



SPM ESSENTIALS

PRACTICAL STRATEGIES FOR
TODAY'S MANAGEMENT
CHALLENGES

TODAY'S WEBINAR:

LISTENING TO EMPLOYEES AS A BUSINESS
STRATEGY

SEPTEMBER 21, 2021



International
Labour
Organization



TODAY'S SPEAKERS



MODERATOR
**Amelia
GREENBERG**
Deputy Director,
SPTF
New York, USA



SPEAKER
**Nino
Gonjilashvili, CEO**
VisionFund Mexico
Mexico



SPEAKER
**Arantxa
Rodriguez, OD**
Coordinator,
VisionFund Mexico
Mexico



SPEAKER
Luis FERNANDO
Gerente General,
Fundación Paraguaya
Paraguay



SPEAKER
**Salome
KVAKHADZEME**
Head of Talent
Development and
Management,
Crystal
Georgia

AGENDA

- Welcome and introductions (5 minutes)
- Setting the stage (10 minutes)
 - Defining SPM
 - Universal Standards for SPM; review process
 - SPM Essentials Series
- Fundación Paraguaya: organizational overview; approach to employee-management communication (12 minutes)
- VisionFund Mexico: organizational overview; approach to employee-management communication (12 minutes)
- Crystal: organizational overview; approach to employee-management communication (12 minutes)
- Interview with speakers (24 minutes)
- Questions and answers (15 minutes)

SETTING THE STAGE (1 OF 3): DEFINITIONS

- **What is SPM?**
- Social performance management (SPM) is a continuous process of implementing management practices focused on setting and achieving social and environmental targets. The goal of SPM is to protect and benefit customers, employees, and the environment.
- **What are the elements of “good” SPM?**
- 1. Social strategy
- 2. Committed leadership
- 3. Client-centered products and services
- 4. Client protection
- 5. Human resource development
- 6. Balanced growth and returns
- 7. Environmental performance management

SETTING THE STAGE (2 OF 3): STANDARDS UPDATE AND WEBINARS

■ The Universal Standards for SPM

- A comprehensive manual of best practices created by and for people in microfinance as a resource to help financial service providers achieve their social goals.
- Managed by SPTF
- SPI social audit tool managed by CERISE

■ Universal Standards Review Process

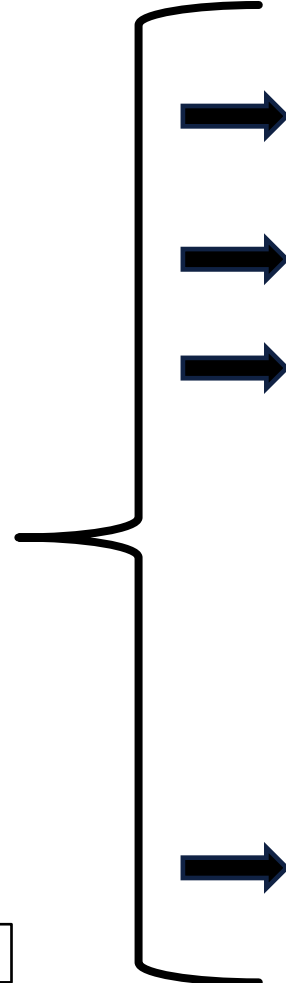
- First published in 2012; reviewed every ~5 years
- 2020 we began a review process: expert interviews, webinars, public surveys, data analysis, literature review
- New manual to be published by Jan. 2022; infrastructure updates underway

■ SPM Essentials Series

- Schedule: Monthly webinars, beginning March 2021
- Content: All dimensions of the Universal Standards; CP Pathway series to focus on dimension 4; e-MFP green action group webinars for dim 7
 - <https://www.e-mfp.eu/actions-groups/microfinance-environment>
- Purpose: share good practices of Universal Standards implementation, particularly those that relate to new elements of the manual
- <https://sptf.info/online-trainings-bucket/spm-essentials-2021>

SETTING THE STAGE (3 OF 3): DIM 5 – RESPONSIBLE HUMAN RESOURCE DEVELOPMENT

Standard 5A	The provider creates a safe and equitable work environment.
EP 5A1	A written Human Resources policy is available to all employees that explains and protects their rights.
EP 5A2	Employee compensation is equitable and adequate.
EP 5A3	The institution has a safety and health management system.
Standard 5B	The provider's Human Resource Development system is designed to attract and maintain a qualified and motivated workforce.
EP 5B1	The provider gives each employee complete employment documentation and training to understand their job requirements.
EP 5B2	The provider gives employees formal opportunities to communicate with management.
Standard 5C	The provider's Human Resource Development system supports the provider's social strategy.
EP 5C1	During the recruitment and hiring process, the provider assesses each candidate's commitment to achieving the provider's social goals and serving the provider's target clients.
EP 5C2	The provider trains all employees on the provider's social goals.
EP 5C3	The provider evaluates and incentivizes employees based on social and financial criteria.



