

# Outcomes Working Group Webinar 9: Sub working group

## Towards a core set of indicators for Poverty/Assets/Housing Outcomes

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# Agenda

- Introduction – 3 sub-working groups on indicators
- Review of outcomes indicators for assets/housing/poverty, and recommended core set
- Discussion with participants

# Tasks for 3 sub-working groups

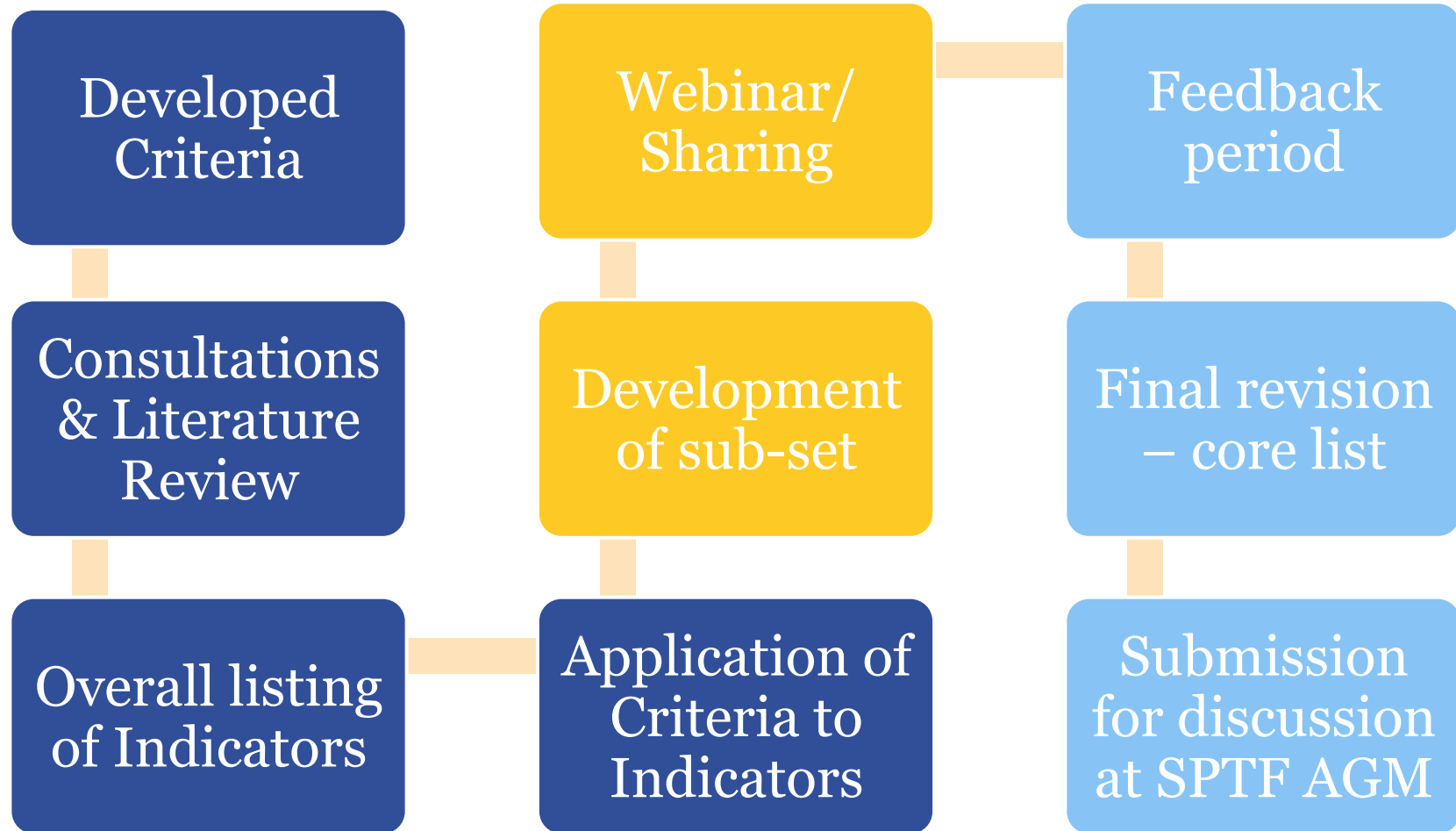
## *Looking at three themes:*

1. Business (Bobbi Gray)
2. Economic poverty, assets, housing (Bridget Dougherty)
3. Resilience (Anton Simanowitz)

## *No limit to indicators in use – can we streamline?*

1. Draw on the experience to date
2. Apply clear criteria to recommend a core number
3. Not prescriptive – but a guide to consider, test

# Process





# Criteria to select indicators

Drew on basic principles (SEEP/AIMS...)

