

NEWSLETTER



FINCA Microfinance Bank Ltd

📞 042-111-111-562 🌐 www.finca.pk

📘 [FINCAMicrofinanceBank](https://www.facebook.com/FINCAMicrofinanceBank)

📍 36 B/XX Block, Phase III, DHA, Lahore




FINCA[®]
Microfinance Bank Limited



FINCA Snippets

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Editor's Note

I am very excited and extremely pleased to bring back FINCA SNIPPETS, one of our many initiatives to increase interaction and communication across the network. In the months ahead, you will see many exciting activities being effected for all of our staff members; some of them being covered in this edition. These initiatives are focused towards employee engagement and women empowerment; A key priority of FINCA as an organization. Our aim is to ensure that all the members of the FINCA Family see themselves as respected, recognized and equals. We sincerely hope you will join us in achieving this target. The only effort required by each individual is to think consciously about their steps, actions and responses.

It makes me very happy to see all of the branches and departments taking active part in the monthly birthday celebrations and Voting of the best team player of the month. The intention of all these activities is to ensure that we bond and develop a good working relationship with members of our FINCA family and keep our spirits high as there have been so many wonderful initiatives, achievements and reasons to celebrate all across the network.

Let's take a few moments out together, every day, to reflect over FINCA's Brand Attributes and decide what steps we can take to truly bring them to life.

We hope you enjoy this edition and please feel free to contact me for suggestions or questions. I look forward to any feedback, FINCA Strategy related Achievements and your personal learning that any of you wish to share with me for inclusion in the next newsletter edition.

Sahar Al-Hosban
Unit Head Organizational Development

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Message from the CEO



I am humbled to join FINCA family and look forward to building upon the great foundation all of you have created. I look forward to interacting with you over time as we work as one team to make our contribution to improve financial health of our customers, and make FINCA Pakistan one of the best institutions to work, for our employees.

In these tough times of COVID-19 pandemic, I request all of you to take care of yourselves, your families and loved ones by taking the time to get yourselves and your family members vaccinated. The Pandemic has impacted the customer segments we serve quite severely, and it's our responsibility to continue to enable them meet their financial needs.

In the first two quarters we had significant achievements like 3 billion Gold Gross Loan Portfolio, Digitization of Performance Management Cycle, signing of Memorandum of Understanding with IBP for e-learning and the launch of successful Pilot of Branch 2.0. In the second half of this year:

- We will engage with our existing customers more frequently with a renewed effort to educate them on importance of making payments timely helping our collections and recovery efforts that have suffered in the first half of the year.

- We will help our clients to leverage lending products like EMI loans followed by secure gold based loans to help them meet their needs. We will continue to service good Agri customers who have strong history with us while exploring new products to help our Agri Clients.

- Retaining good customers via trusted and strong relationship will be critical for us and we will look to cross and upsell customer's products to existing customers for more repeat business.

- Additionally, we will focus to help acquire new and existing customers open up current accounts and grow our deposit book.

As we work towards meeting our goals for the year, we will continue to invest in future growth via digitizing the bank. Strategic initiatives like Branch 2.0 and FINCA 2.0 are critical to our longer term success. We will enhance our efforts to accelerate automation of internal processes and test market with new products and services.

While achieving targets and milestones we must keep in mind our mission and values; to provide lasting solutions and create brighter future for our clients by providing banking services that are based on our brand attributes of Warmth, Trust and Responsible banking.

I would also like to remind everyone that FINCA has always taken pride in cultivating a diverse and inclusive culture, where everyone is equally valued and respected. It is essential to ensure that this message is spread through our actions and the way we deliver our work. This is especially important in the way we deal with and treat our colleagues and our customers. I am confident we will all work together for a brighter future.

Jahanzeb Khan
Chief Executive Officer



Important Events



VIRTUAL TOWNHALL

Town Hall Meeting

On 11th January 2021, FINCA Pakistan hosted its first ever Virtual Town Hall meeting. FINCA staff nationwide attended the virtual event. The Management revisited "Year 2020" and talked about how we progressed despite all the obstacles. They also discussed the vision for the next five years while focusing on the strategy for the year 2021.





Business Planning Event 2021

On 14th January 2021, "Business Planning Event" was held at Pearl Continental Hotel, Lahore. During the event, field teams and Head Office departments presented their plans and strategies for the year 2021. In depth discussions were held, where different challenges faced by the teams were discussed and solutions were presented all in the presence and supervision of acting CEO.

