



Giving hope not hand outs

MLF Induction training - Malawi

Work book

(Tablets version)

Course objectives

1. Know the history of MicroLoan Foundation its core values and mission.
2. Understand joint and several liability and how to facilitate supportive groups
3. Be able to form groups including understanding member eligibility and election, how to prevent group delinquency, group leader eligibility and election, Constitution drafting and group savings
4. Understand the loan products, loan application, loan disbursement and repayment meeting processes and rescheduled loans.
5. Understand and commit to the 'Staff and client rights & responsibilities document' and 'Code of Ethics'
6. Know staff is assessed using key performance indicators and understand the HR non-compliance procedure and commit to it.
7. Know to observe or do social assessment using PPI, outcomes questionnaires and entry form

Session number	Session name	Time	
1.	Short history of MicroLoan Foundation	15 Minutes	
2.	Microloan's social mission and values	1 hour	
3.	Joint and several liability and what happens when things go wrong	45 minutes	
4.	Group formation: Member eligibility and election	1 hour	
5.	Group formation: Prevention of group delinquency	40 minutes	
6.	Group formation: Group leaders' eligibility, responsibility and election	1 hour	
7.	Group formation: Constitution planning and drafting	1 hour	
8.	General situations that you may all likely to face	50 minutes	
9.	Product procedure overview	40 minutes	
10.	MLF loan products	1 hour 30 mins	
11.	Loan forms	40 minutes	
12.	Increasing caseload	20 minutes	
13.	LOs based in the community	20 minutes	
14.	Going into a new community	30 minutes	
15.	Group composition procedure	20 minutes	
16.	Loan application procedure	1 hour 30 minutes	
17.	Disbursement procedure (including group recognition test)	1 hour 20 minutes	
18.	Repayment meeting and savings procedures	1 hour	
19.	Savings withdrawal procedures	50 minutes	
20.	Defining problems and next steps	1 hour	
21.	What is a vulnerable client?	25 minutes	
22.	Supporting vulnerable clients: the vulnerable client discussion	40 minutes	

23.	Rescheduled loans and impact on client and group	1 hour	
24.	Transfer of transition groups to MLF Watsopano	25 minutes	
25.	Social assessment training	4 hours	
26.	Code of ethics and staff & clients responsibilities document - (Separate training document)	3hours 45 minutes	
27.	Procedural non-compliance - (Separate training document)	1 hour	
CLIENT TRAINING MODULES			
Separate training guides	Pre-disbursement client training modules, transition modules and Post-disbursement - LC1 and LC2+ client training modules		

Session 1 – Short history of MicroLoan Foundation (15 minutes)

Objectives: participants will –

- Know the brief history of MicroLoan Foundation.
- Be aware of the most recent facts and figures relating to MicroLoan Foundation.



Read the following information.

A short introduction to MicroLoan Foundation

Before we start let me tell you a little bit of MicroLoan's history. The MicroLoan Foundation was founded by British businessman Peter Ryan (who is now the Charity's CEO) after he made some visits to Malawi. In 2002, MicroLoan made its first loan in Malawi. At the time the head office was based in Nkhotakota, but now as you know the head office is in Lilongwe. At that time there was just one employee called Kenson Chipchaka who worked from a room and had just a bicycle to get to all his groups.

Since 2002, MicroLoan has grown very fast. This is possible due to a large number of donors in the UK and other countries around the world who support the work that we do.

The MicroLoan Foundation also works in Zambia and our operations there continue to grow. In Zambia the organisation is called the MicroLoan Foundation.

You may or may not be aware that MicroLoan only works with women. The reason we work only with women is that it is harder for women to find employment and make money compared to men, so they need more support. We also find that when women have been given the opportunity to make money, they will want to spend it on their family by investing their business profits in food, household improvements, healthcare or education for example. MicroLoan wants to help women and their whole families move out of poverty. So we believe that in helping women, we are also helping the whole family to move out of poverty, including husbands and children. We do not want husbands to feel side-lined however. They can still be involved in running the business along with their wife, and husbands are invited to certain training meetings too.



Now your facilitator will tell you the latest figures for MicroLoan Foundation. Fill in this information in the table below:

Number of clients:	
Number of groups:	
Number of branches:	
Number of staff (head office and branch):	

Considering that in 2002 MicroLoan started off with just one employee working with just one group, we have come a very long way! This journey has only been possible because of the ongoing commitment from our dedicated staff. Now it's your chance to be part of this journey.

Do you have any questions for the facilitator based on what you have just heard?

Session 2 – Microloan's social mission and values (1 hour)

Objectives – participants will

- Understand MicroLoan's social mission
- Briefly describe Microloan's values with examples



Discuss – what do we mean when we talk about a 'social mission'?

MicroLoan's social mission is:

To help the poorest women in rural Africa transform their lives by lifting themselves and their families out of poverty.



In small groups – at MicroLoan, how do we make sure that we achieve our social mission? You have 5 minutes to name 3 things you think MicroLoan does (or does not do), to achieve its social mission.



Discuss – what do we mean when we talk about 'values'?

At MicroLoan our values are like the WALLS of a house, which hold up our social mission. Without our values we would not be able to achieve our social mission.



Discuss – why do you think values might be described like the WALLS of a house? Why would it be impossible for MicroLoan to achieve its social mission without having values?



What are Microloan's core values? Fill them in the table below.

	Value
1	
2	
3	
4	
5	

Session 3 – Joint and several liability and what happens when things go wrong (45 minutes)

Objectives: participants will –

- Understand the meaning of joint and several liability.
- Be familiar with common challenges that clients/groups face.
- Understand the importance of facilitating supportive groups.

At MicroLoan all our loans are made to individuals within the groups. Each individual client within the group gets her own loan, and repayments and savings are tracked on individual basis.



Why do you think MicroLoan only gives loans to individuals within the groups rather than to individual clients?

What is joint and several liability?

MicroLoan ensures that each group uses 'joint and several liability' to make sure that loans are repaid. Joint and several liability can also be called group guarantee. Group guarantee simply means that the group members make a promise to pay each other's loans. If someone is unable to make a repayment at a meeting because she has experienced a problem for example, the rest of the group must repay for that member at the date set for the repayment.

Even though individual clients take their own loans, the whole group is responsible for repaying that loan if she cannot repay. That's why it's very important for the whole group to agree to all the loan sizes that their group members ask for, because they are responsible for repaying them if anything goes wrong.

For the group to take responsibility for repaying each other's loans if something goes wrong, it is also very important for all group members to know each other very well. After all, if you know each other well you know how reliable you are. It is very unlikely that you would want to take responsibility for repaying for someone you don't know!

Looking at the above information box, what are three key things that groups must do to make sure that the group guarantee really works well?

Now we are going to play a game that you will also learn once you receive training in how you as Loan Officers should train new groups. This will give you more insight into group guarantee and how it works. The game is called the Zakaria game.



Zakaria game – Each of you will now role play being a potential new group member in a new group. I will role play being the Loan Officer who is leading the Zakaria exercise. Remember that this exercise is about taking responsibility for repaying for each other if someone cannot repay.

1. Please could the whole group step forward and form a circle.
2. Sit close to each other with your legs stretching into the centre of the circle, preferably on the floor as you would do with a real group.
3. One volunteer please stand and go outside the circle.
4. Demonstrate the song.

You:	Sport – Sport!
All:	Zakaria!
You:	Ndimafuna wanga!
All:	Zakaria!
You:	Otsuka mbale!
All:	Zakaria!
You:	Ndimapoto omwe!
All:	Zakaria!
You:	Oh! Dzuka tiyende!
All:	Zakaria!

5. The volunteer dances around the outside of the circle whilst everyone sings the song.
6. S/he chooses someone from the circle whom s/he thinks **she could assist if that person has problems making a repayment**: she is this person's guarantor. S/he must make sure that **she knows that person very well.**
7. The 2 people now dance around the circle. The second person chooses someone s/he thinks s/he could assist her if that person has problems making a repayment. S/he must make sure that she knows that person very well.
8. This continues until everyone has been picked or the last individuals have been left behind un-picked. If there is nobody left that the group wants to choose then they should not choose that person/people.

What does it mean if there are individuals left behind who have not been picked?

Now we're going to talk about common challenges that our groups face.



What do you think it's important for groups to be supportive when clients in the group face challenges?



Break into 3 groups: you have 10 minutes to look at 2 common challenges that groups face and work out what you as a Loan Officer should have done before this happened to prevent it (if possible); and after it's happened what you can do to help the group respond supportively?

Write your answers in the table below.

	Common challenges groups face	<u>Before</u> it's happened – what should you as a LO do to prevent it?	<u>After</u> it's happened – how can you as a LO help the group respond in a supportive way?
Group 1	<u>Challenge 1:</u> A member's brother has passed away and she has had a lot of funeral expenses. She also has had to spend time away from doing her business attending the funeral. This means she has had problems repaying for two repayments.		
	<u>Challenge 2:</u> A member gives almost all of her loan to her husband to use for his business, but he ends up spending it on his own personal items. The member only has a very tiny amount of the loan to invest in her business and struggles to make repayments.		

