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The data question

In early June, I joined several hundred researchers at the [First European Research Conference on Microfinance](#) hosted by [CERMI](#). The three-day conference included presentations on a wide array of subjects including social responsibility, institutional governance and performance, and rural and informal microfinance.

One striking aspect of the conference was the prolific use of data from the [Mix Market](#). The Mix Market database contains data on financial performance and outreach indicators for over 1,400 institutions. The Mix was established to improve transparency and link donors and investors with microfinance institutions, and over the years, researchers have used its data to examine microfinance institutions' efficiency, performance and outreach. FAI publications using parts of the Mix data include [this](#), [this](#) and [this](#).

While the data is extremely useful, it has its limits. The focus on financial performance and sustainability means that the institutions that report on the Mix are mostly from the *crème de la crème* of microfinance institutions when it comes to financial indicators, and might not be representative of other institutions. Plus, all data is self-reported and voluntary which means institutions choose what to report, when, and where.

In a recent [FAI paper](#), Jonathan Morduch and Jonathan Bauchet found opposite results when examining the trade-off between financial and social goals using data from Mix Market data versus the [Microcredit Summit Campaign](#) (a database with more of a social focus). They found a negative relationship between operational self-sustainability and percentage of women borrowers in the Mix data but a positive one in the Microcredit Summit data. The results have very different policy implications.

Still, access to such data is critical to improve our understanding of how microfinance works. We need more data collection initiatives, especially ones that measure household access and their use of financial services. That's why efforts like the World Bank conference on [Measurement, Promotion, and Impact of Access to Financial Services](#) are so vital.

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