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MICROFINANCE CENTRE

SP Start-up Fund for Networks Kick-off Workshop

Manila, Philippines, November 2011

Assessing Social Performance

Session X



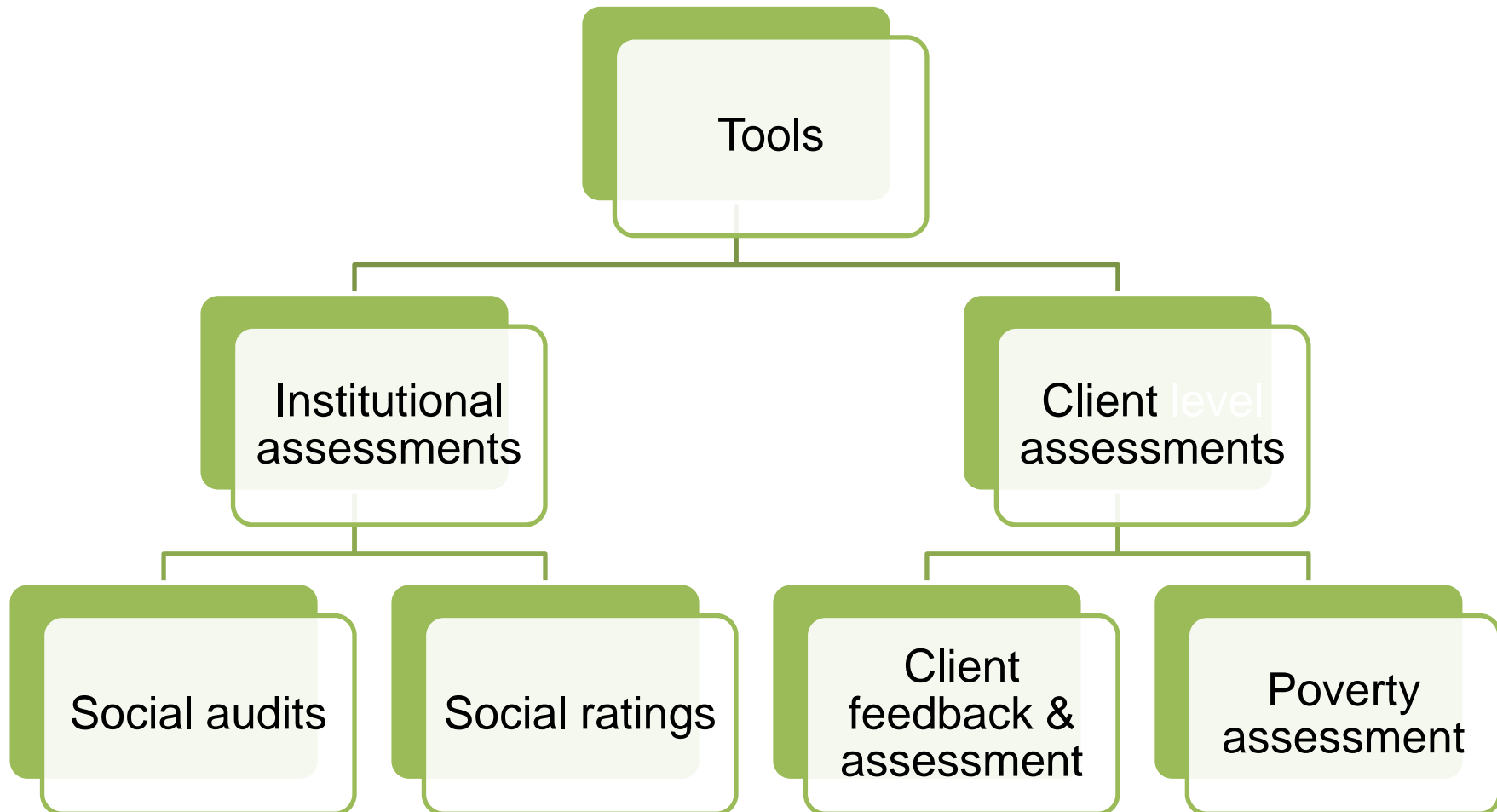
Session objectives

By the end of the session participants will have:

