

# Socio-Economic Projects Spillovers and Their Influence on Communities Development

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## Abstract

The purpose of this paper is to gauge the different community socio-economic influences that comes as a result of the impacts and the potential of spillovers brought by these socio-economic projects.

Based on the literature review, a theoretical framework is hypothesised. The framework proposes the relation between the socio-economic projects, four stages and their potential impact and spillovers. Selective cases relevant to projects of poverty elimination, healthcare development and women empowerment are carefully studied and dissected. Then, each case is evaluated in relevance to its value chain through a detailed summary. The impact and spillover of each of the sampled projects are illustrated and clarified. Despite its limitations, this study carries important implications as it brings in diverse tools for gauging the different efforts in journey related to creating a socio-economic outcome.

**Keywords:** socio-economic project, spillovers, communities development, socio-economic impact, inspiration economy projects

## 1. Introduction

This paper explores the spillover effects of the socio-economic projects in the context of Inspiration Economy Program. Understanding of these effects helps to realise how to design the socio-economic problem-solving field experiment. This would help to measure the type of treatment of the projects and their suitable methodology. Angelucci and Maro (2015).

The papers focus on understanding the type of spillover effects that should be utilised to design the appropriate socio-economic project approaches and mechanisms. The literature review shows and maps the socio-economic projects influence and how they could improve the communities' capacity. Then, the type of socio-economic spillovers and their role in enhancing communities influence are explored. Bivens (2017).

## 2. Literature Review

The purpose of this paper to answer one main research question that investigates how spillovers could come and flow from socio-economic projects to communities' development?

### 2.1 Role of Socio-Economic Projects in Improving the Community's Capacity

Socio-economic projects bring networks of innovation that increases the capacity and efficiency of the stock of knowledge and the quality of life. These projects spillovers bring in social cohesion and even improve social science research. Bivens (2017).

The spillover can enhance the capacity of projects assessments. Once projects are adequately assessed the type of research can be specified. This means that the spillover would help to be selective in the data to be obtained and analysed. This would trigger more efforts in data dissemination and more deep evaluation findings. Angelucci and Maro (2015).

### 2.2 Importance of Understanding the Socio-Economic Projects Influence

The social and economic interaction affect the spillover of community human capital. This lead to equilibrium effects. These spillover effects stem from an intervention that affects the behavioural or social norms within the contexts in which these interactions are relevant.

Understanding the influences of the different socio-economic projects help to practitioners to prioritise community issues. Nevertheless, the literature found to be scarce in relevant to socio-economic influences, despite the global marathon towards achieving sustainable development goals (SDGs). Understanding an organisation footprint relevant to poverty elimination, or literacy, or youth migration, or women empowerment is becoming essential for the collaborative efforts towards the SDGs. Buheji (2019a,b,e). Altschuler and Corrales (2009).

Studies today emphasize that creating community influence and socioeconomic impact are becoming significant predictors of the reality of business success, especially in the long term. EDRG (1997).

Measuring socio-economic influence, through impact and/or spillovers can help to show the concerned communities leaders, government authorities, and other stakeholders, like donors and civil society groups, the net benefits of such projects, WBCSD (2010). Besides this, measuring socio-economic impact can help the concerned parties understand the needs of the socio-economic project and appreciate its requirements. Angelucci and Maro (2015).

### *2.3 Mapping the Impact of Socio-Economic Project*

Impacts are considered to be the changes done in a community or towards a socio-economic problem. The level of an outcome related impact should be measured by the number of beneficiaries that were influenced by this impact. Usually, impact indicator would measure the changes done in relevant to independence, better contribution, better learning, better health and economic income, WBCSD (2010). Mapping a socio-economic impact even extends to measuring the new behaviours, the specific opportunities, and the enhanced accessibility of certain resources, products and services. Buheji (2019c).

In order to map an impact, we have to consider time. For example, how long it takes to experience the fruits of such an impact. Another requirement for mapping an impact is the extent of the influence of such impact. For example, how did the impact influence the social and cultural conditions, or the activities of the community? Therefore, assessing the impacts of the socio-economic project on a community starts with realising its rationale. Realising also that these socio-economic projects are done in a knowledge-based economy. EDRG (1997).

