makes sense in the context of other information you have to hand, for example on crop yields, milk yields and seasonal activities (gained from seasonal calendars).

Keep in mind that despite your best intentions some interviews do not go well. There are a few key clues to indicate an interview that is going off-track:

- Information is not being volunteered readily
- One person is dominating the discussion and refusing to allow others to participate
- When you cross-check, things do not become clearer, and contradictions get worse
- If the information were true, the informants would be dead
- Members of the group cannot reach a consensus

### *Probing*

Do not be shy about challenging your key informants. But you must do it politely. It is your responsibility to show that a) you do know something about local livelihoods, b) that you do not accept blindly what you are told and c) you are interested in the explanations and justifications for information you are given.

If you feel things are going wrong, the following tips can help you bring things around:

- Check again who is in the group. Sometimes problems arise because participants come from different wealth groups. In this case, reform the group, or even continue the interview with one participant only
- Make sure that you are all focusing on the right reference year
- Sometimes explaining that things are not making sense - and that you will disregard the data if this continues - can lead to a change of attitude by the respondents

If things do not improve, give up as soon as politely possible and move on to the next interview. You should inform the organizing community leader (through your team leader) that the interview did not go well and discuss the reasons why. This helps increase the odds that future interviewees will be better prepared to be open and honest.

### Details on cross-checking

It is important to go into the interview knowing how you will cross check and interpret the information you are hearing as you obtain it. The following guidance is provided to help you make the most of your time in the interview, and to ensure that you pursue things that do not make sense, or gaps that have been left in the picture. In essence, cross-checking comes down to understanding how things work, and being able to keep track of the information you are obtaining so that you can follow up if your information is not adding up. The guidance below is organised around useful cross-checking principles to keep in mind for food, income and expenditure. You will learn more about the calculations involved in these cross-checks and practise them in your practical training before going to the field, especially in **Sessions 10** (*Introduction to Kilocalorie Calculations*) and **17** (*Analysing Baseline Information*) in Module 2 (Baseline Assessment) of the Training Guide.

#### Food cross-checks

Two basic assumptions underlie the approach and give it its rigour. These provide the fundamental logic for the cross-checks you should employ in judging the accuracy of the information about food sources:

- If people survive and reproduce, they must in most years consume at least a minimum number of kilocalories. Asking '**does it add up?**' – in the sense of explaining how poor households access their minimum requirements – represents a basic cross-check on the quality of the field data.
- There are a limited number of ways in which a household can obtain food and income. Systematic and careful exploration of these will reveal how even poor households meet their minimum requirements in most years.

One of the interviewers should be adding up and cross-checking the figures and percentages **during the interview**. With a little practice and organisation it is fairly easy to check if your food sources are adding up to about 100% (e.g. 2100 kilocalories per person per day) during the interview. **Box 12** describes the calculation of kilocalories in full, and also suggests one quick general method of calculation. **Page 11** of the Livelihoods Field Handbook lists the kilocalories found in a variety of foods and **pages 12-17** provide 'look-up' tables for estimating kilocalories directly from quantities of food.

Simple cross-checks can help make a good interview, for example:

- *If you are told that people only got 2 sacks of maize last harvest, but you know from secondary sources and the wealth group breakdown that low yields are 2 sacks/acre*

- *and most people in the wealth group farm 2-3 acres, you are in a position to question the information the group is providing.*
- *If your food sources don't add up to approximately 100%, you can suggest that something seems to be missing, and quickly review the key information: the household size/dynamics; have all food sources been mentioned; and so on ...*

### Income cross-checks

You can use the same principle of adding things up to cross-check income information as well. One of the interviewers should add up the income information during the interview. At an absolute minimum, the income should exceed the expenditure on food outlined on page one of [Interview Form 4](#) (because we know that households also have non-food expenses).