Group 2	<u>Challenge 3</u> : There are very few customers one fortnight and the member does not make enough profit to make one of her fortnightly repayment.		
	<u>Challenge 4</u> : Part of a member's business produce is stolen so she has very little to sell that week. She does not have enough to make her repayments from then on.		
Group 3	<u>Challenge 5</u> : A member ran away half way through the loan cycle without repaying over half of her loan.		
	<u>Challenge 6</u> : A member's child is sick and she has had to spend over 1 month caring for her in the hospital and paying fees. Her business has stopped running altogether during this time.		

Session 4 – Group formation: Member eligibility and election (1 hour)

Objectives: participants will –

- Know the eligibility criteria for group formation.
- Know the eligibility criteria for member selection.
- Understand the process for member election.

We have already discussed why MicroLoan only works with individuals if they are part of a group. There are several important criteria that a group must have in order for them to be considered for a loan.

Eligibility criteria for group formation

1. Groups must be self-forming. That means that the group must decide who should and should not be part of their group. It is NOT up to the LO to decide who should be in the group.
2. All members must be from the same locality.
3. All members must know each other well.
4. Groups must be composed of 15-25 members.
5. There must not be close relatives in the same group.



Discuss the following questions as a group –

Why must groups be self-forming? What might happen if the LO selects group members?

Why must all members of the group be from the same locality?

Why must all members of the group know each other well?

Why must groups be composed of 15-25 members and no fewer?

Why must there not be close relatives in the same group?

We now know what makes a group eligible for a loan. But we'll talk now about what makes an individual person eligible to join the group itself.



In groups of 2-3 – Write your answers in the table provided below. On each row write a DIFFERENT criterion for eligibility that you think a member must have. You have 10 minutes.

Member eligibility criteria	
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	



Discuss the following as a group – Why it is important to choose members who do not have loans from another institution that lends money?

Now we know which women are eligible to join a MicroLoan group, as well as what specific criteria need to be fulfilled to access particular products, we can talk about the process for member election.

Member election procedures

It is important to remember that when a group is voting for members those members must meet the eligibility criteria we have just been discussing.

All voting is done secretly, so members can vote honestly about which potential members they either want – or do not want – in their group.

Nobody may vote for herself! However each potential member may take part in the vote for every single other member being proposed to join the group. This is different from how groups elect leaders (which we will talk about later). With leaders you may only vote for ONE candidate being put forward for a particular position, such as Chairlady. However, with members you may vote once for each member being proposed.

These are the procedures that must be followed by you as a Loan Officer:

1. Ask for all the proposed members' names and write them down
2. Ask group to look down and cover their eyes with one hand
3. Read each proposed member's name individually. After each name ask the group to vote. Those in favour of that person joining the group should raise their other hand clearly
4. Count the number who have raised their hands and those who have not
5. There must be a majority of at least 70% for that member to be elected to the group. This means the if you have a group of 18 members, 12 must vote in favour; a group of 17 members, 11 must vote in favour; a group of 16 members, 11 must vote in favour; a group of 15 members, 10 must vote in favour; a group of 14, 9 must vote in favour, etc.
6. Announce which members have been successfully voted into the group.



Role play – Choose one volunteer: this person will be the Loan Officer, and the rest of you will be the potential new members who want to start a new group. The LO should follow the steps from 1-6 above and the potential members should vote (or not vote!) for each other.

After you have completed the exercise discuss:

What did the LO do well?

What could the LO improve for next time?

How can a LO handle a situation where a potential member has been told she has not been voted into the group?

Session 5 – Group formation: Preventing group delinquency (40 minutes)

Objectives: participants will –

- Understand the various ways in which groups should be facilitated to avoid delinquency.

Case study: Sam the Loan Officer visits a group experiencing problems

Sam the Loan Officer was not looking forward to visiting Chilanga group. Group members had been experiencing various problems and this had affected the group's performance. Arrears for this group were very high, and Sam had visited the group for repayment meeting 4 but they had not been able to repay fully then. Therefore he was going back on a Wednesday at 2pm for a follow up meeting which he'd arranged clearly with the group. He wanted to understand better what problems they were facing so they could be sorted out before the end of the loan cycle.

However, when Sam arrived at the agreed meeting place at 2pm he found only 2 of the group members there. When he asked the clients where the rest of the group was, they said they were probably busy with other things but weren't sure. Sam asked the 2 clients to try to find the other group members, and sat down to wait. After 2 hours finally most of the members and group leaders had arrived, though some were still absent and had not informed the group leaders why.

Sam wanted to know more about clients' businesses. He wanted to find out in particular what business costs clients had. One client called Alice who was running a business selling doughnuts said that she has costs of K10, 000 every fortnight. Sam asked her what loan she had taken this loan cycle and she replied she had taken a loan of K25, 000. He asked her what she spent the remaining K15, 000 on, after she had invested the K10, 000 in her business. Alice replied that she had used the K15, 000 to pay for school books and uniforms for her children, clothes and food for her family.

One client called Lucy explained that when she had received her loan she had some household expenses so she spent half her loan on these, and the other half on her business. Since then she had also had to take some capital out of the business because her child had been sick, so her business was very small and she was seeing little profits.

Other clients explained that one of the absent clients had been taking caterpillar loans even before getting her loan from MicroLoan. That same client had also taken a loan from another microfinance institution in the area some time before getting her MicroLoan loan, and never paid it back.



Group discussion –

What do we mean when we use the word ‘delinquency’?

What did Sam the Loan Officer do well to try to address Chilanga group’s delinquency?

There are 6 examples of what clients or the group have been doing wrong, that are contributing to the group’s problems. What are these problems? Write them below.



Pair work – go into pairs and write down as many things that can be done to prevent delinquency in groups which Sam should then discuss with Chilanga group. Look at the above examples of what the group have been doing wrong to help guide you.

How to prevent delinquency	
1	
2	
3	
4	
5	
6	

Session 6 – Group formation: Group leaders' eligibility, responsibilities and election (1 hour)

Objectives: participants will –

- Be able to identify the eligibility criteria of group leaders.
- Understand group leaders' responsibilities.
- Understand the process for election of leaders.



Group discussion –

Why is having good leaders in client groups so important?



On your own without looking at anyone else's answers – write as many qualities of a good client leader that you can think of. You have 2 minutes!

Qualities of a good leader:



Our groups have 3 main leaders. These leaders need to be chosen carefully. They have certain very important responsibilities and the group has to be confident that their leaders can fulfil their responsibilities well. **Can anyone tell the group what these leaders are?**



Write down as many responsibilities of a Chairlady that you can think on the table below.

Chairlady's responsibilities

Write down as many responsibilities of a Treasurers that you can think on the table below.

Treasurer's responsibilities

Write down as many responsibilities of a Secretary that you can think on the table below.

Secretary's responsibilities

Procedures for election of group leaders

Election of leaders takes place before a new group receives its first loan, and for existing groups it happens at the end of the loan cycle. How often leaders are re-elected depends on what the group originally agreed and stated in their Constitution, and on how the leaders performed in the last loan cycle.

- ✓ It is important to involve the village headperson in the counting of the votes and in presenting who has won the elections. He/she acts as an independent observer of events, which may be important if there are any queries about the leadership from the group in the future.
- ✓ Each of the 3 positions will have 3 possible candidates (e.g. 3 people will put themselves forward to the position of Chairlady, 3 people for the position of Secretary, 3 for the position of Treasurer). Someone may put themselves forward for more than 1 position, provided they would be able to carry out the responsibilities.
- ✓ Whoever gets the most votes will be elected to that position. Whoever comes second will be the Vice-Chair and Vice-Secretary. If the Chair or Secretary is not at a meeting, the Vice-Chair and Vice-Secretary will take over their duties. There is no Vice-Treasurer because the Secretary will take over the Treasurer's duties if she is away.
- ✓ Clients may only vote ONCE for someone for each position. If there is no clear majority the vote will be done again.
- ✓ A client may not vote for herself!
- ✓ When voting all clients should look down and cover her eyes. Even those who are not taking part in the vote (e.g. exiting clients) should cover their eyes during voting so that voting can be done privately and clients do not feel pressured to vote a certain way.

Session 7 – Group formation: Constitution planning and drafting (1 hour)

Objectives – participants will

- Understand the importance of facilitating a supportive Constitution.
- Know how to support groups to plan and draft their Constitution.

Every client group must have its own group rules or 'Constitution'. We're now going to talk about how you as a LO help groups to plan and draft their own Constitution.



Group discussion –

What is a group Constitution?

Why is it important for our groups to have a Constitution?

When we talk to groups about their Constitution we often refer to that Constitution like their group's mother. A mother must be strict with her child so that she grows up knowing right from wrong, but she must also be kind and loving to her child so she knows she has her mother's support and guidance when she has a problem. Your rules are like the mother of this group, both strict but also kind and supportive when members have problems.

As a group come up with reasons why it is important for a group's Constitution to be SUPPORTIVE, rather than just punishing members when things go wrong. Write your answers below.