Socio-economic projects help to identify the factors that promote or inhibit any community capacities to innovate. Mapping the socio-economic impacts of any program requires building an inventory of effects and evaluation methods that provide a resource for the development of specific evaluation methodologies. Altschuler and Corrales (2009).

Mapping of the socio-economic impact starts with the data generation of the socio-economic challenge. This means we need to include the selective efforts taken for the field visits, the data sampling, the interviews and all the analytical approaches that lead to a better quality of life and social return rates.

The spillovers socio-economic project can be in knowledge or network. The spillover brings in social benefits based on the realised direction of the flows of disembodied knowledge. Bivens (2017).

### *2.4 How Spillovers Could Influence Communities?*

The International Inspiration Economy Project (IIEP) focused on creating change with minimal resources. IIEP focuses on selecting the appropriate projects that would provide the highest socio-economic outcome.

Understanding the socio-economic spillovers help to justify the benefits and costs of the projects compared to their community outcomes. Also, the spillover helps to overcome the weaknesses available in the socio-economic environment. Angelucci and Maro (2015).

Spillover effects of the socio-economic projects help to develop a bigger-picture. Creating positive socio-economic spillovers requires joint efforts that focus on changing the mindset then bring in complementary measures in the community. The socio-economic spillover from one community provides benefits that can be beneficial to other community. (OECD 2014).

### *2.5 Socio-Economic Impacts That Leads to Spillovers*

Socio-economic impacts are the collection of the effects that influence the business output and create value-added wealth. The impact leads to the improvement of the well-being besides better revenues or improved expenditure. Socio-economic impact changes the way we deal with the redistribution of wealth.

There are many measures of socio-economic impact on any community such as the community economic status vs its current income, the value-added products it started to make and the output that leads independence or interdependence of the low-income families or the underprivileged. WBCSD (2010).

Selection of the appropriate indicator measure defines the type of spillover. The selection of the most appropriate measure depends on the field visit and the opportunities found inside the problem. These opportunities would refine the purpose of the analysis and the problem troubleshooting. For example, the type of self-dependency jobs the socio-economic project created and how it eliminated poverty or youth migration. This impact could create other spillovers as development in education as a result of the economic flow. Buheji and Ahmed (2019), EDRG (1997).

There are also broader indirect, induced, and dynamic socio-economic effects that flow from the spillover called the "multiplier effects" as the project's indirect business impacts, or changes of the bad habits. The impact can visibly be seen in the type of quality of life, the goods and services, as a consequence of the projects spillovers. Bivens (2017).

## 2.6 Specific Benefits Spillovers

Spillover found to bring a set of economic, social and environmental benefits. Spillover increased the profit margin of the community, after raising the skills and the capacity of the human capital. The other benefits of the spillover are creating better social quality of life.

The other spillover benefit is the reduction of unemployment that leads to the identification of social benefits.

Spillover brings in immediate 'first circle' effects, e.g. project outputs (publications, new or improved methods and tests, demonstrators, prototypes or pilots). This should improve the knowledge bases, enhanced scientific and technological capability. Such influence lead to entrepreneurial culture and knowledge creation )

## 3. Methodology

In order to test the link between the stages of the socio-economic projects impact and the spillovers, three projects from different disciplines and of different issues were selected from the list of all the projects of the IIEP that mentioned in Buheji (2018). Then, a theoretical framework was set to reflect the socio-economic projects impact and its relation to the spillovers reviewed in the literature.

The theoretical framework represented in Figure (1) hypothesis that in order to create a socio-economic impact, any project, similar to IIEP, would have mainly four stages. The first stage would be about identifying and tackling the socio-economic issue or problem. Buheji (2018) mentioned that in this stage, the project expert usually studies the patterns of the socio-economic problems and its role in re-inventing the economic structure. The framework proposes that here the first spillover occurs. Then, in the second stage, the socio-economic impact occurs. The impact usually measured here based on the type of measures achieved. Here, again a second spillover is expected. Buheji (2019c).

As the socio-economic project reaches the third stage where the final socio-economic outcome would lead to solution modelling, changes in the socioeconomic issue constructs could be experienced. Here the third spillover is expected to occur.

