IRIS DATA BRIEF

IRIS is a catalog of generally-accepted performance metrics used to measure an organization's social, environmental, and financial results. IRIS data briefs provide snapshots of the performance of the diverse organizations contributing data to the IRIS initiative. This issue is the first in a regular series, which will include statistics that present a broad summary of the full data set, as well as a focused set of analyses related to a specific thematic area. This issue's focus is employment.

FOCUS ON **EMPLOYMENT**

KEY FINDINGS

The organizations contributing data to the IRIS initiative are geographically diverse, with concentrations in Latin America and the Caribbean (25%) and sub-Saharan Africa (20%).

These organizations are generally small and growing. 75% of contributors employ 175 or fewer permanent employees, and the majority (63%) have had positive year-on-year employee growth.

Most of the organizations operate in the financial services sector (60%), with additional concentration in agriculture (10%).

On average, 38% of the permanent employees at contributing organizations are women, but this number varies considerably by region. On the low end, organizations based in South Asia on average report 17% of permanent employees are women, and on the high end, organizations based in East Asia and the Pacific on average report that 47% of permanent employees are women.

The majority of these organizations are profitable. 77% of reporting firms showed positive net income during their last reporting period.

CHARACTERISTICS OF ALL CONTRIBUTING ORGANIZATIONS

There are currently 4,090 mission-driven organizations that contribute data to the IRIS initiative. Data from 2,364 of these organizations were contributed via the Microfinance Information Exchange (MIX), and the rest via other IRIS partners including ANDE, FIELD, and GIIRS (see back page for details). The organizations are spread out across 128 countries and have been in business for an average of 15 years. In aggregate, they serve more than 131 million clients and employ over 600,000 permanent employees. In financial terms, they have aggregate earned revenue of nearly USD 265 billion, while 77 percent are profitable.

4,090

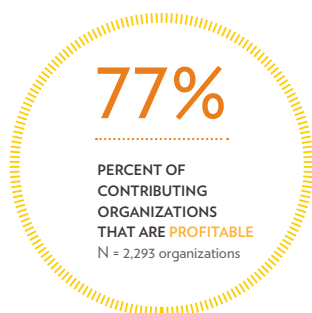NUMBER OF ORGANIZATIONS CONTRIBUTING DATA TO THE IRIS INITIATIVE

128

NUMBER OF COUNTRIES REPRESENTED
Based on location of organizations' headquarters

15

AVERAGE YEARS IN BUSINESS

N = 3,193 organizations
Median = **16**

77%

PERCENT OF CONTRIBUTING ORGANIZATIONS THAT ARE PROFITABLE
N = 2,293 organizations

Earned Revenue (USD)
264.9 BILLION
N = **1,264 organizations**
Median = **956,267**

Supplier Individuals SUPPORTED
278,966
N = **257 organizations**
Median = **400**

Client Individuals SERVED
131.6 MILLION
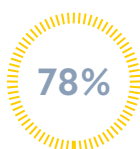N = **2,483 organizations**
Median = **645**

Permanent Employees
609,076
N = **2,035 organizations**
Median = **47**

SELECT CHARACTERISTICS OF ORGANIZATIONAL DATA CONTRIBUTED BY THE MICROFINANCE INFORMATION EXCHANGE (MIX)

2,362
NUMBER OF ORGANIZATIONS CONTRIBUTING DATA TO THE IRIS INITIATIVE

78%
PERCENT OF CONTRIBUTING ORGANIZATIONS THAT ARE PROFITABLE
N = **2,128 organizations**

Client Individuals SERVED
126.2 MILLION
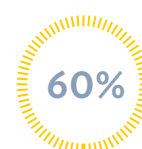N = **2,314 organizations**
Median = **940**

