

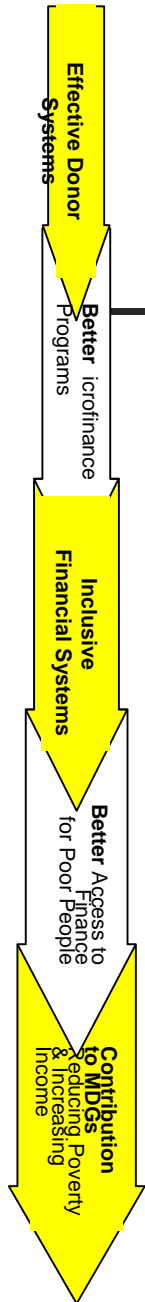
# IMPACT ASSESSMENT OF FINANCIAL SERVICES

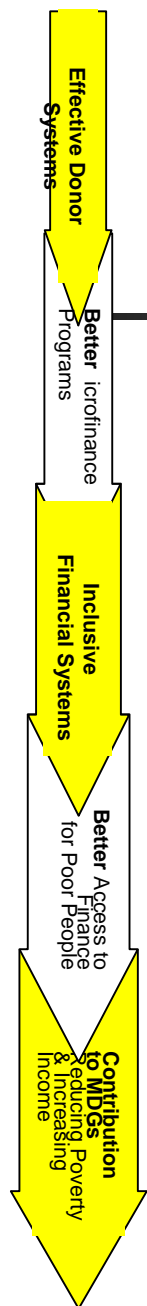


Methodological Introduction  
By Ruth Egger

# Why is Impact an Issue?

- Is MF a panacea for MDGs/development goals?
- Accountability  
Proof of long term effects  
positive + negative, planned + unplanned

