

Welcome to the Universal Standards Implementation Series



The SPTF Universal Standards for Social Performance Management



November 21, 2013

What is Social Performance Management (SPM)?

- SPM is the ongoing process of translating your social mission into practice.
- Managing social performance means that the institution puts time and effort into achieving their social goals, alongside their financial goals.

What are the benefits of managing social performance?

- Do you know how you are affecting clients?
 - Understand how you are benefiting clients and how you can do it better.
- Do you know what clients want?
 - Understand your market better, and serve clients more effectively.
- Do others know your social achievements?
 - Demonstrate them with real data, not just stories.

What are the Universal Standards and how are they related to SPM?

The Standards bring together ALL of the best practices in SPM in ONE comprehensive manual—to clarify and standardize social performance management.



There are 20 standards, organized into six dimensions.

They bring together many of the existing initiatives in the field.



Dimension 2: Ensure Board, Management, and Employee Commitment to Social Goals

Standard

2a- Members of the Board of Directors are committed to the institution's social mission.

Essential Practices

- Provide Board with an orientation on the social mission and goals, and the Board's responsibilities for managing social performance, and confirm that each member agrees.
- Requires Board members to adhere to the institution's code of ethics.

Indicators for evaluating practice

Standard 2a

IND 1) During orientation, the institution gives Board members:

- an explanation of (or training on) the institution's social mission and goals,
- documentation on their responsibilities regarding SPM,
- updates about recent developments on relevant national and international SPM initiatives, such as SPTF, Smart Campaign, SP related regulation etc.

IND 2) All board members confirm that they agree with their SP responsibilities and commit to helping the institution achieve its mission.

IND 3) At least one member has education and/or work experience related to SP.

IND 4) All board members have signed the institution's code of ethics.

IND 5) Adherence to the code of ethics is verified periodically by an internal audit or external review.

By and for people in the field

A photograph of four people—two women and two men—standing in a busy outdoor market. They are all wearing white short-sleeved shirts with blue collars and blue lanyards with ID badges. The woman on the far left is wearing glasses and has a slight smile. The woman next to her is also wearing glasses and has her hands clasped. The man in the center is looking towards the camera. The man on the far right is wearing a red tie and has a serious expression. The background shows a bustling market with various stalls, some covered with blue and black tarps. There are signs for mobile phone services, including one that says '75' and another with a list of numbers. A person in a yellow soccer jersey with the number '9' and the name 'RONALDO' is visible in the background.

The Standards were created by MFIs, networks, investors and other stakeholders around the world, who identified the need and **worked together** to create a **common resource**.

To whom do the Standards apply?

A woman wearing a white wide-brimmed hat and a brown ribbed jacket is sitting on a red sofa. She is looking off to the side with a thoughtful expression. In the background, a man wearing a red cap and a light-colored shirt is bent over, working on something. The setting appears to be an indoor space with a brick wall.

The Standards are a resource for **MFI**s seeking to **achieve social goals**. The Standards do not dictate what an MFI's goal should be, but **help identify the best way to achieve it**.

How can various stakeholders use the Standards?



MFIs—learning, self-evaluation, and roadmap

Investors—learning, due diligence/ monitoring

Networks/associations—learning, teaching, providing TA

Raters and auditors—harmonize tools

Example of Standards Implementation in Africa—KWFT, Kenya

- **Dimension 5—Treat Employees Responsibly**
- New employees review and sign contract, which is always accompanied by a job description.
- Employees receive 10 days of paid leave annually, for continuing education.
- Employees set goals at the beginning of each year and know how their performance will be evaluated.
- Evaluations are used to identify additional training needs.

Call to Action

- Review the Standards manual
- Conduct an informal self-assessment
- Conduct a formal social audit
- Select specific practices to improve
- Seek support and external resources
- Document progress and share with the SPTF

Materials to Guide Implementation

- **Download the Standards Manual**
 - Available at: <http://sptf.info/spmstandards/universal-standards>
- **View the Implementation Series webinar materials and listen to the recordings**
 - Available in **English** at: <http://sptf.info/online-trainings/universal-standards-implementation>

Materials to Guide Implementation (con't)

- **Review the Resources in the Universal Standards Resource Library**
 - Available at: <http://sptf.info/spmstandards/standards-implementation-resources>
- **Join the SPTF**
 - See: <http://sptf.info/sign-up>