Permanent Employees
509,047
N = **1,358 organizations**
Median = **76**

SELECT CHARACTERISTICS OF ORGANIZATIONAL DATA CONTRIBUTED BY SOURCES OTHER THAN MIX

1,728
NUMBER OF ORGANIZATIONS CONTRIBUTING DATA TO THE IRIS INITIATIVE

60%
PERCENT OF CONTRIBUTING ORGANIZATIONS THAT ARE PROFITABLE
N = **165 organizations**

Client Individuals SERVED
5.4 MILLION
N = **169 organizations**
Median = **86**

Permanent Employees
100,029
N = **677 organizations**
Median = **47**

SOURCE: GIIN. NOTES: When considering the characteristics split by MIX and non-MIX, please note that only data for organizations contributed exclusively by MIX are included in the MIX section. The figures for the very small number of organizations for which data was provided by both the MIX and another source are included in the non-MIX section. Values for IRIS metrics "Earned Revenue" (FP5958), Clients using "Client Individuals" (PI4060)t, "Supplier Individuals" (PI9566), "Permanent Employees" (OI8869), and profitable organizations (using "Net Income" (FP1301)) were all calculated using each organization's most recently reported figures. Earned revenue was annualized for 162 organizations. Average years in business were calculated as 2013 minus average "Year Founded" (OD3520).

TOP IMPACT OBJECTIVES REPORTED

SOCIAL
NUMBER OF ORGANIZATIONS

INCOME/PRODUCTIVITY GROWTH	299
AGRICULTURAL PRODUCTIVITY	294
COMMUNITY DEVELOPMENT	274
CAPACITY-BUILDING	265

ENVIRONMENTAL
NUMBER OF ORGANIZATIONS

SUSTAINABLE LAND USE	277
SUSTAINABLE ENERGY	82
ENERGY AND FUEL EFFICIENCY	74
POLLUTION PREVENTION & WASTE MANAGEMENT	54

SOURCE: GIIN. NOTE: IRIS metrics "Social Impact Objectives" (OD6247) and "Environmental Impact Objectives" (OD4108) are multi-select. Out of 4,090 organizations, 490 reported at least one social impact objective and 508 reported at least one environmental impact objective.

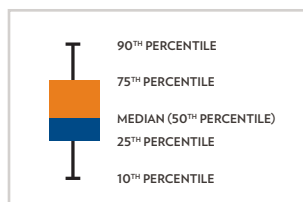## CONTRIBUTING ORGANIZATIONS BY SECTOR AND REGION

Financial services is by far the most commonly reported sector affiliation, both across and within geographic regions. Organizations focused on agriculture are also common, with the majority located in Latin America and the Caribbean (LAC) and sub-Saharan Africa (SSA). There is most sectoral variety in LAC and SSA; in the other regions, financial services organizations comprise over 80 percent of all organizations, but in SSA they compose 73 percent and in LAC only 53 percent.

	EAST ASIA & PACIFIC	SOUTH ASIA	MIDDLE EAST & NORTH AFRICA	SUB-SAHARAN AFRICA	EUROPE & CENTRAL ASIA	LATIN AMERICA & THE CARIBBEAN	NORTH AMERICA	TOTAL
AGRICULTURE	13	13	–	121	12	240	11	410
ARTISANAL	4	3		3	4	15	–	29
CULTURE			–		–	15		15
EDUCATION	–	–			–	–	11	11
ENERGY	48	16		35	–	19	4	122
ENVIRONMENT	–				–	8		8
FINANCIAL SERVICES	357	404	81	595	441	515	314	2,707
HEALTH	4	7	–	9	5	23	6	54
HOUSING DEVELOPMENT		5		–		4		9
INFORMATION AND COMMUNICATION TECHNOLOGIES	4	13	5	40	13	44	10	129
INFRASTRUCTURE/ FACILITIES DEVELOPMENT	–	–			–	6		6
SUPPLY CHAIN SERVICES	–	3				5	14	22
TECHNICAL ASSISTANCE SERVICES		–					4	4
TOURISM	–				4	4	–	8
WATER	3	–		–		–	–	3
OTHER	8	29	9	10	11	77	15	159
	441	493	95	813	490	975	389	3,696

SOURCE: GIIN. NOTE: Dash denotes non-zero data values that have been withheld due to the IRIS anonymity policy. The total column does not include these non-zero values. Sectors are by IRIS metric "Product/Service Type" (PD3017).