Developed to reflect experience with HOPI (Health, FFH), and specific focus on SPM (integrated reporting, use of findings)

5 aspects

# Criteria

Aspects	Issues
<b>1 SALIENT</b>	1.1 Key to the theme 1.2 Can be adapted to local context 1.3 Objective, can include perceptions 1.4 Short/long-term
<b>2 USABLE</b>	2.1 Responds to MFI intervention 2.2 Allows for change (~<60% at baseline)
<b>3 CLEAR</b>	3.1 Clearly stated 3.2 Meaning defined
<b>4 FEASIBLE</b>	4.1 Can be applied through practical tool 4.2 Specifically can be part of routine data collection 4.3 Non-complex, non-invasive, straightforward to answer – dependable results
<b>5 COMPARABLE</b>	5.1 May be benchmarked to national survey findings 5.2 Consistent measure over time

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# Sources Consulted

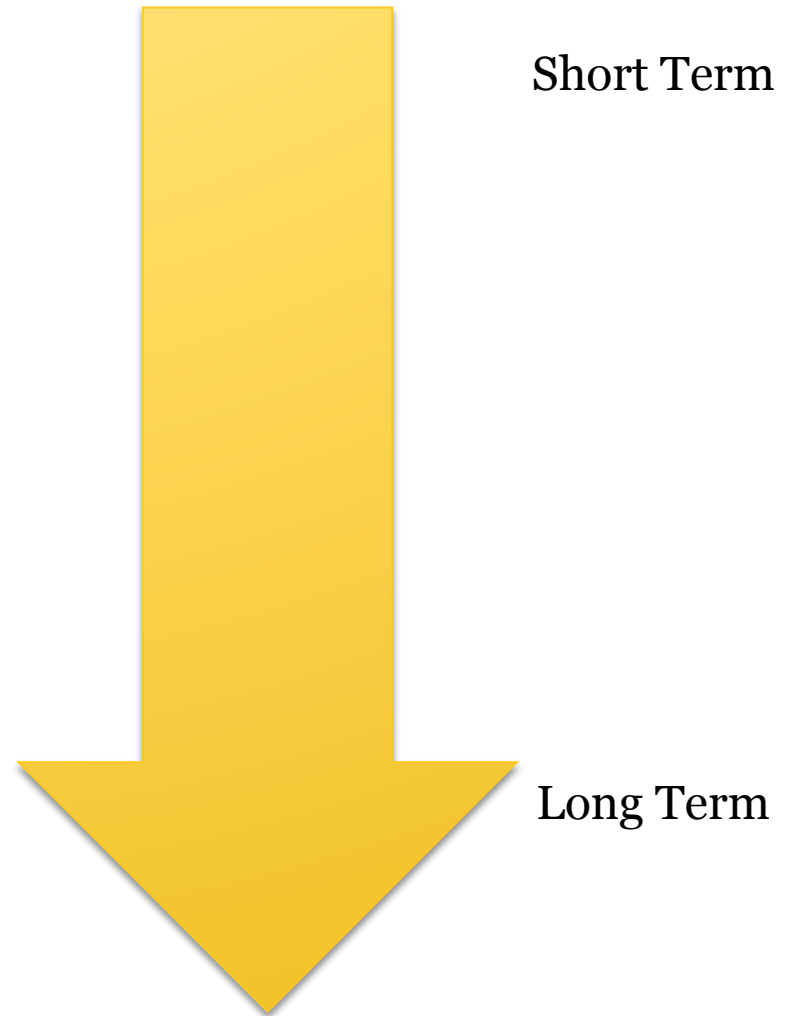
- Variety of sources  
– MFIs, Investors,  
Research studies,  
etc.
- Long list included  
~140 indicators

