THE ROAD TO CLIENT ASSESSMENT

Travel Tips

Travel tips to consider

- The destination : rationale of client assessment (CA)
- The itinerary : client assessment objectives
- Getting the passengers on Board : who should be included ?
- The travel cost : how much it will cost ?
- The right car for the trip : choosing the best client assessment techniques
- Getting supplies : assessing human resources
- Taking the trip : designing and implementing the research

Travel tips to consider (2)

- Writing the travelogue : reporting on the research work
- Sending postcards : communicating changes with clients and staff
- Reviewing the client assessment plan

The destination : rationale of client assessment (CA)

- CA aims at addressing various issues :
  - Market research to develop new products
  - Client satisfaction for specific research work
  - Understanding why clients leave or discontinue the program
- Three major categories of client assessment that help determine the rationale :
  - Market research
  - Client monitoring
  - Impact assessment

Market research

- Systematic gathering, analyzing and use of market intelligence from clients and potential clients
- Can help an organization better understand its context (competition, key market trends etc…)
- Makes the organization more responsive to its external environment and more proactive in adapting its products and services to the market
- Can play a significant role in helping identify clients (client profile), understand their wants and needs, whether or not the delivery mechanism is appropriate, why they leave.

Client monitoring

- MFIs typically have social missions
- Routine data collection about clients to determine how observed outcomes are consistent with MFI's social mission
- Differs from market research because it does not initially seek to adapt or design a new product
- Differs from impact assessment because it does not attempt to attribute observed outcomes to program participation

Impact Assessment

- Aims at taking client monitoring a step further to attribute social outcomes to program participation
- Requires usually fairly large, quantitative studies using standardized surveys and control groups
- Unlike market research and client monitoring that are usually conducted internally, it tends to be done with external assistance
- Most likely requested by donors and investors

The itinerary : client assessment objectives

- Before any client assessment activity, the objectives assigned to the work should be carefully thought out
- Objectives determine what to measured, what the MFI wants to understand about its clients and the kind of CA work to undertake (destination)
- Objectives usually includes :
  - Identifying potential and existing clients
  - Understanding clients' wants and needs
  - Tracking the changes in clients' status over time
  - Understanding client exit

Getting the passengers on Board : who should be included ?

- Not all must take the trip, some just need to be aware of the destination, the itinerary and the type of car that will be used
- Appropriate departments and people should be involved
- Staff's respective involvement depends on their function within the organizations and their interest in the results

Who are the passengers ?

- ***The CEO*** : sets the level of commitment to CA
- Senior management (finance, operations, admin officers) : provides leadership and guidance in CA process
- ***Mid-level management*** : involved in the initial data analysis and in the design of the data collection tools
- ***Front-line staff*** : closest to the clients, they play a crucial role. Involved in data collection design and implementation and in the analysis of the data and in the implementation of the decisions made
- ***Research and marketing*** : exist more in the large organizations. Takes care of data collection design and implementation and in data analysis.
- ***The board*** : Also sets the organization commitment to be client-focused
- ***The clients*** : involvement ranges from strict provision of information about their wants and needs to the contribution to the decision making process. Management should find the right balance of their involvement

The travel cost : how much it will cost ?

- CEO must make necessary financial means available
- Costs must be seen as investment costs (financial and human resources) for the future e.g. costs to avoid clients drop out
- Some organizations use external funds which raises CA work sustainability
- However it is recognized that donors funds play a key role in raising organizations awareness about the importance of CA.

The right car for the trip : choosing the best client assessment techniques

- Once we know our destination, our itinerary, the cost of the trip and how many people involved in the trip, we now need to choose the right car for the trip
- We will focus here on market research as destination

Purpose	Objectives	Techniques	
		AIMS-SEEP Tools	PRA Tools (most commonly used)
Market research	❖Identifying clients	- Exit survey - Focus group discussion to assess client satisfaction	- Relative preference ranking - Interview on loan and savings use - Seasonality - Life cycle - Financial sector trend analysis - Financial landscape
	❖Assessing needs and wants	-Household impact survey •Focus group discussion to assess client satisfaction	-Seasonality calendar -Ranking tools -Life-cycle analysis -Time series of assets acquisition and ownership -Time series of crisis
	❖Client satisfaction	-Focus group discussion for client assessment -Exit survey -Interview on loan and savings use -Client empowerment assessment	- Ranking tools - Venn Chapati Diagram
	❖Client retention	-Focus group discussion for client assessment •Exit survey •Interview on loan and services	-Product attribute ranking -Financial landscape
	❖Poverty Assessment	- Client empowerment assessment	- Time series of crisis - Time series of assets acquisition and ownership

Getting supplies : assessing human resources

- Before taking the trip we need to make sure that we have everything we need e.g. assess CA team capacities. Issues to address include :
  - Who will supervise the process ?
  - Who will make the decisions based on the findings
  - How many and what kind of staff members should be involved with what aspects of CA, e.g. data collection, data analysis
  - Do the team members have the skills to perform the work
  - Should we outsource any part of the process ?

Taking the trip : designing and implementing the research

Now that we are ready to take the trip, we need to determine <u>how</u> to do it; the following are the issues to address :

- What indicators will you follow ? (if quantitative data, use SMART type indicators : specific, measurable, attainable, relevant, time-bound)
- How will you collect the data and how often? (do we need all the data we will collect, do we need such level of detail for data collection, how often will you collect the data ?
- How will you analyze the data (plan to analyze the data, how the data will be used, etc…)

Writing the travelogue : reporting on the research work

- How do the analysis findings get reported ?
- As mentioned earlier, CA involves different categories of staff. Each category will be interested in a different aspect of the research
- Identifying where the information is needed will help determine how the information will be reported
  - can it be reported through a simple staff meeting
  - or should it be reported through a more formal report to the upper management
- Integrating all those processes into the organization's system, will help improve the decision making quality

Sending postcards : communicating changes with clients and staff

- Once actions have been determined based on the findings, next critical step is communicating the changes back to the clients and the staff : complete the feed-back loop)
- CA is not limited to simply collect information : it is about using it to make changes and those changes need to be clearly articulated to the critical stakeholders
- MFI failing to do so are risking to make the clients and staff feel like CA is a total waste of time and they won’t cooperate anymore

Reviewing the client assessment plan

- The organization must periodically return to the research plan, evaluate it and decide whether or not it should make adjustments or not
- All the steps should be considered (data collection, analysis, decision making, communication back mechanism, implementation, etc…)
- It is about improving the feed-back loop mechanism (collect relevant data, proceed to its analysis, translate it into institutional decisions, implement the decisions and monitor the results…)

In conclusion

- CA is an important trip to take
- Although the road is full of bumps and traps, it’s worth it taking the trip
- To avoid those bumps and traps, it is necessary to know some simple tips that can save time and resources