Indicator	The provider has a formal mechanism for consulting with employee representatives on HR decisions and policy development. The employee representatives have direct access to executive managers.
Indicator	The provider has a formal grievance mechanism in place that allows employees to raise workplace concerns in a confidential manner.
Indicator	The provider asks employees for feedback on at least the following topics: [in details, we list them such as communication, leadership, compensation]
Indicator	Employees are given the option to provide feedback anonymously.
Indicator	The provider gives all outgoing employees the opportunity for an exit interview or to complete an exit form.
Indicator	The provider analyzes the following data, disaggregated by gender, position, and other relevant segments: [in details, we list turnover rate and reasons for exit]
Indicator	The provider takes action to correct institutional problems leading to employee turnover and dissatisfaction.

NB:All indicators and details are in draft form and are subject to change.

OVERVIEW OF FUNDACION PARAGUAYA

1. Founded in 1985; country = Paraguay
2. 24 branches and 430 employees
3. 72,000 clients: 92% women / 63% urban
4. We offer the following types of products :
 - Individual loans (25%) and village bank loans (75%) for: working capital, investment, water, people with disability, education, green, housing, etc.
 - Microinsurance, including health insurance
 - Microfranchises
 - Membership card that provides discounts in stores and free access to cinema and other entertainment places
 - Training
5. Engagement with client protection / social performance management: subscribe the Client Protection Declaration (2004); Certified Principles of Client Protection in 2012, 2017 and 2020. Truelift “Leader” award in 2017 and 2021

Microfinance



Entrepreneurial
Education



Education that
pays for itself



FUNDACION PARAGUAYA'S SYSTEM FOR EMPLOYEE COMMUNICATION WITH MANAGEMENT

- Meetings
- Daily “Tweet” news email, to share the most important events of the day
- Heroes App:
 - provides updated information on all approved policies
 - Channel through which employees can submit requests (e.g., salary advance, use of institutional vehicle, request for leave, loans,)
- WhatsApp groups at different levels and offices
- Communication campaigns
- Flyers/Videos
- Employee satisfaction survey (annual)
- *Red de Portavoces* (Communications network); each branch/section designates a delegate to share information from management to staff
- Grievance mechanism with multiple possible communication channels: emails, calls, WhatsApp, flyers, Heroes App
- Stoplight and other surveys to gather information

FUNDACION PARAGUAYA: EXAMPLES OF ACTIONS TAKEN BASED ON STAFF INPUT

- Competitions among clients to solve a poverty issue
 - Specific indicators
 - Gamification
 - Annually, meet with field staff to determine the types of contests to be held
- Brought relief to the field during the COVID-19 pandemic, based on employee recommendation:

<ul style="list-style-type: none"> ➤ <u>For employees</u> <ul style="list-style-type: none"> ➤ Internal market ➤ Procedures changes ➤ Home office ➤ Vaccination campaign ➤ Compensation system 	<ul style="list-style-type: none"> ➤ <u>For clients</u> <ul style="list-style-type: none"> ➤ Client's emotional support ➤ Financial products ➤ New businesses in schools
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GOOD COMMUNICATION WITH THE STAFF

If you:

1. Get to know your staff, generate empathy,
2. Take advantage of technology,
3. Use formal and informal channels,
4. Avoid miscommunication by being redundant
5. Are coherent,

It will help you:

1. Increase understanding of your mission, vision, and goals
2. Increase commitment
3. Improve innovation
4. Improve productivity

Activate employee's "agency" and "self-efficacy"

OVERVIEW OF VISIONFUND MEXICO



1. Founded in 1997
2. Present in the central and southern regions of México, which are the most vulnerable in the country
3. 26 branches and 413 employees
4. 43,111 clients
 - 88% women, 12% men
 - 53.3% rural
5. We offer a mix of products : microloans, savings programmes, microinsurance, training and education
6. Social Performance involves all efforts and initiatives in the institution, to put the client at the center of the strategies in order to ensure the fulfilment of the social mission. It also comprises the alignment and commitment to international microfinance standards.