Business Snapshot

FINCA Sunehri Karza

FINCA has been trying to boost gold lending and improve a high retention rate. To do so, the management approved "3 Year Loan Tenor (Lump sum Variant)". After getting the 3 Year Gold Variant product, branches book the gold loan for a period of three years. Branches that disburse gold loans in category "FINCA Gold Loan" avail these benefits:

- By lending in these variants GLP of bank will increase, as loan maturities will be small.
- Branch gold retention rate will increase.
- Clients will only be paying the markup amount on an annual basis. The loan amount will renew automatically for the next (one) year.
- Clients will not pay gold evaluation charges and processing fees on annual renewals.
- Clients can settle their loan at any stage of tenure.



June Ka Junoon

In June 2021, the Business Development department launched a campaign "June Ka Junoon". This campaign was for its field staff in "collection" and "recovery". There were incentives upon achieving targets and recoveries in "EMI Loan & Sunehri Qarza". These incentives included cash and commissions.

3 Billion GLP Gold Loan Celebrations

Our branch teams played a vital role in achieving the target of 3 Billion GLP in gold on 2nd June 2021. The Management Team celebrated employees from the 67 "Top Performing Branches (Gold Loan) and Regional Offices (13)".

Top performing branches fulfilled the following criteria:

- Maintaining highest GLP (20 million & above)
- Highest GLP addition (5 million & above)
- Highest disbursement (15 million & above)



New to Bank Female Business Clients (NTB)

One of FINCA's main objectives is a diversified and inclusive culture for female employees and customers. Through the NTB initiative we provide incentives to staff members who add 2 or more female business clients to the branch portfolio.

Operations Snapshot

FINCA Pakistan is changing its branch operating model to “Branch 2.0” model. This is a digitized delivery model that focuses on enhancing the customer experience. Its key feature, Digital Café, will have sessions for customers to enhance financial and digital literacy. This will empower them to use digital banking tools. The pilot of Branch 2.0 has been initiated and its effectiveness is being monitored.



Deployment of DFA Loan Application

FINCA's operations and digital transformation department conducted the deployment of DFA Loan Application. It was updated and built for “re-profiling of loan products” in a live environment.



Digital Lounge

As part of our commitment to provide superior services to its customers, we launched FINCA Branch 2.0: a smart banking branch which is dedicated to self-service machines.

Extensive time was spent in branding the Digital Lounge as well as designing collateral for it.

National Financial Literacy Program (NFLP)

FINCA Microfinance Bank (Pvt) Ltd is a socially responsible financial institution. Keeping that in mind, we conducted 184 out of 212 mass awareness sessions. These included guidelines to basic banking principles & products offered under SBP's National Financial Literacy Program (NFLP) for FY 2020-21. The aim was to create awareness about budgeting, savings, and investments. This helps enhance financial literacy & inclusion in the country amongst the unbanked community.

Samajh Boojh Program

Through our initiative “Samajh Boojh Program”, FINCA conducted 1 session per branch in 2020-21. Till March, there were 38 sessions for general public and clients of MFBs/MFIs. 560 participants benefited from these sessions.

Human Resource Snapshot

Training & OD

On February 22 2021, the Training & OD department signed an MOU with the Institute of Bankers Pakistan (IBP). IBP is the sole potential vendor. They will be providing e-learning courses under the ambit of State Bank of Pakistan for 2021. IBP will provide unlimited access to IBP's Electronic Learning Management (E-ilm) system.

IBP will build the capacity of FINCA staff on following main e-Modules through e-learning:

- Introduction to Risk Management
- Branch Fraud Investigation & Reporting
- Know your customer and customer Due Diligence

- Anti-Money Laundering and combating the financing of terrorism
- Compliance Management & Internal Control
- Clearing & Payment Systems
- Branch Teller Basics
- Branch Revenue & Profitability
- Negotiable Instruments
- Account Opening Specialist
- Customer Service Specialist
- Security features of 5000 Currency Note
- Currency Note (1000)
- Healthy Safety Environment
- Fair Treatment of Customers
- Credit Risk Management
- Information Security
- Establishing Goals
- Self-Disclosure & Trust
- Conflict Management
- Journey to Self-Awareness
- Attitude makes the sale
- Difficult Customers
- Stress and Time Management

