

OPEN HANDS

Christ-Centered Economic Opportunities for the Poor



If there be among you a poor man... thou shalt open thine hand wide unto him, and shalt surely lend him sufficient for his need. DEUTERONOMY 15:7-8

SAVINGS GROUPS HELP TO PROVIDE FINANCIAL SERVICES

Lyndon Swarey

Often, when I thought of microfinance whether it was savings groups or micro-credit (loans), I would picture someone with a small business and this person using the loan he had received from the group or the MFI to invest in a business. This person would use the loan for something that would hopefully earn them more money which would enable them to repay the loan.

Over the last few years I have seen group members take a loan and use it for activities that do not generate income. While these loans were often small, it made wonder me why the group would allow someone to do this. A group member would take a loan and use it to pay school fees or rent. The loan helped them get out of a financial crisis but did not contribute to their immediate income in order for them to pay the loan back. In some of these

case, they were also being charged 10% interest per month.

In the past month, I read the book *From Dependence to Dignity* and I became aware of how people can using savings groups to meet many needs in their lives. Poor people need to manage their money well in order to survive. Their incomes are often irregular or very small. One month their income may be high, and the next month, they are unable to cover the basic costs of living. This can require them to use loans in order to bring financial stability. Being able to borrow money for school fees and rent helps them to eliminate an immediate crisis that could require them to take their child out of school or be evicted from the house. This just goes to show that poor people need financial services that are flexible and allow them to borrow for other things other than microenterprise.

According to research poor people need and use a wide range of financial services which fall into five categories: to smooth consumption, investment in microenterprise, household needs, life-cycle events (marriage, death, etc.) and emergencies. Being able to access

loans gives poor people the ability to meet some of their financial needs within these categories which can bring financial stability to a household by providing funds during the times when their income is unable to cover the costs. Group members understand each other's financial needs and can set the group up to meet those needs which is one of the benefits of a savings group.

The result of accessing loans during times of crisis helps to stabilize the household's finances and push them back from the brink of immediate financial disaster. As *From Dependence to Dignity* points out, this can have a dramatic effect on the household. They are not always facing a financial disaster which can allow them more peace of mind and can give them hope for the future. If a loan from a group can help carry them through a crisis until they have sufficient income again, it is a loan well given. Since group members know each other and understand each other's situation, they are able to give loans for other things than microenterprise and meet the financial needs of their members. ●●●



EMPOWERING KENYANS TO REACH THEIR GOALS

Joe Kuepfer

Kenya, as you may have heard, is a beautiful country full of many contrasts. It has a beautiful tropical coastline, a 17,057 ft. tall mountain, lush farmland, dry wasteland, modern cities and primitive villages. For many years, the rich and poor have lived together in this land. Recently there has been an increase in the middle class, but the growth of the middle class is still somewhat slow. Kenya has had a lot of development over the years, yet there is more needed. Not all of the development that Kenya has seen in the past has been completely helpful. As in many countries, there is a big need for conscious, sustainable devel-

opment which comes through the form of empowerment. Thank you for partnering with us in prayer as we strive to be an organization which works toward sustainable development in Kenya, development which is a result of people's changed mindset.

Many times we think that we are born either smart or slow, rich or poor. However this type of fixed mindset only keeps us where we are and makes us afraid to try new things. If we are in a less than ideal situation, we lack the confidence to try to improve our situation. If we are in a good situation yet have a fixed mindset, we will still be afraid to try new things because we will be afraid we will fail. We need to strive for what Carol Dweck calls a "growth mindset" in her book entitled *Mindset*. People with a growth mindset believe that they can learn and grow, and they are the people who overcome obstacles and make a difference in their world. At

Open Hands, we wish to show people that they have been given something by God, and even if it is small, when stewarded properly it can be used to do something big. Recently I was told the story of a woman in Kenya who at an old age went and worked in the field one day and received \$2. With this money she purchased some bananas. She sold the bananas for a profit and purchased a chicken. After selling the chicken she bought a goat. The goats eventually enabled her to purchase a cow. Now she has four cows and is planning to sell some of them in order to buy land. Land is a very sought after and expensive asset here in Kenya. This is a great example of what can take place when people with the "growth mindset" steward what God has given them.