1	
2	
3	
4	
5	

The role of the LO in helping groups to plan and draft their Constitution is important. Your role is to facilitate the process to ensure that it happens smoothly and that the Constitution is supportive as well as firm. However you must make sure you allow the group to make the decisions themselves so that they feel ownership of their own Constitution. It is also very important that all group members are present as part of the discussions, to prevent disputes later on.

We will now practice the process of planning and drafting a Constitution. Take a few minutes to read the Constitution guidance questions (you can read them either in English or Chichewa).



Role play – helping a group plan and draft their Constitution.

Instructions:

- Choose one person who is the LO helping facilitate the group to form their Constitution. The rest of you will be the new group members forming a Constitution for the first time. Choose one person who is the group's Secretary.
- You can see from the Constitution guidance questions in the Appendix that the group should break into 4 sub-groups. If you have enough trainees present today for there to be 2 or more per sub-group then break into 4 groups now. When you are doing this with clients, make sure that each sub-group has someone in it who can read and write. If the client group does not have enough members who can read and write, break into fewer groups and just give them more questions to discuss (e.g. if there are 2 sub-groups then one group will discuss questions 1-8 and the other group will discuss questions 9-17).

The role play:

- The LO should explain the importance of having a supportive and firm Constitution. S/he should explain that a Constitution is like the mother of the group.
- The LO then splits the group into 4 groups (or fewer depending on how many clients can read and write). Each group is given a copy of the Constitution guidance questions and explained which questions they should be discussing. Ask each sub-group to select a Secretary who will take notes of what they discuss and agree.
- Tell the clients they have 10-15 minutes to discuss and agree how to handle each of the questions.
- While the sub-groups are discussing, the LO should go from sub-group to sub-group to make sure they have understood and are really discussing what they are supposed to be.
- After 10-15 minutes the LO asks the sub-groups to come back together and each sub-group to present their discussions to the rest of the group. Remind the group

that the solutions they come up with should be firm, but also very important that they must be kind and supportive.

- As a whole group they should then discuss and decide whether they agree with the decisions suggested by the smaller sub-groups for each question. The group's Secretary should write down each agreed rule in the Secretary's book provided (or photocopy provided for purpose of the training). **The LO must not actively take part in the decision making, but should step in if any of the rules that the group agree to are too harsh and not supportive enough.**
- The Secretary should be told to leave a space at the top to fill in 1. The name of the group, 2. The address of the group, 3. Where the group will be meeting and what times, and 4. The duties and responsibilities of the leaders. [For the purpose of this training exercise it is not necessary to write all of these details.]
- Once all questions have been agreed to, all members sign/thumbprint the bottom of their Constitution.

After you have completed the exercise discuss:

What did the LO do well?

What could the LO improve for next time?

Session 8 – General situations that you may all likely to face (50 minutes)



This case study is not based on a specific Loan Officer or clients, but on general situations that you all may all likely to face.

There is a Loan Officer, let's call him James. He has been working for MicroLoan Foundation for a number of years and is performing fairly well.

He goes to visit one of his groups for repayment meeting number 4 and helps the group with some of their paperwork for the repayment. He is not aware that the group have contributed for two group members, who have been struggling to repay for the second time already.

One of these members has a loan for K40, 000, which is up from her previous loan of K15, 000. She deposited a large amount of savings at the end of the previous loan cycle to access this larger loan. She said she wanted to use her K40,000 loan for a mandasi business.

The other member who is struggling has a child who is sick, so her restaurant business has stopped functioning while she stays in hospital and uses the loan money for medical costs.

James does not know any of this however, and he is happy that the group has repaid. James had a lot of other groups in arrears so did not do training for the group this time.

Two weeks later James attends the group's 5th repayment meeting. He is surprised to find that the group have not brought all the money. He discovers that the group have been paying for these two clients who are struggling at the last two repayment meetings. Now they do not want to pay for them anymore. He discovers that the client with the mandasi business has only spent K4, 000 of her K40, 000 loan on her business. James tells the group they have no choice: they must repay and bank all the money. Then he leaves.

By the time the group is on their 8th repayment meeting, these two clients are very far in arrears. James tells them that they must use their savings to help to clear the arrears. He also says that the group must help to clear the arrears, otherwise they won't get another loan. The Chairwoman tells James that the rest of the group is very unhappy that their next loan will be delayed. She also says that these two members who were struggling will be forced out from the group because they have caused them trouble. Both clients are very sad to be leaving. The client whose child was sick says that she would very much like to repay if she could and take another loan in future.



Group discussion – the problems clients and staff face.

Questions

Write your answers below:

Is the group supportive? Explain

What are some challenges that James faces in his role?

What has caused the client with the mandasi business to be in arrears? Name at least 3 reasons.

Do you agree that the two clients who ended up in arrears should be forced to drop out? Why?

How do you think this situation has affected the satisfaction levels of the group?

Are there any questions?

Session 9 – Product procedure overview (40 minutes)



Mini presentations – divide into 4 groups. Each group is assigned 1-2 sections below. The group should read and understand the Product procedures overview for 5 minutes. Then each group will present back in their own words how they understood the procedure provided. Each presentation should take no more than 5 minutes.

	Product procedures (overview)
Understanding problems clients face (group 1)	Clients' repayments and regular savings will be tracked on an individual basis. A client will be defined as 'vulnerable' if she has not made a full payment. In such a case this client will not be eligible for a loan size increase in the next loan cycle.
Savings (<u>group 2</u>)	<p>Savings are to be protected and using them to clear arrears should be avoided as there is now the Rescheduled Loan option for rescheduling a loan. Clients can choose to use their own savings to clear their own arrears. However clients should be extremely strongly discouraged from using their savings to clear other members' arrears. They can decide to use savings to clear their own (or others') arrears, <u>but this is their own decision</u>.</p> <p>Clients will be allowed to access their savings throughout the LC at a RM, though this counts as a missed savings opportunity. However, they will be required to have 10% of the current loan at the point at which they apply for their loan if they want to increase their loan amount in the next LC (except for the poorest level 1 clients). They also need to save 2% of their current loan per repayment meeting if they are Level 2 clients (1% if they are Level 1 clients) if they want to increase their loan amount in the next LC.</p>
Loan sizes (<u>group 3</u>)	<p>Using lump sum savings to tell us if a loan is affordable is not very accurate because clients can borrow money from e.g. money lenders to boost their savings and access a bigger loan than they can afford.</p> <p>By changing to tracking regular savings we can more easily see a client's cash flow, which tells us more accurately if she can afford the loan she is applying for.</p> <p>Clients will NOT be allowed to increase their loan size in the next loan cycle if they have:</p> <ol style="list-style-type: none"> 1. Less than 10% savings of their current loan size (except for

	<p>the poorest clients),</p> <ol style="list-style-type: none"> 2. Not fully paid all loan instalments on time in the current LC, 3. Missed more than 2 savings opportunities in the current LC. <p>Group members will NOT be allowed to increase their loan size in the next loan cycle if they have:</p> <ol style="list-style-type: none"> 1. 5 or more clients in the group that have missed any repayment in the current LC 2. 2 or more members of the group who took a Rescheduled loan in the current LC <p>There will be a clear and strict loan size increase policy which will be enforced. Musoni will reject loan size increases that do not follow the policy.</p> <p>Loan utilisation checks to be carried out by the group leadership on each group member who is on LC1-2. Group leaders to check each other.</p>
Group supportiveness <u>(group 4)</u>	<p>Clients who have gone into arrears and are classified as 'can't pay but willing to repay' are offered the opportunity to take a Rescheduled loan. The loan is rescheduled according to a more realistically repayable schedule for the particular client. A group has to be defined as a 'functional group' for clients to be eligible to have their loan rescheduled. We will talk more about this later.</p>
Vulnerable clients <u>(group 4)</u>	<p>See above – Rescheduled loan.</p> <p>See above – Tracked on an individual basis</p>

Are there any questions?

Importance of following procedures

It is very important that staff must follow the procedures as you are trained to do them. Although we have extensively piloted and tested these new procedures and made a number of changes as we have gone along, there is a chance that some aspects may

still need to change in future. Therefore if something is not working you will be able to feed this information back to the BM, Regional Manager, COO. You must not make any changes to the procedures yourself.



Discussion – Why do you think it is important not to make changes to procedures without telling the BM, Regional Manager, COO?

Are there any questions?

Session 10 – Microloan Foundation loan products (1 hour 30 mins)

MLF groups contain clients who are on different loan products (except for irrigation farming products where all the members have to be under a farming irrigation product). And Kiva groups are not yet using MLF Watsopano procedures.

This means that in the groups all clients will be repaying monthly (by 'monthly' we mean every 4 weeks).



Discussion – What are some advantages of having clients on different loan products in the same group?



