

Using Group Based Cognitive Behavioral Therapy (CBT) Training to Improve Mental Health of SME Entrepreneurs in Pakistan

In regions marked by fragility, conflict, and violence (FCV), entrepreneurs of small and medium-sized enterprises (SMEs) face increased risk of experiencing chronic stress and poor mental health. In turn, this can lead to poor psychological outcomes, hamper their business performance, and weaken the benefits of existing financial and business assistance programs.

The World Bank's Finance, Competitiveness, and Innovation (FCI) Global Practice, in collaboration with the Mind, Behavior, and Development Unit, launched a pilot intervention to explore the effects of group cognitive behavioral therapy (CBT) training - over and above the effect of receiving cash grants - on reducing depression and anxiety and improving wellbeing among SME entrepreneurs in conflict-affected parts of Pakistan.

This exploration provides much needed evidence of the feasibility of implementing and evaluating interventions at the nexus of mental health and business performance. Where preceding interventions focus on the functioning of SMEs, reducing psychological stressors may provide a path to improved productivity in post-conflict and FCV settings.



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The Project

The World Bank carried out a randomized controlled trial (RCT) to study the incremental effects of a five-week CBT-based group intervention for SME entrepreneurs combined with cash grants, compared to receiving cash grants alone. CBT centers on the idea that people's unique patterns of thinking, feeling, and behaving are significant factors in how they experience their surroundings and the type of actions they take. CBT helps people **i)** identify patterns of negative thoughts about themselves or others, **ii)** gather new data from the world to challenge these patterns and **iii)** engage with prior beliefs and preconceptions. A rapid needs assessment revealed high levels of psychological distress among the target population of SME entrepreneurs in Pakistan. Given this, a CBT-based approach was deemed suitable to ameliorate symptoms and improve productivity of SME entrepreneurs in this context.

The intervention curricula - Problem Management Plus for Entrepreneurs (PM+E)- adapted existing CBT curricula by pairing stress and problem management strategies with business-focused leadership and adaptive skill building. The training included modules in stress management, problem solving, behavioral activation, strengthening support network, and self-care. This approach helped circumvent cultural reservations around mental health programming and improved acceptability of the training among target participants. Other adaptations included delivering training in the local language, forming "affinity" groups (based on characteristics such as gender, education, and business type), and holding sessions in accessible, acceptable, and safe locations for both male and female entrepreneurs.

Training was conducted with 235 SME entrepreneurs, all of whom were beneficiaries of the World Bank-supported Economic Revitalization of Khyber Pakhtunkhwa and FATA (ERKF) program. All participants received a cash grant of two million Pakistani Rupees (approx. US\$14,000). Those randomized into the intervention group received cash grants plus five weekly face-to-face PM+E group sessions. The control group received cash grants only. At baseline, demographic characteristics and symptoms of depression and anxiety were balanced across both groups. In addition to measuring impact, the pilot also tested whether rapidly trained non-specialist providers could successfully execute psychosocial wellbeing interventions in FCV contexts.



Results



CBT leads to short-run improvements in mental health outcomes that persist and increase beyond the immediate post-intervention period. Treated entrepreneurs experienced a statistically significant reduction in the intensity and prevalence of depression and anxiety symptoms. They also experienced improvements in levels of wellbeing. The impact is larger three months after the intervention, compared to immediately after, suggesting that the impact of such psychosocial interventions may be incremental over time. This low-touch intervention is particularly meaningful for those experiencing mild to moderate levels of depression and anxiety.



The intervention is cost effective and measurable, allowing for future scalability. This model of training, supervision, and evaluation may be adapted for other beneficiary groups. The project demonstrated that empirical research, including RCTs, can be conducted in challenging settings through the appropriate rapid training of local researchers. Because the intervention was delivered by non-specialist providers, knowledge of the local context was significant and the need for specialist resources was circumvented. Additionally, the cost of training was low- US\$300 per trainee.



Targeting specific population groups leads to greater engagement and improved wellbeing. Variability among workshop participants influenced engagement and participation. For example, participants from urban areas, with high educational backgrounds and advanced business skills, found it difficult to commit to the workshops amidst competing business demands. In contrast, entrepreneurs who operated smaller businesses, were from lower socioeconomic strata and geographical areas which were directly impacted by humanitarian crises had the best participation rates.

Saraf, P. 2019. A Study of Fragility, Entrepreneurship and Mental Health : Investing in Better Cognitive and Behavioral Skills for Small Medium Enterprise Entrepreneurs to Thrive in Conflict-Affected Areas of Pakistan. Washington, DC. © World Bank.

Saraf, P., Rahman, T., & Jamison, J. 2019. Group-Based Cognitive Behavioral Therapy (CBT) Training Improves Mental Health of SME Entrepreneurs : Experimental Evidence from Conflict-Affected Areas of Pakistan. Policy Research Working Paper Series 8872. World Bank Group.



Policy Implications

Conflict, the main driver of growing humanitarian needs (UNOCHA, 2019), is associated with psychological consequences that may negatively impact the social and economic fabric of entire regions. Thus, this pilot may inform and stimulate iterations of similar programs in other FCV regions.

Early psychosocial interventions may mitigate the risk of chronic and severe distress in the future. This could result in healthcare cost savings in the long term and improvements in business productivity. Complementary efforts, such as mental health in the workplace, may also be informed by these findings.

The rapid training of local researchers and non-specialist providers can result in cost savings as well as more effective program delivery. For example, trainers who are familiar with the contextual factors are better able to help participants discuss their problems and brainstorm solutions.

Carefully assessing a population's needs is an essential precursor to behavior change, and towards this, combining

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sociological and/or anthropological qualitative interviews with quantitative methods allows for an experiment design that is better framed and more culturally acceptable. Participants and trainers viewed the intervention as applicable to their real-life problems and as an opportunity to gain new skills. Future success will stem from ensuring trainings are easily accessible in terms of the physical proximity of

workshops to where entrepreneurs live and the means with which the information is presented.

Policymakers can mitigate these challenges by focusing on specific groups. It appears that low-income entrepreneurs tend to attend diligently, as they likely do not have


substitute networks and resources. Additional opportunities include piloting how to reach those who may find it difficult to attend the workshops. The evidence on phone-administered CBT is also encouraging, and it might be worthwhile to try a hybrid of face-to-face and telephone sessions. Adapting the program with a gender-sensitive lens, including gender matching of trainers and trainees and encouraging family members of female entrepreneurs to attend, can increase the participation of female entrepreneurs.

About eMBeD


The Mind, Behavior, and Development Unit (eMBeD), the World Bank's behavioral science team in the Poverty and Equity Global Practice, works closely with project teams, governments, and other partners to diagnose, design, and evaluate behaviorally informed interventions. By collaborating with a worldwide network of scientists and practitioners, the eMBeD team provides answers to important economic and social questions, and contributes to the global effort to eliminate poverty and enhance equity.

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