

# **PRACTICAL PERFORMANCE MONITORING FOR UGANDA:**

## **THE PMT & PMS**

# Presenters

1. Hope Komujuni- Muhame SACCO
2. Bob Barigye - USAID/Rural SPEED
3. Saliya Kanathigoda – GTZ/Sida FSD
4. Samuel Kibukuna - AMFIU

# Performance Monitoring – Why does it matter?

Powerful tool for assessing and reinforcing institutional strength, for:

- Management and board
- Donors
- Investors
- Regulators

## **The Ugandan PMT – V.1**

- Abundance of donors with individual reporting requirements – heavy burden on MFIs
- Efforts to create a standardised donor reporting tool initiated in 2000 (EU, USAID)
- Key Ugandan stakeholders (e.g. AMFIU, MSC, MOF) and 15 donor agencies actively involved in development
- Finalized in 2003 to generate IS, B/S and donor portfolio performance report

## **Impact of PMT V.1**

- Significantly reduced reporting burden on MFIs
- Being used by many MFIs for internal management
- Inadequate management functionality

## **Rationale for Revision**

- Need for more effective management tool for MFIs
- More timely reporting
- Need to make completion and submission easier
- Flexibility for MDIs and SACCOs
- Shorter format for smaller institutions

## Revision Process

- Working Group convened to deliver the industry's vision
- AMFIU Survey (SACCOs, MFIs, MDIs, apexes, wholesale lenders, donors)
- Technical Design in consultation with CGAP/SEEP
- Programming
- Testing
- Training (UCA, AMFIU)

## **Key findings of survey**

- Majority of users were using PMT as a management tool
- Users wanted more meaningful feedback on their performance, especially on comparative performance with peers, planned vs. actual variance and trend analysis
- Two biggest barriers to usage were inadequate knowledge/training and inability of existing MIS to provide PMT input data
- The PMT quarterly report was too detailed for some users
- Need for cash flow report, incorporation of additional, SACCO-specific, ratios



# Performance Monitoring “Package”

Holistic package to meet the needs of performance monitoring in Uganda:

- Revised PMT with improved management functionality
- Training to users
- Middleware linking the PMT to popular accounting software
- Performance Monitoring System – consolidation and feedback

## **Revised PMT (1)**

- Customizable input templates for MDIs, traditional MFIs and SACCOs
- Templates modifiable to accommodate future needs
- Both monthly and quarterly submissions possible

## Revised PMT (2)

- Standard reports including balance sheet, income statement, cash flow, and ratio summary, board reports and portfolio reports
- Completely customizable report writer for management reports
- Direct export link from MBWin (formerly MicroBanker)
- Direct export link to PMS

# Training

- Need for training to ensure accurate completion and effective interpretation of PMT reports
- Training being rolled out by AMFIU and UCA country-wide

# Middleware

- Connects seamlessly to existing MIS
- Open source code to connect to any package
- Eliminates need for transcription

# Performance Monitoring System

- Incorporate financial, operational, portfolio and outreach data from PMT reports in a central information system
- Provide performance feedback to practitioners including comparative indicators
- Report on trends, averages and summaries within the Ugandan MF industry
- Support ad hoc analysis and reporting requirements of industry stakeholders

## **Critical Success Factors**

- Relevance of PMT and PMS
- Adequate training
- User-friendliness/flexibility
- Incentives to use and submit

**THE END**

**Thank you !**