

The SPI - CERISE tool

Social Performance Indicators

New! MIX
Compatible

NEW VERSION 3.0! Includes social MIX indicators

After **3 years** of use and more than **100 evaluations**, The SPI tool has been updated with the support of ProsperA network members. New features include :

- simpler formulations,
- compatibility with MIX indicators of social performance,
- a more balanced valuation of economic and socio-political benefits for clients
- better appraisal of current issues in the sector (interest rates, consumer protection, environment)

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 through a questionnaire 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: economic and socio-political benefits for clients and their families

Dimension 4: institution's social responsibility (towards staff, clients community and environment)

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.

Complementary approaches for comprehensive social performance management

SPI evaluates an MFI's internal processes for implementing its social mission. It completes the **impact studies** which determine the nature and extent of the effects of the MFI's action by analysing the changes that touch clients and non-clients.

This joint approach which uses, in particular, innovative methodologies to **measure poverty** (PAT and PPI) and analyse client profiles, assesses the operational impact, tailored and adapted to the particular social strategy and context of each MFI.

To support MFIs in their improvement initiatives, CERISE has issued a **Governance Analysis User Guide** which helps actors choose strategies and operational approaches, to achieve a coherent set of mission goals, actions and results.

Based on over 100 SPI assessments, analyses are currently underway on the links between **financial and social performance**, which are showing results that are useful for the sector: Correlations are generally positive, but vary according to each MFI's particular profile and the dimensions of its social performance.

A collaboratively designed tool and a large network of users

SPI was designed using an open, collaborative and transparent approach. Today **more than 100 MFIs** around the world have used this tool.

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. It gathers (dec. 07):

Networks: ForoLacFr, Latin America; Main, Africa; Cif, West Africa; Alpimed, Salvador; Finrural, Bolivia; Rfr, Ecuador; Colmena Milenaria, Amucss, Mexico; Knfp, Haiti; Consortium Alafia, Benin; Apifm Madagascar; Cerise, Pamiga, France.

MFIs: Crecer, Promujer, Bolivia; Finca, Peru; Pilarh, Honduras; Sefia, Mexico; Reficom-Cdro, Fafides, Guatemala; Crg Guinea; Inmaa, Morocco; Ashi, Vedcor, Philippines; Ccsf, Cambodia; Asc Union, Albania

Support Organisations: Fidev, Madagascar; CsrSme, Philippines; Aquadev, Trias, Belgium; Cidr, Cirad, Entrepreneur du monde, Iram, Irc, Gret, Sidi, France

Partner Donors: Swiss Cooperation (Sdc), Fph, Ifad, Argidius, etc.

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

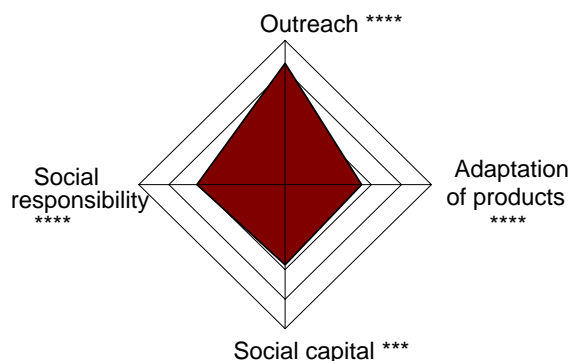
- Strengthen their attempts to improve social performance and stimulate internal dialogue on this issue.
- Increase transparency and improve credibility among clients and donors.
- Reinforce their system of governance and knowledge of their activity.
- Maximise their financial efficiency by improving their social performance.
- Distinguish themselves from competitors by adopting an explicitly social approach.

Promoting the concept of social performance

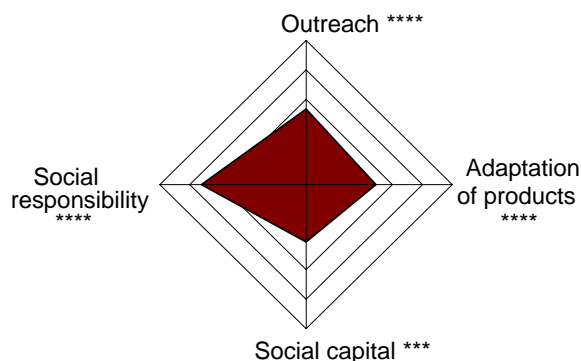
CERISE support a better understanding of social performance in microfinance by:

- 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.
- 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)
- Common initiative with donors and investors to promote a socially responsible sector, that diversifies its supports Beyond the leader MFIs

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



MFI 2: Operations focusing on social responsibility



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