HOW TO READ THE CHARTS

90TH PERCENTILE
75TH PERCENTILE
MEDIAN (50TH PERCENTILE)
25TH PERCENTILE
10TH PERCENTILE

Much of the data in the following sections is presented in box-and-whisker plots. Box-and-whisker plots are a convenient way to summarize the main features of data sets as well as the degree of variability in values within them. The box-and-whisker plots show the 25th percentile (lower line of lower box), the median or 50th percentile (line between two boxes) and the 75th percentile (upper line of upper box). The whisker that extends down from the 25th percentile goes to the 10th percentile, and the whisker that extends up from the 75th percentile goes to the 90th percentile.

PERMANENT EMPLOYEES OVERVIEW

This brief highlights various aspects of the employment provided by contributing organizations.

Permanent Employees

TOTAL	**608,462**
MEDIAN	**47**
AVERAGE	**300**
STANDARD DEVIATION	**1,323**
MIN	**1**
25TH PERCENTILE	**12**
75TH PERCENTILE	**175**
MAXIMUM	**26,577**
ORGANIZATION COUNT	**2,030**

Permanent Female Employees

TOTAL	**15,344**
MEDIAN	**7**
AVERAGE	**43**
STANDARD DEVIATION	**117**
MIN	**1**
25TH PERCENTILE	**3**
75TH PERCENTILE	**27**
MAXIMUM	**880**
ORGANIZATION COUNT	**356**

SOURCE: GIIN. **NOTE**: The minimums exclude those that reported 0 employees rather than left the category blank. "Permanent Employees" (OI8869) and "Permanent Employees: Female" (OI2444) are IRIS metrics. Note the differences in organization counts; the number of organizations reporting "Permanent Employees: Female" is a small subset of the number of organizations reporting "Permanent Employees."

PERMANENT EMPLOYEES BY REGION

In the overall data set there are a significant number of very small organizations—as indicated by 25 percent having 12 or fewer employees. The median number of permanent employees is 47, while the average is 300. In addition, 75 percent of contributing organizations have 175 employees or fewer. **While there is a relatively wide range of number of employees per company in each region, overall, the median number of employees across regions is fewer than 200.** Organizations headquartered in South Asia are the largest in terms of median permanent employees, followed by those in Middle East and North Africa (MENA) and East Asia and Pacific (EAP). The smallest are in North America and Europe and Central Asia (ECA).
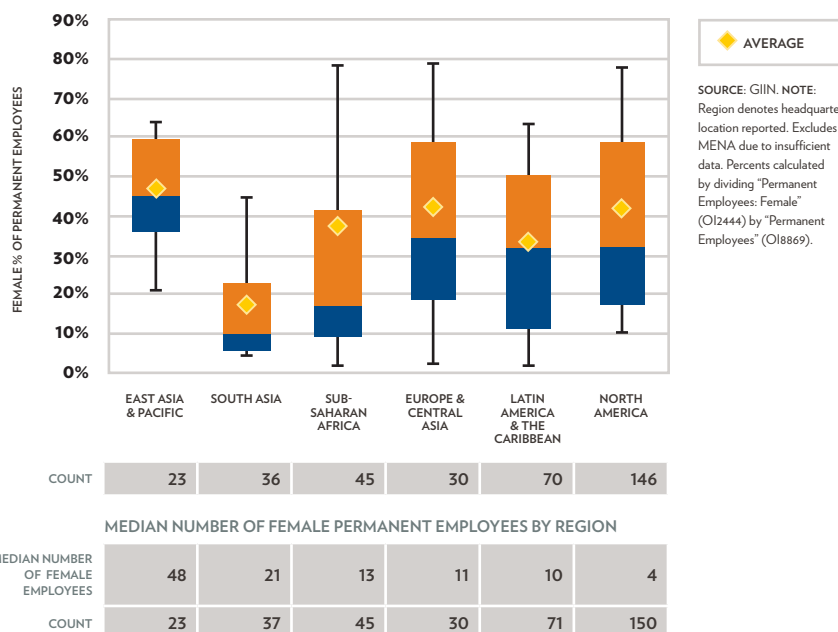