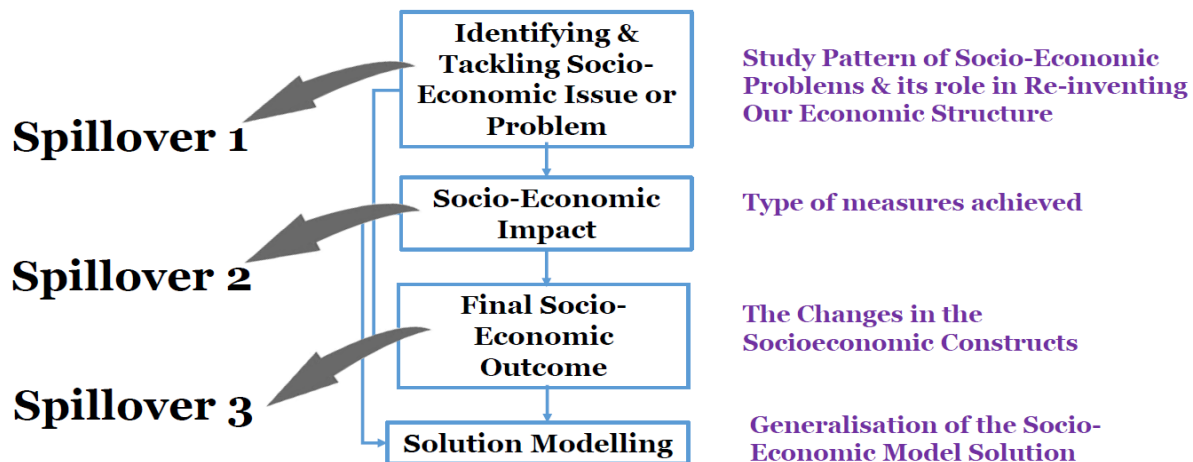


Figure 1. Socio-Economic Project Impact and Spillovers

The proposed framework would be tested in the case study, where the spillover would be closely monitored and then identified from the cases mentioned in Buheji (2018) and after identifying the three stages on what is called the problem vector.

## 4. Case Study

The case study focuses on amplifying the three types of IIEP projects that targeted to tackle issues relevant to poverty elimination, healthcare services improvement and women development. Each of these three cases was carried in different countries: Bosnia, Bahrain and Mauritania. Buheji (2018).

### 4.1 First Project- Poverty Elimination Through Re-Inventing Humanitarian Organisations Role in the Community

#### 4.1.1 Summary on the Socio-Economic Project

Many developing countries still suffer from the challenges of poverty elimination despite many government and non-government services. Bosnia and Herzegovina (B&H) are one of the countries where poverty elimination have been facing many challenges since the civil war ended in 1993. The need to reduce the effect of poverty was the focus of many

humanitarian NGOs in B&H. Therefore, a project started with an NGO called Merhamet to transform their performance goals from poverty alleviation to poverty elimination. Buheji (2019a, b,e).

To understand the problem in proper perspective, the Merhamet beneficiaries in the city of Bihac were analysed to see whether they represent the city's poverty population. The demographics of the beneficiaries were collected against their different assets capacities and their functionality, i.e. how much these beneficiaries can they self-dependent.

A social assessment for all the cases of families getting support from Merhamet was collected, categorised and then codified. A thorough review after carrying out random sampling shown that families need to be re-assessed again according to more precise criteria. Then a table was established to help detect the priority weight matrix that would measure the unique demographics of the different poverty cases. Low-income families who received two services or more were checked and socially assessed again. For example, the reasons for providing cooked food for each family were re-evaluated again. Cases of the families and the individuals in need were categorised as per their age eligibility and functionality. For example, from 60 - 75 years= green, i.e. most eligible for support. While 59 - 45 years= yellow, which means have a high probability of being either turned to be out of the waiting list if fit to be trained for self-sufficiency. The rest of ages of 44 – 30 years = red, 29 years and below too, which means that individuals should not receive help (or should receive temporary assistance).

