

## Cerise+SPTF Annual Meeting 2022 Session Notes

<u>Name of session</u>	<b>Outcomes Working Group Meeting</b>
<u>Date</u>	28 September 2022
<u>Time</u>	1:30 – 5:00 pm
<u>Moderator</u>	<b>Cécile Lapenu</b> , Executive Director, CERISE

**NOTES FROM THE PRESENTATIONS AND DISCUSSION**

- NB: Please also consult the slides presented during the working group session.

**Participants**

34 participants from 60Db, ADA, Advans, Agents for Impact (AFI), Baobab, BIB, Cerise+SPTF, CGAP, ECLOF, e-MFP, FGCA, FINCA, Gojo, IDH Trade, Incofin, independent consultants, MCPI, MFR, NMI, NWFT Philippines, Oikocredit, PROPARCO, Seasons International, SIDI, Tameo, Triodos, Triple Jump, World Bank Savings Institute (WSBI)

**Momentum for Outcomes Management**

Before we can prove the impact, let see the results of good practices, the real changes at client level.

Maybe it can be difficult to standardize... but we thought the same before we manage to build the USSEPM!

Question from the participants: Is there a momentum for outcome management?

Cerise: we have been stuck for many years into academic practices (Randomized impact studies...) to prove impact. Now, we can see the experience with lean data, outcomes measurement/ client feedback (covid period) to help take decision. This creates a momentum to measure outcomes.

“Positive” side of Covid (interview tool) => investors and FSP could take informed decisions, very rapidly, it was not so costly... and very benefic for the clients

Question from the participants: Can we use RCTs that could prove some causalities?

Cerise: RCTs raise good question, useful on the academic side. But as practitioners, we need to collect data on a shorter period, to take decisions and learn how to improve, based on changes observed, not necessarily proving the impact.

**Commenté [CM1]:** randomized controlled trial (RCT)

## Testimonies

- **Advans:** Katherine Brown

Comment from the participants: Management making business decision using the data: I see the value of 60Db data on the investor level. Concerns: that data is based on a little sample, difficult to put at the portfolio level: Segmentation is key for business decision. But with a small sample there is a limitation for providers? What decision Advans took?

Advans: we pushed for more research (ex. On Gender approach thanks to segmentation by women), look more in detail on market on a specific segment, dig deeper, find indications of what we can do to increase impact on certain things  
The work was done by Advans Headquarters: additional work with 60Db reports and raw data. We gave much more information to our teams. It takes more effort to take the data and make a report for the partner. We need to add research by segment, by branch, by gender, from the raw data we got. On the sample we must make sure we have enough representation of the segment of clients we want to do good for. We must make sure to translate the survey data into “OK. What Are We Doing Now?” We have linked some of the insight from 60 Db survey to some of the strategic priorities of our subsidiaries. Some partners were quite disappointed with the result so we managed to have more time invested in these activities to improve results. We are pushing for quite an important social performance agenda.

Comment from a participant: a management team from an FSP needs enough data to make decisions. It is about different information, from different channels, for different purposes.

Cerise: we work on outcomes standards indicators. It could also be used beyond the financial inclusion sector: agriculture, energy...

- **Gojo&Company:** Cheriél Neo

When we look at impact reports, we saw a lot of output and input data. But we know we wanted to be accountable for our services to client, and better meet clients' needs. We pushed our reflection on what outcomes we wanted to measure.

Our framework is split into two sections: Money-management Needs and Business Needs

We start from “I” statements (see slides) and then the next step is to select the indicators.

Pyramid model (Gojo slide) on the frequency of data collection and the use of data

Lessons learned:

- ⇒ We need to revise our messages about target client: to avoid leaving people at the bottom of the pyramid.
- ⇒ Clients remain vulnerable to financial shocks - savings are the key
- ⇒ We need to understand the utility of loans relative to other sources of money.  
How low income people manage, what role of MFIs loans can play? (Cf. webinar)

We speak to company management. We work on creating project, build skills together, getting SPI auditor qualification... Rather than having the conversation at the level of “here is an Excel file”, we discuss together on a larger perspective, to make it easier to gather and use the needed data.

#### **Discussions : how to influence the quality of data?**

When the questions are asked by the loan officer, this can contribute to discrepancy and bad quality of data. We need training and incentives for loan officers to collect reliable income data.

And enumerators are building relationship based on trust.

We should try to understand how the data is collected, and what this data really tells us about the dynamic and the reality of the clients’ lives.

Sometimes the data we want to collect does not match the reality.

Income data: sometimes we chase a number that does not exist. Income varies on daily, weekly, monthly basis. If you ask the client to estimate, you get a different answer depending on the time of the year you ask the question.

We need to go towards standardized indicators for outcomes management, and also standardized data collection.

Context matters.

Question by participants: Can we use consumption as a proxy? Especially during shock, we see unexpected expenses.

Gojo: it might be useful. But this does not work in countries where inflation is very high  
Cerise: long time ago, we worked with CGAP on poverty assessment, and in terms of expenses, we observed that expenses on clothes were correlated with incomes. And it



is quite easy to remember for clients as clothes are bought at specific moments (school, holidays) = it was considered as a good proxy for income level

Comment from participants: it is important to test the questions in pilot phase.

Question by participants: what are the costs?

Gojo: Quite expensive in Cambodia project, Sri Lanka local research team costs about USD 10 000 a year, no full time, one manager and 10 enumerators (10 regions) working on free time, + time from Gojo to analyze the data.

**Experience from Triple Jump**

We see different needs, we try to map our portfolio, sharing with networks and other investors would be so valuable to us. With more in-depth studies, try to answer specific questions, like climate resilience. Questionnaires need to be context-specific. Bottlenecks: data accuracy, compare data across organization and over time to see change, one of our funds is trying to do this but very challenging; funding challenges; methodologies. Many spreadsheets but lack of communication among us.

**Discussion on next steps**

Gojo: one of the big challenges for the next 3 years:

- ⇒ keep collecting good quality data,
- ⇒ capacity-building for loan officers

Proposal and discussions with participants:

- ⇒ Stepwise approach to help people start with outcomes data collection and analysis (ex. BRAC, Gojo...). MIS data can be a good way to start (existing data)
- ⇒ Strategy to be able to map what we want to measure: Cerise has started a table mapping with the common question we all want to ask. We want to draft a standard questionnaire (even if it would need to be adapted depending on the context/ needs of the FSP)
- ⇒ Shared value if outcome data is generated for investees. The focus would be on investees that other funds has overlap. Generate data that can be use by different funds. Who? How people are using the data? Especially when these data have business value (client retention, business improvement...). The Action group/ LabODD could draft a list of FSP with outcomes data.

**Next meeting:** November 16, 10-12.30 CET, Luxembourg, European Microfinance Week.