Strengthening Financial Inclusion of Women: The Gender Performance Indicators
Agenda

- Introductions
- Why Women?
- What is Gender Performance?
- The Value of Quality Data
- The “Select Five”
- Looking Forward
- Resources
Women’s World Banking’s Global Footprint

35+ years focused on women’s access to finance
20 million active clients
70% women

34 institutions
$7.7 billion in outstanding loan portfolio
$5.1 billion in deposits

Women’s World Banking is also working with banks in Malawi, Nigeria, and Tanzania.

EUROPE
Countries: 1
Institutions: 1

MIDDLE EAST & NORTH AFRICA
Countries: 5
Institutions: 5

AFRICA
Countries: 6
Institutions: 7

ASIA
Countries: 6
Institutions: 12

LATIN AMERICA AND THE CARIBBEAN
Countries: 6
Institutions: 9
Expanding Financial Access

Women’s World Banking develops innovative financial products to meet the dynamic needs throughout a woman’s life.

- Savings (S)
- Credit (C)
- Insurance (I)

Life Stages:
- Start a business
- Marriage
- Education
- Childbirth
- Home ownership
- Supported by family
- Children’s education and marriage

Life Cycle:
- Youth
- Young adult
- Late adulthood
- adulthood
Vision
A world without poverty where people have access to resources and opportunities to improve their lives.

Mission
To enable those living in poverty to achieve economic empowerment through responsible financial inclusion and capability development.

Innovation
- Financial Capability & Consumer Empowerment
- Responsible Inclusive Finance
- Smallholder Agri-business Solutions
- Good Return Loans

Research & Evaluation
- Client Needs
- Client Protection
- Social Performance
- Organisational Capacity
- Impact Evaluation

Cross Cutting
- Gender
- Environment
- Disability
- Equal Opportunity

Where we work
Current programs: [List of countries]
Past programs: [List of countries]
Introductions (cont.)

❖ Why did you choose this session?
❖ What do you hope to get out of this session?
Why Focus on Women?

Women account for the majority of the poor and the unbanked worldwide

- 60% of the working poor earning less than US$1 a day are women (International Labor Organization)
- Women living on less than $2/day are 28% less likely than men to have an account at a formal financial institution (FINDEX)

Engaging women is key to advancement of families and societies

- Women tend to invest more of their income into the health, education, and well-being of their families (McKinsey)
- The global economy has missed out on 27% of GDP growth per capita due to gender gap in the labor market (IMF)
- The Asia and Pacific region is losing US$42 billion to US$47 billion annually because of women’s limited access to employment opportunities, and another US$16 billion to US$30 billion annually as a result of gender gaps in education.
- If women were fully integrated into the economy, the United Nations estimates the Asia-Pacific region would grow by an additional $89 billion annually. The World Bank predicts that output per worker would increase by 7-18% if female entrepreneurs and employees in the East Asia Pacific region worked in the same sectors, types of jobs and activities as men.
Exercise

Please write down the mission and/or strategic goals of your organization.

<table>
<thead>
<tr>
<th>For what?</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>For whom?</td>
<td></td>
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<tr>
<td>How?</td>
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</tbody>
</table>
Example

Mission: Promote economic and social development for preferably low-income women entrepreneurs, by providing responsible financial products and services.

<table>
<thead>
<tr>
<th>For what?</th>
<th>• Promote economic and social development</th>
</tr>
</thead>
<tbody>
<tr>
<td>For whom?</td>
<td>• Low-income women entrepreneurs</td>
</tr>
<tr>
<td>How?</td>
<td>• Providing responsible financial products and services</td>
</tr>
</tbody>
</table>
What is Gender Performance?

With 80% of MFIs* claiming to target women, and over half declaring women’s empowerment or gender equality as an objective:

- How can we hold ourselves accountable to the financial inclusion and empowerment principles we advocate?
- How can we understand if financial institutions are serving women well?

Current gender indicators only tell part of the story...

* MIX FY2012 data
Women’s World Banking launched the Gender Performance Initiative (GPI) in 2011 to develop, monitor and analyze more and better gender-based social and financial performance indicators.