◆ AVERAGE
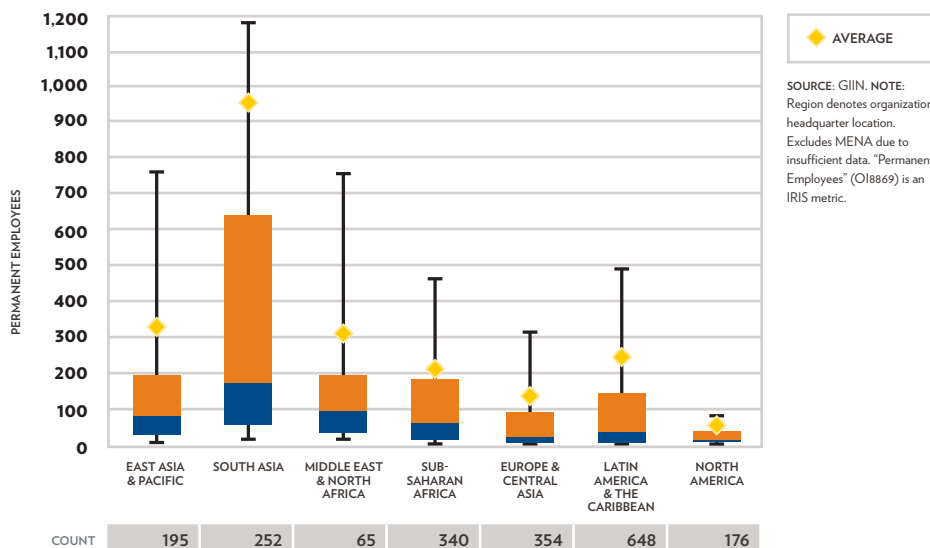
SOURCE: GIIN. **NOTE**: Region denotes organization headquarter location. Excludes MENA due to insufficient data. "Permanent Employees" (OI8869) is an IRIS metric.

	EAST ASIA & PACIFIC	SOUTH ASIA	MIDDLE EAST & NORTH AFRICA	SUB-SAHARAN AFRICA	EUROPE & CENTRAL ASIA	LATIN AMERICA & THE CARIBBEAN	NORTH AMERICA
COUNT	195	252	65	340	354	648	176

PERCENT FEMALE PERMANENT EMPLOYEES BY REGION

There is wide variability in the median percentage of women employed by contributing organizations, ranging from 10 percent in South Asia to 45 percent in EAP. While contributing organizations in South Asia report the largest number of permanent employees, they employ the lowest percentage of female permanent employees on average, significantly lower than those in other regions.