Examples of Resources / Organizations / People Consulted	
SEEP/AIMS Impact Assessment Tool	Mission Measurement
FORD/CGAP: Social Indicators Project	MicroFinanza Rating
STPF Annual Meeting 2015 Outcomes Notes	S. Africa Demographic Health Survey
Microfinance CEO Working Group various outcome studies	Oikocredit
Opportunity International	Grassroots Capital
FINCA, Scott Graham	Dia Vikas
WWB	OXUS Development Network
AMK	Truelift
ESAF	PPI, Julie Peachey
ACE and STEP (via Entrepreneurs du Monde)	FOROLACFR
Cashpor	Habitat for Humanity
LAPO	Global Communities
Fundación Paraguaya	Water for People
ASKI	UN Water / WHO
Friendship Bridge	Bobbi Gray, Frances Sinha, Chris Dunford, Kathleen Odell, Anton Simanowitz



# Themes

- Assets\*
  - Household
  - Quality of Life
- Housing
- Income
- Poverty



\* Does not include business assets

# Rural vs. Urban

- For the criteria of salience, specifically, if the indicator can be adapted to the local context, will differ in the rural vs. urban context
- Following presentation did not restrict to indicators that only cover both geographies

# Indicator Check

Assets	Salient	Usable	Clear	Feasible	Compar able
% of clients who own a mobile phone or landline ( <i>There were many different types of baseline indicators received on specific household assets depending on the location: TV, refrigerator, furniture etc.</i> )	√	√-	√	√+	√+
Average change of borrowers' assets	√	√	√-	√	√
New ownership of small assets	√	√	√-	√	√
% HH with ↑, →, ↓ value of assets to be used as collateral since baseline	√	√	√+	√-	√-
Borrowers whose assets increased	√	√	√-	√	√
Increase in Assets	√	√	√-	√	√
% HH who get access to or increase the value of selected assets since baseline ( <i>generic version of recommended indicator; how would value be measured, if not by type of asset?</i> )	√	√+	√+	√	√
Average % change in HH assets (by year, by gender) ( <i>generic version of recommended indicator</i> )	√	√+	√	√	√
% HH having key household assets, such as radio/tape player, chairs/table/benches, bed frame/mattress, stove, refrigerator, TV, bicycle etc. [Baseline indicator]	√+	√	√+	√+	√+
% HH acquiring additional key household assets , by year, (such as radio/tape player, chairs/table/benches, bed frame/mattress, stove, refrigerator, TV, bicycle etc. ), since joining the program	√+	√	√+	√+	√+

# Assets: Considerations

- Comparable - to national benchmarks (DHS - <http://dhsprogram.com/>)
- Feasible - There are a large number of potential assets to collect, but select only the most relevant as they can take a large amount of time to collect and analyze.
- Salient - Specific choice of assets varies between context - terminology and examples should be adapted locally.
- Usable - A time dimension is important in assets to look at the direction of change in the household and to recognize that often assets may be built up over a longer period of time and there may be big differences in the value of the same asset (A new mobile phone compared to one that is 5 years old).
  - Another consideration is when an asset becomes obsolete; underlines the usable selection criteria related to % of clients with an asset at baseline.
- Clear - The distinction between household and business assets is often not clear.

# Indicator Check

<b>Assets – Quality of Life</b>	<b>Salient</b>	<b>Usable</b>	<b>Clear</b>	<b>Feasible</b>	<b>Compar able</b>
% HH which decreased overcrowding in the dwelling since baseline	✓	✓	✓	✓-	✓+
% of clients with access to their own drinking water ( <i>baseline indicator</i> )	✓	✓	✓	✓	✓+
% HH who stopped sharing a toilet with other HHs and got their own toilet	✓	✓	✓	✓	✓+
% of clients who have access to a constructed toilet: Types of Toilet ( <i>baseline indicator</i> )	✓	✓	✓	✓	✓+
% HH who get access to energy efficient technologies since baseline	✓	✓	✓	✓	✓+
% HH with new access to/use of toilet, water	✓	✓	✓	✓+	✓+
% HH with time to Water Source < 15 Minutes	✓	✓	✓	✓	✓
% of HH with access to electricity, as compared to baseline	✓	✓-	✓+	✓+	✓+
% of HH who have access to an improved type of toilet, since baseline	✓	✓	✓+	✓+	✓+
% of HH with improved main source of drinking water since baseline	✓	✓	✓+	✓+	✓+
% of HH using clean or efficient energy sources for cooking since baseline	✓	✓	✓+	✓+	✓+