In pairs – There are various aspects of the way each product is designed which makes it different from the other products. Some of these terms we use may be new to you. Working in your pairs define the following;

1. Loan capital
2. Repayment interval
3. Interest rate
4. Saving deposit
5. Disbursement
6. Loan Cycle
7. Repayment meeting
8. Outstanding Portfolio
9. PAR 1 and 30 days

Flat interest rate calculation

It is important that we understand that the amount of interest a client pays is related to how long she has the loan. So, the client will continue to pay interest on her loan for the period of time she has the loan.

MicroLoan Foundation uses what is called 'flat interest rate' though it is indicating 'declining balance' on our loan products. When using the flat rate method, interest is charged on the full original loan amount throughout the loan term, rather than on the

money that the borrower actually has in her hands¹. This means that the amount of interest is charged on the loan right at the start of the loan cycle, even if the client repays quicker than the loan term, she still pays interest for the originally agreed loan term.

'Declining balance interest rate'. Using the declining balance method, interest calculation is based on the outstanding loan balance – the balance of money that remains in the borrower's hands as the loan is repaid during the loan term. As the borrower repays instalments, the remaining loan balance declines over time. Interest is then charged only on the loan amount that the borrower still holds. The idea is that the borrower is only paying interest on the actual money she has in hand at any given time.² This means that the amount of interest the client pays will vary depending on when she repays her loan. The quicker she repays the loan the less interest she will pay; and the slower she repays the more interest she will pay.

How much interest percentage would a client pay who has taken a loan of 4 months, if the monthly charge is 8% flat interest rate?

This is how the products are named in Musoni:

Products name in Musoni	Initials
Monthly – Level 1 - 4 Months – New Client(Declining)	MNC4
Monthly- Level 1 - 6Months (Declining)	ML1S
Monthly – Level 1 -4Months(Declining)	ML1F
Monthly- Level 2 - 4Months(Declining)	ML2F
Monthly- Level 2 - 6Months(Declining)	ML2S
Monthly- Level 2 - 4Months-New Client(Declining)	MNL2
Monthly- Level 2 - 6Months-New Client(Declining)	ML2N
Monthly- Level 3 - 4months(Declining)	ML3F
Monthly- Level 3 - 6months(Declining)	ML3S
Monthly Standard loan-New client-6Months(Declining)	MNCS
Monthly Standard Loan 28%(Declining)	SDD
Maize Loan 8Months(Declining)	mz8
Monthly Kiva 12% Standard Loan(Declining)	MSKD
SOYA 7Months(Declining)	Soy7
WESM Business New Loan(Declining)	WESM
WESM Level2 4Months(Declining)	WESM
WESM MT	WESM MT
Cheka Coop Seed Production	Chek
MLF Watsopano-NEW client- Irrigation Farming loan 6Months(Declining)	Wlr6
MLF Watsopano-Irrigation farming loan 6Months(Declining)	Wlr6

Product	Level 1
Eligibility to take loan	<ul style="list-style-type: none"> • New clients with limited savings capacity • Meet all other MLF eligibility requirements (e.g. women, aged 18+, from same community, none from same family or members of the same household etc) • Note: new clients do not have to start on Level 1; they can start either on Level 1 or Level 2 depending on their savings capacity
Loan cycles	1-3
Interest	8%/month LC1 (6% interest/month plus 1% processing and 1% training fees/month) 7%/month LC2-LC3 (6% interest/month plus 1% fees/month)
Loan period (the same for all Levels)	4 months or 6 months Note: the entire group must agree to the loan period; a client may be on a 6 month loan period earlier than her own LC4 if she joins an ongoing group who are either already on the 6 month loan period or who switch to 6 month loan period when she herself is on LC2 or LC3 as long as more than 50% of the group are on their own LC4 or more
Repayment frequency	Monthly (for 4 month or 6 month loan period).
Initial savings (for first loan)	0%
Savings required for loan size increase	0%
Voluntary savings required for loan size increase	Minimum 1%/ monthly of current loan
Savings withdrawal (the same for all Levels)	All savings can be withdrawn during course of LC at any RM. Any savings withdrawal counts as a missed savings opportunity; any amount saved under the minimum counts as a missed savings opportunity; if savings are not made or are withdrawn in the last repayment meeting this does not count as a missed savings opportunity.
Loan sizes	Maximum MK40,000 LC1 50% increase maximum per LC subject to meeting eligibility criteria
Eligibility for loan size increase	For individuals <ol style="list-style-type: none"> 1. Fully paid each loan instalment in current LC (a missed repayment means the client is defined as vulnerable) 2. Missed no more than 2 savings opportunities in current LC (not including the last repayment meeting) A group is not eligible for loan size increase if <ol style="list-style-type: none"> 3. 2 or more members have rescheduled their loan (this includes if there is a group rescheduled loan (see below)) 4. 5 or more members have missed any repayments (this includes any number of repayments per person)

<p>Eligibility for loan size increase – e.g. rainy season</p>	<p>If clients have reduced their loan size compared to their previous loan size (e.g. in the rainy season), those clients are eligible to INCREASE their loan size based on the loan size prior to their most recent loan size. For them to increase their loan size in this way they must be eligible for loan size increase (see above).</p> <p>Example: a client who got a K15, 000 loan in LC1 but a K5, 000 loan in LC2, would be eligible to get a 50% increase on K15, 000 loan in LC3 as long as she met the eligibility criteria for loan size increase.</p> <p>Note that this requires manual approval from senior management on the system.</p>
<p>Graduation Level 2 to</p>	<p>Clients may stay in level 1 product for up to 3 LCs but no longer; after 3 LCs they must graduate to the level 2 product though loan size increase will be based on level 2 eligibility requirements and % increase cap based on current loan size. All clients graduating from Level 1 to Level 2 must have 10% savings of the loan they are applying for (not their current loan).</p> <p>Clients may graduate to level 2 as early as LC2 or LC3 if they would like to. In order to graduate they must have 10% savings of <u>loan being applied for</u>.</p> <p>Clients who graduate will keep their LC number so e.g. if have completed 2 LCs as level 1 would join at LC3 at level 2.</p> <p>Clients on Level 1 automatically graduate to Level 2 after 3 LCs: to graduate to Level 2, clients must have 10% savings of the loan being applied for. If their loan was rescheduled in LC3 and even after they have graduated to Level 2 they cannot get a larger loan size than their most recent loan size in LC3 of Level 1. If a Level 1 client is not able to graduate to Level 2 by not meeting the savings requirements she cannot continue taking loans from Microloan Foundation.</p>
<p>Special notes</p>	<p>Loan utilisation checks to be carried out by group on each new group member who is on LC1-2 and reported in RM1 or RM2.</p> <p>The LO/BM must prioritise Level 1 clients for loan utilisation spot checks, as these clients require more support than other more experienced clients.</p> <p>No more than 50% of a group may be composed of Level 1 clients (see policy booklet).</p>

Does anyone have any questions about Level 1 loans?

Product	Level 2
Eligibility to take loan	<ul style="list-style-type: none"> • New clients with more advanced savings capacity • Clients who have taken a Rescheduled loan in the previous LC with more advanced savings capacity as long as their previous loan was Level 2 or Level 3 • Clients who have graduated from Level 1 loan, either after LC3 or earlier if they have more advanced savings capacity • Meet all other MLF eligibility requirements (e.g. women, aged 18+, from same community, none from same family or household etc)
Loan cycles	1+
Interest	<p>8%/month LC1 new clients, not graduating Level 1 clients(6% interest/month plus 1% processing and 1% training fees/month)</p> <p>7%/month LC2+ clients and graduating Level 3 clients (6% interest/month plus 1% fees/month)</p>
Loan period (the same for all Levels)	The same for all Levels. See details under Level 1 above.
Repayment frequency (the same for Levels 2 and 3)	Monthly (for 4 month or 6 month loan period).
Initial savings (for first loan)	10% of loan being applied for: for all <u>new clients</u> and for all <u>graduating Level 1 clients</u>
Savings required for loan size increase	<p>10% of current loan for LC2+</p> <p>Notes:</p> <ul style="list-style-type: none"> • 10% savings is for <u>CURRENT</u> loan not for future loan being applied for in next loan cycle (except for new clients and graduating Level 1 clients who must save 10% of their planned loan, in other words, the loan they are applying for) • Clients must have 10% savings (at RM3) to increase their loan size in the next loan cycle. However, clients are not required to have 10% savings to access the same size or smaller sized loan in the next loan cycle (unless they are new clients or graduating Level 1 clients).
Voluntary savings required for loan size increase	Minimum 2%/monthly which makes client eligible for 50% loan increase subject to meeting other eligibility criteria
Savings withdrawal (the same for all Levels)	The same for all Levels. See details under Level 1 above.
Loan sizes	<p>Maximum MK100, 000 for the first Level 2 loan. There is no loan size limit for loan size increases up to MK100, 000 as long as the client meets the loan size increase eligibility criteria (see below).</p> <p>Loans of MK100,000 or more are subject to the following loan size increase limits:</p> <p>50% maximum increase per LC subject to meeting eligibility criteria and based on</p>