In Kenya, when people are presented with the idea of starting a savings group, many times they are interested and agree that such a group could be helpful. However in order to join a group, they need to cross the hurdle of needing to give something, rather than receive something. Instead of receiving a handout, they must give some time, some resources, and submit to a group. The rewards of being in a savings group are not immediate, but come over time in the form of being able to access loans from the group and receiving their savings back with interest at the end of the cycle. They also benefit from biblically

OPEN HANDS TRANSITIONS TO AN INDEPENDENT ORGANIZATION

Merle Burkholder
Open Hands Administrator

Anabaptist Financial's two-fold mission is to provide faith-based financial services and stewardship teaching. Prior to the formation of *Open Hands*, Anabaptist Financial exercised its two-fold mission solely among conservative Anabaptist people in the United States. Compared to the US, Anabaptists in underdeveloped countries have limited financial services available to them. Anabaptist Financial's board developed a vision to consider the plight of the poor by extending financial services to needy Anabaptists overseas. While many miles separate us from these brothers and sisters, we felt the call to find a way to extend a helping hand.

In response to this vision, in 2007 the board authorized the formation of a research committee to determine what Anabaptist Financial could do to assist Anabaptist believers in underdeveloped countries. Ken Burkholder and Merle Burkholder were appointed to this committee. Others who later served on the *Open Hands* Committee include

Merle Herr, Raymond King, Richie Lauer, John Omar Lapp, Marvin Mast, John R. Sensenig, Tim Stoltzfus, and Lester Weiler.

The committee made a research trip to the Dominican Republic and interviewed staff of several microfinance organizations. As a result, the Anabaptist Financial board decided to launch a savings-led microfinance program in Haiti. This program was launched in October, 2009 as *Open Hands*, with Merle Burkholder as administrator. Lyndon Swarey was the first staff person, and has served in the Haiti program from the very first day.

Soon requests came from other missions to bring savings group programs to their areas. *Open Hands* expanded into India in 2011, Kenya in 2013, and Guatemala and Mexico in 2015. The staff team was expanded to include the Joe Kuepfer family in Kenya and Darin Hershberger in Haiti.

By 2012, the growing size of the *Open Hands* program made it apparent that it should be registered with the IRS as a separate 501(c)(3) organization. This made *Open Hands* the fourth organization within the Anabaptist Financial family. As *Open Hands* continued to flourish, the Anabaptist Financial board began to feel the challenge of providing governance to an organization that had overseas operations in foreign mission settings. As its work spread around the globe,

Open Hands grew far beyond what was originally envisioned. With other aspects of Anabaptist Financial growing as well, the board felt stretched to stay abreast of all that was happening in *Open Hands*.

Open Hands has a mission-outreach emphasis to assist conservative Anabaptist churches and missions in underdeveloped countries to increase their mission influence by teaching about Christ-centered micro-enterprise and savings. *Open Hands* provides economic teaching and advisory support to both the saved and unsaved in a mission effort to use economic need to both grow people in Christ and bring people to Christ. This is a challenging work that involves reaching into the economic pain and suffering of the poor and lost. The board felt strained by the dual challenge of serving North American conservative Anabaptist communities with financial

CONTINUED ON 4 ●



Savings groups in Kenya.

CONTINUED ON 6 ●



Darin Hershberger with Rigo, our new facilitator in Choix, Mexico.



• CONTINUED FROM 3

services while attempting as well to reach underdeveloped countries with economic, financial, and spiritual teaching and support.

In the fall of 2013, the board began to consider if it would be advantageous for *Open Hands* to form its own board, fully dedicated to the needs and opportunities of *Open Hands*. In November of 2014, the Anabaptist Financial board decided to implement the process to transition *Open Hands* smoothly from being part of Anabaptist Financial to a completely independent organization. In May 2015, a separate board of directors was formed to govern and oversee the work of *Open Hands*. On July 1, 2015, the transition process was completed and *Open Hands* began to operate as an independent non-profit organization separate from Anabaptist Financial.

