

Session Title: “The Potential of Data and Customer Outcomes”**Date:** February 22, 2018**Time:** 9 a.m. India Standard Time**Speakers:** Geeta Goel, *MSDF*; Katharine Kemp, *the University of New South Wales, Sydney*; Frances Sinha, *M-CRIL*, Lawrence D’Souza, *NeoGrowth*; Paul Thomas, *ESAF Small Finance Bank*; Calum Scott, *Opportunity International*

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- Frances Sinha kicked-off the session by reflecting on her learnings from the event so far on what it takes to be client-centric:
 - It is important for this to be a culture at all levels of the organization.
 - There must be a clarity of purpose and customer-value orientation all the way from mission statement and organizational values right down to data collection and use.
 - To drive customer insights, data must be of good quality and reported clearly.
 - The process must be embedded and iterative. It cannot be a “plug-and-play” solution.
 - Frances clarified that outcomes are not impacts, although they are related through the theory of change. SPTF’s Outcomes Working Group created [guidelines](#) for financial service providers (FSPs) on outcomes management, which provides more details on how outcomes relate to impacts.
 - Geeta Goel reflected on the Michael and Susan Dell Foundation’s (MSDF) approach to outcomes measurement. She said that outcomes measurement is a balancing act between two bottom-lines, and it isn’t necessary to measure every day; rather, it is important to help keep yourself on track over-time.
 - Geeta outlined the basic principles of outcomes measurement:
 - It must include broad measurement of the organization’s outreach, quality of service, and depth of impact.
 - Outcomes measurement methods must be rigorous but also practical and low cost.
 - At the least, it must generate meaningful insights for both investor and investee.
 - It needs to inform business strategy in both the short- and long-term.
 - It must amplify the customer voice.
 - Geeta provided three examples of outcomes management that MSDF’s investee companies have used:
 - Acumen Lean Data measured and computed a Net Promoter Score for clients of various skill-training programs. The outcome measured was client satisfaction. By analyzing variations in the score by different courses, it was able to quickly identify areas for improvement.
 - Ujjivan conducted a longitudinal survey of about 3,000 customers over 3 years. By tracking data over a medium-term horizon, they were able to identify which customer segments their services had the highest impact on (in terms of income growth, etc.) and target subsequent interventions better. Outcomes measurement helped them “improve products, sharpen focus and better segment.”
 - Sub-K used outcomes data analysis to understand how incentives affected clients’ use/demand for savings products (which is typically not a “pull” product). The study helped them tweak incentives/nudges and other features of product design that helped clients move closer to ideal use and maximum customer benefit.
 - In response to an audience question, Geeta said that it isn’t difficult to build a business case for outcomes management, and that within 2 years, most investee companies see benefits from their outcomes management in terms of boosted sales, client retention, and external communications (including with new investors).

- Calum Scott said that the main reasons for an investor to promote outcomes management is (a) to compare/measure progress of their investments but more importantly (b) to improve decision-making of investee companies, which would ultimately lead to better outcomes for clients.
 - He gave the example of CASHPOR that analyzed its client data against PPI scores and then combined insights from this analysis (identifying segments with negative outcomes) with other local market intelligence to design better solutions. This is something that only investee companies can do, while investor companies can enable/equip them through workshops on SPM, data collection methods, etc.
 - Some partners may want to use sample surveys, while others might be able to embed outcomes measurement into everyday services, in which case the data is available for all clients (“census” approach).
- Paul Thomas emphasized the importance of collecting multidimensional data on clients’ socioeconomic status, housing conditions, etc. to triangulate the outcomes of financial services. Using this, and as appropriate, FSPs could set targets/quotas at each level and measure progress against those. He gave an example of how ESAF’s social performance team maintains a quarterly SPM dashboard in which all progress is reported, and stories and case studies are featured. Next, ESAF will work on mapping the client journey, as well as integrating SPM with the Sustainable Development Goals.
 - In response to an audience question on whether clients should have a say in what outcomes are measured/what data is collected about them, Paul said that there are client representatives in every branch-level advisory committee and their interactions at quarterly meetings help to set appropriate expectations and benchmarks for the FSP.
- Lawrence D’Souza introduced NeoGrowth’s end-to-end focus on the customer experience.
- Katharine Kemp underscored that in all this talk of data collection for outcomes management, privacy is not an afterthought. It needs to be at the center of outcomes management. She began by saying that the primary outcome and impact we desire is that clients live improved lives of pride and dignity.
 - Katharine gave examples of increasingly frequent incidents of data abuse, either by third parties to whom it is sold, or by FSPs keen to target their services to the most vulnerable clients. Living in the age of big data, it is not hard to imagine large data aggregators whose very purpose is to mine large lists to identify commercial prospects; who see data as money, and as not as the people whose lives it represents.
 - Reviewing recent developments, she listed the Supreme Court of India’s landmark judgement in a hearing on the right to privacy, as well as the implementation of EU’s General Data Protection Regulation as momentous developments that will shape data privacy practices going forward.
 - Katharine argued for the adoption of the Principles of Privacy by Design from the very early stage of data collection/use processes by FSPs:
 - Proactive, not reactive; preventative not remedial
 - Privacy as the default setting
 - Privacy embedded into the design — baked in from the beginning
 - Full functionality— positive sum not zero sum
 - End-to-end security and full life-cycle protection
 - Visibility and transparency
 - Respect for user privacy, keep it user-centric

(Source: the report of the Ontario Privacy & Information Commissioner)
- To end, the panelists shared closing thoughts on outcomes management:
 - Frances noted that FSPs should make client consent more meaningful and transparent.



- Geeta said outcomes management should be audited and managed just as any other business process.
- Katharine said providers should approach client data with caution and respect. People's demands for privacy are not "oceans of useless facts but windows into the lives of human beings who want to limit their exposure."
- Lawrence emphasized the importance of data security and responsibility towards clients
- Paul said providers must embed SPM outcomes in business targets.
- Calum said we need to act now on privacy. He also noted that triangulation and audits of all related processes are important.