



Women's World Banking

good
return

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

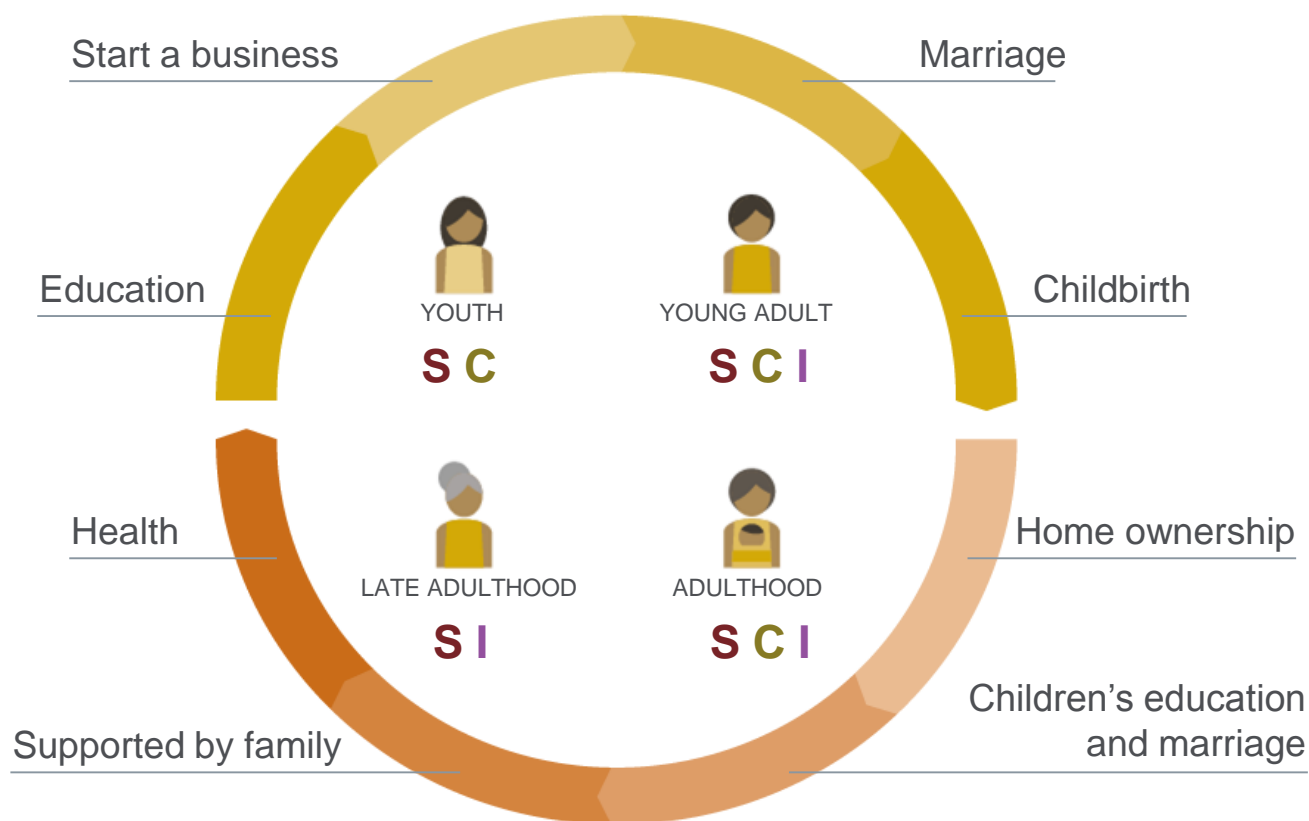
\$5.1 billion in deposits



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

Expanding Financial Access

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



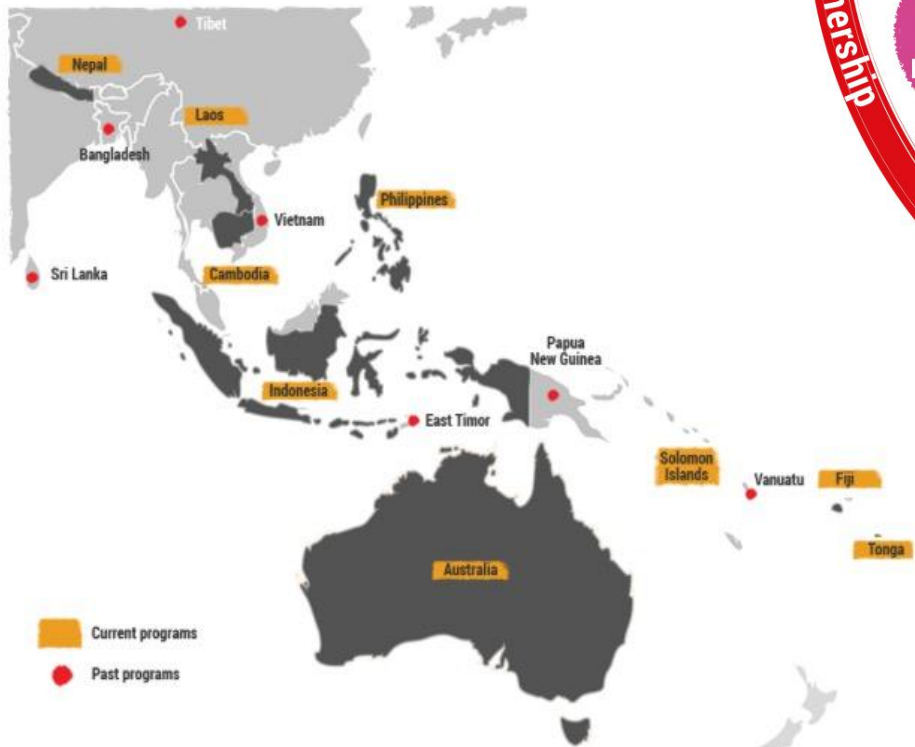
▪ Savings (S)

▪ Credit (C)