VISIONFUND MEXICO'S EMPLOYEE SATISFACTION SURVEY – OUR VOICE

- **Employee Satisfaction Survey – Our Voice**

- A global annual **Employee Satisfaction Survey** that evaluates satisfaction in 10 categories, including alignment and understanding of the strategy and perception of local leadership, staff care and engagement.
- **It is anonymous and confidential** and allows for **open questions** that can be then organized for key words, topic etc. for easier analysis and definition of action plans.
- **Survey data shared in an open forum** – and then communicated in cascade by the managers with their teams. This gives them the opportunity to discuss the issues and find solutions with a top-down and bottom-up approach.
- **VFI does segmented analysis of Our Voice** – to understand the needs of each segment of our population and identify root causes, focus action plans, etc.

7% complete



I have the tools and resources to do my job well

Strongly Agree

Agree

Neither Agree Nor Disagree

Disagree

Strongly Disagree

I have the authority to make decisions that improve the quality of my work

Strongly Agree

Agree

Neither Agree Nor Disagree

Disagree

Strongly Disagree

In GC People and Culture, I see people collaborating across different teams/departments/functions

There is a free exchange of views in GC People and Culture, people are not afraid to say what they think

Strongly Agree

Agree

Neither Agree Nor Disagree

Disagree

Strongly Disagree

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The survey in a Smart Phone

VISIONFUND MEXICO'S GRIEVANCE MECHANISM

- **Grievance mechanism**

- **A Global Integrated System:** Ethics Point to **report incidents and for management of whistleblowers** for employees and clients
- We **have network of certified investigators** and a commitment to respond to allegations.
- Actions for **continous improvement** are implemented based on the statistics, reports and as a result of the investigation

We live out our cultural value of living our faith with boldness and humility in the way we approach employee communication as we listen respectfully to all employees regardless of their hierarchy level and exercise timely true telling with love to improve.

Los puntos marcados con un diamante ♦ son campos obligatorios.

Ingresado por (Usted, la persona que hace la denuncia)

Nombre e
Información de
contacto

Guarde su nombre e información de contacto para uso futuro.
(Al marcar esta casilla usted acepta que Navex Global almacene su información en una Cookie en esta computadora).

♦ Nombre/Nombre otorgado después de registro

♦ Apellido

♦ Rol o Título de Puesto de VM/VF

♦ Número de teléfono

♦ Correo electrónico

Incluir el código de área, extensión
y/o códigos de marcado si corresponde.

(Formato: username@domain.com)

♦ la ubicación de Su Oficina

(Seleccionar una)

♦ el Tipo de Su Oficina

(Seleccionar una)

Selección de incidente (¿Qué tipo de incidente va a denunciar?)

Los incidentes pueden ser simples y unidimensionales, o complejos con más de un tipo de problema. Seleccione un tipo de incidente primario a continuación, y tipos de incidentes adicionales según corresponda.

Problema uno

♦ Seleccione la categoría que representa más al incidente/evento actual, sospecho advertencia/amenaza que se trae a colación.

Si usted está reportando un Incidente de Protección de la Niñez, favor de utilizar una categoría de incidente de **Protección de Niños, Niñas y Adolescentes (Safeguarding)**.

Descripción:

No seleccionó ningún tipo de problema o evento.

Agregar problema

Tipo de problema

♦ ¿Esto que se está reportando es un Evento, un Alegato o un Evento de Contexto / Cuasi Accidente?

Incidente/Evento real

Suposición

Evento de Contexto / Cuasi Accidentes (únicamente para uso de Seguridad)

VISIONFUND MEXICO'S EMPLOYEE COMMUNICATION SYSTEM

- **Communication Software – Canva & Vyond**

- A multimedia user-generated content software to help us disseminate information across the organization – mobile / social media – for communication and training purposes
- Driven by an always-on mobile culture, employees are easily distracted. This means every second counts when fighting for attention, focus, and retention. Video is the most engaging form of content. We can keep our employees captivated — while still delivering important information in just a few minutes.
- We diversify our contents with Canva; we can create images, infographics, videos that are accessible anywhere, on any device, and add impact to the information that we need to delivery to the whole organization.
- The best feedback we get is that other areas ask for this kind of material. The visual attractiveness makes them more likely to keep in the mind of the employees.