# Assets - Quality of Life: Considerations

- Salient – more relevant to rural context than urban context where there might be more established infrastructure; access dependent upon environment and not necessarily the influence of the MFI.
- Comparable – Strength: indicators can be compared to national benchmarks (DHS - <http://dhsprogram.com/>)
- Regarding the criteria of Usability –
  - Water and sanitation do come up in relation to housing and the status of the household in terms of the services that the house has access to.
  - Are these outcomes of microfinance in general vs. specialized products and services focused on improving water/sanitation?; does the outcome indicator align to specified inputs/program interventions; does it respond to the capability of MFI to influence?
  - Opted to include here because they do reflect the socio-economic status of the household.

# Indicators Check

<b>Housing</b>	Salient	Usable	Clear	Feasible	Compar able
% HH with improved flooring material of the house since baseline	✓	✓	✓	✓	✓+
% HH with improved height of the walls and materials used	✓	✓	✓	✓	✓+
% HH with improved wall material of the house since baseline	✓	✓	✓	✓	✓+
% HH with improved roofing material of the dwelling since baseline	✓	✓	✓	✓	✓+
% clients upgrading from tenant to owner of their dwelling since baseline ( <a href="#">Housing MF</a> )	✓	✓-	✓	✓	✓+
% HH dwellings with increased market value; % HH which increased the surface of the dwelling; % HH which started the construction of a new dwelling - since baseline ( <a href="#">Housing MF</a> )	✓	✓-	✓	✓	✓
% women clients that show improvement in housing conditions ( <i>relevant for women in urban areas, per the study conducted</i> )	✓	✓	✓	✓	✓
% HH who made repairs, improvements, or additions to their home in the last two years ( <i>indicator below is amplification of this indicator</i> )	✓	✓	✓+	✓+	✓+
% HH who made specific changes to the home in the last two years: (1) fixed or improved existing roof, floor, or walls; (2) expanded the house (built new room, shed, attic, or fence); (3) improved water or sanitation system (new well, drainage/sewage system, showers or latrine); or (4) percent who got electricity or major improvement in lighting since baseline ( <i>overlap with Quality of Life Indicators: water, sanitation, etc.</i> )	✓	✓	✓+	✓+	✓+

# Housing: Considerations

- Usable - While housing is universally important, it is very contextual. It seems to be impossible to have standardized indicators, so think in terms of dimensions.
  - Are these outcomes of microfinance in general vs. specialized products and services focused on improving housing?; does it respond to the capability of MFI to influence?
- Salient - Housing is a long term investment and therefore it needs security of tenure, for the future etc. In a volatile context housing is not likely to be a good indicator.
- Comparable - to national benchmarks (DHS - <http://dhsprogram.com/>)
- Feasible - Reliable and cost-effective outcome area (clients with housing finance services (MFR)).



# Indicators Check

<b>Income</b>	<b>Salient</b>	<b>Usable</b>	<b>Clear</b>	<b>Feasible</b>	<b>Compa rable</b>
% of clients who have other sources of income	√	√	√-	√-	√-
Average % change in household income	√+	√	√	√-	√
% of clients with increase in income or stabilization of income	√+	√	√	√-	√
% HH with ↑, →, ↓ number of wage sources of income since baseline	√	√	√	√-	√-
% ↑, →, ↓ number of Income Earners	√	√	√	√	√-
% change of number of (income) earning persons ( >14 years)	√	√	√	√	√-
% HH whose overall household income has increased over the last twelve months	√+	√	√	√-	√
% HH who have other sources of income since baseline	√	√	√	√	√-
% HH with ↑, →, ↓ number of sources of income since baseline	√	√	√	√	√-

Many of above indicators are related to the stability of income, from single or diverse sources.