▪ Insurance (I)



Where we work



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.

For what?

For whom?

How?

Example

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

For what?

- Promote economic and social development

For whom?

- Low-income women entrepreneurs

How?

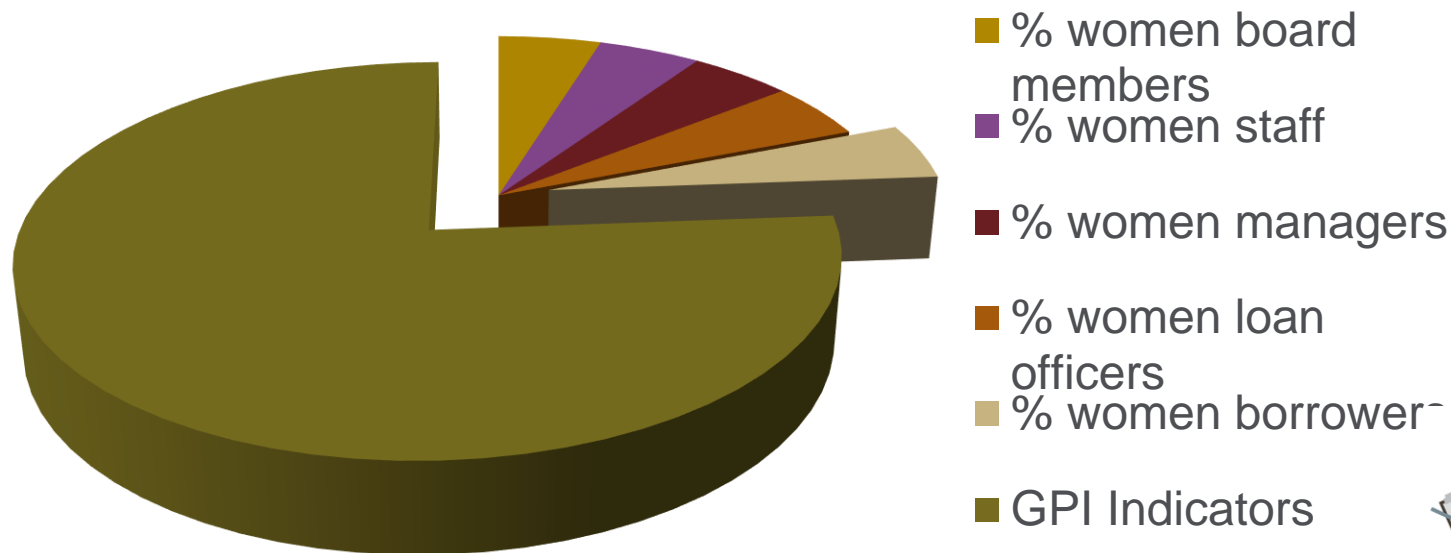
- Providing responsible financial products and services