VISIONFUND MEXICO'S EMPLOYEE COMMUNICATION SYSTEM: EXAMPLE I



MOVIMIENTOS DE PERSONAL JULIO

PROMOCIONES

Nombre	Puesto Actual	Promoción
Belém Aguilar Madrid	Especialista de Nómina ON - Gente y Cultura	Coordinador de Nóminas ON - Gente y Cultura
Eunice Jacobed García Sánchez	Auxiliar Administrativo Suc. 106 Ecatepec	Oficial de Crédito Suc. 106 Ecatepec
José Ramírez Sánchez	Oficial de Crédito Mixto Suc. 119 Cunduacan	Oficial de Crédito Suc. 119 Cunduacan
Yuridía Monserrat Astudillo Camacho	Oficial de Crédito Mixto Suc. 120 Cruz Grande	Oficial de Crédito Suc. 120 Cruz Grande
Guadalupe Berenice Vázquez Álvarez	Oficial de Crédito Suc. 106 Ecatepec	Jefe de Sucursal Suc. 106 Ecatepec
Emanuel Muñoz Flores	Oficial de Crédito Mixto Suc. 123 San Luis Acatlán	Jefe de Sucursal Suc. 123 San Luis Acatlán
Óscar Eduardo Muñoz Chirimeo	Gerente de Crédito Individual ON - Operaciones	Gerente de Mejora Continua ON - Operaciones

Línea de denuncias VFMéxico

VFMéxico

INDICADORES SALUD COVID-19 DURANTE 2021

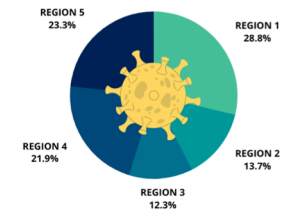
El nivel de contagios en nuestro país está creciendo y muestra de ello es nuestro nivel de contagios entre colaboradores, el cual aumento un 4000% durante julio comparado con junio.



contagios aumentaron un 4000% durante julio



Los contagios totales en sucursales durante el 2021 hasta el corte de agosto han sido 62 confirmados y 11 casos de sospechas, así se han distribuido en las regiones:



Región 1: 101 Ometepepec, 108 Pinotepea, 120 Cruz Grande, 123 San Luis Acatlán
 Región 2: 102 Ixtlahuaca, 105 San Felipe del Progreso, 106 Ecatepec, 112 San José del Rincón
 Región 3: 103 Atlitico, 107 Valle de Chalco, 109 Cuautla, 113 Orizaba, 122 Zacapoaxtla, 124 Puebla, 125 Zacapoaxtla
 Región 4: 110 Tijuana 1, 114 Tijuana 2, 115 Copainalá, 118 Nacajuca, 119 Cunduacan
 Región 5: 104 Piedras Negras, 111 Tierra Blanca, 116 Tuxtepec, 117 Xalapa, 121 Boca del Río, 128 Acatlán de Pérez

Esto es un llamado de atención como institución y sociedad para reforzar las medidas de prevención ya que muchos de estos casos han sido consecuencia de la minimización de los síntomas de los colaboradores y la falta de seguimiento a los protocolos prevención.