The median percentages of females employed in organizations in ECA and North America are notably low at 35 percent and 33 percent respectively. Organizations headquartered in EAP also have the least variability in female employee proportions, ranging from 21 percent at the 10th percentile to 64 percent at the 90th percentile.
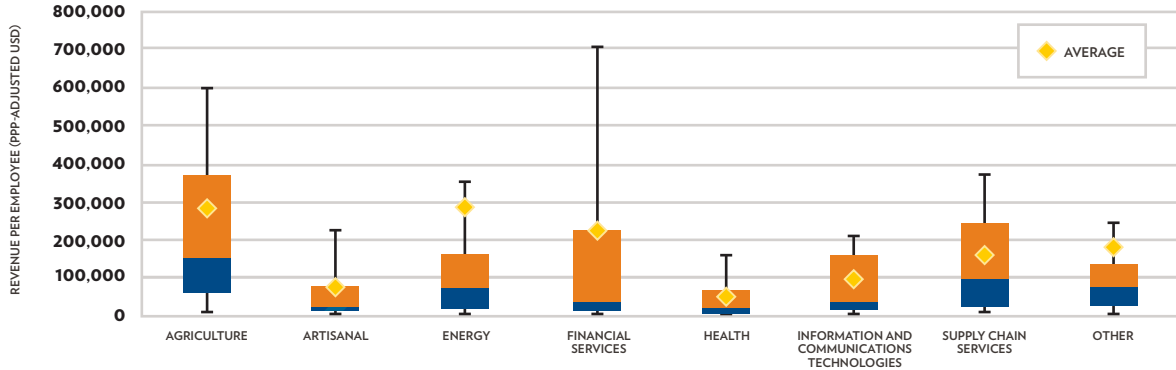

◆ AVERAGE

SOURCE: GIIN. **NOTE**: Region denotes headquarter location reported. Excludes MENA due to insufficient data. Percents calculated by dividing "Permanent Employees: Female" (OI2444) by "Permanent Employees" (OI8869).

	EAST ASIA & PACIFIC	SOUTH ASIA	SUB-SAHARAN AFRICA	EUROPE & CENTRAL ASIA	LATIN AMERICA & THE CARIBBEAN	NORTH AMERICA
COUNT	23	36	45	30	70	146

MEDIAN NUMBER OF FEMALE PERMANENT EMPLOYEES BY REGION

	EAST ASIA & PACIFIC	SOUTH ASIA	SUB-SAHARAN AFRICA	EUROPE & CENTRAL ASIA	LATIN AMERICA & THE CARIBBEAN	NORTH AMERICA
MEDIAN NUMBER OF FEMALE EMPLOYEES	48	21	13	11	10	4
COUNT	23	37	45	30	71	150

ANNUAL REVENUE PER EMPLOYEE BY SECTOR

Although revenue per employee is one indicator of productivity, what is presented below is not sufficient to enable conclusions that organizations in one sector are performing better or are more productive than those in another. **The nature of the relationship between revenues and employees varies by sector, as is reflected in the data**, which is shown in PPP-adjusted USD to control for currency differences. Here, median revenue per employee is highest in organizations in agriculture and supply chain services. While median revenue per employee is quite low in financial services, there is a large spread within this sector, indicating organizations at varying degrees of maturity. Unfortunately, there is insufficient data for several sectors, and readers are encouraged to contribute data to support the creation of benchmarks for the benefit of the impact investment field.[1]


	AGRICULTURE	ARTISANAL	ENERGY	FINANCIAL SERVICES	HEALTH	INFORMATION AND COMMUNICATIONS TECHNOLOGIES	SUPPLY CHAIN SERVICES	OTHER
AVERAGE ANNUAL REVENUES (PPP $M)	6.6	4.6	6.3	197.7	5.8	5.7	6.6	11.8
AVERAGE NUMBER OF EMPLOYEES	213	74	104	420	212	47	70	163
COUNT	194	12	13	32	27	17	14	22

