



**RAMON ABOITIZ
FOUNDATION INC**

"I am impressed with the change and the result of hard work from the team. It is the DDE that I see in RAFI Micro Finance team during the Bugsai project: Dream - Desire - Execute"

Roberto Aboitiz
RAFI President, Board of Trustees.

Key Results

Number of Loans Released increased by 113%,

Amount of Loans Released increased by 70%

Market share increased by 125%

Portfolio at risk decreased by 63%

Marketing Management Control System with set of tool ready for usage

3-year strategic plan was set with the supporting organizational structure

ROI was 193%

Ramon Aboitiz Foundation Inc (RAFI)

Marketing growth

The Ramon Aboitiz Foundation Inc. (RAFI), in its half a century of existence in development work in the Visayas and Mindanao, has consistently been "Touching People, Shaping the Future". RAFI Micro-finance as one of the focus areas, believes that a better life begins with a stable and rewarding livelihood, thus it provides financial resources and know-how to hardworking women micro-entrepreneurs to nurture financial independence and entrepreneurship.

RAFI Micro-finance Phase 1 Background

With the first 35 week project, RAFI Micro-finance had made the spike in performance in all aspects of operation. However, RAFI recognized the need to continue the momentum of the improvement in operation. Besides, the other emphasis is to build up the marketing components, together with the structure supporting for expansion. This would allow RAFI Micro-finance to be well prepared for the growing of market and competition. Therefore, RAFI Micro-finance continued the engagement with Renoir for another 24 week project.

Project Approach and Implementation

The project had 3 key areas of focus:

- Sustainability for the first phase on the sales effectiveness and efficiency.
- Strategic data analysis with Key Performance Indicators (KPIs)
- Marketing Management Control System and Marketing data analysis

The project team consisted of 4 Task Force members, the Management Action Team (MAT) composed of Executives in Micro-finance and the heads of other supporting teams who acted as the change agents in the areas. The Steering Committee composed of the President, COO, and Treasurer of BOT reviewed and guided the initiatives, key activities of projects. The review mechanism was set to ensure that the required deliverables were on time and in line with the direction from the Steering Committee. It was followed daily by the Task Force team who worked directly and fulltime with Renoir consultants, weekly for MAT, and bimonthly for Steering Committee.

In sustainability and strategic data analysis, adapting the behavioural audit from the previous phase of project, the team continued to conduct the audit with branches, provide the coaching and guidance needed for managers. Besides, training for active management together with KPIs gave the managers further understanding on how to use and analyse the available data and seek out for better solutions to drive the performance improvement.

Other non-operational KPIs were also installed to give the completed picture of Micro-finance, including people, process, and program, aside from performance installed in phase 1. These KPIs were integrated in

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“I see the transformation in Microfinance, a team with passion, know by heart what they are doing and making differences”

Dominica Chua
RAFI COO.

“I am grateful for the Bugsai project. 2014 will come down in history as the year of change – change in how we approach our work; a change in our mindset, from maybe to CAN BE and I feel a great pride to have a team who accepted with humility our weaknesses, opened up to change and brought about positive results”

Ma. Theresa Catipay
RAFI Microfinance
Executive Director.

THE RENOIR GROUP

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regular business reviews, i.e. weekly coordination meeting, monthly COO meeting, and further with quarterly business review.

Marketing had been a new area for RAFI Micro-finance, hence the team started with the design and development for elements in management control system. Aside from understanding the company, it was important to know competitors, market and the customers. Therefore, a number of surveys were conducted to gather the needed information regarding competitors and customers for decision making process including the strategies of areas where to operate, products that addressed customer needs, and things for improvement internally.

To prepare the strategic planning, series of workshops were conducted:

- Structure: Required functions, organic and inorganic positions, and overall structure up to the branch level with sustainable capacity
- Risk Management: Risk in operation, purchasing, treasury, accounting, mitigation, risk measurement criteria
- Synergy programs: Existing collaboration, and potential collaboration among the programs
- Branding: Audit substitute, target market, consumer insight, substantiation, brand personality, promise, brand essence, attribution
- SWOT: Strengths, weaknesses, opportunities, threats, strategies with priority, competitive advantages
- People Workshop: Recruitment process improvement, people engagement activities

Key Initiatives and Accomplishments

Renoir Improvement Process involved the employees in RAFI Micro-finance in identifying opportunities, developing and installing solutions with high level of buy-in and ownership. This had brought in the remarkable results as followings:

- Number of Loans Released increased by 113%, Amount of Loans Released increased by 70%, Market share increased by 125%, Portfolio at risk decreased by 63%
- Branch and Standard Center Meeting structure with sustainable capacity to support control and expansion
- Training for 26 Executives and managers in areas and branches to enhance active management, KPIs understanding and analysis
- Marketing processes and MCS enables the team to do forecast, plan, control and report
- Marketing surveys to provide the insight of market, competitors, and customers for decision making
- Strategic planning inputs with clear directions and strategies for next 3 years
- 46 Standard Operating Procedures for elements and processes in Micro-finance.
- High coordination and support among the units
- Capacitating Micro-finance in getting things done in higher level and standard.

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