As with food sources, there are simple techniques to help you cross-check during your interview, such as:

- *If you have been told people only sell 1-2 goats per year, yet you know from the wealth breakdown that they have 20-30, you can ask for an explanation of why so few are sold.*
- *If you are told that the selling price for a donkey is a certain amount that you think this is low, you should ask for clarification, letting your interviewees know what other people have mentioned obtaining per load.*

### Expenditure cross-checks

You should cross-check total expenditure against total income during the interview. If the expenditure is higher than the income you can indicate this to the interviewee and suggest

## Box 12. Calculating kilocalories

### How to proceed:

**Example:** You have identified that households in a particular group typically produce 3 x 90kg sacks of sorghum per year. What percentage is this of their daily food needs? (Note: HH size = 6)

### Solution:

#### A) How many calories does the sorghum contain?

3 sacks of sorghum = 270 kg.  
1 kg of sorghum provides 3550 kcals.  
3 sacks of sorghum provide 270 x 3550 kcals = 958,500 kcals.

#### B) How many kcals is this per person per day?

958,500 ÷ 6 people = 159,750 per person per year  
159,750 ÷ 365 days = 438 kcals per person per day (pppd)

#### C) What % is this of 2,100 kcals per person per day?

**438 ÷ 2100 x 100 = 21% of 2,100 kcals**

### FULL CALCULATION:

$$\% \text{ of kcals} = \frac{270 \text{ kg} \times 3550}{2100 \times 6 \times 365} \times 100 = 21\%$$

### QUICK CALCULATION:

Re-organising the full calculation:

$$\% \text{ of kcals} = 270 \text{ kg} \times \frac{3550}{2100} \times \frac{1}{6 \times 365} \times 100 = 21\%$$

$$= 270 \text{ kg} \div \frac{2100}{3550} \div (6 \times 365) \times 100 = 21\%$$

$$= 270\text{kg} \div 0.59 \div 2190 \times 100 = 21\%$$

where 0.59 = no. kg of food required to provide 2100 kcals or **KG PER PERSON PER DAY (KG PPPD)**

and 2190 = total number of days food required by the household in a year (6 people x 365 days) or **DAYS FOOD REQ<sup>D</sup>**

$$\text{General quick calculation} = \frac{\text{KG FOOD}}{\text{DAYS FOOD REQ}^D \times 100} \times 100$$

that the information is not adding up and needs to be reviewed. Debt and credit should be considered in all cases, but particularly in these circumstances. A final step in the expenditure section is to discuss which items purchased in the reference year could be foregone in a bad year (or, if the reference year was a bad year, in an even worse year). Reducing non-essential expenditure is a key response strategy for many households in bad years. We are interested in understanding the non-staple food items (and quantities) that are considered to be absolutely essential.

### **Before leaving this level**

As this is the final level of the baseline assessment, this is your last opportunity to fill remaining gaps, resolve inconsistencies, and make sure that you have a complete picture of the way in which households meet their annual food and cash income requirements, and how they typically spend their money.

One way to make sure that all the blanks are filled in and no questions remain is to fill in the **Baseline Storage Sheet** (See [Activity 2](#) in the next section) with information from all of the interviews. Because this tool has a number of built-in cross checks, and also a space for all the required information, it is a good way to ensure you have a complete set of baseline information before you leave the field. The next section discusses how to analyse your field information, and how the Baseline Storage Sheet is filled in.

## HOW TO ANALYSE AND STORE FIELD INFORMATION

The second part of a baseline assessment revolves around the procedures employed to analyse and store the baseline information gathered in the field. There are two main activities associated with this step: 1. analyse field information; and 2. fill in the Baseline Storage Sheet.

The rest of this chapter is devoted to providing guidance on these two activities. Because the Team Leaders are responsible for filling in the Baseline Storage Sheet in the field, advanced guidance on this topic is provided for Team Leaders in the Team Leaders' Supplement.

### STEP 2. ANALYSE AND STORE BASELINE INFORMATION

Activity 1. Analyse field information

Activity 2. Fill in the Baseline Storage Sheet

### Activity 1. Analyse Field Information

One of the strengths of rapid assessment procedures is that data collected in the field can be analysed and reviewed on-the-spot. This is important because it allows findings to be shared between team members every day. In this way gaps in the information can be identified and followed up, new leads can be shared and appropriate avenues of further enquiry developed and pursued. It is also important that team members share their experiences with the field methodology; this will help to identify which particular approaches work best in any given setting and will help ensure that all team members follow similar and effective procedures in the field. You will be introduced to these concepts and have a chance to discuss them in more detail in Session 17 (Analysing Baseline Data) of Module 2 (Baseline Assessment) during your practical training.