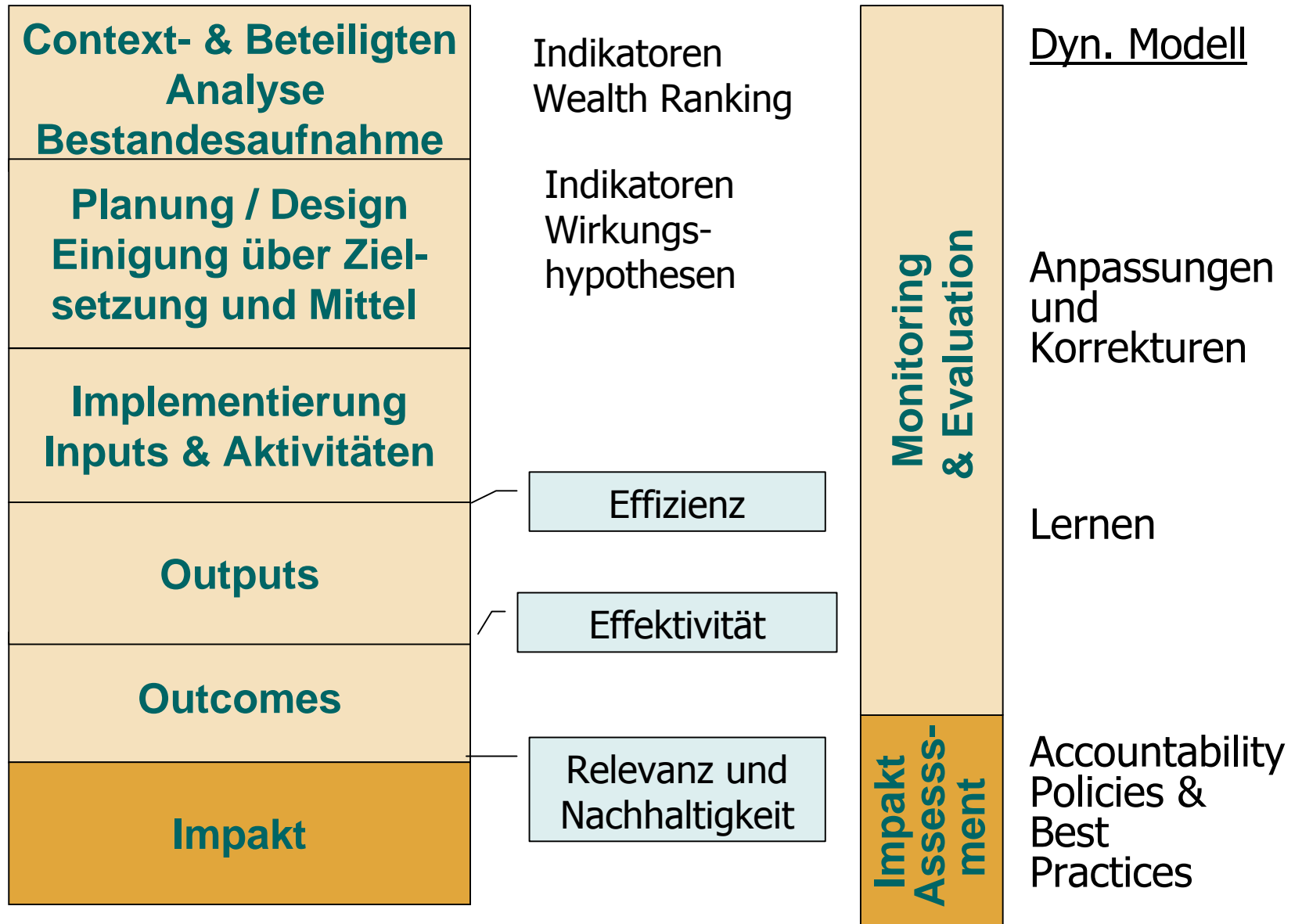


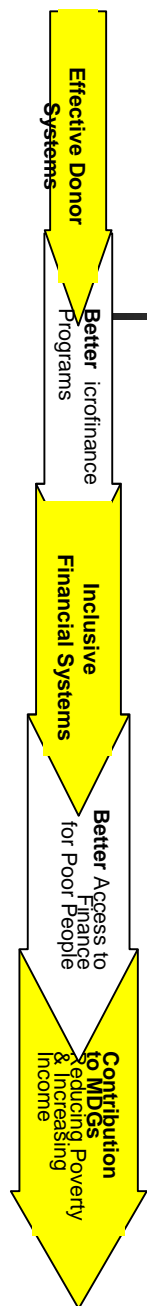


# Objective of my presentation

- Our understanding of usefulness/pertinence of impact studies/assessments: when, how, by whom
- Alternatives and possible focus for the future