	<p>regular savings of 2%.</p> <p>A client who has less than 10% in savings and/or has missed more than 2 savings opportunities or missed a full repayment is still eligible to get the same size loan or less than she most recently took.</p>
Eligibility for loan size increase (the same for Levels 2 and 3)	<p>For individuals</p> <ol style="list-style-type: none"> 1. Fully paid each loan instalment in current LC (a missed repayment means the client is defined as vulnerable) 2. Missed no more than 2 savings opportunities in the current LC (not including RM4) 3. 10%+ savings based on current loan amount <p>Note: see above for definition of a vulnerable client.</p> <p>A group is not eligible for loan size increase if</p> <ol style="list-style-type: none"> 4. 2 or more members have rescheduled their loan (this includes if there is a group rescheduled loan (see below)) 5. 5 or more members have missed any repayments (this includes any number of repayments per person)
Eligibility for loan size increase – e.g. rainy season	<p>If clients have reduced their loan size compared to their previous loan size (e.g. in the rainy season), those clients are eligible to INCREASE their loan size based on the loan size prior to their most recent loan size. For them to increase their loan size in this way they must be eligible for loan size increase (see above).</p> <p>Example a client who got a K50, 000 loan in LC3 but a K20, 000 loan in LC4, would be eligible to get a 50% increase on K50, 000 loan in LC5 as long as she met the eligibility criteria for loan size increase.</p> <p>Note that this requires manual approval from senior management on the system.</p>
Graduation to Level 3	<p>Clients graduate to Level 3 automatically if they</p> <ul style="list-style-type: none"> • Have taken a loan of MK150,000 or more AND • Are in LC4+ AND • Have not been classified as vulnerable in or current LC (i.e. fully repaid each loan instalment in current LC)
Special notes	<p>Loan utilisation checks to be carried out by group on each new group member who is on LC1-2 and reported in RM1 or RM2</p> <p>A client can take a loan of more than MK150, 000 in Level 2 (as long as they are eligible for this size loan) and if they are not yet in LC4. The only difference compared with Level 3 is that such a client would still be paying the Level 2 interest rate and not the cheaper Level 3 interest rate.</p>

Does anyone have any questions about Level 2 loans?

Product	Level 3:
Eligibility to take loan	<ul style="list-style-type: none"> • Taken a loan of MK150,000 or more AND • In LC4+ AND

	<ul style="list-style-type: none"> Not been classified as vulnerable in the current LC (i.e. fully repaid each loan instalment) AND
Loan cycles	4+
Interest	6%/month (5% interest/month plus 1% fees/month)
Loan period (the same for all Levels)	The same for all Levels. See details under Level 1 above.
Repayment frequency (the same for Levels 2 and 3)	The same for Levels 2 and 3. See details under Level 2 above.
Savings required for loan size increase	<p>10% of current loan</p> <p>Notes:</p> <ul style="list-style-type: none"> 10% savings is for <u>CURRENT</u> loan not for future loan being applied for in next loan cycle Clients must have 10% savings (at RM3) to increase their loan size in the next loan cycle. However, clients are not required to have 10% savings to access the same size or smaller sized loan in the next loan cycle.
Voluntary savings	Minimum 2% monthly
Savings withdrawal (the same for all Levels)	The same for all Levels. See details under Level 1 above.
Loan sizes	<p>Maximum 50% increase per LC based on meeting eligibility criteria. Loan size cap MK1, 000,000.</p> <p>A client who has less than 10% in savings and/or has missed more than 2 savings opportunities is still eligible to get the same size loan or less than she most recently took.</p>
Eligibility for loan size increase (the same for Levels 2 and 3)	The same for Levels 2 and 3. See details under Level 2 above.
Eligibility for loan size increase – e.g. rainy season	<p>If clients have reduced their loan size compared to their previous loan size (e.g. in the rainy season), those clients are eligible to INCREASE their loan size based on the loan size prior to their most recent loan size. For them to increase their loan size in this way they must be eligible for loan size increase (see above).</p> <p>Example a client who got a K90, 000 loan in LC8 but a K50, 000 loan in LC9, would be eligible to get a 50% increase on K90, 000 loan in LC10 as long as she met the eligibility criteria for loan size increase.</p> <p>Note that this requires manual approval from senior management on the system.</p>

Does anyone have any questions about Level 3 loans?

Now we will talk about the Irrigation farming loan. Although this is not a new loan product, some of the processes and procedures for the loan will change to be in line

with the new processes and procedures of all the Level 1, 2 and 3 products. Crop Officers manage maize loan and soy loan products.

Product	Irrigation farming loan 6 months
Eligibility to take loan	The same as for Level 2 (see above)
Loan cycles	Irrigation loan may be given as a first loan. In other words, a client does not have to take a business loan first.
Interest	LC1: 8% per month (48% for 6 months) (6%/month (6% interest/month plus 1% fees/month 1% training fee for new members) LC2+: 6% per month (36% total for 6 months)
Repayment frequency	6 months: Monthly
Grace period	4 months
Initial savings (for first loan) Savings required for loan size increase	10% of loan being applied for: for all new clients and for all graduating L 10% of current loan for LC2+ Notes: <ul style="list-style-type: none"> • 10% savings is for CURRENT loan not for future loan being applied for in next loan cycle (except for new clients and graduating Level 1 clients who must save 10% of their planned loan, in other words, the loan they are applying for) • Clients must have 10% savings to increase their loan size in the next loan cycle. However, clients are not required to have 10% savings to access the same size or smaller sized loan in the next loan cycle (unless they are new clients or graduating Level 1 clients).
Voluntary savings required for loan size increase	Minimum 2%/fortnight which makes client eligible for 50% loan increase subject to meeting other eligibility criteria
Savings withdrawal (the same for Irrigation and all Levels)	The same for all Levels. See details under Level 1 above.
Loan sizes	Maximum first loan is 100,000 Maximum loan size is MK300,000 Maximum loan size increase is 50% as long as client is eligible for loan size increase.
Eligibility for loan size increase (the same for Irrigation loans, Levels 2 and 3)	The same for Irrigation farming loans, Levels 2 and 3. See details under Level 2 above.

Does anyone have any questions about Irrigation farming loans?



Quiz time! You have 5 minutes to read through this information again and remember as much as possible about all the products.

Questions	Answers
1. What interest including fees would a new client on Level 1 or Level 2 be on per month?	
2. What interest including fees do you pay on Level 1 or Level 2 on your second Loan Cycle per month?	
3. What interest including fees do Level 3 clients pay per month?	
4. What loan period could any group be on?	
5. How much in savings does a new Level 1 client have to have banked before getting her first loan?	
6. How much in savings does a Level 1 client have to have banked to graduate to Level 2?	
7. How much in savings does a new Level 2 client have to have banked before getting her first loan?	
8. How much in savings does a Level 2 or Level 3 client have to have banked to get a bigger loan next cycle?	
9. How long can a Level 1 client stay taking a Level 1 loan?	
10. What is the maximum first loan size for a Level 1 client?	
11. What is the maximum first loan size for a Level 2 client?	
12. Can a Level 2 clients take a loan of MK150,000 or more?	
13. What is the maximum loan size	

increase for a Level 1 client?	
14. What is the maximum loan size increase for a Level 2 client who is applying for a loan of less than MK100,000?	
15. What is the maximum loan size increase for a Level 2 client who is applying for a loan of more than MK100,000?	
16. A new client has done business before and is confident. She also can save a bit. What level loan should she take?	
17. How much should a client save every repayment meeting if she is on Level 2?	
18. When can savings be withdrawn?	
19. How much in savings can clients withdraw each time?	
20. What 3 things must a Level 2 or Level 3 client do to be eligible for a bigger loan in the next loan cycle?	
21. What happens if 2 members of a group have taken a Rescheduled loan?	
22. What are the 2 things that a group member is not eligible for if 5 members of a group have missed making full repayments 1 or more times each?	
23. What clients are loan utilisation checks done on?	
24. What makes a client eligible to take a Level 3 loan?	
25. In special cases where a client dropped her loan size in the current LC but may wish to go back to her previous loan size this is possible but the client has to meet certain criteria. What are they?	

Are there any questions before we move on?