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:

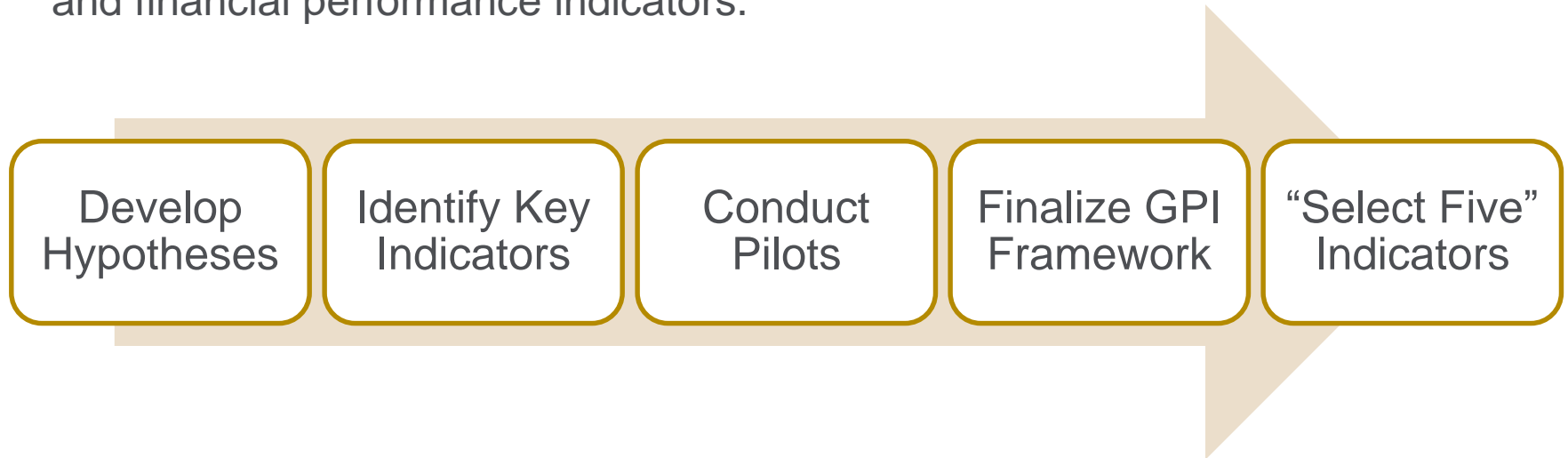
- How can we hold ourselves accountable to the financial inclusion and empowerment principles we advocate?
- How can we understand if financial institutions are serving women well?

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



Gender Performance Initiative

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.