#### Preliminary, interim and final analysis

There are basically three stages to the analysis:

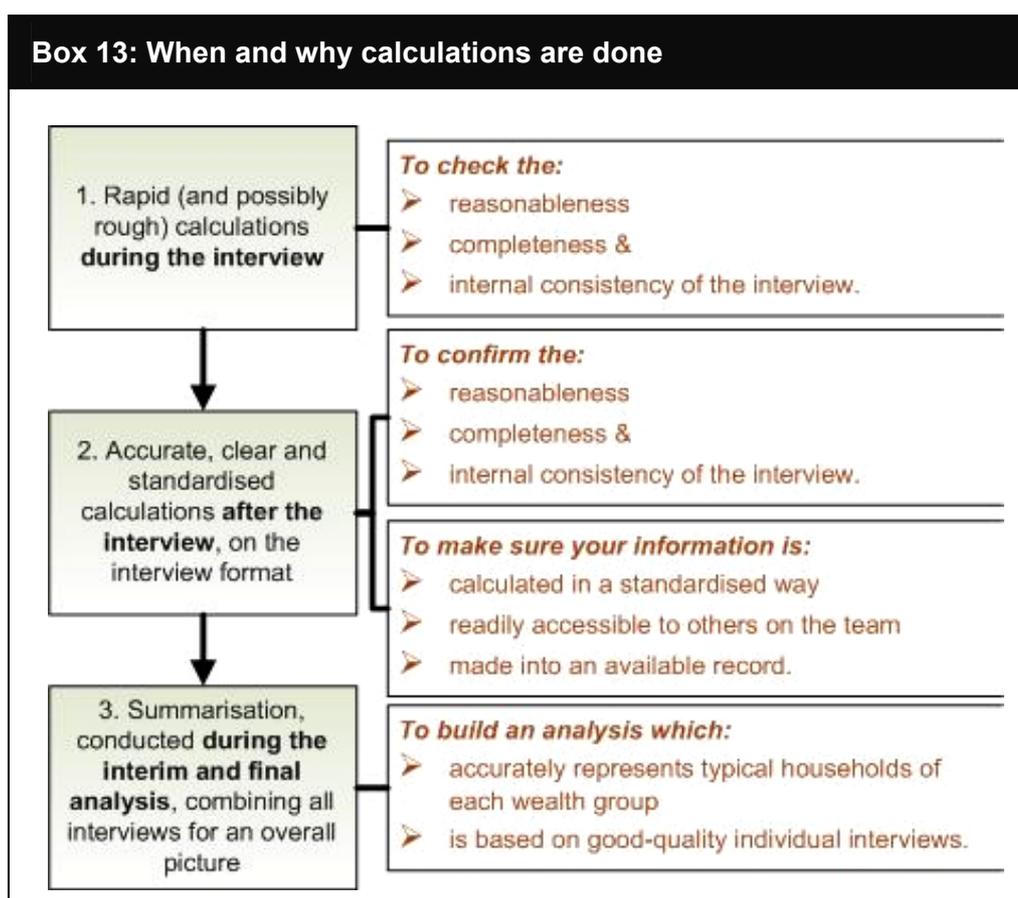
**Preliminary analysis:** This includes the rapid calculations and cross-checks carried out during and immediately after each interview. These calculations should be carried out by the interviewers themselves. They should then be cross-checked by the team leader, who should provide feedback to team members on a daily basis.