Training Highlights

In the last two quarters, Training & OD Department focused on capacity building of FINCA employees. In collaboration with Institute of Bankers Pakistan (E-ilm), the following modules were offered:

- Uncovering & Mitigating Unconscious Bias for all FINCA Employees
- Anti-Bribery & Anti-Corruption Best Practices for all FINCA Employees
- AML/CFT for operations staff
- Branch Teller Basics for Teller
- EMI Credit officers training for credit officers
- Training Session on MARS & RCSA for OMs and BMs

HR Digitization HR Process Automation

FINCA Pakistan is working towards Process Automation. We are taking significant steps to ensure reduced manual work and processes. By integrating the Performance Appraisal module, we created and mapped different employees. This was done based on titles, units, departments, designations and appraisal ratings. Automation is being introduced in core HR functions to reduce manual processing of standard letters. Internal letters will be issued to employees electronically (except for legal). This is in an attempt to endorse automation as well as remain environment friendly.

Performance Management

FINCA Pakistan has launched a system based Performance Management Cycle (PMC). This an online system that will help in streamlining the process and will allow procedural transparency.

Through PMC Portal, the employees and their managers would be able to set and approve goals.

To help the employees with the goal setting process, a PMC learning module is available on FINCA Learning Zone.

Diversity & Inclusion

Diversity, Inclusion and Belonging e-course

During March 2021, FINCA Impact Finance launched a new course on FINCA Learning Zone. The "Diversity, Inclusion and Belonging" e-course was about "Uncovering and Mitigating Unconscious Bias". The course was mandatory for all FINCA staff and progress monitored by FINCA Impact Finance. At the end of the course the percentage of completion by Pakistan was 100%

TCO Programme (Trainee Credit Officers) In Branches.

Since October 2020, a Trainee Credit Officer Program is being run and monitored by HR department. It is to induct more women in credit field and increase the number of Female Business Clients. A batch of female employees is hired and trained on lending operations. The total duration of training is 03 months and their performance is monitored by HR & the relevant Branch. After the successful completion of training the high performing TCO's are promoted as Assistant Credit Officers in branches.

Female Focus Group Sessions with Branch Staff

As part of FINCA Women Initiatives, DIB Lead Pakistan Ms. Sahar Al-Hosban conducts female focus groups sessions for FINCA's female branch staff every month. These sessions are for Branch Managers, Operations managers and credit staff . The main focus is on awareness about organizational culture, bank policies/procedures and relevant forums (DAC, GC & SHC) to escalate and address their complaints.

During these sessions, females discuss issues they face while performing their duties and ask for help.

The matters brought to light in these sessions are dealt with which increases the confidence of our female staff members. It also boosts the commitment of FINCA towards Diversity, Inclusion and Belonging.



Women Awareness Session

On 30th April, a female focus group session was held at FINCA Head Office, Lahore. Ms. Zar Wardak, vice president and regional director for the Middle East & South Asia FINCA Impact Finance chaired the session. Mr. Jeff Smith, vice president and chief administrative officer, FINCA Impact Finance was also in attendance.

16 women from the Head Office attended the session and several attended virtually from FINCA branches. Ms. Wardak discussed the importance of diversity, inclusion and the recently added term "Belonging". FINCA Impact Finance has always focused on inclusivity in general and gender inclusivity is one of the top priorities. Since the launch of our diversity strategy in 2018, our focus on gender diversity has further strengthened. Furthermore, a continuous effort is required to increase women in our workforce. Ms. Zar Wardak shared that Diversity & Inclusion is not only the responsibility of OD/HR. It is the responsibility of everyone associated with FINCA. She urged all female employees to work cohesively with their female colleagues to empower each other. By working collectively, we can push the agenda of "Diversity & Inclusion".

Employee Engagement Snapshot

New Year Celebrations

This New Year, FINCA Pakistan distributed giveaways to employees in head office, call center & support staff.



Employees Appreciation Going Above & Beyond to Serve

To acknowledge the ongoing dedication and contribution of its valued team members, a cake cutting ceremony was arranged on 4th March. FINCA management board members and staff members from HR, IT, Strategy and Operations & Digital Transformation departments were awarded with the certificates of appreciation.