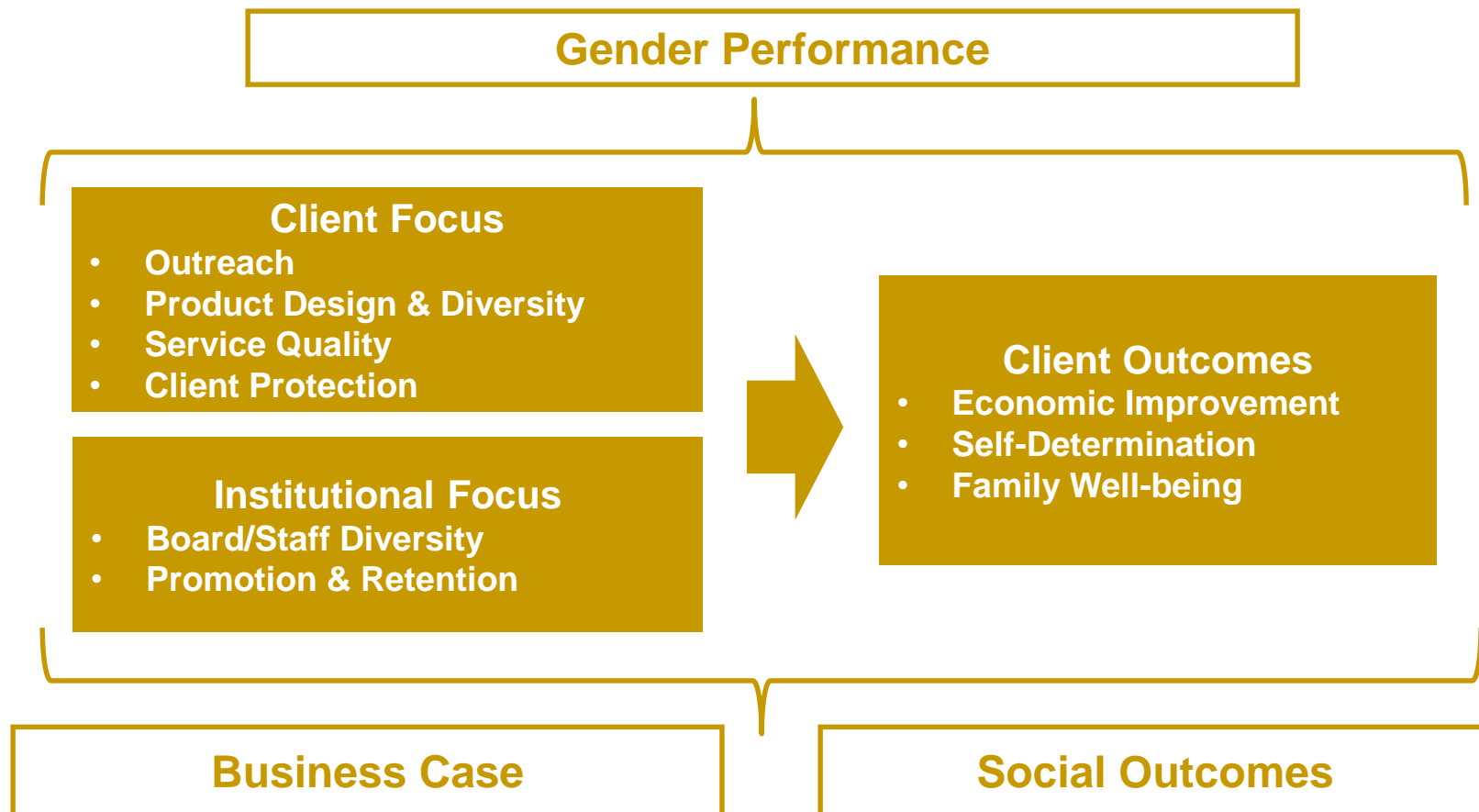


The GPI allow financial institutions and other stakeholders to:

- ❖ 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.