**Interim analysis:** This should be carried out by the whole team together roughly half way through the fieldwork (e.g. after the first 4 sets of community and wealth group interviews have been completed). Interim analysis requires about a day and involves compiling and quickly running through the results obtained so far. The main purpose of the interim analysis is to identify key questions and issues for follow-up in the field. For example, if the first wealth breakdowns indicate an unusually high percentage of poor households in the livelihood zone, the interim analysis is the time to ask whether this is a fair reflection of the situation in the zone, or if it is a reflection of the way the teams are posing the wealth breakdown questions. Similarly, if the amount of cash income obtained from one source (e.g. firewood) is relatively high, is there an explanation for this (e.g. strong demand from a neighbouring urban market) or does it require additional follow-up in the field.

**Final analysis:** This is carried out by the whole team together once all the interviews have been completed. It involves compiling the findings from the various interviews (district, market, community, and wealth group), summarising the results and completing a series of cross-checks. The most time-consuming parts of the analysis are the compilation of the wealth breakdown and the analysis of food, income and expenditure for each of the wealth groups. Other tasks for the final analysis include finalisation of the seasonal calendar and the preparation of bullet points for the livelihood zone profile.

The interim and final analyses can be carried out in one of two ways. Either the results from the various interviews can be listed and summarised on flipcharts, or the analysis can be done using the Baseline Storage Spreadsheet (see **page 49**). The latter method is recommended, as it requires less time, and generates a permanent record of the analysis that can be referred to in the future. The most effective way of completing the analysis with the Baseline Storage Spreadsheet is to attach an LCD projector to the computer containing the Storage Sheet file so that the individual interview data and emerging analysis can be projected onto a screen or wall. This enables all members of the team to follow the analysis and helps to promote their full engagement in the process.

Calculations are carried out at all stages of the analysis. **Box 13** indicates when and why these calculations are done.



This section focuses on the third set of calculations - summarising and cross-checking the data - and outlines each step in the analysis process: a) wealth breakdown and b) analysis of baseline food, cash income and expenditure by wealth group.

## Summarising results

The amount of data available for analysis is generally small, and detailed statistical analysis is not therefore justified. Nor is it appropriate to report results to a very high level of precision. Taking the wealth breakdown as an example, it is not appropriate to report that 33.2% of households are poor (even if that is the average of the results obtained). This is too high a level of precision given the data available. Instead, it is preferable to report the results as a range, such as 30%-35% or 25%-40%. Although results included in reports will generally be presented in ranges, a single central value (referred to here as the mid-point) will also be required for the many calculations that form a routine part of Household Economy analysis. **Table 7** suggests a standard procedure for estimating a single central value from a limited amount of data, and for deriving a range around this central value or mid-point. In order to avoid excessive precision in the reporting of individual data, it is usual to round the calculated mid-point either up to down, e.g. to the nearest whole value, or to the nearest 5%.

<b>Table 7: Suggested procedure for deriving mid-points and ranges from a limited amount of data</b>			
1. List individual results	2. Sort from lowest to highest	3. Exclude the lowest and highest values and take an average of the remaining values. This is used to derive the mid-point or central value.	4. Define the range based upon the 2 <sup>nd</sup> lowest and highest values.
28 32 38 38 42 35 21 28	21 28 28 32 35 38 38 42	24 28 ] 28 32 average = 33 35 38 38 ] 42	24 28 ◀ 28 32 35 38 38 ◀ 42
Note: The term mid-point is used throughout this guide to indicate the best measure of central tendency for the purposes of household economy analysis.		Average = 33 mid-point = 32.5 (see Table 8)	mid-point = 32.5 Range: 25-40 (to include 2 <sup>nd</sup> lowest and highest values)

**Table 8** provides suggestions for how to round mid-points either up or down, and suggests possible ranges around different levels of mid-point.

