

# The SPI - CERISE tool

## Social Performance Indicators

### Measuring social performance in microfinance

Today, microfinance institutions (MFIs) want (and are obliged) to show not only that they are viable, but also that they are of real social benefit.

SPI responds to this need by assessing the principles, actions and corrective measures implemented by an MFI to achieve its social aims in the light of the four fundamental dimensions of:

- Dimension 1: outreach to the poor and excluded
- Dimension 2: adaptation of services and products to the target clients
- Dimension 3: improvement of the social and political capital of clients and their families
- Dimension 4: the institution's social responsibility

### A collaboratively designed tool

SPI was designed using an open, collaborative and transparent approach. It was developed in three phases:

- Phase 1 (2002-03): Conceptual research, development of a pilot indicator matrix, first tests and modifications
- Phase 2 (2004-05): Testing by a varied panel of 25 MFI partners, discussion, modification and finalisation
- Phase 3 (2006-08): Extending and strengthening awareness of SPI through training, dialogue and advocacy

### A growing number of users

Many MFIs already use SPI, such as Al Amana (Morocco), AMUCSS (Mexico), AMK, Amret (Cambodia), ASC Union (Albania), ASHI (Philippines), Buusaa Gonofa (Ethiopia), CRG (Guinea), CVECA (Mali), Promujer (Bolivia) and Vola Mahasoa (Madagascar). The SPI initiative has also been recognised by several networks, such as Consortium Alafia, CRSE SME, FORO-LAC, MAIN and PAMIGA.

### An Alliance for the PROMotion of Social PERFORMANCE - ProsperA

In order to continue and extend the process started with the SPI tool, an international alliance of practitioners to promote social performance, ProsperA, has been set up with support from CERISE. This alliance was formalised in April 2007 in Mexico.

### A recognised tool, appropriate for its users

The advantages of SPI:

It is standardised.

It is adaptable to the variety of MFIs and their local contexts.

It is easy to use and allows the MFI to conduct internal self-assessment.

Each of the indicators is simple and directly attributable to the MFI. They are based on data which is easily available to an MFI and which can be easily checked by an external auditor.

Its results give a clear image of the MFI's social performance, which can then be compared with other MFIs.

SPI is available free of charge and can be downloaded directly from the CERISE web site [www.cerise-microfinance.org](http://www.cerise-microfinance.org).

**SPI and impact studies: two pieces of the same jigsaw**

SPI assesses to what extent the MFI has the resources to fulfil its social mission, based on the information from inside the MFI.

It completes the picture provided by impact studies that demonstrate the nature and extent of the effects of the MFI's social mission by analysing changes affecting clients and non-clients.

SPI is supported by several large networks and MFIs because it enables them to:

Strengthen their attempts to improve social performance and stimulate internal dialogue on this issue.

Increase transparency and improve credibility among clients and donors.

Reinforce their system of governance and knowledge of their activity.

Maximise their financial efficiency by improving their social performance.

Distinguish themselves from competitors by adopting an explicitly social approach.

**Promoting the concept of social performance**

SPI leads to a better understanding of social performance in microfinance by:

Promoting a common understanding of social performance among practitioners and encouraging dialogue between actors within the Social Performance Task Force.

[www.microfinancegateway.org/resource\\_centers/socialperformance](http://www.microfinancegateway.org/resource_centers/socialperformance)

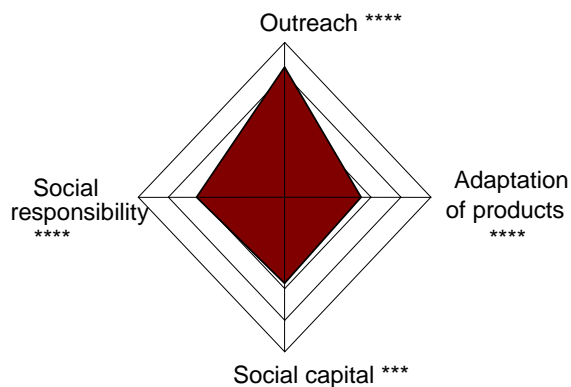
Supporting MFIs to improve their social performance by providing tools and support which can be adapted to any organisation.

The creation of an alliance (ProsperA) to promote the idea and practices of social performance.

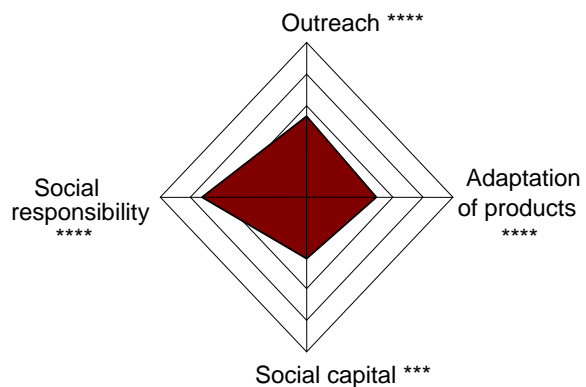
**SPI and Governance: vitalising the "social mission→action→impact" chain**

To help an MFI improve its effectiveness, the Operational Guide for Analysing the Governance of an MFI is a diagnostic tool that helps actors make strategic and operational choices. At the end of the chain, this results in greater social impact. Available on: [www.cerise-microfinance.org](http://www.cerise-microfinance.org)

**MFI 1: Strategy & actions affected by outreach to the poor and excluded**



**MFI 2: Operations focusing on social responsibility**



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We would like to thank CGAP and the Argidius Foundation who initiated this project, as well as the Charles Leopold Mayer Foundation and the Swiss Agency for Co-operation and Development for their financial support.