GPI: Analytics at Work

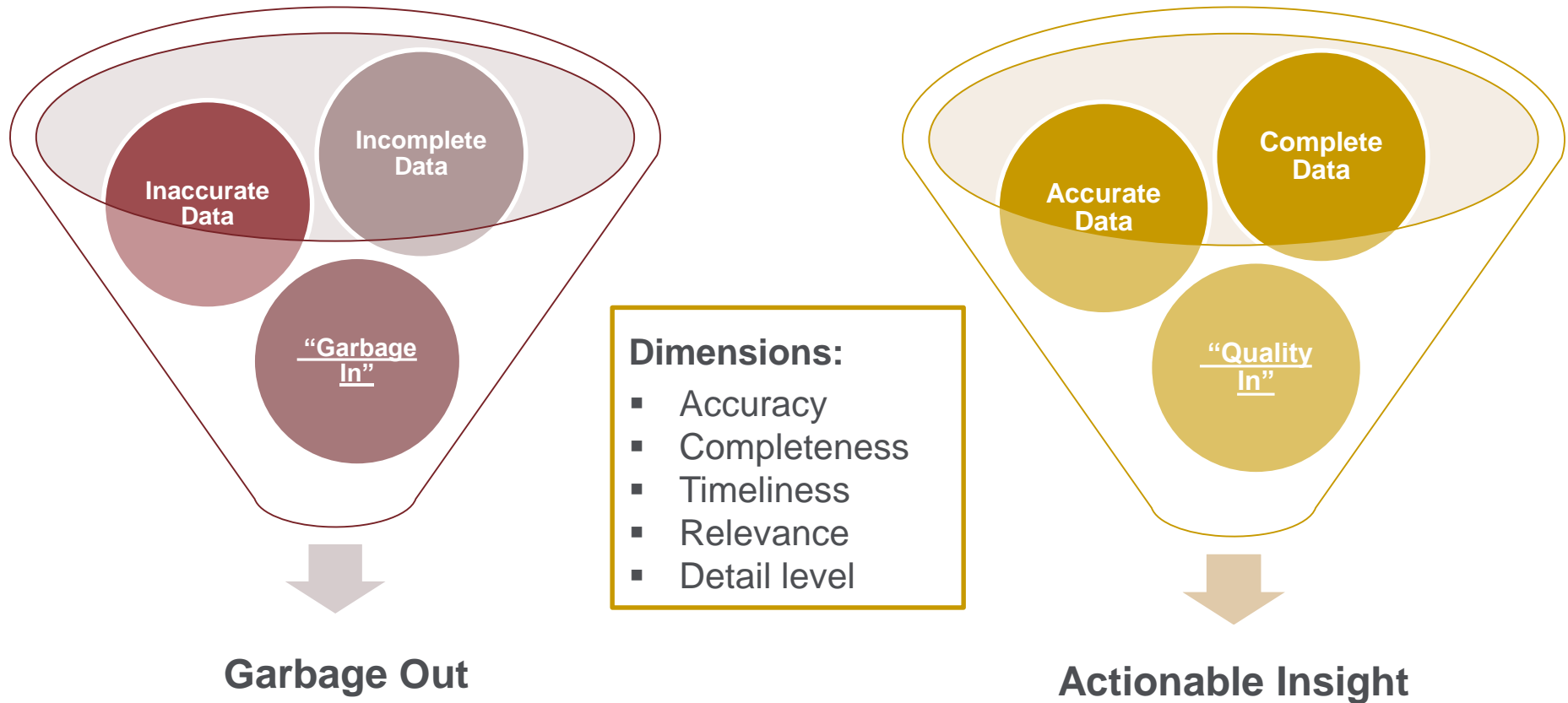
- ❖ Women are more loyal clients: At Fundación delamujer, women clients had higher retention rates (67.5% compared to 62.2% for men).
- ❖ Women are more likely to access multiple products: Data from Fundación delamujer showed that 24.7% of women were accessing 2 or more products, compared to 19.8% of 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 Quality

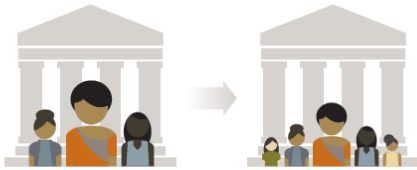
Quality data enables effective analysis and decision-making.



