



Ramon Aboitiz Foundation Inc

The passion to excel!

The Ramon Aboitiz Foundation's vision, in its almost half a century of existence in development work in the Visayas and Mindanao, has consistently been, "Touching People, Shaping the Future". It has worked towards elevating lives through a comprehensive approach that champions best practices in community development.

"In the Renoir project, I was witness to yet another realization, and that is our passion to excel... MAGIS! Not just the ordinary will do."

**Roberto Aboitiz – RAFI
President, Board of Trustees**

Key Results

Number of Loans Released increased by 103%

Value of Loans Released increased by 57%

Loan processing time shortened from 25 Days to 4 Days

Partners entering program increased by 30%

Number of classroom and students benefitting increased by 50%

Project lead time reduced by 48%

Project ROI was 150%

ANALYSIS

To operationalize RAFI's desire to upscale the organization and provide their people with better systems and processes, RAFI asked Renoir Consulting, based on their long and successful relationship with the Aboitiz Group, to conduct an Analysis looking into the main operational drivers supporting both micro finance and project management. The findings included:

For Micro Finance:

- Insufficient planning and control of Prospects
- Limited time was spent developing 'new sales' and planning was informal
- Low compliance to policies and processes with limited, active supervision
- Branches were managed by individual's styles rather than in a standard way
- Lack of systematic supervisory/ management controls
- Data inconsistencies and delays prevented timely consolidation and impeded performance reviews

For Project Management:

- Despite being a "project management" organization, there was little evidence of a robust project management approach
- Detailed planning and scoping of initiatives was lacking
- Systems to roll down activities into operational KPIs, with controls in execution and follow-up, were not in place
- Lessons learned were not captured to enhance their knowledge management culture and generate synergies across their focus areas

PROJECT APPROACH

Project Governance was established with two Management Action Teams (MATs), Micro Finance (RMF) over 35 calendar weeks, and Project Management in School Rehabilitation Program (SRP) over 20 weeks. Both teams were headed by its Executive Director, together with the Heads of other supporting departments as the members. Task Force members were selected to join Renoir and work side by side with the MATs. A weekly Steering Committee, comprised of the CEO, COO, and members of Board of Trustees, reviewed and evaluated key activities, ensuring that the Project remained on course and on time.

The Project began with Renoir's Focus Process™, looking into processes and the as-is Management Control System (MCS), with studies and workshops to get buy-in during this opportunity identification stage. This

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“I was very impressed with the development of the Bugsai Project and feel the sense of ownership and commitment of the task force, MAT and the other team members who are involved. The team’s achievement so far is remarkable.”

Dominica Chua – RAFI COO

ensured maximum impact, ownership, and prepares the organization for strong post Project sustainability.

The RMF MAT focused on reducing processing time, expanding outreach (with higher satisfaction levels) and controlling risk, through reliable reporting and a short interval control monitoring system. Actions included:

- Designing a new MCS to enable operational transparency and drive higher performance levels.
- Designing short interval control mechanisms and a joint field-work structure to ensure that performance is regularly reviewed, variances addressed, and behaviour positively changed.
- Implementing Sales planning, prospect and pipe-line management processes to ensure that potential clients are effectively targeted.
- Improving loan processing to shorten the processing days while maintaining the visibility of potential risk.
- Develop a training program for sales representatives and Branch Managers to support installed management systems and to improve their capabilities and effectiveness.
- Re-clustering the meeting venues to reduce the travelling time of the trust staff.
- Improving the KPIs and incentive program to ensure that only performing sales representatives are rewarded.
- Install area and branch-level scorecards to increase operational transparency and improve targeted performance.
- Design audits for installed systems to ensure behavioural change and sustainability.

For SRP, the main objective was to standardize the project management process and system in the School Rehabilitation Program and to create a project management framework to serve as a model for other units. The team identified areas of improvement that yielded clearly defined criteria and resources planning, a communication plan to increase partnership, and optimize budget utilization. Activities included:

- Identified and defined the Gate Control Steps that would trigger a ‘Go’ or a ‘No Go’, as the guide in ensuring effective execution of a project.
- Defined cascading KPIs for clear accountabilities and measurable results.
- Assigned on-site engineer to new clusters to increase monitoring level.
- Installed project officer to focus on communication, and leverage participation from partners in project.
- Installed a capacity planning tool to ensure that resources were well prepared for project execution and success.
- Developed a forecasting and budgeting tool to improve target setting.
- A project planner and tracker was installed, together with a weekly monitoring schedule to ensure that projects and activities were on schedule and at prescribed quality.
- Improved quality of meetings by installing a Meeting Effectiveness Tool and Action Logs that records and tracks agreed actions.
- Improved Daily and Weekly progress reports for site

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monitoring and materials inventory were developed to generate the needed data to

track progress and quickly address issues.

KEY RESULTS

Micro Finance: the change in processes and systems yielded the following:

While sales trended upward with more than 50% improvement in loan value, the new daily/weekly short interval control review schedule resulted in a 32% reduction of the Portfolio At Risk.

SRP: Project Management developed a standard project framework for SRP and other programs. Partner involvement through a new project officer component & communication plan, new process with defined gate control, and better resources planning, helped reduce project lead time by 48%. The resulting increase in the number of school rehabbed - 57% - provided safer and more effective classrooms benefitting many more students.

Of greater importance than the immediate improvements, is that frontline staff and managers embarked on the change journey positively, as borne out through Renoir’s behavioural audit mechanism. Processes and systems are sustainable, facilitating higher performance and continuous process improvement.



THE RENOIR GROUP

Renoir Consulting is a world leader in sustainable, implemented change. Founded in 1994, Renoir has offices located in North and South America, UK, Europe, Turkey, Middle East, Southern Africa, India, Pakistan, China, South East Asia and Australasia. With over 350 fully employed and highly trained consultants, their work across a wide range of industry sectors gives them a broader perspective of the issues facing your business, allowing them to be sensitive to your unique challenges, culture and specific business issues. This cross-pollination ensures truly effective, rapid and sustainable solutions.

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