OPEN HANDS BOARD MEMBERS

Marvin Mast, *Chairman*
 Ken Burkholder, *Vice Chairman*
 Joel Martin, *Secretary*
 Tim Stoltzfus, *Treasurer*
 Dwayne Borkholder
 Amos Hurst Jr.
 John Omar Lapp
 David G. Martin
 John R. Sensenig

We are grateful for the vision and encouragement that Anabaptist Financial gave in developing *Open Hands* from a visionary idea to a growing, flourishing ministry. We believe that *Open Hands* will continue to provide teaching and a helping hand up to thousands of families around the world. We continually hear stories of families that are able to feed their children more regularly, families that are sending more of their children to school, and families that are able to give more to their local church as a result of increasing their income by participating in a savings group. Pastors are reporting that church offerings have increased as a result of savings groups being formed among church members.

The new *Open Hands* board has a strong vision to see this type of ministry continue. We anticipate that the transition will be very smooth since all the new board members are either Anabaptist Financial board members or members of AF's former *Open Hands* management committee. All of these men are already familiar with the work of *Open Hands* and feel a burden in their hearts for microfinance savings group ministry.

We are looking forward with anticipation to the opportunities that God will bring us in the days ahead. We are discussing with several additional mission organizations the possibility of a savings group program in locations where they have churches. We are confident that



Darin Hershberger with Carlos, our new facilitator in Guatemala

God will continue to open doors and provide the finances and prayer support that is needed to move ahead with new projects while we strengthen the existing programs.

Earlier this year, *Open Hands* moved the Joe Kuepfer family to Kenya, where we are now seeing good growth in the program. We are projecting that out of our base in Kenya we can reach into other East African countries in the next few years.

As *Open Hands* moves ahead under God's direction, we look back with appreciation for the prayers and financial support from each of you who has been part of making *Open Hands* successful. We look forward to your continued participation in this important ministry.

•••



OPEN
HANDS

Christ-Centered Economic Opportunities for the Poor

● CONTINUED FROM 2

based teaching that is done at group meetings. Additionally, they are a part of the mission of the group and this gives them more accountability to help them steward their money wisely as they work toward goals. After they have been in a savings group for some time, they are able to recognize these rewards and their enthusiasm can grow.

There is a savings group based in the town of Nakuru that has been working together since 2013. Instead of receiving their money back at the end of their savings cycle, they are leaving their shares in the group in order to continue saving to buy land. Most of the members of this group are faced with the burden of renting houses in town, and they don't have space for farming. Together they would like to purchase land to farm,

and eventually divide it and build homes in order to avoid the strain of paying rent each month. This is another example of people with a growth mindset, people who believe that something that is difficult is actually possible and this belief has moved them into action. They have no illusion that their goal will be quick and easy, but they are faithful as they continue to take small steps in the direction of their mission. People in Kenya are resilient, intelligent and hard working. They are able to accomplish much with the help of God. Our goal at *Open Hands* is to be a part of the hands and feet of God as we empower people to see the great things that they can accomplish to develop their country as God's stewards. ●●●



OPPORTUNITY TO SUPPORT THE WORK...

Open Hands supports conservative Anabaptist mission work by providing a Christ-based curriculum, financial teaching, and savings groups. While *Open Hands* does not provide money for loans, there are expenses for curriculum, paying the facilitators, and overseeing the program. If you endorse the work and vision of *Open Hands*, we invite you to partner with us. Your gift will help us expand the program and reach more people. Contributions are tax-deductible. Please make your check payable to *Open Hands*.

For more information, please contact:



OPEN HANDS

1245 Old Route 15, New Columbia PA 17856
Phone: (800) 653-9817 | Fax: (866) 230-6253

OR

Merle Burkholder

Open Hands Administrator
Phone: (800) 653-9817, ext. 212
Email: openhands@afweb.org
Web: www.openhands.org