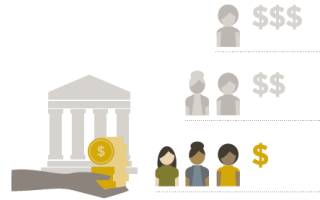
The “Select Five”

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



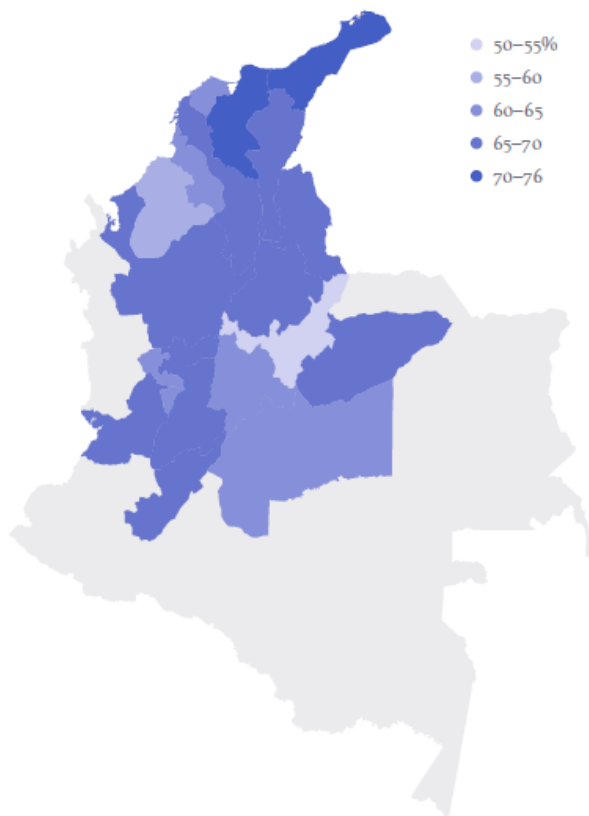
5 Identify women staff retention rates



New Women Borrowers

OUTREACH TO WOMEN

WOMEN AS A PERCENT OF NEW CLIENTS, BY DEPARTMENT



1 Identify the percentage of *new* women borrowers



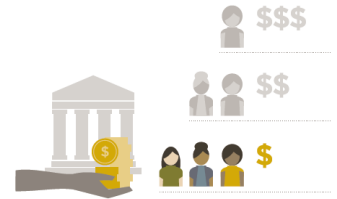
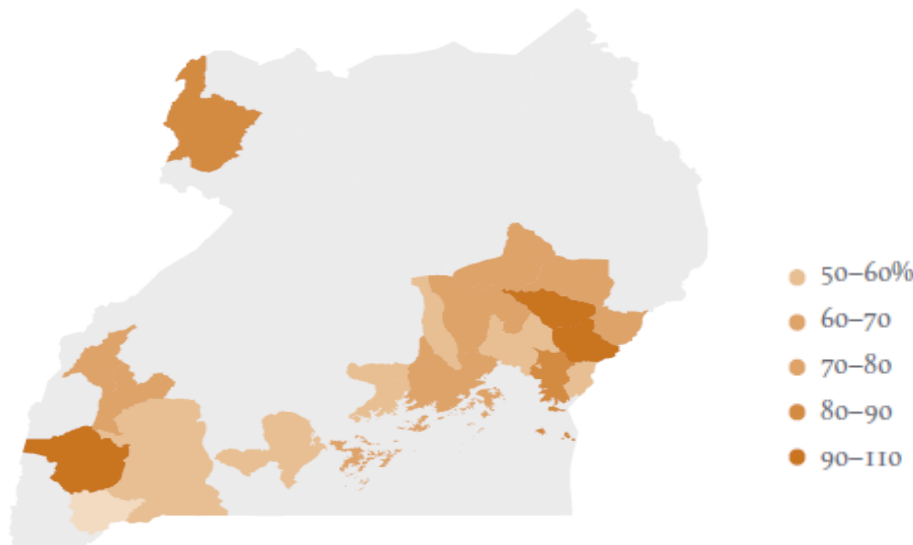
At Fundación delamujer in Colombia, mapping women client growth by department provides a more in-depth view of uneven growth between regions.