In order to make each person live with dignity and be fully independent a specific amount was considered as per the following: For a single person = US \$35 and for a whole family of 4 = US \$150, per week. The first step towards a practical solution was to get youth, from the families 'in need' and cases supported by Merhamet, to get involved in the management of the NGO services. Then a plan was set to building a network that ensures the interaction between those youths and the youths from the donating families.

The 'lower priority' applicants were removed from the waiting list. The observation forms were set for collecting a fresh collection of the socio-economic status data of the families who receive more than one service (i.e. the upper threshold). Criterion such as: gender, marital status, age, ability and functionality, diseases, government support, support from other NGOs, family support, homelessness, financial situation, duration of support from the NGO, number of children/dependents, type of humanitarian services received, transport, were all measured with weight for each family currently in the Merhamet support program. The purpose was to define which families are in red and yellow codes that need to be prepared to be out of the list as they are competent enough to be independent and create in fact social and economic contribution.

The "green" cases were finally identified, i.e. those of families proven to be in poverty, in order to reduce their number. The cases on the waiting list were re-examined and a selection for more families in need as per the weight was admitted to the beneficiaries approved list. Those not in priority for exiting, i.e. those coded as yellow or red cases, were registered for rehabilitation and productive family programs.

Different university students and especially those of social studies college were deployed to re-study and frequently assessed the NGO's cases every month, as part of an internship program. Plans were set to reduce the number of young people who receive meals from the NGO's service by 20% every year, as they have both the physical assets and functional capacity wealth that make them to contributors not receivers of humanitarian services. The target of Merhamet shifted gradually, over six months, towards reducing the number of those on the waiting list, with higher priority given to those individuals who score less in their functionality. Since the waiting list carried lots of youth, entrepreneurial mentorship support services were enlisted as part of Merhamet new partnership strategy.

One of the main outcomes of this problem-solving lab is that Merhamet is more confident that it provides services according to real needs, Buheji and Ahmed (2017). Besides, Merhamet managed to strengthen its presence in the community by building new focused partnerships that helped in accomplishing more effectively focused services. Getting Merhamet beneficiaries gradually coded as (red) and (yellow), which are consistently removed from the waiting list helped to create a model for eliminating the causes of poverty. A development, management and operational teams were established to collaborate together to ensure that these practices are sustained. Buheji (2019a, b,e).

Finally, a total reform in the business model of the humanitarian agency made Merhamet become a healthier organisation and more profitable by starting a bakery. This mindset of starting an efficient cost centre for supplying fresh daily bread with the meals helped to cut cost by 20% since bread makes up 30% of the meal. The bakery targets now to become a profit centre, as would be the case of the new Merhamet building spaces which could be rented out for events. Merhamet strategic team initiated also trusts funds, that focus on helping the NGO to expand its role as a social transformation agency that targets to eliminate poverty in Bihac and be a model for B&H and Eastern Europe.

#### 4.1.2 The Project Impact and Spillover

Synthesis of this project shows there are main three impacts that build the outcome solution of the problem, as illustrated

in Figure (2). The first impact is the target of the elimination of poverty. This impact brought with it, as per the case, the first spillover that is the development of techniques suitable for the periodical assessment of poverty types and cases. Buheji and Ahmed (2019).

The second impact of the Merhamet case was the improvement of the demographics of the beneficiaries. This brought the second spillover that is the development of community engagement with the poverty elimination through partnership. Buheji (2019a, b,e).

The third impact of this case study is that it reemphasised the role of humanitarian NGOs. This brought the third spillover that the advancement of the poor towards being more independent and with a focus on the functional beneficiaries.