# Project Cycle Management

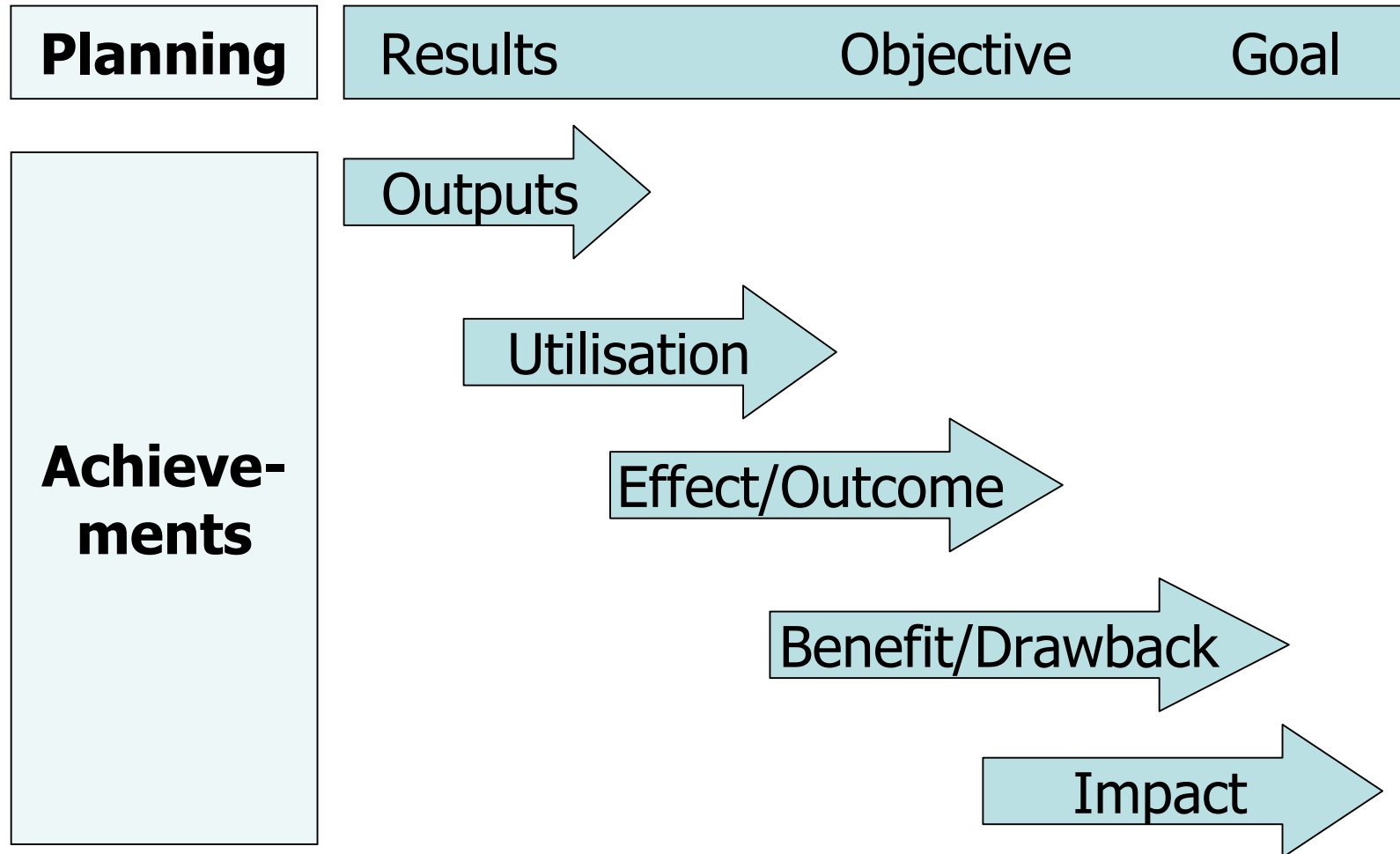


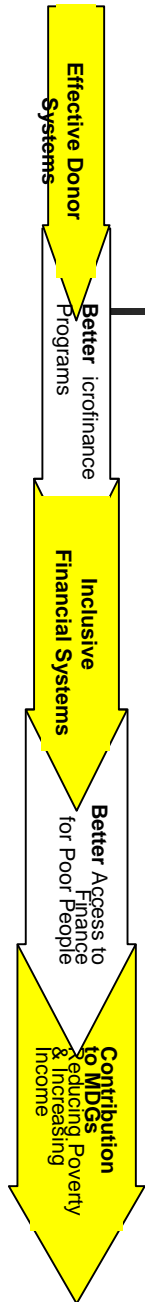


# How do we define Impact

- **Effects:**  
short + long-term; direct + indirect; pos + neg, planned + unplanned
- **Effect Chain (Wirkungskette):**  
Output-Utilisation-Effect-Benefit/Drawback-Impact  
(see graphic next page)
- **Examples:**  
Asset creation, empowerment, employment rate, interest rate reduction, poverty reduction, economic growth etc.