The GPI allow financial institutions and other stakeholders to:
- Measure if we are meeting our mission/strategic goals
- Understand differences between men and women clients
- Inform design and delivery of products based on women’s needs
- Determine drivers of risk and profitability, and make the business case for serving women
- Understand outcomes clients experience
GPI Framework

Over 25 indicators established to help financial service providers analyze their outreach to women, suitability of product design to meet women’s needs and staff gender diversity, as well as understand how serving women clients can contribute to financial sustainability and generate positive social outcomes.

Gender Performance

Client Focus
- Outreach
- Product Design & Diversity
- Service Quality
- Client Protection

Institutional Focus
- Board/Staff Diversity
- Promotion & Retention

Client Outcomes
- Economic Improvement
- Self-Determination
- Family Well-being

Business Case

Social Outcomes
GPI: Analytics at Work

- Women are more loyal clients: At Fundación delamujer, women clients had higher retention rates (67.5% compared to 62.2% for men).
- Women are more likely to access multiple products: Data from Fundación delamujer showed that 24.7% of women were accessing 2 or more products, compared to 19.8% of men.
- Turnaround time for loan disbursement can affect portfolio quality: At Ujjivan, clients who experienced the longest turnaround time had significantly lower repayment rates.
- Portfolio at Risk varies by gender and sector: Data from Fundación delamujer showed that the portfolio of loans to women had PAR30 of 2.4%, compared to 2.7% for the loans to men.
- Women are more loyal staff: At Fundación delamujer, women’s voluntary attrition rates were 10 points lower than men’s (18% vs. 28%).
The Value of Data

Data
Letters, symbols or numbers that indicate a fact or reality or that describe an object, idea, situation, condition or other factor

Analysis
Adding value to data by applying classification, disaggregation, evaluation, comparison and exploration

Decision-making
Utilizing analysis to inform strategy, objectives, and management decisions
Data Quality

Quality data enables effective analysis and decision-making.

Garbage Out

Dimensions:
- Accuracy
- Completeness
- Timeliness
- Relevance
- Detail level

Actionable Insight
The “Select Five”

These select five indicators are the starting point; the minimum that all industry stakeholders can use to track and improve gender performance. They are also the first key step toward the integration of the full suite of indicators.

1. Identify the percentage of new women borrowers

2. Identify the average loan size per woman borrower

3. Identify the women borrower retention rate

4. Identify women’s portfolio at risk of greater than 30 days

5. Identify women staff retention rates
New Women Borrowers

At Fundación delamujer in Colombia, mapping women client growth by department provides a more in-depth view of uneven growth between regions.
Regional Analysis:
Women’s Portfolio Composition
Percent Women Portfolio Compared to Percent Women Clients

At Finance Trust in Uganda, regional analysis compares women’s loan portfolio to the percentage of women clients. If men and women had equal average loan balances we would see parity (100%), however in most areas women are receiving much smaller loan amounts.
Women’s World Banking network members report on this indicator as part of annual performance reporting. For the 20 institutions that reported disaggregated data, the women borrower retention rate was slightly higher, although there was significant variation between institutions.
While at Fundación delamujer, women started out with lower PAR30, longer term PAR was almost equal.
By analyzing loan officers by the number of years on the job, Fundacion delamujer found that female loan officers had been at the institution longer on average. They also exhibited higher levels of productivity.
GPI Indicators: Discussion

1. Identify the percentage of new women borrowers
2. Identify the average loan size per woman borrower
3. Identify the women borrower retention rate
4. Identify women’s portfolio at risk of greater than 30 days
5. Identify women staff retention rates

Mission

For what?

For whom?

How?
Looking Forward

- **Finalizing Savings Indicators**
  - Piloted with Diamond Bank in Nigeria
  - GPI Manual 2.0 to be released November 2015

- **Piloting Insurance Indicators**
  - Piloting with Microfund for Women in Jordan

- **Linking Outcomes to Women’s Empowerment Framework**
Resources

- Select Five Indicators

- GPI Manual
  http://www.womensworldbanking.org/publications/gender-performance-indicators-how-well-are-we-serving-women

- Portfolio Analytics Toolkit
  http://www.womensworldbanking.org/publications/publications_portfolio-analytics-toolkit/

CALL TO ACTION

If we as an industry claim to target women, then we should be able to measure how well we are serving those women.
THANK YOU