SOURCE: GIIN. NOTE: Region denotes headquarter location. Sectors are by IRIS metric "Product/Service Type" (PD3017). Average revenues and average employees are for a subset of organizations for which revenue per employee was calculable. To ensure appropriate comparison, all revenue figures are in PPP-adjusted USD; see back page for details.
[1] Only sectors with n≥10 are shown. Those missing are: culture, education, environment, housing development, tourism, infrastructure/facilities development, water, and technical assistance services.
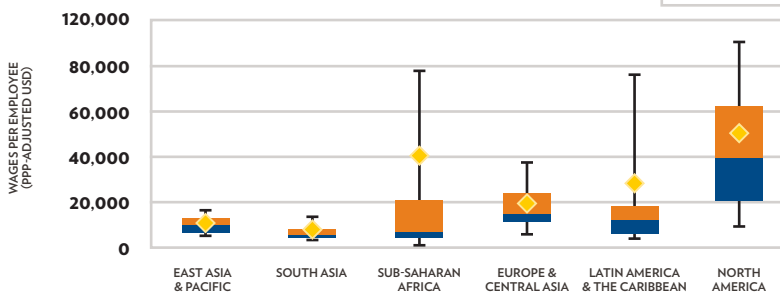
ANNUAL REVENUE PER EMPLOYEE BY REGION
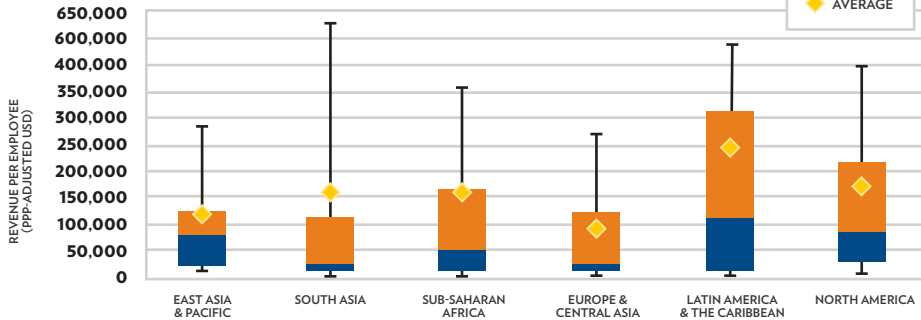
	EAST ASIA & PACIFIC	SOUTH ASIA	SUB-SAHARAN AFRICA	EUROPE & CENTRAL ASIA	LATIN AMERICA & THE CARIBBEAN	NORTH AMERICA
AVERAGE ANNUAL REVENUES (PPP $M)	20.8	157.1	5.6	3.7	6.2	8.0
AVERAGE NUMBER OF EMPLOYEES	279	570	140	49	205	52
COUNT	25	49	72	37	223	141

Overall, average revenue per employee differs significantly by region. Given the high variability in the data, medians are perhaps a more instructive metric. Median revenue per employee is highest in LAC and North America and lowest in ECA and South Asia. Overall, averages are universally larger than medians, suggesting a handful of very large (though not necessarily more productive, due to economies of scale that are concomitant with size) organizations across regions.

SOURCE: GIIN. NOTE: Region denotes headquarter location reported. Excludes MENA due to insufficient data. Average revenues and average employees are for a subset of organizations for which revenue per employee was calculable.

ANNUAL WAGES PER EMPLOYEE BY REGION

	EAST ASIA & PACIFIC	SOUTH ASIA	SUB-SAHARAN AFRICA	EUROPE & CENTRAL ASIA	LATIN AMERICA & THE CARIBBEAN	NORTH AMERICA
AVERAGE ANNUAL WAGE EXPENDITURE (PPP $M)	1.9	0.9	1.2	0.8	4.6	1.7
AVERAGE NUMBER OF EMPLOYEES	273	134	126	50	325	46
COUNT	17	12	14	16	22	110

Wages per employee gives insight into remuneration within organizations contributing data to the IRIS initiative. **Interestingly, there is a range of wage variations across regions: there is relatively little variation in wages per employee for organizations headquartered in South Asia and EAP, but significant variation for those in LAC, North America, and SSA.** Overall, average wages per employee differ significantly by region. Relative median wages per employee are generally in line with expectations, being lowest in South Asia, SSA, EAP, and LAC (all between USD 5,000–12,000), and highest in North America (USD 39,000).

SOURCE: GIIN. NOTE: Region denotes headquarter location reported. Excludes MENA due to insufficient data. Average wages and average employees are for a subset of organizations for which wages per employee was calculable.