Birthdays & Best Team Player Celebrations

FINCA has been buzzing with birthday and best team player celebrations taking place at head office and across the network.



Eid- ul-Fitr Celebration

On the occasion of Eid-ul- Fitr 2021, "Eidi" in cash was distributed among all support staff working in branches and head office.



Marketing Snapshot

From March to June, 16 marketing campaigns were rolled out in offline and online marketing channels. These were for loan products like Maweshi Qarza and deposit products like Asaan Account. We also had a Sunehri Jeet Offer campaign that ran for 3 months in which gold lending branches were awarded based on performance.

Our Sunehri Karza TVC was also an overall success! It ran across 103 cable networks, covering 117 cities all over Pakistan.



Our partners are our strength!

FINCA Pakistan collaborated with various companies this past year.

PakWheels

As an extension to the Motorcycle Loan campaign, FINCA collaborated with PakWheels to increase product awareness and conversion. Display banners were placed at the PakWheels website, redirecting potential customers to FINCA's loan application form. This collaboration was also amplified via PR channels.

Honda

FINCA collaborated with Honda, where the latter provided POS material (Standees, Banners & Flyers) placed at the FINCA branches. In return, Honda's logo/branding was used on the POS.



COVID-19 Awareness Campaign

FINCA Pakistan took steps during uncertain times of the pandemic and focused on communicating the SOPs to the internal employees as well as the customers. The Bank used digital mediums to create content for the customers and installed posters in the branches to ensure that everyone adheres to the protocol. Moreover, internal emailers were circulated with employees to create awareness regarding the pandemic.



Celebrating our achievements together

As 2020 came to an end, we wanted to celebrate our achievements together. This included having everyone write their 2021 resolutions at the New Year Dinner and sharing those resolutions in video form. We also distributed dozens of giveaways to employees all over the Head Office and Branch network.



Keeping our Brand Values at the forefront

As a socially responsible company, we ensure that our brand values are propagated both inside and outside the organization. Such initiatives include:

Project Lead the Way

Lead the Way was launched by Marketing in February across 13 branches in 5 cities (ICH, JTL, MPR, AIT, ABP, CIR, RWP, RWP2, VRM, ARM, DGK, SK1 and SK2) with the aim to improve digital leads' conversions through process optimization. The target for these branches was to contact 100% leads within 24 hours and maintain an average conversion rate of 10%. As the pilot has been concluded, the top three performers were identified as Shahab Pura Road (SK1) Branch, Central Jail Morr (VRM) Branch and Abdullah Pur (ABP) Branch.

Interview of Asjid Qureshi on FM 103

"is Micro Credit a Miracle for Underprivileged" (A Radio Interview by Mr. Asjid Qureshi At FM 103)

In March 2021, Mr. Asjid Qureshi (Business Development) had an interview with Radio Channel FM-103. His role as Unit Head-Product Sales helped him discuss microfinancing in detail. He elaborated on the ease of getting small loans and highlighted the role of FINCA in the industry.



Women's Day Celebrations (LinkedIn Campaign)

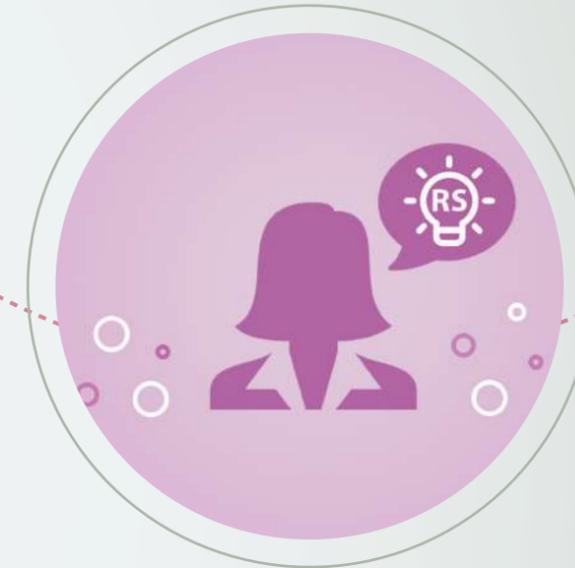
In order for any organization to function, smoothly men and women must work together to execute tasks timely and achieve results. We are proud of the increased representation of women in the workforce. We will remain committed to creating an inclusive and enabling environment for everyone.