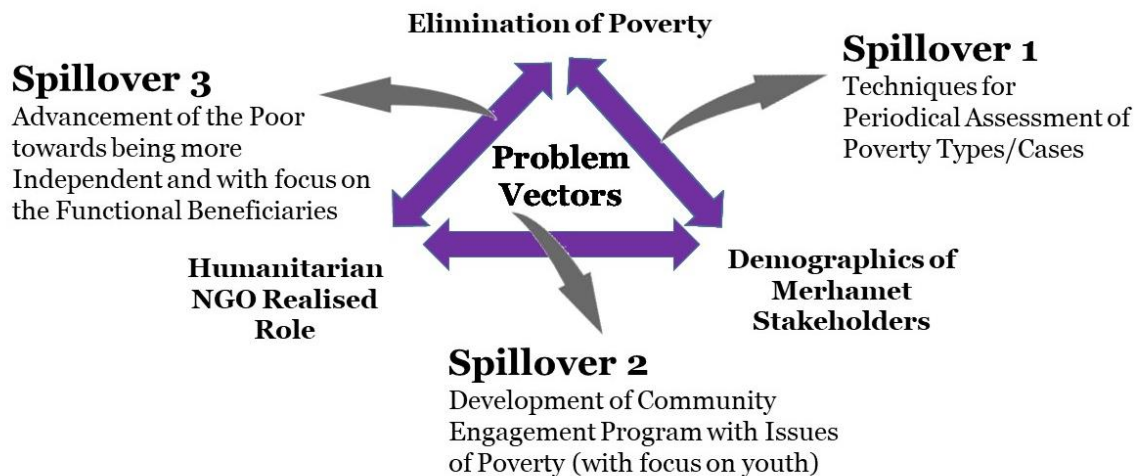


Figure 2. Poverty Elimination Case Study Impacts and Spillovers

#### 4.2 Second Project-Prioritising Emergency Patients

##### 4.2.1 Summary on the Socio-Economic Project

Many patients die every year even in developed countries due to the difficulty of being admitted as 'emergency patients' to the hospital, because of the limitations or the occupancy of the wards bed. Many hospitals do not have consistent peer reviews on the utilisation and turnover of beds occupancy.

Studying the largest hospital in Bahrain, called Salmanya, revealed that the bed occupancy ratio is very high, which mean the hospital emergency bed are congested and there is slow emergency beds turnover.

The first steps taken towards this socio-economic issue was to study how to motivate and inspire the different medical staff involved with such a problem. A communication model was set to engage the following medical staff with the problem under study: the consultants, the residential physicians, the nurses, and the patient management services. Buheji (2019c).

The hospital, similar to all other healthcare organisations, found to work based on 'vertical thinking'. i.e. every physician and every department have their own system for patients' discharge. The goal was to transform the hospital to work based on 'horizontal thinking'. i.e. all the departments collaborate to create a better quality of life for the emergency patients. Also, 'integrated thinking' was established in each ward, i.e. to speed up the reporting between multidisciplinary wards teams. Buheji (2019d).

The opportunities to speed up the availability of beds and to lower waiting times to receive emergency service were explored. The first opportunity was to build a model for bed turnover while increasing the level of medical and healthcare services provided to patients. This helped to realise the abundant time of the resident physicians, which was diverted for managing the cases to speed up their release.

The methods of communication between the wards and other service departments, such as pharmacy, x-ray, labs, administration and the bed scheduling team, were improved to the benefit of assessing how the freeing beds could admit emergency patients of the recovering patients.

A dashboard for monitoring of beds turnover per physician was established. The dashboard would show colour codes for a patient to be released soon as being codified as yellow, i.e. in the recovery stage. The board would have a red colour card

for beds that passed the limit expected for the patient case as per the protocol of the case. A specific resident physicians team was assigned to prepare the patient release documents on time. The same time work on developing and updating the patients' demand for beds in relevance to the type of disease protocols and the clinical pathways. This was reflected in the 'discharge planning' and home follow-ups.

Since most patients stay after 5 pm and even over weekends because the discharge plans are not ready, more focus was given towards this area. The primary outcome of the problem solution is building a new culture with a new spirit that focuses on the patients' rights to receive a bed based on the urgency of the case. The solution outcome showed the role of medical staff in 'Influencing change and improving hospital conditions without the need for extra resources. The opportunities explored and utilised in the solution helped to continuously reframe the mindset of the Medical Staff and reduced their resistance to change.

#### 4.2.2 The Project Impact and Spillover

Synthesis of this project shows there are main three impacts that could build the outcome solution of the problem, as illustrated in Figure (3). The first impact is about improving the capacity for prioritising emergency cases and the availability of beds. This would lead to a spillover relevant to the techniques and the approaches that need to found for defining the stagnant areas and activating a holistic pull system approach that shows the capacity to absorb the higher emergency patients demands in specific seasons or times. Buheji (2019c).