The process of summarising the data from a rapid assessment is more than just a process of automatic calculation. Rather, it is one of critically reviewing each set of data to decide how much 'weight' to give each result. This can mean excluding more than the highest and lowest values (or could mean excluding fewer than two values, depending upon circumstances). There are many reasons for assigning different weights to different results, including:

- Location-specific factors (e.g. atypical village close to road, with irrigated land, etc., in an area where these attributes are relatively uncommon)

<b>Table 8: Suggested ranges and mid-points for use in Household Economy Analysis</b>			
<b>1. The Wealth Breakdown</b>			
	Round the mid-point to the nearest:	Set the range to a minimum of:	Examples: mid-point and range in brackets
	2.5%	5%	2.5% (0%-5%) 7.5% (5%-10%) 15% (10%-20%) 37.5% (30%-45%)
<b>2. Other results</b>			
Result:	Round the mid-point to the nearest:	Set the range to a minimum of:	Examples: mid-point and range in brackets
1-10	0.5	1	milking cows: 0.5 (0-1) land owned (ha): 3 (2-4) household size: 6 (5-7)
10-25	1 or 2.5	2	goats: 11 (10-12) sheep: 15 (14-16) chickens: 17.5 (15-20)
25-50	2.5	5	27.5 (25-30) 30 (25-35) 45 (40-50)
50-100	5	10	55 (50-60) 85 (70-100)
100 and above	10 or 25	20	130 (120-140) 160 (150-170) 225 (200-250)

- Differences in wealth group being described (e.g. upper versus lower end of the 'middle' group)
- Variations in reliability – some interviews are simply better than others, and greater weight should be attached to information derived from these.

### Cross checking

Checks can be made of both the internal and external consistency of the results.

#### Internal Consistency

Internal consistency checks include two general categories: 1. comparing what you're finding to a reasonable reference point or set of information, and 2. looking at trends across wealth groups. These include:

You will have the chance to participate in a number of internal consistency cross-checking exercises in your practical training during Session 17 (Analysing Baseline Data) of Module 2.

#### External Consistency

The main checks of **external consistency** are in relation to secondary source information. Some examples include:

- **Crop yields:** how do village-level yields compare with Ministry of Agriculture yields?
- **Household size:** how do reported household sizes compare to census figures?
- **Livestock herd composition and herd dynamics**<sup>8</sup>: how does this compare with what is expected? (You will be introduced to herd composition and herd dynamic cross-checking tables and exercises in Module 2: Session 3 – *The Livelihoods Field Handbook*- during your Baseline Assessment practical training).

<b>Table 9. Internal consistency cross checks</b>		
<i>1. Comparison between information and reference data/information</i>		
<b>Category</b>		<b>Cross check reference</b>
Food intake	<b>Should add up/be equal to...</b>	at least 2,100 kilocalories per person per day in reference year
Income		Expenditure
Number of days of agricultural labour 'sold' by poor		Number of agricultural labour days 'bought' by better-off
Gifts received by poor		Gifts given by better-off
Land rented out		Land rented in
Livestock borrowed		Livestock loaned
<i>2. Trends across wealth groups should pass a test of 'reasonableness'</i>		
<ul style="list-style-type: none"> <li>• does total production increase with wealth group?</li> <li>• does cash income increase with wealth group?</li> <li>• does the percentage of off-farm versus on-farm income change consistently across wealth group?</li> <li>• does the proportion of expenditure on staple food decrease with increasing wealth?</li> </ul>		

There are a number of possible reasons for things not adding up. Some things to review if this problem arises:

- Is the level of food intake physically possible (vs. observation)?
- Has the household size been overestimated (perhaps by including members who spend all or part of the year elsewhere)?
- Did the team collect information on food and acquisition by ALL household members (men, women and youths)?
- What about food and income sources that are often missed (e.g. beer, tea with sugar, payment in kind for work, support from relatives to cover health or education expenses, remittances)?

<sup>8</sup> The term herd dynamics refers to changes that occur in a livestock herd during the year, i.e. the numbers of animals added to the herd (through births and purchases) and the number removed from the herd (through death, sale and slaughter).