Women's Average Loan Size

2 Identify the average loan size per woman borrower



REGIONAL ANALYSIS:
WOMEN'S PORTFOLIO COMPOSITION
PERCENT WOMEN PORTFOLIO
COMPARED TO PERCENT WOMEN CLIENTS



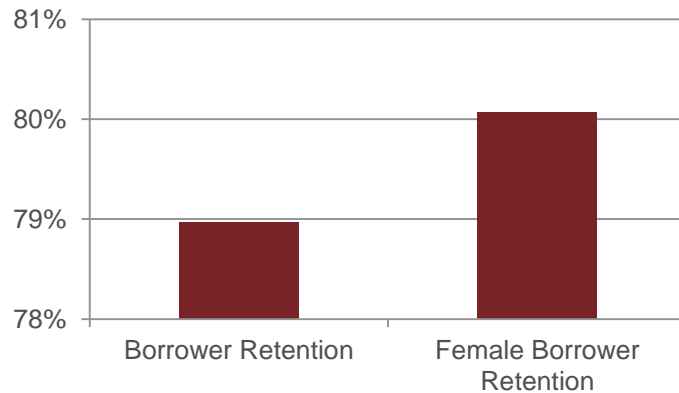
At Finance Trust in Uganda, regional analysis compares women's loan portfolio to the percentage of women clients. If men and women had equal average loan balances we would see parity (100%), however in most areas women are receiving much smaller loan amounts.

Women Borrower Retention

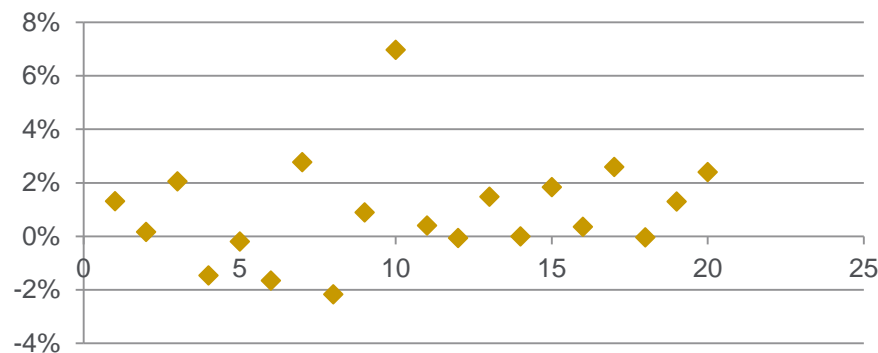
3 Identify the women borrower retention rate