TREND ANALYSIS: EMPLOYEE GROWTH RATES BY REGION

AVERAGE ■ **MEDIAN** ■
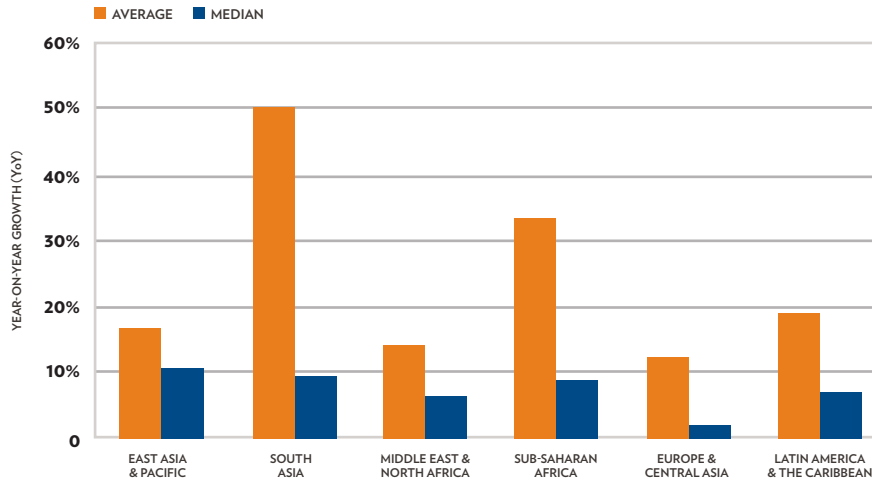
Many organizations contributed data on permanent employees over multiple time periods, enabling some basic trend analysis. **Overall, out of 1,070 organizations, 674 reported positive employee growth, while 274 reported decreases.** Median year-on-year growth for employees was 7 percent, with an average year-on-year growth of 24 percent.

	EAST ASIA & PACIFIC	SOUTH ASIA	MIDDLE EAST & NORTH AFRICA	SUB-SAHARAN AFRICA	EUROPE & CENTRAL ASIA	LATIN AMERICA & THE CARIBBEAN
COUNT ORGANIZATIONS WITH POSITIVE GROWTH	73	107	33	104	99	258
COUNT ORGANIZATIONS WITH NEGATIVE GROWTH	21	39	13	30	55	114
COUNT ORGANIZATIONS WITH NO GROWTH	10	7	4	10	36	54

SOURCE: GIIN. **NOTE**: North America excluded due to insufficient data.

PERMANENT EMPLOYEES AND PERCENT FEMALE EMPLOYEES BY ORGANIZATION AGE

PERMANENT EMPLOYEES ■ **PERCENT FEMALE EMPLOYEES** ◆
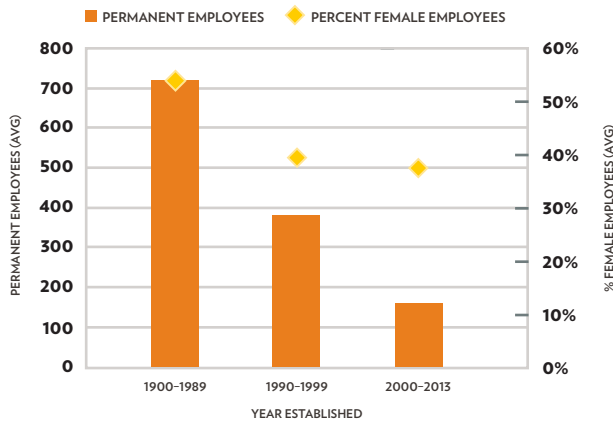
Looking at the data by year of organization establishment, we see that, as expected, older organizations are larger than newer ones. Surprisingly, organizations established before 1990 have significantly greater proportions of female employees, on average, than those established post-1990. In the IRIS data set, a greater proportion of older organizations tend to be nonprofit, whereas a greater proportion of more recently established organizations are for-profit.

