

Outcomes Working Group - Resilience Indicators FOR REVIEW - April 2016

Sub-Working Group	Category	Definition of the indicator	Survey questions	Notes	Source	Likelihood of inclusion	Criteria Met													
							1. Captures key outcome elements for the theme	2. Can be adapted to local context	3. Will be specified as short-term or long term for realistic frequency of measurement	4. Objective, but can also include subjective i.e. perceptions	5. Will align to specified inputs/programme intervention s; responds to capability of MFI to influence	6. Allow for change – low status at baseline (<60%)	7. Clearly stated	8. Meaning is defined	9. Can be managed within any method applied by the FSP	10. Can be applied as part of routine data collection – i.e. part of member form or loan application	11. Involves a non-complex question, which is straightforward to answer, non-invasive,	12. Can be matched to national indicators for direct comparison of findings	13. Can provide a consistent measure over time	
	Financial tools to manage risk		<i>Note for many of these questions it is necessary that the FI identifies common shocks and asks clients what shocks they have experienced.</i>	Overall the challenge is to keep this simple. Resilience is multi-dimensional and therefore challenging to measure. This framework proposes a focus on simple outcomes that closely relate to the direct outcomes of access to financial services. The framework could be extended to include non-financial services, but this would be far reaching. Outcomes indicators should be segmented by client profile.																
Vulnerability & resilience	Financial tools	Change in savings balance	<i>MIS data: What is the balance of savings that the client holds with the FI that may be timeously accessed in the event of a shock?</i>	Up to a point, increased precautionary savings may be an indicator of reduced vulnerability. But beyond a certain point, as households build up their capacity to bear risk in other ways, decreased precautionary savings may indicate reduced vulnerability. Defined as only savings with the FI, so may understate outcomes.	Many MFIs	High	Y	Y	Short	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
Vulnerability & resilience	Financial tools	Use of financial tools in response to a shock	Have you experienced a shock in the past 12 months? If so which (if any) financial tools did you use to cope with the financial stress created – savings, emergency loan, insurance?	This is a useful management indicator to monitor whether financial tools are contributing towards resilience, but does not give information about the extent to which accessing the tool was useful.	EDA	High	Y	Y	Short	Y	Y	n/a	Y	Y	Y	Y	Y	Y	If national data exists	
Vulnerability & resilience	Financial tools	% who used savings to respond to a shock	<i>During the past 12 months, how have you used your savings? (Don't read. Mark with a "1" for the way the interviewee has spent the most an etc)</i>	This indicator supposes presence of savings account, and requires independent knowledge of the presence of a shock, i.e. if a client uses savings to respond to a shock this shows some degree of resilience; but if they did not use savings it's important to know if that is because a shock did not occur, or if a shock occurred but savings were not used in response.	AIMS	Medium	Y	Y	Short	Y	Y	n/a	Y	Y	Y	Y	Y	N	N	Y
Vulnerability & resilience	Financial tools	Regularity of savings	<i>MIS data</i>	SEF uses this successfully as an indicator for vulnerability, with decreased saving indicating increasing financial stress. In contexts with high seasonability this would need to be taken into account	SEF	Medium	Y	Maybe	Short	Y	Y	n/a	Y	Y	Y	Y	Y	Y	Unlikely	Y
Vulnerability & resilience	Financial tools	Change in liquid assets	For the specific assets in your context that are recognised as important: ask "how many do you have" and track or ask "has there been a change". Eg. "How many goats do you own?"; "Have you purchased/sold any jewellery/gold in the past year"	specifically as a form of savings). This is an indicator of resilience in terms of accumulation of liquid assets and in terms of use of assets for consumption smoothing or in response to a shock. Absolute changes may therefore be misleading in that a decline of assets is both a sign of decreasing resilience and a sign that a household has successfully coped with a shock. Contextual information is therefore needed.	IGVDG conference	High	Y	Y	Short	Y	Y	n/a	Y	Y	Y	Y	Y	?	No	Y
	Security of income			A more diverse livelihood reduces in vulnerability to shocks through loss of any one income source and through shocks that may affect multiple linked livelihood sources																
Vulnerability & resilience	Security of income	# of household income earners/ % households with multiple income sources	<i>How many people in your household have a source of income (including yourself)?</i>	Important indicator as multiple income sources are linked to greater resilience. Not necessarily a strong link to FI inputs. Note that household needs to be carefully defined. For example in some contexts (eg. polygamous households) income sources may not be available to all members of the household. For the indicator it may be possible to define a benchmark number of income sources for a 'resilient household'	EdM; Microfinanza	Medium	Y	Y	Long	Y	N	Possibly	Y	Y	Y	Y	Y	Y	Unlikely	Y
Vulnerability & resilience	Security of income	For independent income generation activities the % of households with multiple independent income sources	List all your income generation activities that benefit you and your children	This indicator aims highlights that multiple income source may be linked and therefore be vulnerable to the same risks. Collect list of IGAs and then analysis identifies linkages. Some IGAs make be linked eg. growing peanuts and making peanut butter so these are not independent income streams. Potentially complex and time-consuming to collect this data (works as a survey questions, but difficult for a FI to collect)	FFH	Medium	Y	Y	Long	Y	Partially	Y	Y	Y	Y	Y	Possibly	Partially	Unlikely	Y
Vulnerability & resilience	Security of income	Change in reliance on casual labour as main	<i>What is the main source of income for your family?</i>	In addition to being low paid casual labour is very seasonal and unreliable and represents a major dimension of vulnerability. Diversification of livelihood away for this is an important positive outcome.	WFP	High	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	If national data exists	Y
	Income smoothing					Low	Y	Y	Short	Y	Y	N/A	Y	Y	N	N	N	N	If national data exists	Y
	Liabilities																			
Vulnerability & resilience	Liabilities	Ratio of household debt/disposable income	<i>Calculated as part of loan application process by many FIs</i>	High levels of indebtedness is considered to be an important indicator of vulnerability. Indicator can be used by FIs that are already collecting this data as part of the loan appraisal process (probably not feasible for many group lenders)	OECD	High	Y	Y	Short	Y	Y	Y	Y	Y	Y	N	Y	N	If credit bureau data	Y