# Effect Chain

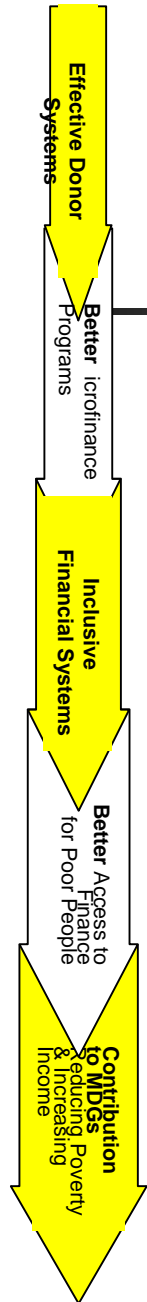




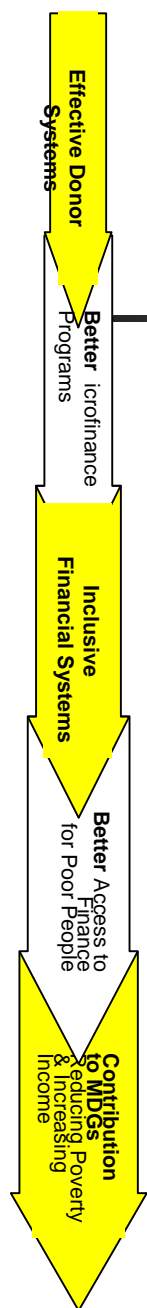
# Methodologies

- **Impact Studies:**  
quantitative and “verifiable” so called scientific
- **Market Research, Proxies, PRA**  
(client satisfaction, client exit survey etc.)  
Weight on quality
- **Participatory Learning and Action:**  
(Observation, Focus groups, Case Studies etc.)  
Representativity and subjectivity

# Best Practices/Lessons learned



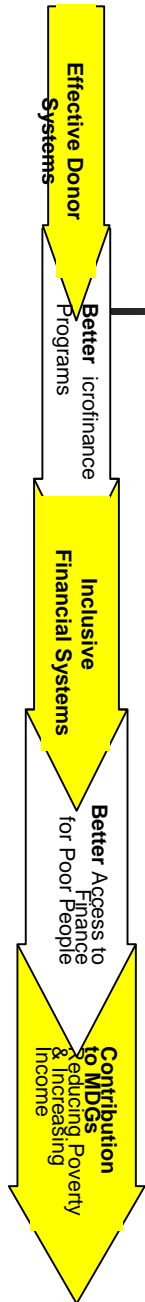
- Measure impact in relation to your development objective
- Adapt your methodology to scale and relevance of your activity and its objective (cost-benefit considerations)
- Look also for unexpected/unwanted results



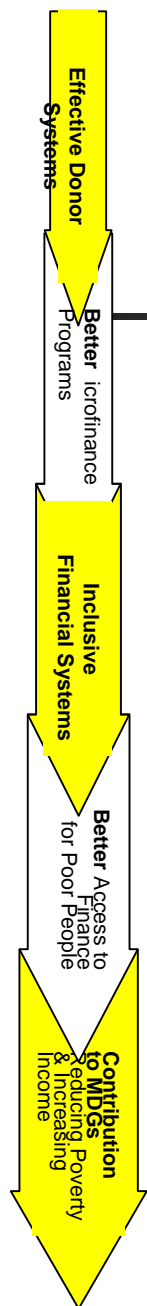
## Best Practices (continued)

- Choose your study team and time frame according to the task
- Be aware that impact seen from insight and outside might look different
- Use evaluations and impact monitoring to see if you are on track to reach the development objective (long term goal)

# Conclusions



- Impact studies are demanding in time, cost and professionalism, but are necessary for awareness building + learning
- Invest in monitoring and MIS for continuous learning and where necessary adaptations; use impact studies selectively, focus on outcomes



