

PAYGo Performance, Reporting and Measurement (PerfoRM) Subcommittee meeting Informative KPIs

11 April 2019

Goal and context of today

The informative KPIs will be of crucial relevance for benchmarking and comparability. This will especially be relevant in Due Diligence processes of investors, in reporting and in overall (internal and external) benchmarking of performance.

Meeting objectives of the WG meeting on informative KPIs are as follows:

- To agree upon the needed dimensions of the informative KPIs
- To agree upon a first set (3-4) informative KPIs.
- To agree upon a first definition/calculation of these KPIs.
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Informative KPIs or Descriptive Metrics

(Subcommittee please advise on the right name of this group of indicators)

Informative KPIs on their own tell you very little about how well a company is doing and should generally not be very sensitive information. Rather they tell you something about what a company is doing.

Why are these relevant

- For benchmarking
- For comparability.
- In Due Diligence processes of investors,
- In reporting
- In overall (internal and external) benchmarking of performance.

Point of concern

Sharing Informative KPIs should not lead to being able to identify companies behind the Financial KPIs.

Please note

We left out specific Informative KPIs that relate to Portfolio Quality or Unit Economics, as they will be covered in the relevant Working Groups

WHO

This should tell more about the (groups of) customers a company serves

Ind. KPI nr	Definition	Possible outcomes	Remarks / Questions for discussion
1	What customer segments do you serve? (more than 1 answer possible)	<input type="checkbox"/> Urban customers <input type="checkbox"/> Peri-urban customers <input type="checkbox"/> Rural customers	
2	What is the typical income range of your customers? (more than 1 answer possible)	<input type="checkbox"/> \$ 0 – 3 / day <input type="checkbox"/> \$ 3 – 7 / day <input type="checkbox"/> \$ 7 – 10 / day <input type="checkbox"/> > \$ 10 / day <input type="checkbox"/> SME	
3	What is the typical use case of your customers? (more than 1 answer possible)	<input type="checkbox"/> Households <input type="checkbox"/> Home businesses <input type="checkbox"/> Business kits for new small enterprises <input type="checkbox"/> SMEs <input type="checkbox"/> Farmers <input type="checkbox"/> ...	
4	Any others?		Are we missing other KPIs that are relevant in this section? Are we focusing on the right ones with right definitions and possible answers? Would you be willing to share this information and keep it updated on a regular basis?

WHAT

This should tell more about what the company offers to their customers

Ind. KPI nr	Definition	Possible outcomes	Remarks / Questions for discussion
5	What is the product system size?		What would be most insightful, and what do we want to share? Average size only? Or should we be able to tick several boxes with different possible answers?
6	What are the typical accessories you offer to a customer in a bundle?	<ul style="list-style-type: none"><input type="checkbox"/> light<input type="checkbox"/> phone charging<input type="checkbox"/> van<input type="checkbox"/> television<input type="checkbox"/> refrigerator<input type="checkbox"/> non-energy related services<input type="checkbox"/> Custom small business kits<input type="checkbox"/> cooking accessories<input type="checkbox"/> other	
7	What does your product and service enable	Free text space	

WHAT

This should tell more about what the company offers to their customers

Ind. KPI nr	Definition	Possible outcomes	Remarks / Questions for discussion
8	Warranty length vs contract length	<input type="checkbox"/> Is the warranty equal to the contract? <input type="checkbox"/> Is the warranty longer than the contract? <input type="checkbox"/> Is the service life of the solar product equal to the warranty period <input type="checkbox"/> Is the service life of the solar product longer to the warranty period	
9	How do you offer After Sales Service to your customers	<input type="checkbox"/> Direct <input type="checkbox"/> Via Partners <input type="checkbox"/> Other <input type="checkbox"/> NA	
10	Any others?		Are we missing other KPIs that are relevant in this section? Are we focusing on the right ones with right definitions and possible answers? Would you be willing to share this information and keep it updated on a regular basis?

WHERE

This should tell more about geographical location of the company

Ind. KPI nr	Definition	Possible outcomes	Remarks / Questions for discussion
11	In which geographical areas are you serving customers? (more than 1 answer possible)	<input type="checkbox"/> East Africa <input type="checkbox"/> West Africa <input type="checkbox"/> Southern Africa <input type="checkbox"/> Asia <input type="checkbox"/> Other <input type="checkbox"/> name the country /countries	Which granularity are we looking for? Do we want to be country specific or keep it on regional level?
12	Where is the management team based? (more than 1 answer possible)	<input type="checkbox"/> East Africa <input type="checkbox"/> West Africa <input type="checkbox"/> Southern Africa <input type="checkbox"/> Asia <input type="checkbox"/> Europe <input type="checkbox"/> USA <input type="checkbox"/> Other	
13	Any others?		Are we missing other KPIs that are relevant in this section? Are we focusing on the right ones with right definitions and possible answers? Would you be willing to share this information and keep it updated on a regular basis?

WHEN

This should tell more about the maturity and track record of the company

Ind. KPI nr	Definition	Possible outcomes	Remarks / Questions for discussion
14	Maturity of the company	<input type="checkbox"/> < 1 year <input type="checkbox"/> between 1 – 5 years <input type="checkbox"/> > 5 years	Or possibly just enter the year of foundation?
15	Annual sales in # of units		
16	Total unit sales to date		
17	Any others?		Are we missing other KPIs that are relevant in this section? Are we focusing on the right ones with right definitions and possible answers? Would you be willing to share this information and keep it updated on a regular basis?

HOW

This should explain more about the business model of the company

Ind. KPI nr	Definition	Possible outcomes	Remarks / Questions for discussion
18	What is your sales model?	<input type="checkbox"/> Direct Sales <input type="checkbox"/> Via Partners <input type="checkbox"/> Other	
19		<input type="checkbox"/> Cash <input type="checkbox"/> Via PAYG <input type="checkbox"/> Other	Or we can add a KPI which states the % of revenues derived from cash sales
20	General PAYG terms		
21	Collection processes		
22	Default / repossession terms		
23	Any others?		Are we missing other KPIs that are relevant in this section? Are we focusing on the right ones with right definitions and possible answers? Would you be willing to share this information and keep it updated on a regular basis?

FINAL CHECK

- Will this set of Informative KPIs be helpful
 - To you as a company?
 - To you as an investor?
- Will it enable an increase in comparability between different set of KPIs?
- Will it help you as a company in benchmarking your performance against the sector and finding areas for improvement?
- Do you think the number of Informative KPIs is reasonable?
- What else is needed to reach the goals we set for this set of KPIs?

PAYGO PERFORM



paygoperform@gogla.org

www.findevgateway.org/organization/paygo-perform