

# ABOUT THE SPI QUESTIONNAIRE: ITS USEFULNESS AND OTHER ISSUES

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External Reviewer

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# INTRODUCTION

External review provides opportunity to discuss:

- ? design of the questionnaire
- ? relevance of the questionnaire
- ? usefulness of the rating system.

# GENERAL OBSERVATIONS

**Interview time:** 60 minutes (Step Ahead) to one week (AMRET)

**Difficulties to provide information:** largely due to unfamiliarity with categories of data/information

## USEFULNESS OF SPI IN DISTINGUISHING TYPES OF MFIs

SPI questionnaire is capable of distinguishing MFIs with strong social mission from profit-seeking commercial banks that venture into microfinance.

By making this classification possible, the SPI gives socially oriented MFIs a tool with which to distinguish and justify their actions

***Outreach to Poor and Excluded: Fairly high degree of geographic/ socio-economic focusing on poor and excluded reflecting adherence to MFI's social mission***

Outreach	CF	BN	SA	AM	BS
Mission	6	6	3	5	5
Geotargeting	7	6	6	7	8
Instrument	1	1	1	1	1
Size	5	5	2	2	3
Collateral	2	2	2	2	2
<b>Sub-total</b>	<b>21</b>	<b>20</b>	<b>14</b>	<b>17</b>	<b>19</b>

# *Adaptation of Products & Services to Client Needs:* Consumption & enterprise loans in addition to savings.

Adaptation	CF	BN	SA	AM	BS
Range	10	9	5	7	4
Quality	5	3	3	6	6
Nonfinancial	2	4	2	1	1
<b>Sub-total</b>	<b>17</b>	<b>16</b>	<b>10</b>	<b>14</b>	<b>11</b>

***Strengthening of social/political capital of clients:*** Tension between priorities of strengthening MFI vs. empowering the poor/excluded.

<b>Social capital</b>	<b>CF</b>	<b>BN</b>	<b>SA</b>	<b>AM</b>	<b>BS</b>
Transparency	4	4	3	4	3
Representation	9	10	5	7	9
Empowerment	5	8	0	3	2
<b>Sub-total</b>	<b>18</b>	<b>22</b>	<b>8</b>	<b>14</b>	<b>14</b>

***Social responsibility of MFI***: MFIs low on social responsibility due to small resource base. Given this, is the SPI questionnaire not expecting beyond what MFIs are capable of delivering?

<b>Social capital</b>	<b>CF</b>	<b>BN</b>	<b>SA</b>	<b>AM</b>	<b>BS</b>
Transparency	6	3	4	4	5
Representation	5	4	2	5	4
Empowerment	5	7	3	2	6
<b>Sub-total</b>	<b>16</b>	<b>14</b>	<b>9</b>	<b>11</b>	<b>15</b>

# COMPARABILITY OF SOCIAL PERFORMANCE

? **24 Indicators** with max score of 1 point each

? **35 indicators** with max score of 2 points each

? **2 indicators** with a maximum score of 3 points each

# COMPARABILITY OF SOCIAL PERFORMANCE

? both CCSF and Bayanihan had a total SPI score of 72 points

? several combinations of the indicators are possible to yield a total SPI score of 72

? the point is that each resulting combination is unique

# COMPARABILITY OF SOCIAL PERFORMANCE

A low SPI score reflects weaknesses of MFI: social mission not clarified, lack of proven technology to empower the poor and impact their communities.

But it is also possible that relevant MFI activities are not adequately captured by the SPI questionnaire.

# SOME SPI QUESTIONS THAT NEEDS REFORMULATION

1. Mission of the MFI
2. Nationally below-average socio economic development
3. Representation and influence on decisionmaking

# SOME SPI QUESTIONS THAT NEEDS REFORMULATION

4. System of rotation of elected members

5. Changes in products due to negative impact of MFI

6. Point-of-entry annual income

# RECOMMENDATIONS

? Train MFI staff to administer the SPI questionnaire.

? Develop Participatory Social Performance Assessment (PSPA) tool