

# ***How to conduct Client Protection Self - Assessment***



## ***What is CP self – assessment?***

- It is an assessment conducted internally by the institution staff
- It identifies good practices and challenges in the CP principles' implementation



## ***What is Client Protection***

There are seven Client Protection Principles which describes minimum good practice to not harm the client:

1. Appropriate product design and delivery
2. Prevention of over-indebtedness
3. Transparency
4. Responsible pricing
5. Fair and respectful treatment of clients
6. Privacy of clients data
7. Mechanisms for complaint resolution



## ***CP Self Assessment Objectives***

- Become familiar with CP
- Identify Institutions strength and gaps in implementation of Client Protection standards



## **4 Basic steps**

1. Preparation
2. Gather documentation
3. Identify and analyze strengths and weaknesses
4. Prioritize problems and develop a plan



## **Step 1: Preparation**

1. Get familiar with the CPP principles and assessment tool
  - *The assessment tool with short video showing how to use it is available [here](#)*
  - *The pp presentations explaining CPP are available [here](#)*
  - *The Operations Manual explaining how each CPP fits into MFI operations is available [here](#)*

## Step 1: Preparation

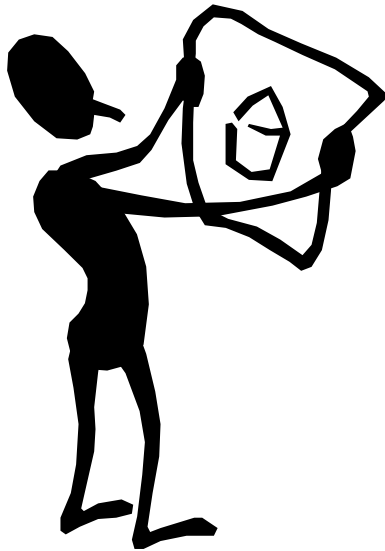
### 2. Orient the staff and form a team

- *Assign a person (preferable senior manager such as Internal Auditor, SPM champion, Product development Manager) responsible for the process - Champion*
- *Identify key persons who can provide information and assess: Director, HR manager, Operations, Risk Manager, Marketing, Credit Manager, 1-2 branch managers,*
- *Explain the purpose of assessment and provide basic information about CP to the team*



## Step 2: Gather documentation

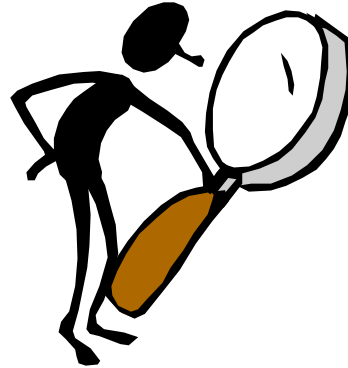
1. Identify available policies and internal guidelines
2. Conduct desk review of key documents such as:



- » HR manual
- » Code of Conduct
- » Credit Manual
- » Collection Policy
- » Anty-Discrimination Policy
- » Privacy Policy
- » MIS/IT policy
- » Loan Application



## 9 **Step 3: Identify and analyze strengths and weaknesses**



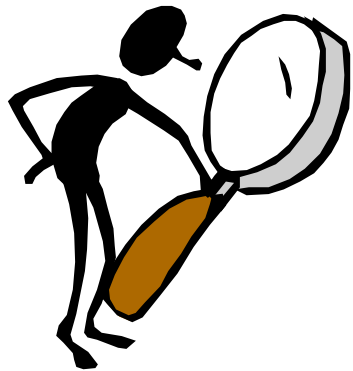
### Option 1:

- The champion conduct interviews with key managers
- The champion conducts initial scoring
- The champion present initial finding to the senior team

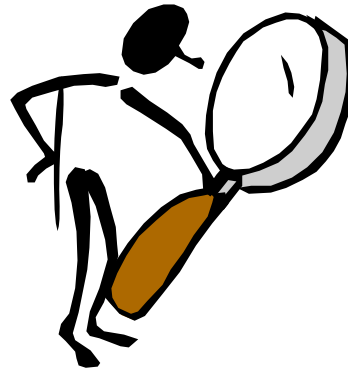
## ***Step 3: Identify and analyze strengths and weaknesses***

### Option 2:

- Each team member assess the institution practice against CP standards individually
- Champion summarize the findings
- Champion presents the results



## **Step 3: Identify and analyze strengths and weaknesses**

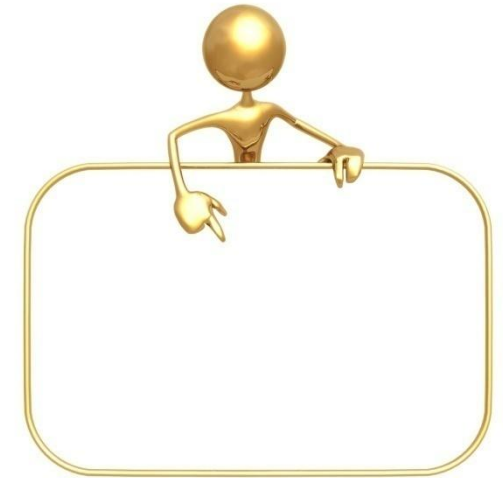


### Option 3:

- Organize team meetings where the whole team discuss and jointly assess institution practice against the CP standards
- The Champion plays the role of the facilitator

## ***Step 4: Prioritize problems and develop a plan***

- What are the areas where you see opportunities for increased compliance (where you scored partial compliance)?
- Which improvements would you like to implement within next 6 months, 12 months?
- What changes requires little resources and can be done quickly?
- What changes requires significant resources and time?



## ***Step 4: Prioritize problems and develop a plan***

What will I need to do to make changes happen?

1. Get institutional buy-in
2. Securing required resources
3. Setting an implementation team
4. Developing a detailed plan
5. Monitoring the implementation
6. Providing support



## *What next?*

- Share self assessment with MFC
- Share your implementation plan with MFC
- Start implementing your plan



## *Where to get information and support?*

If you have any questions please do not hesitate to contact MFC staff:

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