

REPORT

Outcomes Management Workshop Series



Towards standards outcomes indicators for financial service providers?

Webinar Sessions on September 13th and 20th, 2022.

By Cerise SDG Lab, in collaboration with the [e-MFP Investors Action Group](#) and SPTF.

Description

The Workshop Series aimed to discuss the way to harmonize and push for outcomes management with social investors and responsible financial service providers.

The sharing will contribute toward a minimum set of standard indicators to collect outcomes data that would support financial institutions' strategic and operational decision-making and ease the reporting to the various investors.

Discussions will help to prepare standard indicators to be collected on SPI Online, to produce "Sustainability/Outcomes" reports, aligned with the SDGs.

[All Replays & Presentations](#)

Next session to continue the work:

November 16th in Luxembourg at the [European Microfinance Week 2022](#)

About the Webinars

SESSION 1 WITH INVESTORS – SEPT. 13TH, 2022

[WATCH RECORDING](#) | [DOWNLOAD PRESENTATIONS](#)

Speakers:

- Spencer MacColl, Director of Impact at Kiva
- Seta Eng, Technical Assistance Associate at Incofin
- Edouard Sers, Head of Risk, Compliance and Impact at Grameen Crédit Agricole Foundation
- Anaïs Dufour, Chargée de Performance Sociale et Environnementale at SIDI.

48 attendees

SESSION 2 WITH FINANCIAL SERVICE PROVIDERS – SEPT. 20TH, 2022

[WATCH RECORDING](#) | [DOWNLOAD PRESENTATIONS](#)

Speakers:

- Calum Scott, Social impact across the Opportunity Global network
- Opportunity International
- Yamini Annadanam, Ankuram Social Ventures
- David Njiru, Chief Business Officer Juhudi Kilimo Kenya
- Lebo Mahlalela, Research officer, Social Performance SEF South Africa

44 attendees

Useful Resources

Brief Paper e-MFP/Cerise/SPTF: [“Outcomes Management for Financial Service Providers: A proposed standard framework aligned with the SDGs”](#)

Article by Kiva: [“Why social enterprises struggle to measure impact – and what impact investors can do about it”](#)

[Gojo Webinar \(replay\)](#) (Thursday, Sept. 15th, 2022)

General Report

Key Topics Covered in the Webinars

INVESTORS

- What outcome data do investors need and value?
- What outcome data do investors manage to collect?
- What are the bottlenecks?
- Which support/TA to improve data collection and analysis?
- Which ideal set of standards outcomes indicators should be pushed for decision-making and reporting?

FINANCIAL SERVICE PROVIDERS

- What is your current experience as financial service providers?
- Which client data are you collecting?
- How do you use the data, what is the value and limits of collecting client outcomes data?
- What would be your ideal future on outcomes management?

Lessons Learned

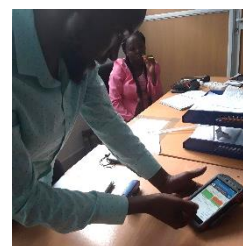
1. There are growing demands for accountability

Focus on direct changes (income, business). The SDGs framework as a common language.

2. Getting data has gotten easier and cheaper

Focus on direct changes (income, business) and perception from clients; outcomes versus “proof of impact”.

The SDGs have emerged as a common framework



3. We've adjusted our expectations of what financial inclusion can achieve

We can focus on “short-term” outcomes, directly linked to the effects of getting access to financial services (smoothing consumption, reducing stress, better managing budgets, etc.) Willingness to support outcomes management (from collection to analysis), collaboration, and co-financing as a powerful approach.

The sector is also trying to collect more detailed data for segmentation of the portfolio in terms of environmental risks. More specific info on use of loans can guide segmentation.

4. Investor interest in outcomes is growing

Push for more reporting (needed also for compliance with ESG regulations), better understanding at the end-client level, towards sharing of data?

Co-financing as a powerful approach.

Need for a combination of sources (internal MIS, quantitative & qualitative surveys, complaint mechanism, external studies). Ex. From SEF, South Africa: different data sources assist to track changes over time and determine new products and services; various approaches are useful to confirm or challenge the findings.

5. Outcomes management is still challenging for most providers

Kiva shows that only 35% of its partners can provide evidence of quantitative outcomes studies

Opportunity International explains that data collection has become regular practice for partners regarding outreach and service delivery, but not yet outcomes. Outcomes measurement report is the most challenging part.

6. Providers seek support: capacity-building of staff, digital tools, dashboards = use the data

Invest in robust platforms to make more credible the information collected, and easier to analyze.

Need of continuous capacity-building of staff on outcome data collection (to help overcome turn-over issues), with involvement of CEO, and incentivizing to collect reliable data.

Change the organization culture for the data collection/management to continue over time, and not be looked only as a one-time project.

Outcome data = long time frame, more challenging, need more time to address issues.

Value of a combination of data (MIS, quantitative, qualitative).

7. Improve the quality of existing data.

Ex: Income data: poor recall from one year to the next, not in the MIS, volatile, overestimated... but needed for analysis of capacity to repay. Field officer can be a key point of contact with customers to get the most reliable data on income if good incentives, trainings, support to collect reliable data.

On the qualitative side, would be better to ask “*how are you doing*” rather than a specific amount of income.

8. Lean Data Approach (60 Decibels) = a great starting point

It helps to report, benchmarks, for investors or networks, but not directly to *improve*. What is needed is:

- A process of engagement with the FSP after the survey to understand the data to plan follow-up data analysis of MIS data or additional data collection to explore issues raised and connect to how to respond.
- TA projects on core management with specific budget on restitution to the management team.

9. Need also to follow and dig further to use the results for changes and better impact:

- Engage with the provider after the survey
- Support Management Team
- Include key info on MIS

“If the Management values the data and is making business decisions based on this, then the quality of data improves.”

Key outcomes data/indicators you would value as...

INVESTORS

- % of clients who face repayment burden
- Smooth financial shock = ability to face a major expense
- Changes in Income, business, and household assets
- Life improvement
- More work or education for the family
- Gender-related positive or negative change
- Capacity to use the loan for female own business activity
- Capacity to contribute to family needs and decisions
- “Be able to” = power to do many things = confidence in the ability to be successful

FINANCIAL SERVICE PROVIDERS

- A combination of key indicators to report and demonstrate positive impacts, and indicators to improve services.
- Client profile (PPI) and Net Promoter Score (NPS) = How we reach out to target clients, to be able to live by our mission.
- Business and household income data. Measure the gap between income and expenses.

Thoughts on pros and cons of a standardized approach:

PROs	CONs
<ul style="list-style-type: none"> • Save time • Accelerate the flow of impact studies: maintain the same data and reporting structure • Reduce training needs for the people in charge of administration and operation are reduced because the degree of freedom, initiative and independence of the latter is reduced. • Ease HR management: loan officer, students, consultants for short periods <p>→ Standardizing provides a faster, unambiguous, and less expensive method</p>	<ul style="list-style-type: none"> • All countries are different, which means developing different questions to test each indicator. The stakes may also be different within the same country. • Limited capacity of adaptation: Excessive standardization could prevent MFIs from adapting • Limited empowerment of MFIs: simple executors of studies decided elsewhere • Poor administration if the MFI does not understand creation and interest of questionnaire
<p>Even if the method developed will never be able to embrace the diversity of situations, it has the merit of giving an overview of the impact of each MFI</p>	