Session 11 – Forms summary (50 minutes)

		Name	Definition
Application		Group registration form	This form is used to indicate the location of groups.
		Client registration form (if no tablets)	This is used to collect information to register a new client in Musoni when tablet is not available at the group. Registration of new clients takes place before

	only)	the loan application meeting. Add national ID
	Training register	To collect information on clients' attendance at pre-disbursement, transition and maize loan training as well as new clients' attendance of RM2 to RM4.
	Individual application form	This form is used by new and ongoing clients to apply for a loan. This form has a client business plan.
	Group picture numbering guidance	This form should be printed and used by the LO when numbering the Individual application forms based on the group picture.
	Loan agreement letter/form	Agreement signed by LO and leaders of the group to agree on the conditions of the loans.
	Village's headman letter	Letter signed by the village headman who acts as a sponsor for the group and witnesses the loan application process.
	Loan application check list (LAPCL)	List that has to be completed by BM, RM, COO and /CEO to check that procedures have been followed.
	Request for Account Balance	This form should be printed and used by LO when obtaining the groups bank balance from the bank. This form should also be used to reconcile the savings account in the bank and in Musoni by the LO. This form will be checked by BM and RM.
	End of cycle survey	This is the form that the Loan Officer use to calculate and reconcile the group's savings. The template is saved at each branch's laptop or desktop.
	Saving withdrawal request and exit form	To request permission from HO to withdraw saving from the bank at the end of the loan cycle.
	Change of signatories letter	To request permission from HO to change bank signatories (no template).
Disbursement	Group recognition test results and recommendation form	This form is used by the BM for the recognition test of the group/client before the disbursement takes place.
	Watsopano report	The form is printed from Musoni by BM and kept in the groups folder. This form is signed by all the members during the disbursement meeting at the branch to assess clients' attendance and sign at bank/branch when the clients receive the money. This form will be sent back to HO with cash returned and actual first repayment date information.
	Loan utilisation check list	This form is used by the leaders to check the utilisation of the loan by the member of the group.

Repayment		Group repayment slip	This form is used by BM to ensure that the clients are giving the deposit slip to the branch and to communicate the repayment information to HO (collection number, group, etc).
		Group repayment slip-cash handling	Same as above but should be used when the cash has been handle by BM in case of arrears collection (exceptional).
		Treasurer's book	The treasurer book is used by the treasurer to keep track of the member repayments and savings. The treasurer book is printed ahead of each group meeting from Musoni (every Friday). At each repayment meetings, one copies of the Treasurer's book will be taken to stay in the loan package; two copy will stay with the group, one copy to be given to the BM by the group after depositing the money and sent to HO alongside the Group repayment slip. The last copy stays with the group, and the LO must staple the group's copies together.
		Detailed weekly plan and review	This is the template that the Loan Officer use to make detailed weekly plan and to review past week repayments, It is saved in each LOs tablet and every week the LO must submit the Detail weekly plan and review every Friday to the BM.
		Late repayment copy	This form is used when clients are making late repayment (i.e. not during the group meeting).
		Vulnerable client guidance and discussion form	This form is used by the LO to categorise the vulnerable clients and help them to find the right solution.
Rescheduled		Rescheduled loan agreement form	The Rescheduled loan agreement is signed by a member who is taking a Rescheduled loan. The agreement provides the new repayment schedule and breakdown.
Group forms		Secretary book	Used by the group to record information on the group and procedures (constitution, leaders, Register)
		Client passbook	This form is used by the members to keep track of their repayments and savings.
Musoni		BM check list	This check list should be printed and attached on the wall. BM has to refer this before performing any action in Musoni and before disbursement

Are there any questions?

Session 12 – Increasing caseload (20 minutes)

Increasing Loan Officer case load is one of the important objective

The reasons why increased caseload are important:

- The number of clients per Loan Officer has a big impact on the efficiency of the organisation's activities. A bigger caseload improves the income because more clients are repaying interest, without generating a big increase of overheads, especially if the average size of the groups is increasing.
- It improves the sustainability ratio of the operations (higher income for nearly the same overheads).

- Achieving a high sustainability ratio means we can continue to operate in the long term, providing services to clients and jobs for its staff over many years.

Caseload is measured by the number of active clients in a month. Every LO must achieve a caseload of 500 active clients at the end of each month. This means that in reality LOs will need to have **more than** to achieve this target. We will have a session on KPIs including caseload when we talk about HR issues later.

Definition of active clients:

These are clients who are active at the end of month. This means that if a client has finished her loan during the month, but does not have a new active loan in Musoni, this client is not counted as active. Only clients with an **ACTIVE** loan in Musoni as off the end of the month will be counted.

The following operational changes takes place in order to increase caseload:

1. LOs will be based in the community and over time there will be no branch office. This will mean that LOs will be allocated a geographical cluster of groups which can be serviced more quickly, allowing for a larger number of groups to be managed by each LO.
2. Greater involvement of traditional authorities in group formation, when going into a new community. This will ensure that everyone in the area will more aware of MLF and there will therefore be greater client recruitment opportunities.
3. Pre-disbursement client training will be more intensive and take place over 1 week (rather than 2 weeks as currently). Training new groups will only be done in the afternoons, allowing time in the morning for repayment meetings. There are 7 new pre-disbursement modules which you will be trained in later this week. This more intensive pre-disbursement training will allow groups to be formed more quickly and give MLF greater competitive advantage against other MFIs which are able to give new groups their first loans very quickly. (See Client training workbook)
4. LC2+ modules will be trained less frequently. Experienced groups will be trained once per year, though new groups will still receive the LC2 modules as normal. This will give LOs more time to carry out more meetings each day, and will also ensure that experienced groups do not become bored of receiving the same modules repeatedly. (See Client training workbook)



Discussion – why is increasing caseload is important for MicroLoan Foundation?

What do you think some of the dangers of increasing caseload may be?

What can staff do to overcome the dangers of increased caseload?

Without looking at your workbook, what are the 4 operational changes that are taking place to increase caseload? For each one, what are some advantages of making this change?

Are there any questions?

Session 13 – LOs based in the community (20 minutes)

One important operational change related to the drive to increase caseload is to locate LOs in various communities. This means that LOs will be allocated groups that are in the same geographical cluster and that more groups can be serviced in less time, because you will be based much closer to your clients.

LOs will not be moving immediately. However, from next week many of the processes and procedures will take effect as if you were already all working remote from the branch office.

In time the branch office will be replaced with a smaller BM office.

The following activities will be taking place

BM responsibilities	<ul style="list-style-type: none"> • BM to be in charge of Client Passbooks and security duct tape/envelopes
Disbursements	<ul style="list-style-type: none"> • These must be done by the BM at the BM office
Group meeting location	<ul style="list-style-type: none"> • LOs must still travel to the groups for repayment meetings and training

LOs not required to be at BM office every day	LOs must go straight to their groups first thing every morning and are not required to come to the BM office (branch) every day
Daily LO activities must take place according to the following timings	<p>Mondays to Fridays:</p> <ul style="list-style-type: none"> • Before going to groups: check that day's Treasurer's Books on tablet to ensure that all figures are up to date. If any updates are made, ensure that the Treasurer's Books are updated by hand • 7.30am repayment meeting • 9.30am repayment meeting • 11.30am repayment meeting • 1.30pm repayment meeting • Afternoons: <ul style="list-style-type: none"> ○ data management (via tablets) ○ training new groups ○ follow ups • Final activity of the day: phone the BM to update on day's activities, arrears etc • <u>Note:</u> LOs must only schedule group meetings on Friday MORNINGS so that they have enough time to get to the BM office on time for the mandatory team meeting in the afternoon. Groups scheduled for Fridays should not be problematic groups.
Weekly BM activities	<ul style="list-style-type: none"> • Mornings: disbursements • Weekly LO spot checks: each LO must be randomly spot checked by the BM every week. The BM must vary the times/groups being checked. • Afternoons: data management <p><u>Note:</u> RMs must ensure that BM weekly plans are well</p>

		organised to take into account all above activity
Mandatory attendance at office on Fridays	LO BM	<p>LOs are required to come to the BM office every Friday afternoon for the team meeting. All packages will be submitted electronically.</p> <p>In addition the LO needs to carry out the following:</p> <ul style="list-style-type: none"> • Refuel motorbikes (if not possible where LO is based). • Update workplans for the previous week • Create workplans for the coming week • Treasurer's Books to be printed off for the coming week.



Discussion without looking at your workbooks! – What daily activities must LOs carry out?

What weekly activities must LOs carry out at the BM office on Fridays?

For the BM only: what weekly activities must you carry out?

Session 14 – Going into a new community (30 minutes)

Most of what is outlined below is not new, but we are re-emphasising the importance of carrying out these processes as we are aware that they are not consistently done at present.

Before going into a new community

The BM must carry out a feasibility study which includes a competitor analysis. *Refer to the **Feasibility study template** and ensure that BMs are clear how to use it.*

Before the final decision is taken to enter into a new community the BM must submit the feasibility study to the RM, who gives input as appropriate and approval for entry into this new area.

Do you – and in particular the BM – have any questions about carrying out a feasibility study?

Approaching the Traditional Authority (TA)

There must now be full engagement of the traditional leaders to ensure that everyone in the area is aware of MLF and to maximise client recruitment opportunities.

The following process must be followed:

1. BM meets with the TA to introduce to MLF, get approval for working in his/her area and to arrange a meeting with the Group Village Head (GVH). BM must get permission to carry out a feasibility study
2. BM carries out feasibility study
3. BM meets with the GVH to introduce to MLF, get approval for working in his/her area and to arrange a meeting with the Village Head
4. BM meets with the Village Head to introduce to MLF, get approval for working in his/her area and to arrange a community meeting
5. BM carries out community meeting to introduce community to MLF. This meeting is attended by everyone (men and women) including all potential clients and Village Head. The BM must take time to explain in more detail about MLF to the community, including what products are available, interest calculations, savings, repayments meetings etc.

