WEBINAR

Making Change Happen: Lessons From MFIs

3 October 2019
9:00-10:00 AM EDT
LOGISTICS

1. Attendee microphones will remain muted during the entire webinar session.

2. To ask questions during the webinar, please use the Chat box on the right-hand side of the Webex session. You may submit your question at any time during the webinar presentation.

3. To ensure your question is seen by the moderator, select “All Participants” from the drop down menu when sending the question.

4. The webinar recording will be emailed to all attendees and registrants.
Speakers

Gera Voorrips (Moderator)
Triple Jump

Andrée Simon
FINCA Impact Finance

Pierre-Marie Simon
Baobab

Fazlul Hoque
SAJIDA Foundation

Lessy Karina Flores
Banco Popular
Gera Voorrips
Senior Advisor Africa
Triple Jump
Digital transformation requires a comprehensive approach

• Many digital transformations fail because they are propelled as stand-alone IT projects, while digital transformation requires a fundamental change process

• Based on Triple Jump’s extensive track record*), a comprehensive and straightforward approach was developed, supporting digital transformation with four building blocks:

- Client & Value Proposition
- People & Capacities
- Technology & Data
- Strategy & Structure

• Digital transformation is a means to an end – to foster financial inclusion and better serve people, looking both outward (customer) and inward (staff)

*) more then 195 projects in 41 countries, of which 36 in digital transformation
Andrée Simon
CEO
FINCA Impact Finance (FIF)
The FINCA Impact Finance Network

Year FINCA International was founded: 1984
Loan Portfolio: $821 million
Total Deposits: $426 million
Employees: 10,466
Social Impact
Clients Reached Today: 2.38 million
How We Are Doing

In less than 2 years:

- **55%** of transactions are via branchless channels
- **51%** of transactions in Africa are via FINCA agents
- **9** subsidiaries have deployed mobile (via e-Wallets or mobile banking)
- **2** subsidiaries have internet banking live
- **2020** – Credit Decisioning, DFA and Central Underwriting will be live in all 20 subsidiaries
Fazlul Hoque
Senior Director
SAJIDA Foundation
1987: Established informally as a private family-funded charity.

1993: Formally started operations as a non-profit organization in Bangladesh

Our Mission

To improve the quality of life in the communities where we work with sustainable and effective interventions.
SAJIDA TODAY
SOME KEY METRICS...

OVERALL

- Working Area
  - 23 Districts
  - 172 Sub Districts
- Total Staff
  - 3,437
- Active Programmes
  - 18
- Population Covered (ACTIVE)
  - 1,647,563

MICROFINANCE

- Branches
  - 215
- Members
  - 343,646
- Loan Portfolio
  - $180 million

WASH

- Beneficiaries
  - 94,425

Malaria

- Population covered
  - 785,983

Development Programmes

- Smart health card voucher
  - 65,000 direct improvements
- WASH
  - 94,425 beneficiaries
- Malaria
  - 785,983 population covered
- Urban Poverty Elimination
  - 23,647
- Rohingya Response
  - 79,457

Social enterprises

- Mental Health
  - 768 patients
- Hospitals (2016-19)
  - 199,458
- Health, Happiness & Dignity for All
- Autism & Special needs
  - 40 children
- Elderly Care
  - 99 senior citizens

OVERALL

- Population
  - 1,647,563

OVERALL

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OVERALL

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OVERALL

- Branches
  - 215
DFS PROCESSES

• Dutch Bangla Bank Ltd. (DBBL) Mobile Banking provides mobile financial services to any mobile account holders at their convenient in agent points

• No mobile money (ROCKET) Account is required for paying the loan instalments of the borrowers

• ID card with BILL PAY and client identification number provided

• Borrowers of SAJIDA Foundation make their payment under BILL PAY from DBBL MFS agents

• Get an SMS alert from DBBL after the successful transactions

• DBBL provides MIS data and reports with MM Account transactions to SAJIDA Foundation via a software API to SAJIDA Foundation web portal for each transaction on real time basis.
Lessy Karina Flores
Research and Investigation Manager
Banco Popular
Indicators 2018

- Customers: 129,200
- Loan customers: 61,520
- Annual loan disbursements: 77,054 operations
- Total Capital $22 million (L. 500 millones)
- Employees: 600
What has Banco Popular done?

**2015 - 2016**
- FINCONECTA (BID)
- Rate Fintechs
- Process Management
- Change Management Consultancy

**2017**
- FINCONECTA

**2018**
- System integration
- Risk Management, Compliance
- Local Regulations
- Investigation and Development Unit
- Partnerships created

**2019 - 2020**
- Pre – design & design Digital Transformation
- Fintech implementation
  (Incluirtec, Daza, Bankinly)
- “Clientecentrismo”
Pierre-Marie Simon
Digital Finance Program Manager
Baobab Group
What digital transformation means for Baobab

1. A series of initiatives based on innovation and technology in order to reinforce a leading position on micro & small SME’s segment
   - Capture more customers,
   - Serve them more and with better quality, generate more traffic, capture data
   - Lend them more efficiently using the data captured

2. Another series of initiatives beyond the current operations activating new business models to drastically improve the outreach of Baobab
Where Baobab stands on the digital transformation journey

The journey began in 2014

**Legend**
- What has been done
- What needs to be done
Reminder to submit your questions

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Triple Jump

Andrée Simon  
FINCA Impact Finance

Pierre-Marie Simon  
Baobab

Fazlul Hoque  
SAJIDA Foundation

Lessy Karina Flores  
Banco Popular
Lessons Learnt: Poll
To Close the Last Mile

We knew we had to do 4 things:

i. Design the roadmap to the client

ii. Change our culture

iii. Engage our clients differently

iv. Get support from policymakers
Lessons Learnt

- Client and staff are satisfied for smooth transactions and savings time.
- The digitization process is scalable provided the other institutions have similar ecosystem.
- Needs a dedicated competent team with strategic support from the senior management to develop necessary tools, apps for implementing the digitization ideas.
- Digitization is inevitable. However, it depends on mobile money operators, technical vendors, organizational own strategies and the government policies.
Challenges and Lessons

Digital Transformation Pillars

- There is no perfect way
- Enforce KPIS
- Work with all the employees so they get involved in digital transformation
- Be client-centered
- We have to teach our customers about technology and change their behaviour
Key learnings

1. HUMAN TOUCH

2. BUY-IN FROM THE OPERATIONS

3. A GOOD PRODUCT IS NOT ENOUGH
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WHAT’S NEXT

1. We will email you when the webinar recording and related materials become available on the FinDev Gateway website.

2. Continue the discussion on this topic on Gateway LinkedIn Group. Join the group via the link shared in the Chat box.

3. For more resources on financial inclusion, visit [www.FinDevGateway.org](http://www.FinDevGateway.org) and [www.cgap.org](http://www.cgap.org)
Thank you

www.FinDevGateway.org