The other impact would come from the management of the patients' clinical demand while maintaining the patients' satisfaction. Here another spillover occurs in relevance to effective discharge system that ensures the patients quality of life.

The third impact, in this case, is the development of the hospitality services that help to the professional management of beds with higher accuracy. This impact would lead to a third spillover that would help to build the capacity for more reduction of morbidities and mortalities cases.

## Prioritising Emergency Beds Case Study

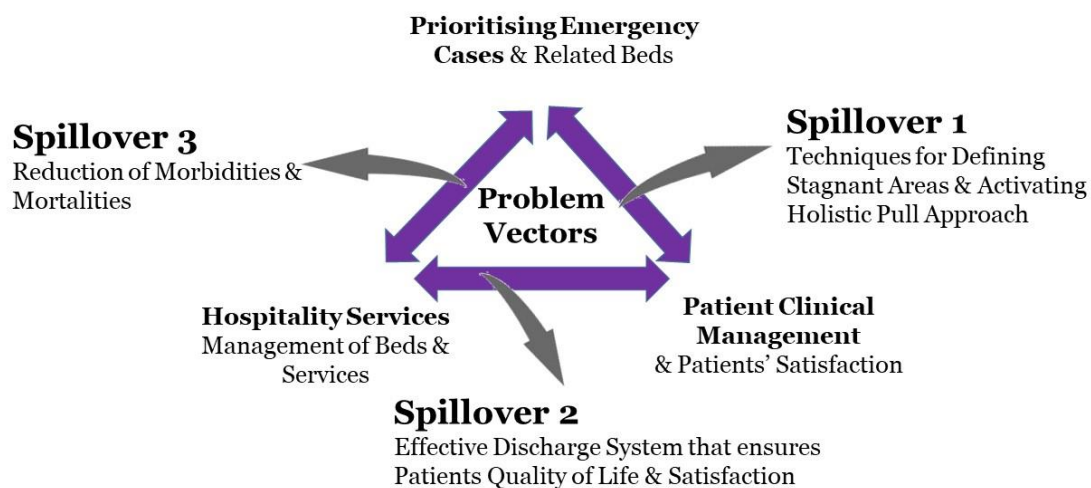


Figure 3. Emergency Patients Prioritisation Project Impacts and Spillovers

### Project 3- Mauritanian Women Wool Production from Rural Villages

#### 4.3.1 Summary on the Socio-Economic Project

In the capital city of Nouakchott in Mauritania the women are used for manually weaving the handcrafted carpets from the camel wool. These Mauritanian women come from different village to the capital and stay for three weeks away from their village to earn a living.

These women would sit before the looms and weave the rugs, in a process that might take them as long as a year for each large carpet.

The supply of Camel Wools comes from all over Mauritania and the African Sahara Desert. The abundance of the camel wool is so much with no apparent power of sales. Clearly, there is no specific style of packaging that enhance the profit

margin of sales, and there are no marketing strategies. Although the manufacturing process is being completely environmentally friendly, the carpets are not marketed as an Eco-System product. All the carpets do not carry the story of the weavers, be it old or young women or those with disabilities.

The first proposed socio-economic change was to distribute the vintage wooden loom carpet apparatus in different areas of the Mauritanian rural villages. The requirement was that there should be four women working on each apparatus. Thus, the target is to create independence opportunities for more than 200 women from different families working on fifty apparatus spread throughout the country. If the apparatus operated in two shifts, this would increase the possibilities of more production and also several people working on it and this would reduce the production cost.

Each group of women cell were given an amount of camel wool enough to do two carpets of 3x5 meters, as a start-up loan. The factory would own the loan of the wool and also the apparatus. Each production of the carpets/rugs would be graded for quality when bought by the factory. The factory would ensure that the workers would have peer to peer development as a mobile training centre.

The marketing team would work on packaging the carpets and define European outlets that would be interested in buying this eco-friendly product. The marketing team would ensure that each carpet would have a story about: the life of the women who made the carpet, the heritage of Camel wool handcrafting in Mauritania and its differentiation, besides the guarantee from third parties.

