



SPM ESSENTIALS

PRACTICAL STRATEGIES FOR
TODAY'S MANAGEMENT
CHALLENGES

TODAY'S WEBINAR:

HELP YOUR EMPLOYEES ADAPT TO DIGITAL
TRANSFORMATION

NOVEMBER 10, 2021

TODAY'S SPEAKERS



MODERATOR
Amelia Greenberg
Deputy Director, SPTF
New York, USA



SPEAKER
Manu RAJAN
Division CEO, Wing
Cambodia



SPEAKER
Mamie KALONDA KAPENGA
CEO, FINCA DRC
Democratic Republic of the Congo

SPEAKER - Canceled
Lito VILLANUEVA
Chief Innovations and Inclusion
Officer, RCBC
Chairman, FinTech Alliance.ph
Philippines

AGENDA

- Welcome and introductions (5 minutes)
- Setting the stage (10 minutes)
 - Defining SPM
 - Universal Standards for SPM; review process
 - SPM Essentials Series
- Overview of Wing, RCBC, and FINCA DRC (5 minutes)
- Interview with speakers (45 minutes)
- Questions and answers (25 minutes)

SETTING THE STAGE (1 OF 3): DEFINITIONS

- **What is SPM?**
- Social performance management (SPM) is a continuous process of implementing management practices focused on setting and achieving social and environmental targets. The goal of SPM is to protect and benefit customers, employees, and the environment.
- **What are the elements of “good” SPM?**
- 1. Social strategy
- 2. Committed leadership
- 3. Client-centered products and services
- 4. Client protection
- 5. Human resource development
- 6. Balanced growth and returns
- 7. Environmental performance management

SETTING THE STAGE (2 OF 3): STANDARDS UPDATE AND WEBINARS

■ The Universal Standards for SPM

- A comprehensive manual of best practices created by and for people in microfinance as a resource to help financial service providers achieve their social goals.
- Managed by SPTF
- SPI social audit tool managed by CERISE

■ Universal Standards Review Process

- First published in 2012; reviewed every ~5 years
- 2020 we began a review process: expert interviews, webinars, public surveys, data analysis, literature review
- New manual to be published by Jan. 2022; infrastructure updates underway

■ SPM Essentials Series

- Schedule: Monthly webinars, beginning March 2021
- Purpose: share good practices of Universal Standards implementation, particularly those that relate to new elements of the manual
- <https://sptf.info/online-trainings-bucket/spm-essentials-2021>

SETTING THE STAGE (3 OF 3): DIM 5 – RESPONSIBLE HUMAN RESOURCE DEVELOPMENT

Standard 5A	The provider creates a safe and equitable work environment.
EP 5A1	A written Human Resources policy is available to all employees that explains and protects their rights.
EP 5A2	Employee compensation is equitable and adequate.
EP 5A3	The institution has a safety and health management system.
Standard 5B	The institution's Human Resource Development system is designed to attract and maintain a qualified and motivated workforce.
EP 5B1	The provider gives each employee complete employment documentation and training to understand their job requirements.
EP 5B2	The provider gives employees formal opportunities to communicate with management.
Standard 5C	The institution's Human Resource Development system supports the provider's social strategy.
EP 5C1	During the recruitment and hiring process, the provider assesses each candidate's commitment to achieving the provider's social goals and serving the provider's target clients.
EP 5C2	The provider trains all employees on the provider's social goals.
EP 5C3	The provider evaluates and incentivizes employees based on social and financial criteria.

5.B.1.1	Indicator	The provider communicates to each employee their individual employment terms:
5.B.1.1.1	Detail	Base salary and opportunities for any other type of compensation (overtime, incentive pay)
5.B.1.1.2	Detail	Job description / scope of work
5.B.1.1.3	Detail	Performance evaluation process
5.B.1.2	Indicator	All new employees receive an orientation and job-specific training.
5.B.1.3	Indicator	The provider makes professional development opportunities available to employees at every level.
5.B.1.4	Indicator	Men and women receive equal opportunities for training and skill development.

NB:All indicators and details are in draft form and are subject to change.

OVERVIEW OF FINCA DRC

1. Founded in 2003
2. Located in the Democratic Republic of Congo (DRC)
3. We have 23 branches and 560 employees, plus over 1600 agents
4. We have 350 000 clients, of over 80% use mobile financial services and Agent Banking network to transact
 - 62% male / 38 % female
5. We offer the following types of digital products/services : loans, savings, remittances (international and local transfer of funds), bill payments, Mobile wallet to Bank, Bank to wallet, Mobile application platform, salary payment, financial literacy to customers (in presence and digital)

OVERVIEW OF WING

1. Founded in 2009
2. In Cambodia
3. We have over 10,000 agents and ~1000 employees
4. Over 12 million unique users in a year
 - 49% men / 51% women
 - Over 50% from rural areas
5. Wing is building an Open Economy in Cambodia – with its ‘Phygital Ecosystem’ for payments, Banking and eCommerce

FINCA DRC INTERVIEW TOPICS

- Digital transformation is a journey with three phases: front-end transformation, digitally integrated enterprises, and digital ecosystems
- Digitally transformation is not simply doing the same activities as previously but using technology. It involves rethinking what products and services you offer.
- Effective human resource management during digital transformation is very challenging
- FINCA DRC launched a talent development initiative
- Some of what FINCA DRC learned and did as a traditional FSP remains relevant in a digital environment

RCBC FEEDBACK

- In 2019, RCBC began transforming from a legacy bank to a digitalized one
- Digital transformation involves a change in mindset
- Digitization won't steal your jobs, but employees may fear it will
- Going digital can involve less physical supervision of employees; consider outcomes-oriented performance monitoring
- RCBC did not necessarily need to hire a lot of additional IT experts after it transformed – the important consideration was whether employees took responsibility and accomplished tasks
- With DFS, it helps to have a less hierarchical employee structure, because it is important to be able to make decisions and act quickly
- Rigorous training is essential

WING INTERVIEW TOPICS

- Started as a payment company. Today transaction volume is more than the country GDP.
- Manages the payroll of ~25% of factory workers in Cambodia
- At the heart of the Wing Ecosystem is a country-wide network of over 10,000 Wing Agents (~80% of them women) & offers “phygital” solutions for customers
- Added many services to the WingMoney app over the years – Payments, Commercial Banking & e-Commerce
- Partners with over 90 Financial Institutions and over 500 Corporate Partners. Over 200 APIs on the platform.
- Employs people with technology, fintech, banking, telco, distribution and e-Commerce skills
- Has a team dedicated to Ecosystem Management – Agents, Merchants, Supply Chain Network, Riders & Corporates
- Has a digital learning system and mandates that staff learn via the digital platform – especially during the pandemic
- Emphasizes flexibility, agility and adaptability – in DFS, providers have to move and/transform quickly

QUOTES

- *“In any transformation, it doesn’t start and end with technology.”*
- *“I’m not so keen about age or experience. It’s about the drive or passion to excel in a particular field.”*
- *“The biggest part of Digital Transformation is changing the way we think.”*
- *“The digital era is one of massive competition. How do you stand out from the others? You need speed and scale and a reliable workforce.”*

QUESTIONS AND ANSWERS