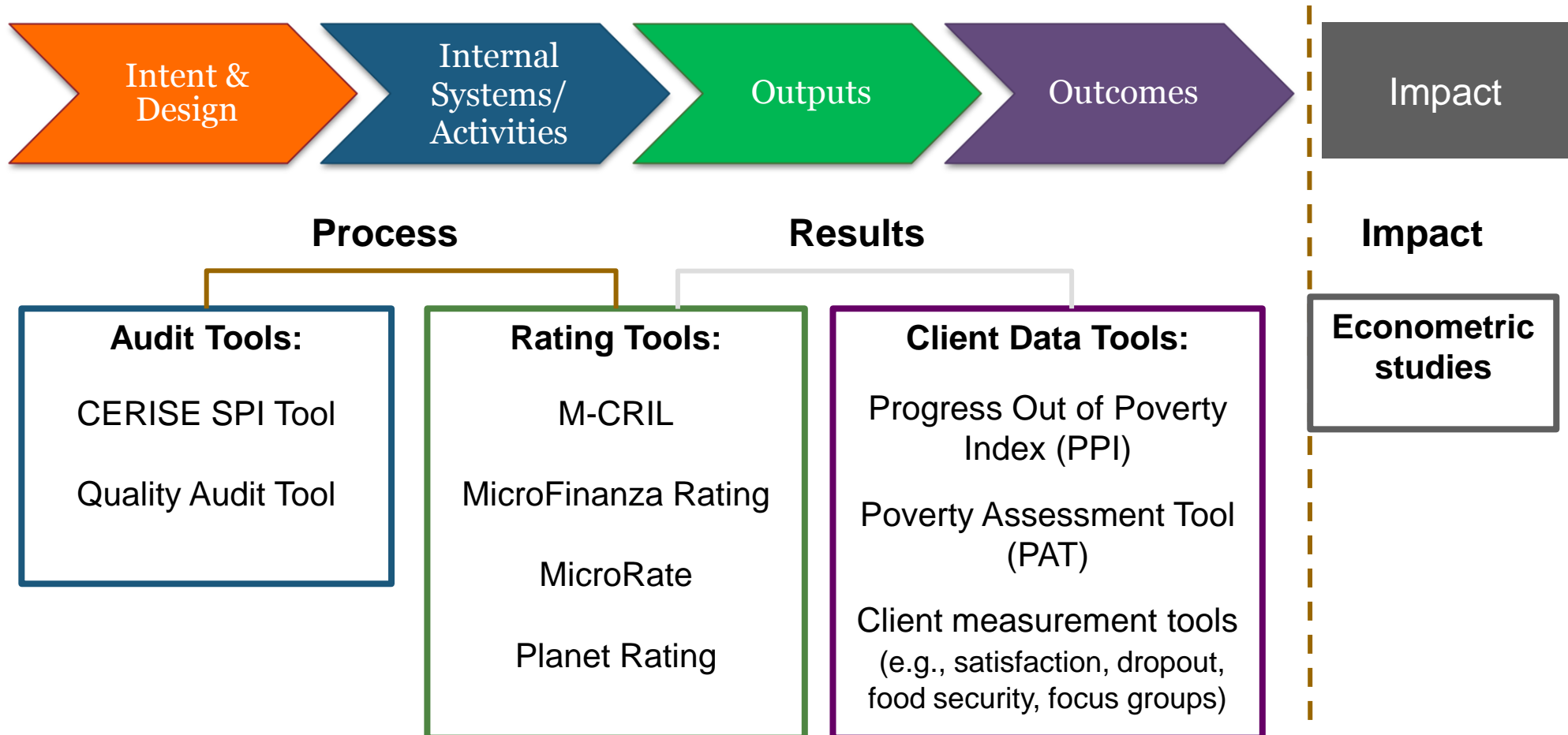
- Understood the spectrum of the SP assessment tools;
- Examined the difference between social audit and social ratings;
- Understood the use of client feedback and client assessment tools.



Assessment tools



Assessing Social Performance



Social Audit vs. Social Rating

Social Audit

- Not graded, usually not public
- Improvement of practice
- Internal use
- Good for MFIs at all stages
 - *especially* those starting SPM
- Prepares for social rating

Social Rating

- Graded, published
- Opinion on existing practices
- External use
- Great for MFIs with established SPM



Social Audit vs. Social Rating

- Quality Audit Tool (QAT)
 - Microfinance Centre (MFC):
www.mfc.org.pl
- Social Performance Indicators (SPI)
 - CERISE: www.cerise-microfinance.org
- Social Rating Agencies
 - M-CRIL: www.m-cril.com
 - MicroFinanza Rating:
www.microfinanzarating.com
 - MicroRate:
www.microrate.com
 - Planet Rating:
www.planetrating.com

User Reviews

<http://www.sptf.info/page/user-reviews-of-sp-tools>



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Exercise

- Read the executive summary of the social audit report and the rating report
- Answer the questions:
 - *What is the difference between what you learn in the two reports?*
 - *How can an MFI use the two types of reports?*