At this stage the BM must already communicate to the community that they will need to start saving in order to access a loan. The reason this must be communicated early is because pre-disbursement training is being shortened so new groups have less time to make their savings. Emphasis must be on savings made by the client herself, not sourced from e.g. caterpillar loans, loans from friends or family members.

6. LO starts Pre-disbursement training (this will be covered later this week: refer to Pre-disbursement and LC1 client training modules Workbook)



Discussion – What order must activities take place in, starting from before going into a new community?

What must be communicated to clients in the community meeting?

Session 15 – Group composition procedure (20 minutes)

General description	Specific description
Different loan products all in the same group	A group may contain Level 1, Level 2 and Level 3 clients at the same time (including clients who have had their loan rescheduled).
A limit to the number of Level 1 clients in a group (see Policy	If there are Level 1 clients in a group, they must not be more than 50% of the group's membership (e.g. maximum of 10 Level 1 clients in a group of 20; maximum of 7 Level 1

booklet)	clients in a group of 15).
Policy limiting the number of new clients in existing groups (see Policy booklet)	<p>If more than 50% of clients in an existing group are new clients that group must be trained as if it is a new group. <u>All group members (even the ongoing members)</u> must receive all pre-disbursement training modules as you would do for new groups. Training registers for all clients (new clients and ongoing clients) must be attached to the loan package for the loan to be approved.</p> <p>After these groups have received their loans, they must then be trained in LC2+ modules (in other words, LC1 modules can be skipped for existing groups with high number of new clients).</p>

One other activity that is changing is pre-disbursement training for clients. Even though the content is not changing, there will now be 7 modules that you will deliver to new groups (and ongoing groups which have more than 50% new members). These modules are structured similarly to the existing client training modules that you are already familiar with.

There will also be new client training modules for clients in LC1. We will spend more time on these new client training modules after we have completed the training on the new methodology.

Are there any questions?

Session 16 – Loan application procedure (1 hour 30 minutes)

Refer to New forms summary' or your example forms as necessary for an overview of what forms are required for loan application procedures.

Step 1: RM2– Registration and saving accounts creation; completion of business plans

All groups

At RM2 all clients must be given their **Individual application form** to fill in the business plan section ahead of RM3. The reason for doing this before RM3 is to save time at loan application stage.

Clients who are not able to read or write must do this section with assistance from other group members who are able to read and write. The LO must give clear instructions on how the business plan is to be completed. Note that for new clients the budgets carried out in pre-disbursement training can be used to complete this.

Clients must bring their completed business plans to RM3.

TRANSITION GROUPS ONLY: Loan applications must take place in RM4 (or RM6 if the group is on a 6 month loan). Loan application must be done at this time to ensure that everyone in the group has fully repaid their loans and to ensure that we capture the correct savings balance for each client in Musoni.

Clients should be reminded that it will be their saving balance at the time of the loan application (i.e. RM3/RM5) that will determine their eligibility to loan size increase.

New

All the new groups have to be registered in Musoni ahead of the loan application meeting.

All the new clients have to be registered in Musoni ahead of the loan application meeting. If a new client is not registered the day of the loan application, the client will either not be able to apply for a loan or the loan application meeting will have to be postponed.

At the group:

- LO to complete the **Group registration form**
- LO to register new group on tablets
- LO to register new client on tablets for ongoing group
- LO to use the **Client registration form** for clients in new groups and capture information after the group has been approved by BM.

IMPORTANT: it is not possible to register clients if the group has not been approved by the BM in Musoni. New group will have to be captured ahead of the client registration to allow time for the group to be approved by BM.

- LO to synchronise the information captured on tablet:
 - New group
 - New clients

At the branch:

- BM to approve new group referring to the **BM check list**

- BM to approve new clients referring to the **BM check list**

All the new group and clients must have been approved ahead of the loan application meeting.

Step 2: RM3 - processes and procedures before and during the group meeting

Note: this must take place at the last repayment meeting for TRANSITION GROUPS.

Before the meeting with a group the LO must ensure:

- that the Treasurer's book has been printed and the most up to date version is uploaded on the tablet (to update the printed version form if needed)
- that no clients in the group is in arrears checking every individual loans based on the **latest Treasurer's book copy** not overall situation of the group. If any client in the group is in arrears at the end of RM3 meeting, the LO must not proceed with the loan application

During the group meeting

ALL clients	<ol style="list-style-type: none"> 1. <u>Note that clients must be clear that they are signing for a requested loan size that is still subject to approval and possible revision at Head Office if any procedures are found not to have been followed</u> 2. LO completes the Individual application form which contains a short business plan which should have been filled in by client ahead of application. 3. LO captures each client loan on tablets. 4. LO captures Social assessment on tablets for clients in 'Progress' groups only (PPI and Outcomes questionnaires). Social assessment has to be carried out on all new, ongoing and exiting clients in 'Progress' groups. 5. Group photograph is taken using the tablet. <u>Only members who have signed for a loan are allowed to be in the group photograph.</u>
Ongoing clients	<ol style="list-style-type: none"> 1. Before the loan application, the LO must refer to the Treasurer's book on tablets to check if any clients are in arrears 2. The LO must refer to the Treasurer's book (and use the group's Client Passbook if necessary) which tells the LO whether each individual client is eligible for loan size increases (no. of missed repayments and missed saving opportunities ; saving balance
New clients (in new or ongoing	<ol style="list-style-type: none"> 1. New clients are only allowed to start saving at loan application. Before this time they cannot make savings because they are not yet registered on Musoni.

groups)	
Resting clients	<ol style="list-style-type: none"> 1. If a client returns having rested for less than 10 months she is eligible for the level of loan size increase as previously established in her last loan cycle (LC). In other words if a client's previous LC was LC4 then her next LC will be LC5 and her loan size increase will be based on the loan size in LC4. For this to be possible <u>the client must have her client passbook and Musoni client ID reference , and the client ID must be written down on the Individual application form, noting whether she is returning before/after 10 months and if her last LC she was eligible for loan size increase</u> . Note that any returning client whose Musoni client ID is not written down on the Individual application form will be treated as a new client and only be allowed the maximum loan size of a new client. 2. If a client returns after more than 10 months she keeps her client ID but is treated as a new client although she can keep her LC number if the client ID is provided. (See procedures above for new clients)
Level 1 clients	<ol style="list-style-type: none"> 1. if there are Level 1 clients they must be given the option of not attending the disbursement meeting though they are welcome to attend if they wish 2. it must be made clear to the rest of the group that the group leaders are responsible for carrying the Level 1 clients' loans back to the village after disbursement and handing it over to the client. 3. LO to remind group leaders of how to fill in Client passbooks for the handover of loan cash in the village; note that this handover must be witnessed by Chair, Secretary and Treasurer as well as 2 other group members



Discussion – what 2 things must the LO check before doing a loan application

Are there any questions before we move on?

Step 3: After RM3 - processes and procedures after the meeting by LO

1. LO to synchronise the information captured on the tablet:

- o Loans
- o PPI and Outcomes questionnaire

If not captured during the loan application meeting, LO to capture the following information in Musoni on the same day on the tablet:

2. LO to open the saving accounts in Musoni using the browser on the tablet:

- For new clients after RM3 loan application meeting using the opening balance indicated on the **Individual application form**.

IMPORTANT: if the new client is saving in RM4 after the loan application meeting, this should be written down manually on the **Treasurer's book** and the saving deposit has to be captured in Musoni via group posting.

- For transition clients after RM4 loan application meeting using the opening balance indicated on the **Individual application form**.

IMPORTANT: the opening saving balance for transition clients need to be accurate (i.e. no more saving deposit should be done before next RM1)

3. LO to check that no client is in arrears based on the latest **Treasurers' book copy**

4. LO fills in **Client passbook** for all new clients and indicates client Musoni ID on the front page

5. LO to number the **Individual application forms** using the **Group picture number guidance**.

LO must submit loan application package to the BM on daily basis or BM to receive the scanned packages everyday as per normal BM activities from LOs from operational areas. The package must include the Client passbooks.

Step 4: After RM3 – process and procedures at the branch by BM

After the LO has submitted the loan package, the BM must do the following:

1. BM/LO to print the group photograph and label each client with the numbers 1, 2, 3, 4 etc following the **Group picture numbering guidance**. The clients' faces must not be covered by the number, so they are still able to be identified from the photograph
2. BM to check that no clients are in arrears looking at the latest **Treasurer's book copy** (i.e. all overdue and expected amounts have been repaid by each client)
3. BM to capture the latest repayments and savings in Musoni referring to the **BM check list**
4. BM to capture the saving withdrawal based on the **Saving withdrawal request and exit form** (to ensure that the date indicated is after RM3/RM5 date so it does not count as a missed saving opportunities)
5. BM to withdrawal all savings of transitioning groups from the group savings account in Musoni and communicate the account number to HO Data Supervisor. The communication should consist of:
 - Musoni Group ID, Group Name – Branch and Musoni Savings Account Number.

