

Risk management quiz

MFIs face three kinds of social performance risk:

- mission drift risk
- client vulnerability risk
- reputation risk

How good is your MFI at managing these risks?

Ask yourself these key questions:

1. How do your current risk management practices (if you have any) address the social risks your MFI faces?
2. What does your MFI do (or what should it do) to prevent mission drift?
3. How can your MFI address the specific needs of vulnerable clients?
4. How can your MFI protect itself from operational risks?
5. How can your MFI protect itself from a reputation crisis? Once a crisis has occurred, what can you do to redeem your reputation?
6. What roles do staff, management and governance bodies have when it comes to risk management?