# Income: Considerations

- Feasibility - to collect the data and be managed within any method applied by the FSP is difficult.
  - Income calculations—especially in group lending methodology—are vulnerable to loan officer bias and limited experience conducting the kind of thorough due diligence needed to capture the full picture (WWB).
  - Different approaches to measuring income - 1. to quantify income vs. 2. the perception of change (issues with recall)
  - Difficult to measure accurately given seasonality
- Salient – Income indicators aren't relevant in all contexts (depending on household size, a change in one income may not effect the household (AIMS))

Not recommending, but if used, then the method, questions and the analysis need to be carefully thought through considering the above points.

# Indicator Check

The broad indicator is: 'change in poverty level'.

Poverty	Salient	Usable	Clear	Feasible	Compa rable
% HH which moved out of poverty (selected poverty line) since baseline	√+	√	√+	√	√+
% of client HHs (tracked) who present increase, status quo, or decrease in their poverty score Note: using any tool, such as a local poverty index	√+	√+	√	√	√
% clients < selected poverty line [outreach indicator]	√-	√-	√	√	√+
PPI Related Indicators Received: Change in PPI Score, and poverty likelihoods, over time; Rate at which clients are moving out of poverty as PPI scores change over time.	√	√	√	√	√+
After years 3 and 5 : % of client households above the benchmarked poverty line, who were below the line at entry [Baseline indicator: % new client households below benchmarked poverty line]	√+	√+	√+	√	√+
After years 3 and 5 : % poor clients in year 1 still with MFI, % of them now above the poverty line, % still below the poverty line	√+	√+	√+	√	√+
% change in client households' poverty rate per the PPI	√	√+	√+	√+	√+
...per the PPI	√	√+	√+	√+	√+
...per a Local Poverty Index	√	√	√	√	√-
...per the MPI	√	√	√	√-	√
...per capita household income/expenditure	√	√	√-	√-	√

# Poverty: Considerations

- Comparable – to national benchmarks
- Salient and Usable over longer time horizon.
  - Why year 3 and 5? Every loan cycle has data, but evidence suggests may want to do analysis in years 3 and 5 (SIP)
  - Short term – for tracking outreach; longer term - for tracking outcomes
- Usable/Feasible –
  - Regarding PPI – recommend it where it is available - it is simple, straightforward and easy to use. Can be supplemented with additional indicators from previous themes relevant to rural or urban context.
  - Not every country has a PPI – or the PPI may be out of date. If the PPI is unavailable, check for a local poverty index, or other measurement method.

# Suggested List Summary - for your Consideration

Each indicator should reference/ be compared with the baseline, “since baseline”	
% HH acquiring additional key household assets , by year, (such as radio/tape player, chairs/table/benches, bed frame/ mattress, stove, refrigerator, TV, bicycle etc.), since joining the program	% HH who made specific changes to the home in the last two years: (1) fixed or improved existing roof, floor, or walls; (2) expanded the house (built new room, shed, attic, or fence); (3) improved water or sanitation system (new well, drainage/sewage system, showers or latrine); or (4) percent who got electricity or major improvement in lighting
% of HH who have access to an improved type of toilet	After years 3 and 5: % of client households above the benchmarked poverty line, who were below the line at entry
% of HH with improved main source of drinking water	After years 3 and 5 : % poor clients in year 1 still with MFI, % of them now above the poverty line, % still below the poverty line
% of HH with access to electricity	% change in client households’ poverty rate per the PPI
% of HH using clean or efficient energy sources for cooking	

# Next Steps

Please provide input/experience/indicators if you have them

Share experiences in applying any of these that might suggest they could be less or more successful than indicated in this version.

- Do you have any suggestions on the short list – is it missing any important indicators?
- If you have experience using some indicators, would you say they are weaker/stronger than has been depicted in the presentation?
- Do you have any tools or analysis of data/reports you would like to share as examples of using any of the indicators in practice?

Comment period until April 29. Please send comments directly to Bridget Dougherty at [bridget.dougherty@gmail.com](mailto:bridget.dougherty@gmail.com)

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# Thank you

For further information and to download resources, please consult the SPTF Working Group Outcomes page:

**<http://sptf.info/working-groups/outcomes>**

For follow up, please contact:

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