## Activity 2. Fill in the Baseline Storage Sheet

The Baseline Storage Sheet is used to document and cross-check each interview and to facilitate post-field work analysis. It is a simple Excel spreadsheet that enables field teams to enter, check and analyse individual interview data in the field. It is also the basic tool that field teams use to analyse and summarise field data during the interim and final data analysis sessions. It has space to record the results from two levels of interview; those undertaken at community level, and those undertaken at wealth group level. The team leader will be responsible for entering data into the Baseline Storage Sheet; details specific to this task are, therefore, left out of the **Practitioners' Guide** and included instead in the **Team Leaders' Supplement**. Below you will find a general description of the Storage Sheet, what advantages it provides and the procedure for its utilisation. **Session 16 (Storing Baseline Information)** of **Module 2 (Baseline Assessment)** in the **Training Guide** provides additional guidance on the Baseline Storage Sheet.

Individual interview data are processed as follows: The field interviewer completes his/her own calculations of the results by pencil and paper. This is done very rapidly at the time of the interview itself (so that interviewers can keep track of progress during the interview) and in more detail in the evening after the interview. This encourages the interviewer to re-examine the results and to identify any questions for clarification and follow-up the next day. The calculations also form the basis of a cross-check at the next stage – data entry. Data entry is the responsibility of the team leader, who enters the detailed data from that day's interviews each evening. The Baseline Storage Sheet automatically completes the calculation of the results (i.e. total food access, total cash income, total expenditure) for immediate comparison with the pencil-and-paper calculations of the interviewer. This checks both the calculations of the interviewer and the data entry of the team leader.

The Baseline Storage Sheet can help increase the accuracy and integrity of the field information by performing a number of calculations that form the basis of key household economy cross-checks:

- calculation of total food access. If this is very much below 100% of minimum food energy needs, and people clearly did not starve in the reference year, then more questions need to be asked and clarification obtained.
- calculation and comparison of total cash income and expenditure. If these are very different, then further follow-up is required to resolve the apparent inconsistency.
- calculation of rates of off-take for each type of livestock (i.e. the percentage of the herd sold and slaughtered in the reference year). This can be compared with a set of reference values; again any major deviation signals the need for further follow-up in the field.

### Box 14: Data storage and quality control in the field

The baseline storage spreadsheet is a key tool in terms of storing data in the field and maintaining data quality. It:

- encourages active checking and cross-checking of data by the field teams themselves;
- facilitates rapid on-the-spot analysis, so that any inconsistencies or questions can be resolved by the field teams before they leave the survey area;
- minimizes data entry errors, while at the same time speeding up the processing of basic field data,
- provides a permanent record of individual interview results and the analyses completed by the field teams, so that these can be checked by a supervisor at a later date.

- a cross-check on labour payments, which determines whether the amount of money reportedly earned by poorer wealth groups roughly balances with the amount that the better-off report paying for labour.
- a cross-check on agricultural productivity. This compares the production per unit area obtained by different wealth groups, to check that trends are consistent across wealth groups and are consistent with reported rates of input use, etc.

The first three of these checks are useful at the level of the individual interview (and when summarising the overall results for each wealth group). The last two are used during the interim and final analyses to check the consistency of results across wealth groups and for the livelihood zone as a whole.

The first step in using the Baseline Storage Sheet is to enter the data from the individual interviews. Once this is done, the next step is to summarize the results for each wealth group. This is done within the Baseline Storage Sheet, the layout of which facilitates two types of comparison; a) a comparison of individual interview results within each wealth group and b) an analysis of trends across wealth groups. In each case the spreadsheet facilitates the process of identifying outlying results and identifying the central value to be taken as representative of the wealth group as a whole.

The last step in the analysis is a final cross-check of the results by an experienced supervisor who was not a member of the field team. This can be done either in the field (by a roving supervisor) or at a centralised post-field work analysis session.

**FREQUENTLY ASKED QUESTIONS*****Q. What happens when some interviews with community leaders result in three wealth groups and others produce four wealth groups?***

A. Standard HEA practise in rural areas is to sub-divide into at least four wealth groups. Any fewer is likely to miss significant variations in access to food and/or income. In rare cases, it may be sufficient to divide into three groups (for instance, if you are focusing on just one group for the purposes of programme planning, or if it's a highly skewed feudal economy) but in the end it is the team leader's role to make sure everyone is following and adhering to a standard procedure. Any deviations which occur within the first few interviews should be rectified before proceeding.