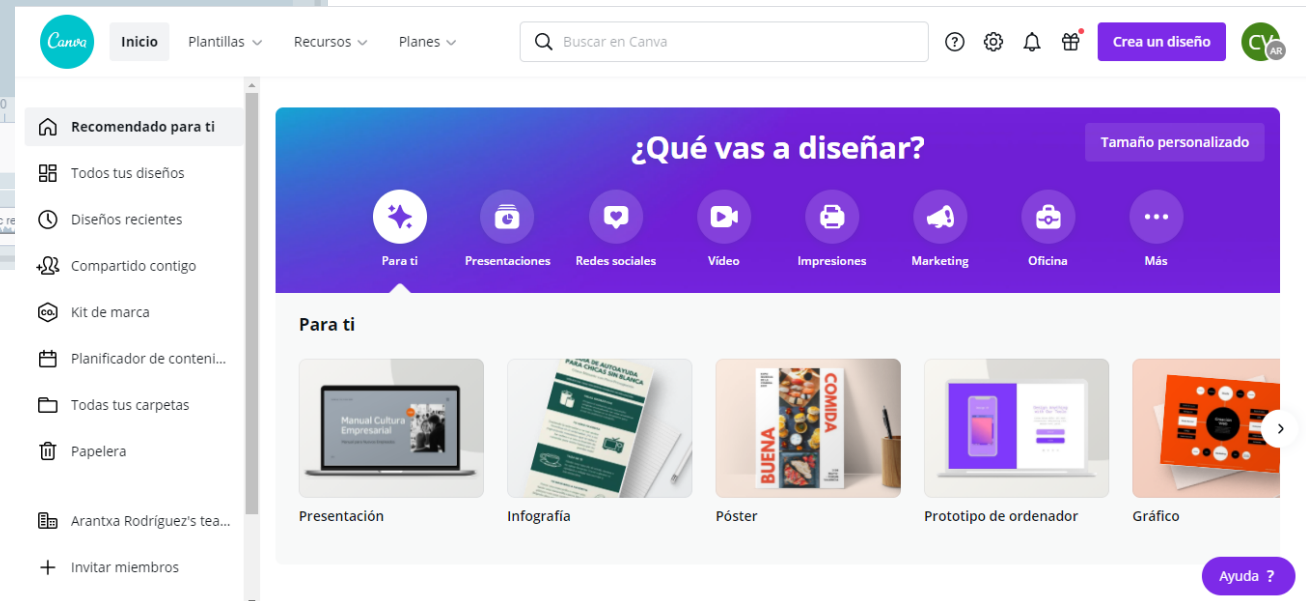
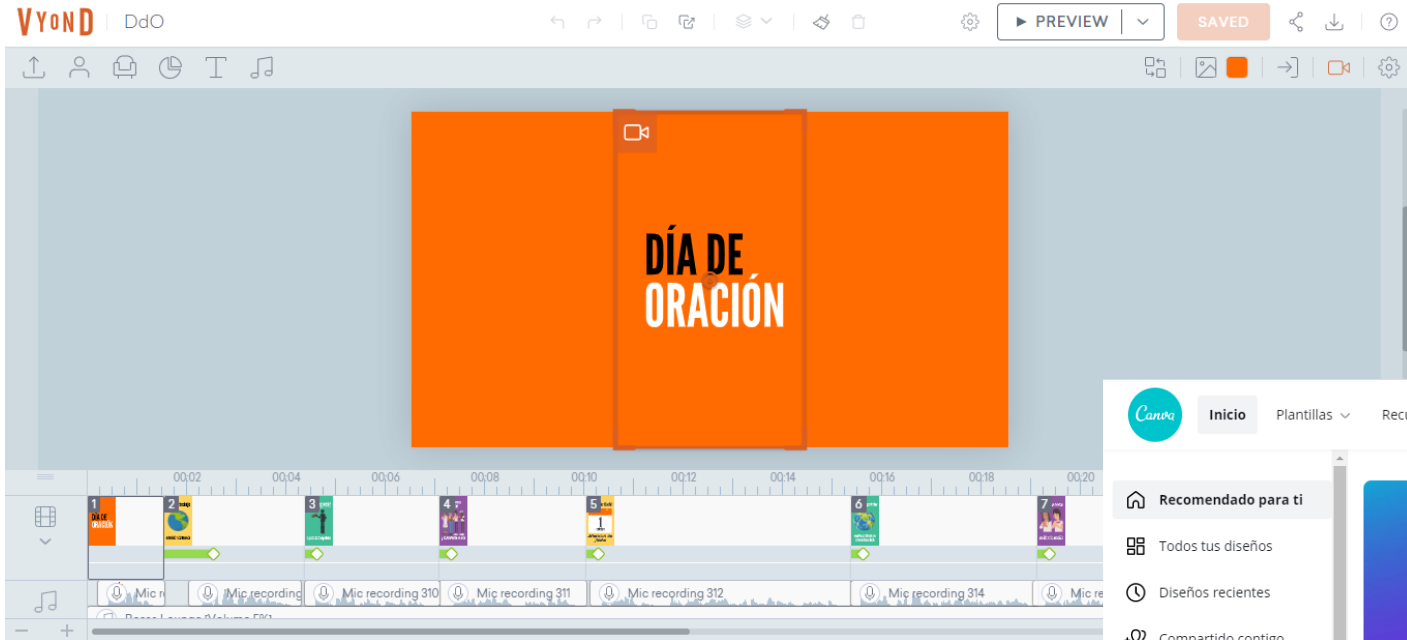
Queremos felicitar a las sucursales que han aplicado los protocolos de prevención y han tenido 0 casos de contagios.