The outcome of the project is that it enhanced the quality of Life for handcraft women and their families. More income could be generated while maintaining, working within family and village setup. The proposed outcome solution would also improve the eco-tourism in Mauritania and spread the unique brand of Mauritanian wool industry. The outcome of this problem solution is the sustainability of the uniqueness of high-quality production of hand-woven carpets industry in North-Eastern Africa.

#### 4.3.2 The Project Impact and Spillover

Synthesis of this project shows there are main three impacts that build the outcome solution of the problem, as illustrated in Figure (4). The first impact enhancement of the camel wool carpets from all over Mauritania. This led to the first spillover that raised the capacity of the country for using the opportunities inside the camel wool production problem for the benefit of the human condition. Buheji (2019c).

The second impact focused on maintaining an eco-friendly production while also preserving the village identity and family stability. This led to the spillover of a community-based development that exploits the opportunity of for-profit social program.

The last impact of this case is that is based on differentiating the story of each product which led to the spillover of the capacity for the differentiation of the type and price of the product through eco-friendly products that improve the profit margin of the marginalised, i.e., in this case, Mauritanian women.

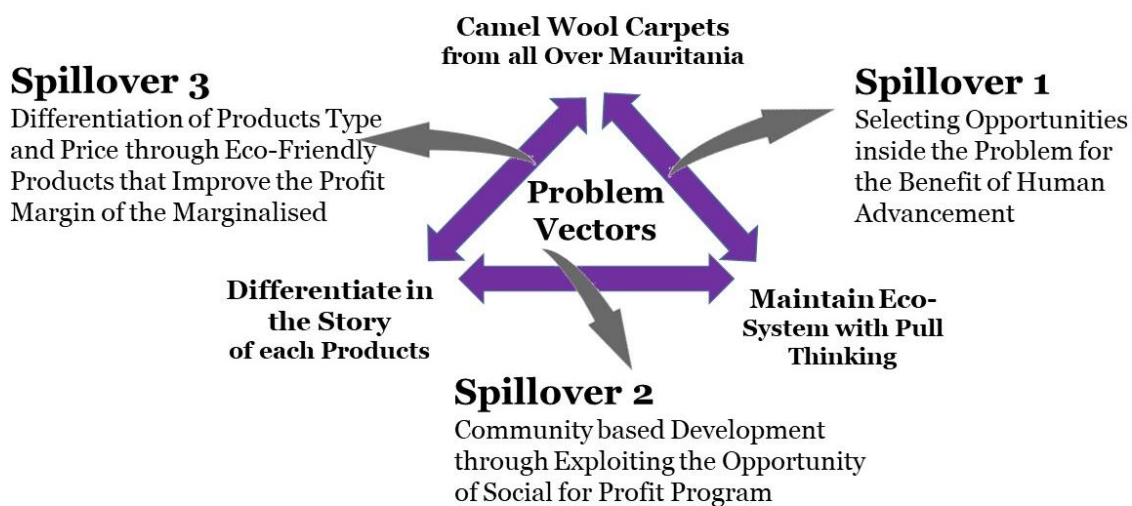


Figure 4. Impacts and Spillovers for the Development of Mauritanian Women Working in Wool Carpets



## 5. Discussion and Conclusion

This work presents a practical guide for researchers and practitioners about the spillover effects in relevance to socio-economic projects. The research support is bringing in more diverse tools for the development of socio-economic influence. The framework proposed is based on the different impacts that any socio-economic project could bring. This would help to gauge the different efforts taken towards establishing socio-economic outcome. Also, it would enhance civic engagement with community challenging issues.

The main limitation comes from its limited examples on the spillovers. However, this is due to the limited scope of the paper. The other limitation is about the none detailed coverage of the invisible spillovers as the community skills development and the level of active participation from the project community.

Nevertheless, this paper carries lots of implications for civic organisations and practitioners in the field, as it helps to aspire and appreciate their potential influence, be it seen directly through the impacts measured or through the spillovers created as a result of these impacts. So, the paper can be a useful reference for socio-economic tools development or justification of the value-added by the specific project with a known outcome.

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