***Q. What should be done when teams return from community interviews from across the zone with different reference years? Since it is possible for two areas within one livelihood zone to have had quite different hazards in recent years, how is this reconciled?***

A. Current practice is to choose the reference year *before* the teams head to the field, and then to work with district officials to choose villages where the reference year was neither particularly good, nor particularly bad. The training pilot field work is an opportunity to test whether or not the reference year will work in that zone, and also to refine the selection of villages. Before starting the real fieldwork, you should have an agreed upon reference year, and a list of villages where the reference year was similar in 'hazard' terms.

***Q. What happens when there are different types of activities within one wealth group? For instance, 30-40% might be doing petty trade whereas the other 60-70% are gathering firewood. They make more or less the same amount of income but the activities are different.***

A. Typically the major income activities for a wealth group will be similar. So, for instance, 75% of their income will come from a combination of, say, crop and livestock sales, with a remaining 25% coming from other smaller sources. If you are finding consistent and significant variations in the major income sources, (e.g. 60% report that livestock sales provides 75% of their income, whereas the other 40% say crop sales provides most of their income) this means their vulnerability to hazards is different and you should consider sub-dividing the wealth group. Your team leader should make the final call on this. A more common scenario is to find the smaller sources are not consistent across the wealth group, as suggested in the above question. In this case, do not sub-divide the wealth group, but find a way to clearly report on these differences. If the sources can be grouped under a common category (e.g. basket weaving and brewing could be grouped as 'self-employment') this may be your simplest solution. Another alternative would be to group the variable income sources into an 'other' category, and explain what this comprises in the text of your report. In doing your analysis you would take an average of the various incomes to use in the Baseline Storage Sheet.

***Q. Sometimes it is easier for interviewees to remember the household economy data from the reference year based on their local calendar year rather than based on the consumption year. If this is the case, then there may be issues of accounting for stocks from the previous consumption year and losing some stocks from the year under scrutiny. How can this be dealt with?***

A. This is a fairly rare occurrence. But you should use the consumption year regardless, because it simply becomes too complicated otherwise. Try to use visual RRA tools (such as seasonal calendars) to help interviewees square the calendar year with the reference year, or work with local informants to make up a flip chart with visual symbols representing months

or seasons starting from the harvest onwards to help foster a common reference point in the interviews.

***Q. What do you do with relatives that are there 30-50% of the time 'eating from the HH pot' but not for the remainder of the time. What household size figure do we take?***

A. Any time you have household members away, or additional members eating from the household pot, this is calculated either as a benefit or a cost to the household budget (respectively). Specifically, you would include migratory relatives in the household figure, but count any time they are away as direct food from 'labour migration'. In the case of children eating at relatives' houses for significant periods of the year, you can count this as 'child away'. For example, for a household of 6 people with one person away for 5 months per year, roughly 7% of annual food can be accounted for by that person while away ( $5/12 \times 1/6 / 100 = 7\%$ ). So this is represented on the sources of food bar chart as 7% = "direct food from migratory labour". Although the alternative scenario – having additional relatives eating from the household pot - is less common (only because it is less possible to generalise this activity to the entire wealth group), you would treat these additional relatives as a cost to the household food budget, representing this either on the expenditure side, or by increasing the required kcals per day to incorporate their extra consumption and then calculating the % food energy required against this new figure.

***Q. Should incentives be given to interviewees?***

A. It is not standard practise to pay interviewees for a number of reasons, not least of which is the difficulty in determining an appropriate rate, and the likelihood of biasing the types of interviewees you receive. It should be avoided. However, verbal appreciation should always be extended; and it is not inappropriate to arrange for suitable refreshments, such as tea or coffee.

***Q. Sometimes the community interview information on food, cash and expenditure for different wealth groups differs from the information you receive from household representatives of those wealth groups. How is this resolved?***

A. You should give more weight to the household representative interviews on information about livelihood strategies (specific food, cash and expenditure information) unless you have good reason to believe that the household representatives are hiding particular pieces of information that the leaders have offered up. You should give more weight to the community interviews on the wealth breakdowns.