



FINCA[®]
Microfinance Bank



Digital Field Automation (DFA)

Transforms FINCA from Brick and Mortar Operations to Digitized Solutions

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In the space of over 50 operating Banks in Tanzania, with over 50 million population, only 17 percent of adults in Tanzania are said to have access to banking services. According to Fin Scope Study of 2017, It is estimated that over 65 percent of households have mobile phones.

The study also highlights that mobile financial services are highly driven by Telecoms with an estimation of 65 percent in Tanzania. This indicates that financial services are now not only provided by financial institutions like Banks and Microfinance but also Telecoms which have set up a more personalized touch on the services.

In understanding the need of digitization and the opportunity to financially include the remaining space of 83 percent of Tanzanians with no access to Banks but needed trusted way to financial services – FINCA Microfinance Bank Tanzania in May 2017 introduced a ground-breaking way to financially include the unbanked through Digital Field Automation (DFA) – a Bank at hand near customer doors.

DFA stars a revolution enabling Client Relationships Officers (CROs) to open new Accounts, start initial loan application processes, score clients and disburse loans anywhere and anytime. To open the accounts, (CROs) use tablets which are powered by a biometric function that is used to set up secure access for clients as they open accounts.

“The Banks in Tanzania are mostly known for the brick and mortar process which involves a lot of paperwork hence time-consuming in opening accounts and loan processes” explains Issa Ngwegwe, the CEO of FINCA Microfinance Bank Tanzania.

He further went on to explain that “DFA brought the revolution that Tanzanians wanted, a banking service at their doorsteps. The Bank’s CROs can now open Accounts, Score and disburse loans anywhere. This adds value to the Customer Experience initiative”



FINCA Microfinance Bank Tanzania’s CEO, Issa Ngwegwe
Believes that DFA efficiently improves the Bank’s efforts in reaching and empowering the unbanked.



The Bank's Chief Operations Officer, Alfred Vandeline

Trusts that through DFA customer's data are well secured and there is no duplication of data making it easier for the Bank to efficiently keep track of the necessary details.

Since DFA started operating, the Bank has been able to inject more reports in financial inclusion by reaching out to more of the unbanked population in both remote and semi-urban locations in the country. "DFA has not only enabled the Bank to digitize and ease the process but also to reach over 20,000 new FINCA Accounts and being able to disburse over 40 loans in the pilot phase worth over 135 Million Shillings as of late July 2018" explains Alfred Vandeline, the COO of FINCA Microfinance Bank Tanzania.

"In addition the technology has enabled the Bank to grow its non-credit revenue, mobilize deposits through account opening from anywhere in Tanzania, enhance customer experience and cut operational costs as well as increase efficiency," says Alfred.

"Turn-around time of the process has been remarkable. DFA customers' data is now secured and there is no duplication of details as we used to experience on paperwork. Electronic forms and biometric reduce the risk for errors and protect customers' information" highlights Alfred.

The technology also ensures a high level of risk management as it uses valid customer identification cards like National IDs to complete the KYC part as it is connected to the country's National Identity Card Authority. The platform also allows online credit scoring based on FINCA loan enterprise data and credit history. This is to ensure transparency in the workflow with an audit trail.

In the event that most Tanzanians shy away from opening new bank accounts as a result of banks being far away from their households, business areas as well as long queues and a lot of paperwork, DFA has filled that gap as (CROs) can easily visit customers at their homes and respective business locations.

FINCA Microfinance Bank continues to grow strong even after 20 years of operations in Tanzania, reaching out to about 1,000,000 Tanzanians who were previously "unbanked". With DFA in place, the Bank believes it will easily serve more clients and enable them financially.

"Our customers are the heart of our business and DFA technology adds the value on how we serve them with quick turn-around time," adds, Issa



DFA Tablet

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"I remember the days when CROs and CBOs' efforts were to make sure that we get new customers to walk into our branches to open accounts and request for loans. This reminds me of the moments when we had to make sure there is a constant availability of physical forms on the CSO's Help Desk" explains Gloria Gabriel, FINCA Victoria's Branch Manager while laughing.

"At the banking hall, the help desk would be filled with customers waiting to be served, yet they go through a long process of documentation and tricky KYC process and reference check. You know what, those days are gone and all thanks to the introduction of Digital Field Automation (DFA) technology, we can now take our services and products to our clients' doorsteps," stresses Gloria.

The introduction of DFA has pushed FINCA Microfinance Bank to new heights of customer experience as products and services are presented right on where they live and operate their businesses. The technology gives them the room to be visited by FINCA staff as they go on with their daily lives. This saves them the time they ought to have used to visit FINCA branches to access financial services.

DFA technology is literally a bank at hand operating anywhere and anytime with just a finger tap. With secured tablets, FINCA sta is able to open new accounts, start initial loan applications, score for loans and disburse loans on the go, once all the client's KYC and facts are eligible for a loan.

The technology has so far been well received by customers who have been grateful to the bank for introducing such a groundbreaking digital platform.

Gloria Gabriel,
FINCA Victoria's Branch Manager



“I have known FINCA since it was just a Microfinance Institution 20 years ago from my mother. I am pleased to see it grow fast and presenting easy digital services to be used by its clients” explains Violet Sangawe who owns a Tailoring shop at Wazo hill in Tegeta, Tanzania.

“I have always wished to join the Bank as I am aware of its period Savings Accounts with competitive interest rates in the industry. It is just that I have never had time to visit the branches, but today, I am surprised to see FINCA staff visiting my business area make the account opening easy for me. This is a great feeling” continues Violet.

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On the other hand, Muswa Wilson a Bodaboda operator at Boko Msikitini, explains how happy he was to have applied for a loan without visiting the bank's branch.

"My dream is to buy more motorcycles for my business, as I believe, I will gain more income and generate employment opportunities for others. I am happy that through DFA, I had the privilege to apply for a loan with FINCA at my place of work.



The technological innovation of DFA complements FINCA's brick-and-mortar branches and the whole initiative of financial inclusion. The tabs being mobile, FINCA staff can easily travel to the location with potential clients and extend financial services offerings to them.

With the device being connected to the country's National Identity Card Authority, FINCA CROs only need the customer's National ID to initiate account opening or loan application process. The tablets are also equipped with biometric accessibility to back up customer's security pass to their accounts or approve a loan application online form. This increases a connection and assures a client of their details. The platform is also friendly to a layman as they can be guided by FINCA staff to fill out the details online.

"DFA has seen us connect in an appealing way with clients but also easily serving them in an efficient way. Digitizing the KYC check part of loan application has helped the Bank score the applicants fast and secure way. The tabs eliminates errors compared to former paper-work process" says Jacqueline Bartolome, Pamoja Loan Product Supervisor.

"DFA platform connects the bank's core banking system (Neptune Orbit-R) at the head office directly to monitor what is being done by FINCA's relationship team in the field and in various branches. This is to ensure security and nothing is breached as a customer's satisfaction is also key for the bank," adds Jacqueline.



This means that DFA acts as a bridge between the branches through supervisors at the Head Office and the team on the field enabling a direct engagement and interaction with the client. Through the tab, a customer can get all the required information on products and services offered by FINCA whenever they are allowed to make informed decisions and respond accordingly to their preference with the help of Relationship officers.

Since launching DFA in May 2017–FINCA has opened over 20,000 new accounts, disbursed over 40 loans in the pilot phase worth of about 135 Million Shillings as of late July. The Bank continues to build strong digitized solutions so as to enhance Customer Experience and boost brand love and relevance to the unbanked population of Tanzania. DFA compliments the efforts of over 23 Branches in making sure that turn-around time and the process is efficient.





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