Time: 20 minutes

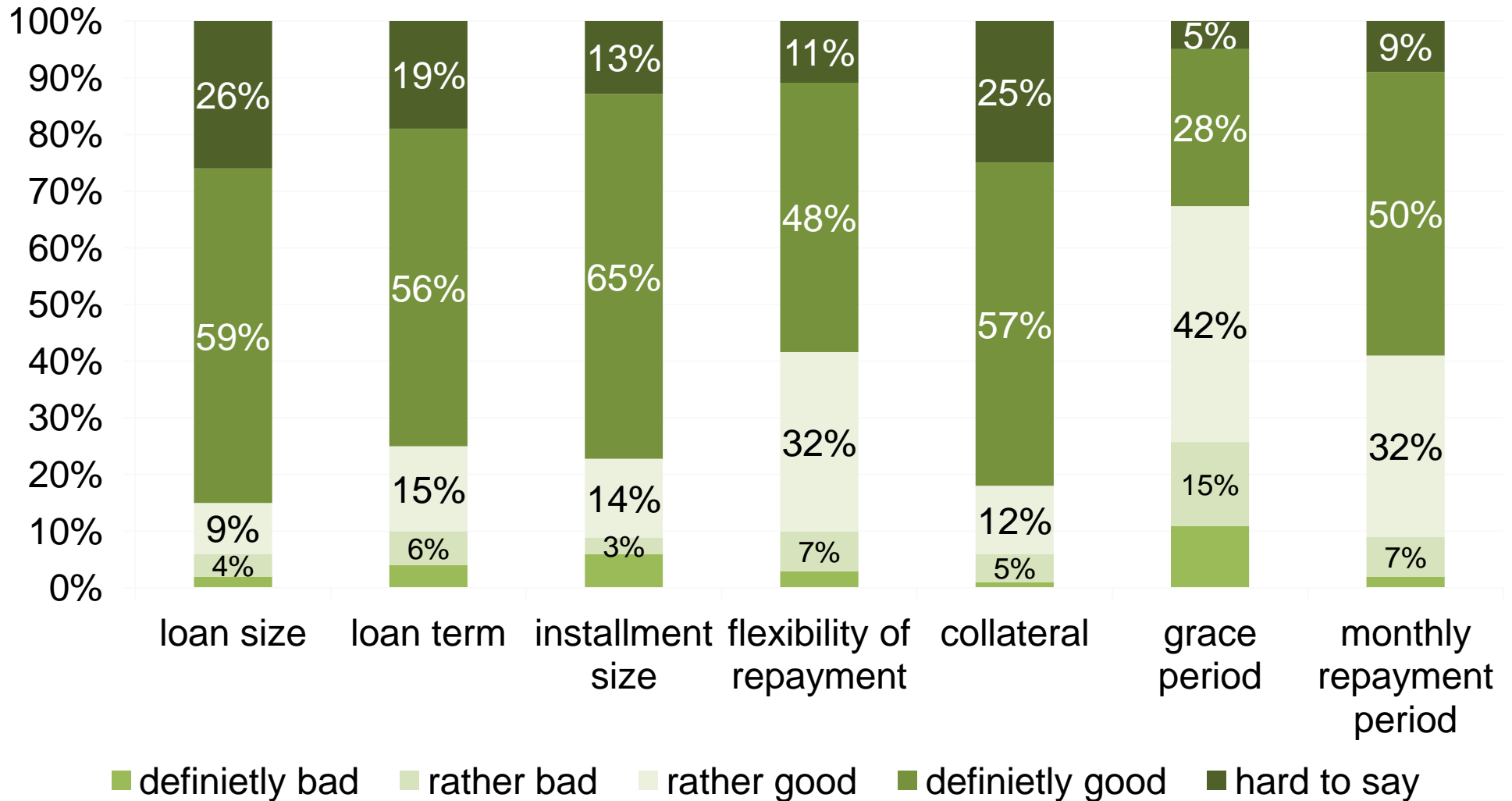


Client assessment tools

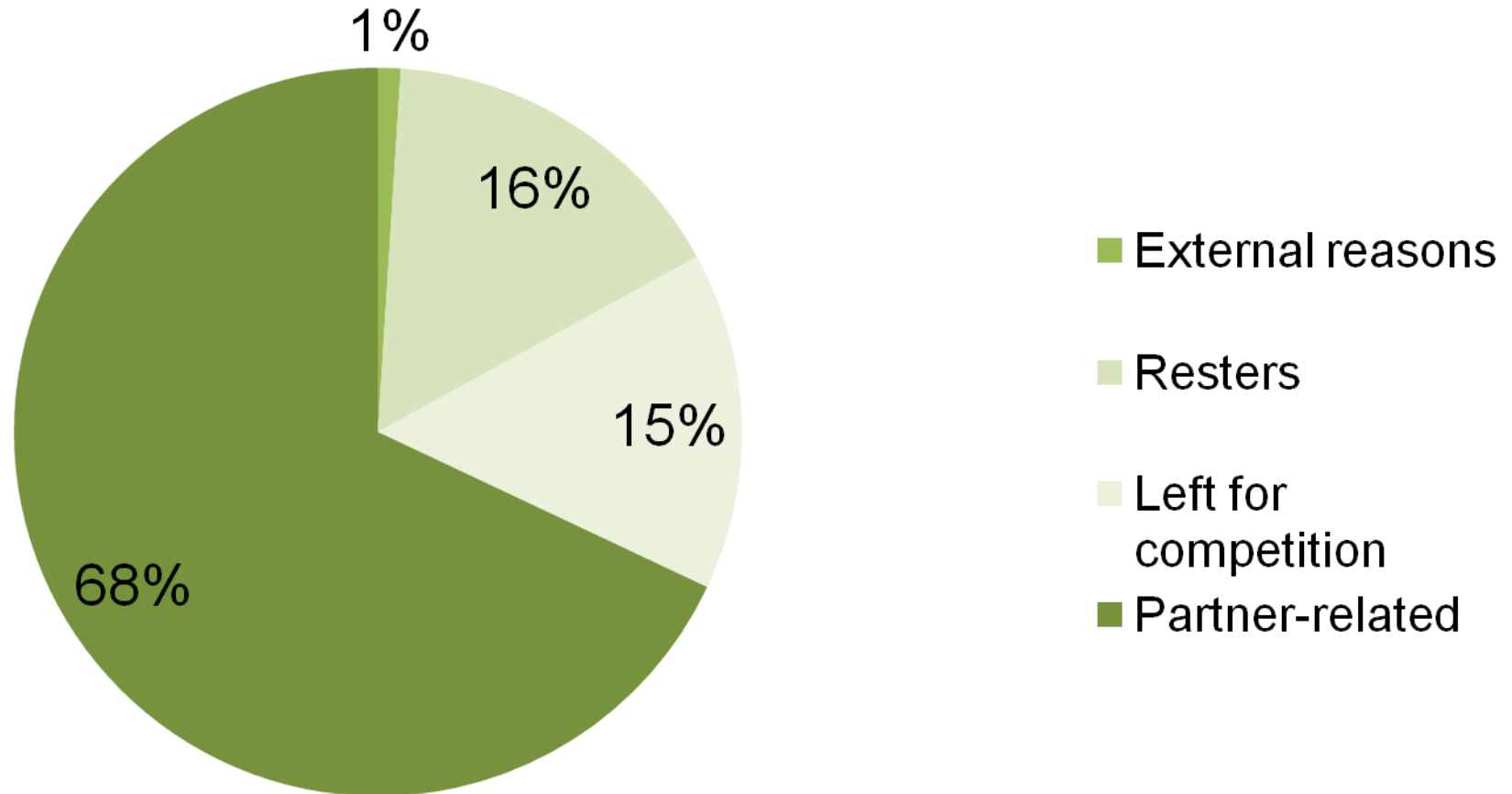
- Client exit, client satisfaction
 - *What are the needs? What is the short-term impact?*
- Poverty assessment
 - *What is the status? What are the changes?*



Satisfaction: „Partner” product design



Example: „Partner” Exit Monitoring System



MFC Spotlight Note #9, page 11 & 13
MFC Spotlight Note # 10, Annex



PPI vs PAT

- Progress out of Poverty Index by Grameen Foundation
- Developed based on LMS
- 10 indicators
- www.progressoutofpoverty.org
- Poverty Assessment Tool by IRIS (USAID)
- Developed based on LMS
- 10-11 indicators
- www.povertytools.org



Poverty scorecard uses

- Screening clients at entry
- Understanding clients' performance by poverty segments
- Poverty status at institution level
- Measuring change



Assessment tools

| Tool | Scope | Result /Process | Depth of assessment | Grade |
|------------------------------|-------------------|--------------------|---------------------|-------|
| SPI | SPM | Result and process | Basic | None |
| QAT | SPM | Process | In depth | None |
| Client Protection Assessment | Client protection | Process | In depth | None |
| Social ratings | SPM | Result and process | In depth | Yes |
| PPI/PAT | Poverty | Result | In depth | None |
| Client measurement | Client needs | Results | Basic or in-depth | None |

PPI – exercise



Network role

- Promote audits
- Become a trained auditor
- Plan capacity building for members based on audit results
- Build the capacity of networks in using the tools