To solidify our commitment, we celebrated International Women's day across the network.



Various employees recorded their appreciation for these incredible women for the work they put in. These videos were shared on LinkedIn.

To support women empowerment, FINCA collaborated with Go Flour, a cooking and baking training center for underprivileged women. Cakes were ordered from Go Flour to celebrate International Women's Day 2021.



Mother's Day

To commemorate this special day, we interviewed FINCA Customers who are also mothers. We learned about their businesses and how being a mother pushed them to starting a business. The interviews were later converted into a video that was posted on social media.

Father's Day

In order to celebrate the efforts of Fathers, both within FINCA and our customers, we created an animated video around the line "Har Khushi, Tumharay Dam Se". The video showed how fathers work hard to make a good life for their children. The animation was accompanied with a beautiful voiceover.



FINCA's Women of Substance

FINCA Pakistan is committed to women empowerment. Part of that is to ensure that women are financially stable all across Pakistan.

To highlight FINCA's progress in this regard, 2 female customers were interviewed: Irshad Bibi from Manga Mandi and Sultana Aslam from Sargodha. Both these women talked about how they beat the odds and were able to expand their businesses with the help of loans they took from FINCA. Irshad Bibi expanded her cattle business while Sultana Aslam grew her business empire that consisted of a beauty parlour, stationary shop, and photography studio.

Their interviews were uploaded on social media and those interviews were also covered by Parhlo and ProPakistani.



Success Stories

Yasmeen Aslam (Regional Manager) Bahawalnagar



It is a pleasure to share the success story of Yasmeen Aslam, Regional Manager Bahawalnagar. She started off her journey back in 2001. Yasmeen, at that time, entered her professional life after great struggle as working women were not a common concept. She has been supported by her parents throughout her professional journey and she started her career as a Credit Officer. Her immense efforts, hard work and dedication helped her achieve the position of Chief Manager at FINCA in 2018.

She had served for 2.5 years as Chief Manager and achieved the required skills to manage teams. She has always been supportive of her team members and creates a wholesome work environment. Today, Yasmeen is a Regional Manager at FINCA. As a result of her persistence and hard work, she is serving as the first ever female Regional Manager in Bahawalnagar Region. She takes pride in being part of the FINCA community and is very thankful to the organization for trusting her and believing in her abilities. We wish Yasmeen a very successful journey in the future as well. May she keep working hard to achieve her dreams!

Success Story of Faiza Afzal (Unit Head-Risk Management)



Faiza Afzal, currently working as Unit Head- Operational Risk Management, has been serving FINCA since the last 4 years out of her 18 years of professional life. She is responsible for leading different initiatives aimed at introducing efficiency and effectiveness in operational risk. Faiza initiated the Implementation of Operational Risk Management framework that was in its initial stages.

Faiza stepped into her professional life right after graduating in 1996. She had no experience at that time but was a young enthusiast who wanted to learn and gain. She is a keen learner of emerging concepts and field practices in risk management. She believes that she learnt some major life lessons at work, mostly through examples set by the seniors and mentors. The values that they instilled in the formative years of her career gave her the foundation on which she stands today.

"There is no force more powerful than a woman who is determined to rise. As you go ahead in

life, climb the path to success one step at a time. Aim for the sky, but move slowly. It is all those little steps that make the journey complete and give you more power to cope with any situation in your careers"

Success Story of Kamran Zafar (Regional Business Head)



Out of 17 years of his career, Kamran Zafar has been serving FINCA for the last 10 years. He has been doing so with tremendous dedication as manifested by his achievements. Kamran's incredible journey with FINCA began in 2011 as Branch Manager and today he is serving successfully as Regional Business Head. Kamran started off his career by joining Citi Bank where he successfully worked for 6 years. He started off with direct sales management, successfully making his way to the position of Manager and leading the Sales & Business department. Kamran throughout his career has managed to acquire team building and team development skills. He has always managed to set high performance standards for his teams and creating a motivated team culture. He successfully launched SSC business operation at new locations for network expansion. A great confidence booster came for him when FINCA selected him as a master trainer to educate bank staff & trainers.

He was bestowed upon "Brand Ambassador Award" that is owed to his strong demonstration of FINCA attributes. He is quite grateful to FINCA for believing in him and recognizing his efforts. We wish him all the best for his future endeavors with FINCA!