



TIFA Finance

Risk-efficient transformation of business process and organizational structure

PT TIFA Finance Tbk is a Finance company which operates in Leasing, Consumer Financing and Factoring. The company was established in 1989 by PT Dwi Satrya Utama Group (DSU). Tifa's strategy is to compete in the niche market of financing productive sectors and to start a consumer financing business using alternative delivery channels such as Financial Technology (Fintech).

"The combined Renoir-Tifa taskforce was a breath of fresh air to provide the much needed change with people/culture, process and systems of working which is sustainable to face the future in multi-finance."

Bernard Thien
CEO

Key Results

Sales Productivity improved by 26% within the first two months after the implementation.

Focused improvement on key operational processes to deliver speed and simplicity as the core customer value proposition.

ANALYSIS

Renoir was engaged to analyse the current operating model, Sales and Collection productivity levels and the effectiveness of existing processes and control system.

Some of the main findings were:

- Currently TIFA Finance does not have a unique value proposition to the customers that will help them to differentiate against competitors.
- The sales and collection funnel is not properly measured and managed proactively resulting in low productivity and results.
- There is very little visibility on the activities performed by each sales person and collector.
- The Management Control Systems for sales and collection does not fit the purpose; poor planning, lack of follow-up and control, and reporting focused on outcome rather than how to most efficiently and effectively achieve the desired results.
- There is a need to simplify the work being done and reduce levels of bureaucracy.

PROJECT APPROACH

The 20 weeks program was divided into six work packages with clear objective and deliverables.

1. Definition, Value Mapping, Linkages, Alignment to Strategy.
 - Define & review the current 'as-is' way of working in the relevant departments.
 - Review alignment of 'as-is' way of working with management strategy.
2. Alignment to Best Practices.
 - Define & align best practices to fit the organizational strategy.
3. Management Interview.
 - Conduct management interviews to obtain their feedback and input on current 'as-is' and collect their ideas and inputs on what changes are required.
4. Management Culture Questionnaire.
 - Identify and analyze staff feedback and inputs against management culture set.
5. Development & Review of White Paper.
 - Design and define the White Paper ('to-be' way of working).
 - Detail tools and templates for the new way of work.
 - Review with key stakeholders & mgmt. for their feedback & inputs.
6. Implementation Phase.
 - Implement White paper to the relevant branches / departments.
 - Conduct on-the-job coaching.
 - Conduct Situational Audits for behavior change.

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IMPLEMENTATION

Under Renoir's full time guidance, a 'Taskforce' team of 3 TIFA Finance staff was formed to help drive and sustain the implementation of the work packages. Management Action Team (MAT) were set up which comprised of all of the mid-level managers of the organization. The MAT structure was the key driving force in creating change through revised processes & control systems and defining the behavior expected of staff.

A Steering Committee was formed to oversee the program made up of senior Group leaders, MAT leaders and Renoir management. They held bi-weekly meetings to review the progress of solution design, implementation, behavior change and program results. To ensure buy-in and ownership across the operational level, brainstorming and feedback sessions were conducted throughout the design and implementation phases, giving people the chance to participate, contribute and have their concerns, and ideas, heard and considered, in the final organizational design and structuring of the MCSs.

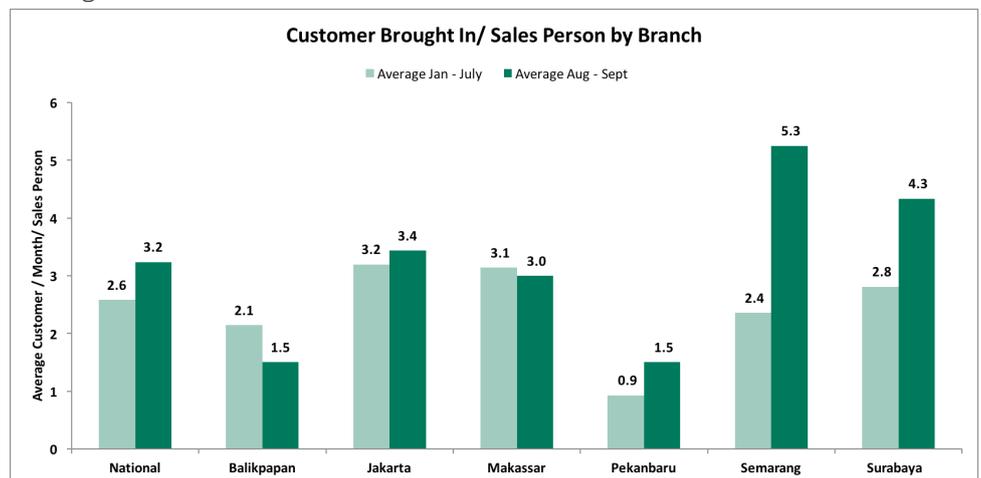
The program's main impact was the implementation of a New Way of Working for both Sales and Collection team that focused on productivity and controls. Operationally, the program has also implemented various improved processes, procedures and controls to help the organization to improve on speed and simplicity as their core value proposition to the customers. Centralised controls from the head office also help the organization to efficiently manage and reduce the operational risks at their branch levels.

One of the key success factor used to drive the sustainability of the change process was the introduction of behavior auditing. Systematic audits were developed and implemented periodically to ensure that the new structure and new way of work were understood and that all staff was able to increase their productivity.

RESULTS

QUANTITATIVE:

With the implementation of sales dashboard and reporting, we were able to measure and monitor sales productivity. There was a 26% improvement on sales productivity during the first two months after implementing the new way of working.



BEHAVIOURS:

- More structured way of working for both Sales Person and Collector emphasizing on productivity improvement.
- Centralised monitoring and control from the head office for key operational risk that need to be managed by the branch staff.
- Focus on Speed and Simplicity as the core customer value proposition.
- Improved communication between front-end and back-end operations through weekly review meeting.

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