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NEWS

SUPPORT YOUR MEMBERS TO IMPLEMENT THE USSPM

New tools available on the SPTF website:

[UNIVERSAL STANDARDS IMPLEMENTATION GUIDE](#)

The Guide offers comprehensive guidance to financial institutions on how to implement the practices found in the Universal Standards for Social Performance Management. The Guide is divided into three chapters. The first one looks at how to use the Universal Standards to improve practice. The second focused on how to use social performance information for improved decision-making. The third provides detailed guidance on how to implement the Universal Standards.

[SPTF RESOURCE CENTER](#)

The SPTF Resource Center is an online catalogue of the best SPM-related resources, organized according to where they fit within the Universal Standards. On the Resource Centre landing page, a blue banner features new and essential resources. You can access the rest of the resources by clicking on one of the Dimension categories on the Resource Centre landing page, and browse results organized by Essential Practice, divided by resource type. Currently they are divided into guidelines, tools and templates, case studies and other resources (such as permanent links to relevant and interesting blog posts, etc.).

[“TA PROVIDERS IN RESPONSIBLE FINANCE” DATABASE](#)

The TA Providers database is a list of professionals who can provide technical assistance in one or more areas of responsible finance, which includes client protection as well as all other elements of social performance. The SPTF invited industry professionals to provide their contact information and self-reported information on their relevant expertise, so that financial institutions can find someone who has experience in a specific area or areas of SPM, including contact details of at least one professional reference. Practitioners can use this database to save time and find the right person, in the right region, with the right language skills.

Case studies published by SP Fund grantees in last three months:

- [How to develop and effectively implement a client complaint handling mechanism](#), based on the experience of FINCA Azerbaijan developed by AMFA (ENG)
- [How to set up a balanced staff appraisal system](#), based on example from Findev, Azerbaijan, developed by AMFA (ENG)
- [Development of an SPM training for the Board, management and staff](#) based on the experience of REMU-CI,

Ivory Cost, written by APSFD-IC (FRENCH)

- [How to develop and effectively implement a financial education program](#), based on the experience of Cooperative de Ahorro y Crédito Coca Ltda, Ecuador, developed by RFR (SPANISH)
- [How to adapt your institution's products and services to better meet clients' needs](#), based on experience from Cooperative Mujeres Unidas, developed by RFR (SPANISH)
- [How to set up a strategic alliance to improve financial and social performance](#) based on example of partnership between the World Vision and FODEMI, developed by RFR (SPANISH)
- Rural Cooperatives Windows by Cooperative October 4, presenting [specific practices of the institution to ensure that design products, services, models and distribution channels meet the consumer needs and preferences](#), developed by RFR (SPANISH)
- [Balanced human resources management in ADRA](#): process of recruitment and staff selection based on social and financial criteria, developed by COPEME (SPANISH)

Would you like any of above cases to be translated into other languages (English, Spanish, French or Russian)? If so, please let us know. Please write to [Kinga Dabrowska](#) with your suggestions **before 15 August 2014**. Based on feedback received, we will translate several cases.

Seeking ways to develop network product and services, strengthening capacities?

Since 1997, MFC has been providing support to networks. During that time, our service offering has expanded in line with our growing experience. Currently our network support package includes trainings, assessments, and study visits, focusing on SPM, client protection, financial education, and financial service delivery. To find out more about how we can support your work, please [visit our website](#) or contact [Ewa Bankowska](#).

GRANTEES & PROJECTS

NEWS FROM NETWORKS IMPLEMENTING THE USSPM

The SP Fund USSPM Implementation Component (IC) brings together **9 leading networks** ([see list of partners here](#)) to identify practical examples of good practices in line with the Universal Standards for Social Performance Management among their members. Partner networks deploy different methodologies to help members assess and improve compliance with selected dimensions of standards (at least two). The project is underway till June 2014. [Learn more here](#).

AMFA holds project partners meeting to discuss effective messaging around the Universal Standards

This quarter, AMFA organized a *Communications Strategy Development Meeting* to develop an effective communication strategy for implementation by the AMFA project team. The meeting focused on how to increase project partners' ownership and commitment beyond the project and keep them engaged in implementing upcoming SPM-related initiatives. Ten mid-level managers attended, including specialists of 7 project partner institutions: *VF AzerCredit, Finance for Development, Viator Microcredit, FINCA Azerbaijan, Caucasus Credit, Turanbank and Eurasia Credit*.

During this event, participants agreed that it is crucial for MFI staff to communicate:

- Benefits of SPM: MFIs should clearly understand what will be the benefits of proposed changes and improved practice.
- Examples of solutions implemented by their peers
- Appreciation and recognition for implementing good practice
- Information about practical, measurable results.

The participants appreciated the new AMFA SPM case studies, which highlight practical details and information about cost and benefits of different SPM solutions. As a result of this meeting, AMFA is translating the case studies into the local language so MFIs can distribute them among their staff.

CMF Nepal holds tools dissemination and review workshop

This May, CMF brought together seven partner MFIs (*Nerude Laghubitta Bikas Bank; Chhimek Laghubitta Bikas Bank; Nirdhan Utthan Bank; Srijana Community Development Centre; Swarojgar Laghubitta Bikas Bank; Sahara Nepal Saving and Credit Cooperative and Muktinath Bikas Bank*) as well as *Central Bank representatives* to discuss partners' progress on improving gaps related to the Universal Standards. Among improvements made by participating MFIs

where:

- Introducing PPI to understand depth of outreach
- Promoting SPM, including client protection, to Board, management and staff to raise awareness around the institution's mission and social goals
- Systematically collecting and analyzing client feedback, including internal reporting to the board
- Improving communication about products terms and conditions (interest rate, other fees) by introducing special notice boards in the branches.
- Introducing or improving client complaints mechanisms by introducing complaints boxes, appointing staff to handle complaints, and developing a complaints reporting and tracking system
- Reporting to the MIX on social performance.

