

e-MFP Social Performance Outcomes Action Group
in partnership with the
SPTF Outcomes Working Group

Request for Proposals (Individual Consultant)

Guidelines for Integrating Outcomes Measurement, Analysis, and Reporting into the operations of Microfinance Investors, Asset Managers, and other Funders

Background – e-MFP Outcomes Action Group

The Action Group was formed in June 2015, in partnership with the SPTF Outcomes Working Group. It includes members of both e-MFP and SPTF. The objective of the Action Group is to develop guidelines for implementing and reporting Social Performance Outcomes for organizations working as investors, asset managers, or funders in the field of financial inclusion.

Project Description - Guidelines Document

The broad objective of the guidelines is to begin to bring together into a single resource the lessons that investors in microfinance and financial inclusion have learned so far about how to integrate outcomes measurement, analysis, and reporting into their operations, including facilitating their proper inclusion in the operations of partner financial institutions.

The argument that collecting outcomes data is potentially not a good use of resources, on the theory that proxy data related to access and use are sufficient to infer outcome information, is still widely promoted. SPTF finds this argument ignores our industry's recent history, as we know from the numerous indebtedness crises that high use of products, and high benefit from use of those products, do not necessarily correlate. We also know, on the other hand, that many investors are concerned that they currently can speak largely only about output information (e.g., access to credit) when they would like to measure changes in clients' lives. With this in mind, the outcomes guidelines for investors will have three separate but related sections:

- 1) Begin with a relatively brief, but incisive, explanation about why outcomes data are important. Include an honest, transparent discussion about what we are reporting right now and where we want to get to.
- 2) Discuss what we know now about what MIVs and other funders can, are, could be doing, in conjunction with their MFI partners, given existing knowledge and resources, to promote outcomes data collecting, analysis, and reporting. This could incorporate many elements:
 - a) discuss what data MFIs typically already have but that we are not analyzing to its full extent; show how we can use these existing data to learn more about outcomes

- b) discuss how investor partners can help MFIs select and implement data collection for certain outcome indicators
- c) discuss how investor partners can help train MFIs to increase the buy-in and skills they need to improve their engagement with outcomes data
- 3) Discuss the opportunity that funders have individually and collectively through the working group to educate asset owners on the link between responsible pricing and return expectations, and outcomes; provide guidance on how MIVs can work with their own investors to increase understanding on this topic. Some MIVs and MFIs feel pressure to maximize profits rather than produce market returns and that likely suppresses how much benefit the financial institutions' products and services can create in clients' lives.

The overarching philosophy of the guidelines for investors is that these must be feasible for a typical MIV or funder to implement, including reasonable expectations of the input required and expected from partner financial institutions. In other words, with limited time, funds, and probably no additional staff, what steps can an institution put in place to measure and use outcomes data?

Required Background for Consultant

- Deep knowledge of social performance management (SPM) in the field of financial inclusion, including design and implementation of SPM programs
- Close familiarity with SPM systems used by MIVs or other microfinance investors/funders

Project Requirements & Timeline

- Consultant will need to gather detailed input from e-MFP OAG members on SPM project case studies, which will be incorporated into the Guidelines document. This may be done through individual communication, as well as during the working meetings.
- Selected case studies will be compiled into a Guidelines document. Guidelines drafting and integration of feedback to be managed by the consultant.
- Total time commitment is expected to be 15-18 working days, including:
 1. Working session at the e-MFP meeting in Luxembourg, November 18, 2015
 2. Final meeting at the SPTF annual meeting in [country unknown], June 2016
- Consultant is expected to provide input on the definition of the Guidelines document, in advance of the November meeting in Luxembourg
- Guidelines finalized Q3 2016 for launch at the European Microfinance Week in Nov 2016

Interested candidates should submit their proposals, relevant profiles, CV, and requested daily rate to Gabriela Erice (gerice@e-mfp.eu) by 5th October 2015.