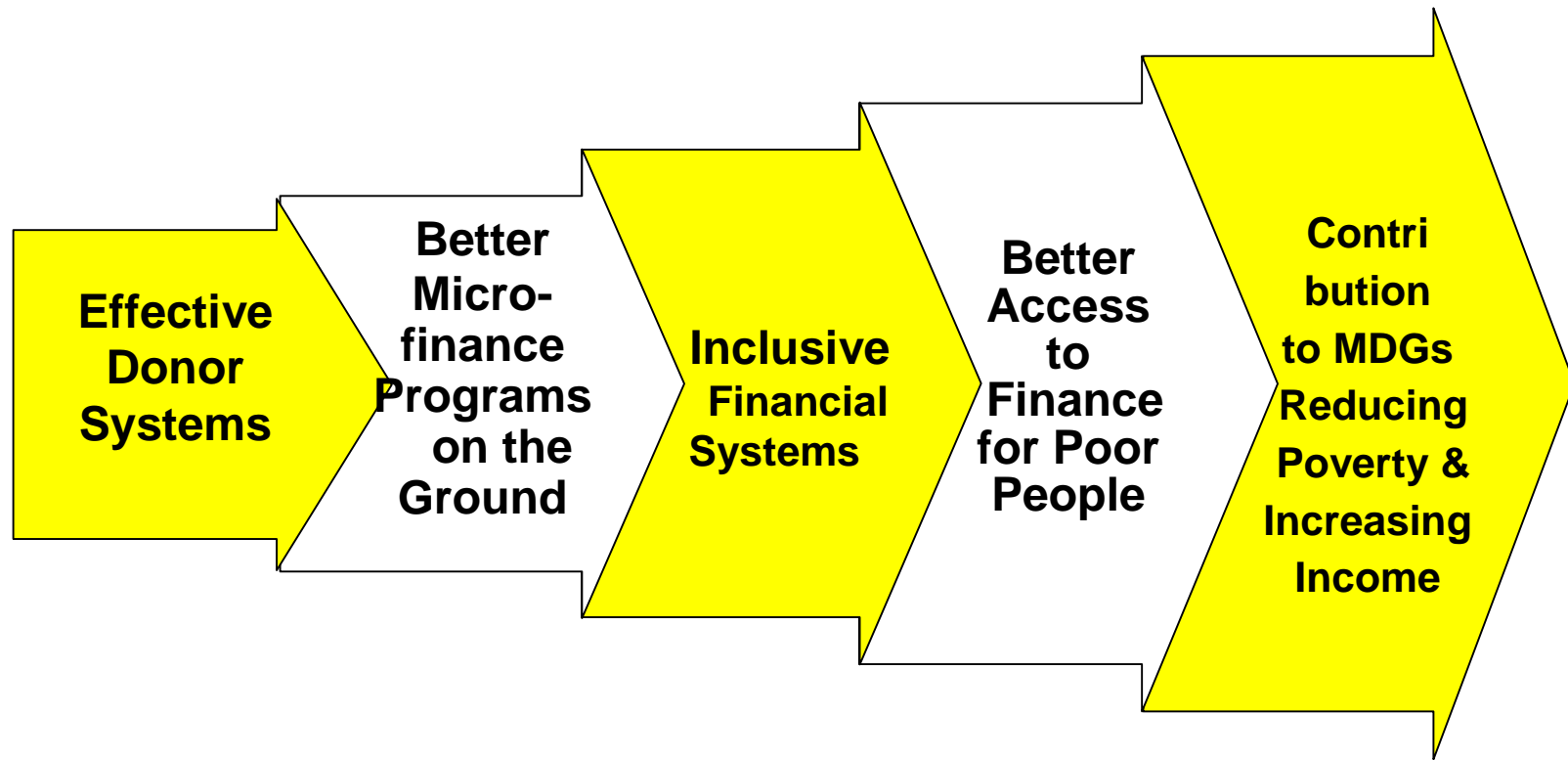
## Conclusions (continued)

By monitoring on a regular basis the financial, social and institutional/organis. performance (including governance)

in relation to the set objectives and the mission, as well as a changing environment

the donors and the MFIs are well equipped to create desired impact.

# Path to Quality



Source: CIGAP, 11. 2006