During the meeting participants mostly asked about effectiveness and benefits of introduced changes e.g. how effective is a complaints box if the majority of clients are illiterate? The meeting was also a good means of sharing sample tools which could be adapted by others (e.g. standard templates to receive client feedback).

SP Fund grantees meet in Dakar to share project experience, lessons learned and discuss next steps

At the SPTF annual meeting, 7 SP Fund grantees met to discuss progress and share lessons learned. This informal meeting allowed networks to exchange information on project implementation. They also reflected on success factors and challenges in each of the five main project phases: building MFI commitment, conducting assessments to identify MFI strengths and gaps, developing MFI SPM improvement plans, providing TA and other support to MFIs, and documenting good practice in the form of case studies. At the end of the day, participants brainstormed on how to more effectively communicate about SPM with members, how to share project lessons learned with the broader industry.

A discussion of particular interest was around building awareness and commitment among MFI leadership and staff.

Networks shared tips on how to start effective dialogue with MFIs on SPM, including:

- Have the head of the network meet individually with MFI leaders to build buy-in and understanding at senior management level
- Start work first with MFIs that have a double bottom line
- When selecting "entry points", client protection seems the most broadly relevant (and a good starting point for further work on balanced performance management)
- If national regulation calls for social reporting, link MFI's SPM work to their regulatory obligations
- Do not start working on all Universal Standards Dimensions at once – ask MFIs to select the most relevant one, which is either the greatest priority or the greatest operational weakness.
- Ask MFIs to identify their current challenges to implementing SPM and commit to working with them to systematically overcome them
- Start with the financial benefits of SPM. Discuss ideas like risk management, client-centered business, and better retention – and remind MFIs that SPM helps them serve clients better
- Don't use the word "social" with commercial MFIs, it might put them off seeing the relevance of working on the Universal Standards.

Among successful network strategies for building on-going commitment among member MFIs for Universal Standards implementation were to:

- Organize quarterly member peer-exchange meetings. Ask "converted" MFIs to discuss the benefits of SPM to those that are unconvinced.
- Use different strategies depending on the diversity of your members: e.g. for bigger, more mature members with better systems and more well-trained staff, usually less support is required.
- If the MFI is falling behind on its implementation plan, an in-person meeting by the network director with the MFI Board can help encourage them to allocate the staff to get back on track.
- Convince MFI management to designate a dedicated SPM champion. At least 30% of the person's time should be dedicated to SPM.
- Once or twice a year, network staff should visit each member to review progress on their SPM improvement plan, help identify gaps and/or point to relevant helpful resources.
- If the network hires external consultants they should monitor the consultant's work to ensure quality.

- Ensure that the MFI includes SPM in their business plan. Where possible, sit in on the business planning process (although this usually only happens every 4-5 years).

Networks identified the most useful tools available that helped them and their members improve SPM practice.

These included: *case studies, managerial tools collected by SP Fund partners, and guidelines for trainings e.g. how to conduct tools sharing workshop, MFC training materials on mission deconstruction.*

SP Fund grantees played a variety of roles throughout the project: they promoted the Universal Standards at a national level among members, regulators and other stakeholders. They assessed members' level of compliance with the Universal Standards and identified strengths and gaps. Networks also provided TA in the form of individual assistance or group trainings (especially where there was lack of local consultants on the topic), and they facilitated peer learning between their members. They also led the process of documenting case studies, due to a lack of local consultants with the right capacity.

Reflecting on their experience, networks feel their role should primarily focus on:

- Being a resource for members who seek information, tools, and competent TA providers: The networks should also “filter” information from different international initiatives and provide members with relevant information. Most MFIs find the SPTF and Smart Campaign websites overwhelming, and prefer the networks to find the required resources on their behalf. Networks should also facilitate peer learning among members to improve practice and maintain momentum for SPM.
- Advocating for SPM: networks should be the “voice of the sector” to government and other local stakeholders such as donors and investors, in support of a more transparent sector in the first instance. To assist this, networks play an important role in aggregating sector social performance data, and undertaking relevant analysis.
- Developing market infrastructure: this includes shaping the development of new regulation, and building the capacity of local consultants.
- Providing TA: in some instances (depending on network capacity and member interest), networks can fill “market gaps” where external consultants are lacking, which can also be a good revenue stream for networks. Where a network doesn't want to provide TA, it should at a minimum screen consultants before they work with members, or maintain a list of the highest-quality consultants in the area.

CO-AUTHOR THIS NEWSLETTER WITH US!

If you would like to promote your SPM work please send us information about your activities and we will feature it in the next newsletter. [Get in touch today!](#)

WHAT IS THE SP FUND FOR NETWORKS?

The Social Performance Fund for Networks was launched in 2011 by [the Microfinance Centre](#), with support from the Ford Foundation, in order **to mainstream Social Performance Management across the industry**. The Fund (in collaboration with the Social Performance Task Force) currently supports networks to promote and implement **the Universal Standards for Social Performance Management (USSPM)**. For more information about the SP Fund [visit our website](#) at or [contact the Secretariat](#).

ECA	Asia	Africa	Latin America
AMFA, Azerbaijan	CMF, Nepal	APSFED-IC, Ivory Coast	RFR, Ecuador
	PMN, Pakistan	AMFIU, Uganda	COPEME, Peru
	MCPI, Philippines		MFN, Mexico

The MFC and the SP Fund would like to thank the Ford Foundation and the Social Performance Task Force for their on-going support for its work.