Borrower Retention by gender



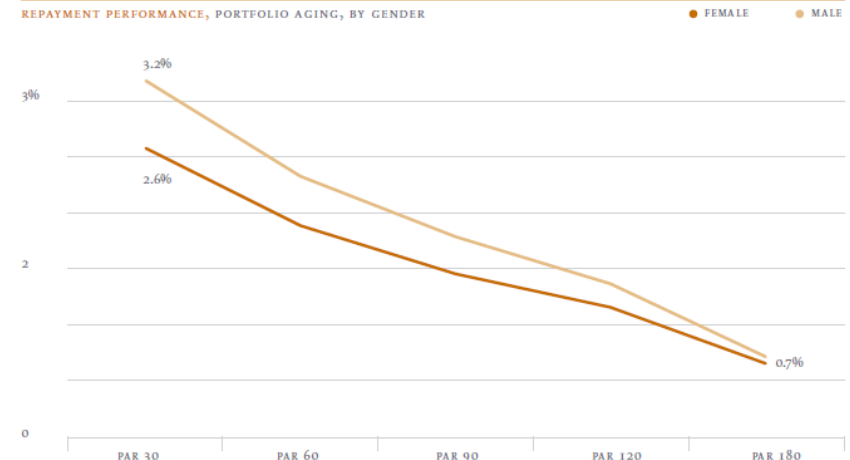
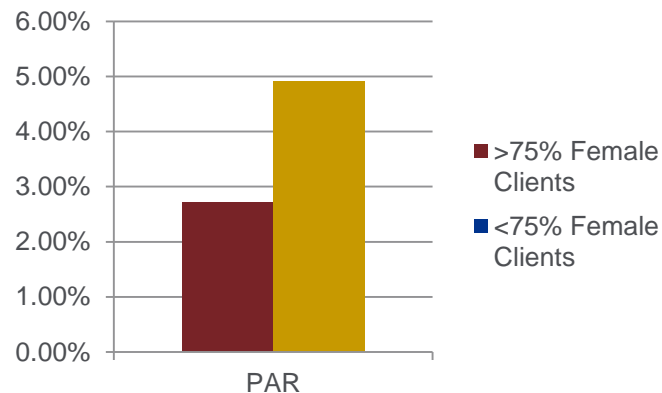
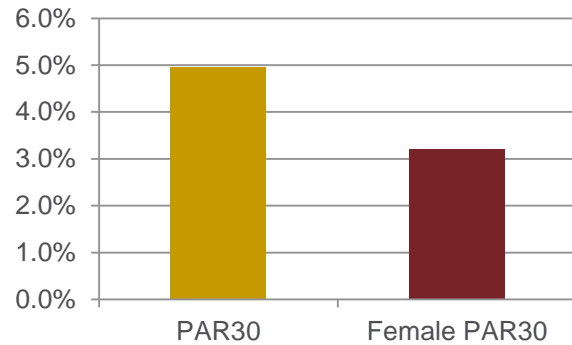
Percentage Point Difference



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.

Women's PAR

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

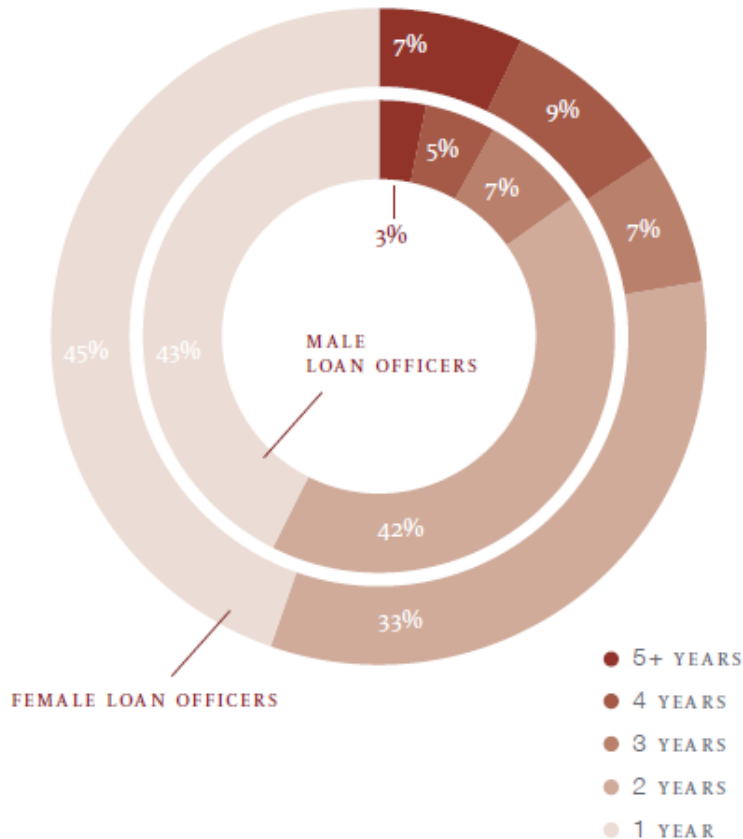


Women's World Banking network data (for 13 reporting institutions) demonstrated that women exhibit lower risk.

While at Fundación delamujer, women started out with lower PAR30, longer term PAR was almost equal.

Women Staff Retention

5 Identify women staff retention rates



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



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

<http://www.womensworldbanking.org/publications/gender-performance-indicators-select-five/>

❖ 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