- 103 Atlitico
- 109 Cuautla
- 112 San José del Rincón
- 113 Orizaba
- 114 Tijuana 2
- 116 Tuxtepec
- 119 Cunduacan
- 122 Córdoba
- 124 Puebla
- 125 Zacapoaxtla

Continuemos protegiéndonos



VISIONFUND MEXICO'S EMPLOYEE COMMUNICATION SYSTEM: EXAMPLE II



OVERVIEW OF CRYSTAL

1. Founded in 2005
2. In Georgia
3. 50 branches and 996 number of employees
4. 161 251 loans
 - Men – 62 679 /women – 98 474 and 98 – legal entity.
 - Urban loans # – 71 928/rural loans # – 89 323.
 - Urban loan portfolio – 147 001 283/ Rural loan portfolio – 211 393 010.
5. We offer the following types of products : Micro Business Loans, SME Loans, Agricultural Loans, Housing Loans, Consumer Loans.
6. Some of the recent recognitions include:
 - 2018 - the Most Responsible Company of the Year, Grand Prize "Meliora", organized by the the European Union and the Konrad-Adenauer-Stiftung (KAS)
 - 2019 - the Nation-wide CSR Award in SDG #5: Gender Equality
 - 2020: Millennium Foundation and the UN Women Georgia Award, 1st Place in the Award Competition: "Business for Gender Equality"
 - CSR Award 2020 in SDG # 12
 - In cooperation with CERISE and one of our investors - Agrif/Incofin, we are regularly conducting the Social Impact Measurement.
 - Received an "A-" from Microfinanza in a social rating, one of the highest ratings in the Social field, given to non-Banking Georgian Financial Institutions
 - We were one of the first 5 Companies in Georgia, signing UN Women's WEPs (Women Empowerment Principals) and since then conducting various mentoring and women empowerment programs and activities for our women customers as well as female employees.



CRYSTAL'S SYSTEM FOR EMPLOYEE COMMUNICATION WITH MANAGEMENT

- We have Internal Communication Department in Crystal.
- Culture of sharing ideas and valuing employee input
 - Those involved in the process have the best ideas of how to improve a process
 - Employees involved in all major decisions
 - Policies in place about communication
 - Coaching for management.



CRYSTAL'S SYSTEM FOR EMPLOYEE COMMUNICATION WITH MANAGEMENT

- Multiple communication channels
 - The Company launched an internal portal capable of informing staff members of news and updates concurrently and through a single communication channel;
 - The Company launched Teams that significantly simplified communication with the branch network and, at the same time, allows live online web casts;
 - The Company launched Yammer where limited-scope groups were set up according to the specific interests of employees, etc.
 - Management organizes open webinars.



CRYSTAL'S SYSTEM FOR EMPLOYEE COMMUNICATION WITH MANAGEMENT

- Employee grievance mechanism was developed.

HR Compliance is aimed at:

- Developing a modern employment standard at the Company;
- Developing a highly responsible work culture;
- Protecting the labour rights of staff members;
- Implementing proactive measures to protect the rights of staff members;
- Developing flexible and accessible systems to report a matter.

An external consultant receives and analyzes complaints, anonymously.



INTERVIEW QUESTIONS

1. [FP] You state that it is important to activate employees' agency and "self-efficacy." How do employees behave when they have self-efficacy versus when they do not?
2. [FP] What have you learned most about employee-management communication?
3. [Cr] Over time, Crystal simplified the communication system within the branch network. What was it like before versus now?
4. [Cr] What is communication with employees valuable to Crystal?
5. [VF] What lessons have you learned about designing a grievance mechanism to get the most useful information and to help employees feel comfortable using it?
6. [VF] Of all the questions you ask in the Our Voice survey, which are the ones that give you the most useful information and why?

QUESTIONS AND ANSWERS