	1900–1989	1990–1999	2000–2013
COUNT ORGANIZATIONS	263	633	853
SUBSET OF ORGANIZATIONS WITH FEMALE EMPLOYEE DATA	7	36	172

SOURCE: GIIN. **NOTE**: "Permanent Employees: Female" (OI2444) is an IRIS metric.

NOTES

CURRENCY ADJUSTMENTS

In order to make comparisons in the 'revenues per employee' and 'wages per employee' sections meaningful, all revenue and wage data contributed were converted to purchasing power parity (PPP)-adjusted USD, using time series data sourced from the World Bank:

Official exchange rate (LCU per USD, period average): http://data.worldbank.org/indicator/PA.NUS.FCRF/countries?display=default

PPP conversion factor, GDP (LCU per international $): http://data.worldbank.org/indicator/PA.NUS.PPP

DATA ANONYMITY POLICY

The IRIS initiative is committed to maintaining the anonymity of contributed data. The number of organizations that meet a set of characteristics will not be disclosed unless the total number of contributing organizations is greater than or equal to three. This screen helps decrease the chance that specific organizations can be identified within a data set.

EMPLOYEE ANALYSIS

Permanent employee numbers are based on the most recent reporting period for which an organization provided data. All ratios (e.g. revenue per employee) utilize data from consistent reporting periods.

The three charts on page 5 present data on revenue per employee and wages per employee. Below these charts are data tables with overall revenue per wages and employee numbers. Note that dividing the two rows in the table will not yield the same result as the average denoted by the yellow diamond in the corresponding graph because the average in the charts is calculated by first calculating the ratio at the organization level, then averaging overall.

OUTLIERS

Data from five organizations were excluded from the analysis in the Focus on Employment section. As their reported earned revenue figures were extremely high relative to the rest of the sample, they would have skewed the revenue per employee analysis, and accuracy verification was impossible.

REGIONAL CLASSIFICATION

Regions are based on mapping organization headquarter countries to World Bank regional categorization of countries: http://data.worldbank.org/about/country-classifications/country-and-lending-groups

STATISTICAL SIGNIFICANCE

While technical outputs on statistical tests are not presented in this report, significance tests (ANOVA or pairwise, as appropriate) have been conducted at a 95 percent significance level (α = 0.05). Subjective claims in this brief, such as "statistically more than" or "significantly different from," are statistically robust.

TREND ANALYSIS

Organizations that reported permanent employee figures for at least two time periods were identified. Year-on-year growth was calculated by using a compound annual growth rate (CAGR), which considered only the oldest and most recent reported figures. Finally, analysis was restricted to those data points where the gap between oldest reported and most recent reported was at least one year.

IRIS DATA PARTNERS

For details on IRIS data partners, go to http://iris.thegiin.org/data-and-benchmarking

DATA PARTNER CONTRIBUTIONS TO THE IRIS INITIATIVE

FIELD • 302 — 7%
GIIRS • 311 — 8%
ANDE • 1,115 — 27%
MIX • 2,362 — 58%

AUTHORS

Members of the GIIN team who contributed to this report are: Amit Bouri, Ellen Carey, Sarah Gelfand, Melody Meyer, Kimberly Moynihan, Abhilash Mudaliar, Min Pease, and Arjun Reddy.

ABOUT THE GIIN

IRIS is an initiative of the Global Impact Investing Network (GIIN®), a nonprofit organization dedicated to increasing the scale and effectiveness of impact investing. Impact investments are investments made into companies, organizations, and funds with the intention to generate measurable social and environmental impact alongside a financial return. They can be made in both emerging and developed markets, and target a range of returns from below market to market rate, depending upon the circumstances. The GIIN builds critical infrastructure and supports activities, education, and research that help accelerate the development of a coherent impact investing industry. For more information, please visit www.thegiin.org.