6. BM to approve and activate the saving account for new and transition clients referring to the **BM check list**
7. BM to check each individual loan in the 'Pending loan approval' list in Musoni one by one referring to the **BM check list**
8. Where a client has taken a smaller loan in the current LC but is now applying for a larger loan (no larger than the previous LC) the BM must 1) check the client's previous loan to ensure that the loan being applied for is no larger than the previous loan size plus a 50% loan increase; 2) check that the client has not classified as vulnerable either in the current or previous LC; 3) write a short explanation on the **Individual application form and on the Watsopano Report** as to why the client is eligible for the loan being applied for and sign the statement
9. The BM must sign and date the same photograph to prevent the photograph being replaced with another group photo showing different clients.
10. BM to download, print, sign and date the **Watsopano Report** for the group.
11. **Loan application checklist (LAPCL)** is filled in at the branch
12. **LAPCL** is attached to package along with all documentation and kept in branch storage.
13. The BM to scan the following documents into a zip folder:
 - Bank balance enquiry and savings withdrawal request form
 - Watsopano report
 - Witness letter from a Local Chief
 - Group photo with clients numbered.
 - Case studies
14. Zip folder is sent to Regional Manager via email
15. RM approves each loan in Musoni referring to the **RM check list** and fills in **LAPCL**
16. Zip folder is sent to HO via email.

Step 5: After RM3 - Processes and procedures at HO

1. Data to process the loan for disbursement (issue cheque/fund transfer)

IMPORTANT NOTE: as a temporary procedure until the group names appear on the 'pending approval' list and 'awaiting disbursement' list in Musoni, Data has to download, print and attach the list of clients and loan amount to the package.

2. CEO/CFO/Accountant to disburse loan in Musoni referring to the **Accountant/FM checklist**
3. **Accountant** to produce the **Instruction letter** for saving withdrawal
4. **Accountant** to approve saving withdrawal based on **Saving withdrawal request and exit form**

5. **Accountant/Data Supervisor** to communicate to branch via e-mail when loan is ready.



Practice session – be in your pairs, fill in the Individual application forms (paper) for each client.

You have 10 minutes for this exercise.

*Ensure that each pair has **4x Individual application forms.***

Group name:	Progress Praise	
Group ref:	0016-0056-1897	
Group leaders:	Memory Banda Yusta Magagula Flora Mwale	Chair Secretary Treasurer
Group repayment period:	4 months	
Group loan cycle	5	

Client name and	Catego	Memb	Busin-	Prev-	Previ	Savin	Loan	L	L	Phone	Repaym
ry	er ref	ess	ious	ous	gs	reques-	e	C	no	ents	

Personal details				loan	loan: vulnerable?	balance in RM3	total	v	el		
Olivia Chiletso DOB: 2/4/82 2 children, 1 orphan	New client		Fritters	-	-	-	20,000	1	1	0999783345	Monthly
Agnes Banda 3 children 0 orphans	Ongoing client	0002-0000-25799	Groceries	70,000	No	€7,800	105,000	2	3	0991398756	Monthly
Veronica Phiri 3 children 1 orphan	Returning client (more than 10 months)	0002-0000-27717	Second hand clothes	150,000	No	15,500	160,000	3	6	0999126579	Monthly
Chipi Jawadu 5 children 0 orphans	Returning client (less than 10 months)	0002-0001-0072	Beans, tomatoes	100,000	Yes	11,000	110,000	2	5	0994477875	Monthly



Discussion – Which clients, if any, were not eligible for loan size increases (even if they asked for them)? Why?

Which clients, if any, need to have the social assessment done?

Are there any questions?

Session 17 – Disbursement procedure (including group recognition test) (1 hour 20 minutes)

Step 6: RM4 – Processes and procedures at the group (ongoing groups) before disbursement

- RM4 takes place in the village facilitated by the LO as normal
- Savings can be withdrawn in RM4 and this does not count as a missed savings opportunity
- Clients must be clearly told that they will not be able to receive the next loan until the previous loan has been fully repaid by all group members. This includes any rescheduled loans for Rescheduled Loan clients who must be fully up to date on repayments
- Where the group has fully repaid all loans (or Rescheduled loans have been agreed before RM4), the group must be disbursed their loan on the same day as their RM4.
- The LO should do a 'practice' Group recognition test already at the group, to check that the group will pass the test which will be done by the BM

Are there any questions?

Step 7: Group recognition test processes and procedures

When to proceed with Group Recognition Test/disbursement?

If a client is absent from the disbursement meeting the group have 2 options:

- 1) They may proceed with the disbursement on that day but the missing client will not receive her loan OR
- 2) They may postpone the disbursement to another day so that the missing client can join and receive her loan. HOWEVER, the repayment date will not be changed so if the disbursement date is later this means that the group will have e.g. less than 4 weeks to repay their first instalment

Group recognition test

Group recognition test takes place immediately before disbursement. Disbursement takes place on the same day as RM4/RM6 (depending if 4 or 6 month loan), unless the group has not fully repaid their loans.

The purposes of the group recognition test are to check whether:

1. all group members meet the eligibility criteria
2. there are no ghost clients (i.e. to prevent fraud)
3. all group members know the processes and procedures of taking a loan (i.e. training has been done properly)
4. all group members understand their rights and responsibilities

Who does the checks?

- These must be carried out by the BM, or by the RM with the BM observing. In the case of satellite branches the BM must also do the GRT as much as possible. If the BM is able to do the GRT then the LO at the satellite must do it. However, the BM must ensure to visit that group and spot check the GRT as a priority within 2 weeks of disbursement.
- The LO for the group must not be present and the LO for the group must not carry out the group recognition test or disbursement. The only exception is where LOs are based on their own in a satellite branch and the BM is unable to carry out the disbursement.
- Where a BM is away or on annual leave, s/he must appoint an acting BM or arrange for the Regional Manager to carry out group recognition tests/disbursements in his/her absence

When is the check done?

- The BM must carry out the group recognition test before s/he disburses the loan at the branch. A group recognition check must be done for every group at every disbursement meeting. When the BM carries out the Group Recognition Test the LO must not be present.
- The BM must make an appointment with the group for the Group Recognition Test/disbursement to take place at the branch

Procedures for Group Recognition Test:

- Group Recognition Test (and disbursement) can only take place once the entire group have fully repaid their previous loan including Rescheduled Loan clients; BM must check latest **Bank deposit slip** and **Treasurer's book copy** to verify full repayment; if any member in the group has an outstanding repayment to be made, the group will not be disbursed their loans
- Only clients who are present will be eligible to be disbursed their loan money. The exception are Level 1 clients who do not have to attend the disbursement meeting (more detail below).

- BM to introduce him/herself to the group
- BM to explain to the group the purpose of the discussion; group given the opportunity to ask questions to clarify
- BM to ask questions using the **Group Recognition test results and recommendations form**; these questions should be different each time so that the group does not anticipate the questions and answers
- BM to decide whether the group passes the test and inform them immediately whether:
 - A. The whole group passes: either with some member failing or all members passing
 - B. The whole group fails but is capable of passing in future
 - C. The whole group fails and is not capable of passing in future

A. If the group passes (either with all members passing or some failing)	B. If the whole group fails but is capable of passing in future	C. If the whole group fails and is not capable of passing
<ul style="list-style-type: none">• The BM must submit the Group recognition test results and recommendations form to HO upon approving a group. The Disbursement form must be submitted at the same time• If individual clients have failed the same procedures must be followed as above, and the Group recognition test results and recommendation form must be marked with any individual members who have failed. Any loans not disbursed to failing clients must be sent back to HO as per normal procedures• The BM must inform the group that all clients in LC1-2 must have loan utilisation checks carried out on them by the group leaders. The results of these checks will be reported back to the group and LO at RM1 or RM2. The BM to train the group leaders in how to use the Loan utilisation checklist	<ul style="list-style-type: none">• The BM to discuss with the LO and clarify any weaknesses in the training or member selection process.• Do not send the disbursement money back to HO• Allow LO enough time to retrain the group• BM to carry out additional group recognition test• If the group passes follow above procedures, and send both the first and second Group recognition test results and recommendation forms to HO with Disbursement form	<ul style="list-style-type: none">• The BM must submit the Group recognition test results and recommendation form to HO• Arrange for disbursement money to be sent back to HO

<ul style="list-style-type: none">• BM to fill in Group recognition test results and recommendations form and discuss with the LO managing the group after the group recognition test and disbursement (if relevant) have taken place. Explain his/her conclusions on why the group was officially recognised or not and any next steps the LO may need to take (e.g. to retrain the group).• BM writes the Savings withdrawal letter for any clients who did not pass the Group Recognition Test, capture the saving withdrawal in Musoni and sends to HO for approval
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<ul style="list-style-type: none">• Clients who have been rejected or were not present at disbursement but who have savings which they wish to
--

withdraw need to attend RM1 to withdraw their savings

- Savings may be withdrawn at the group in RM1



Role play – the BM will now role play the Group recognition test. The rest of the group will be the clients. Details of the group and clients are listed below. Note that just a few clients are listed for practice purposes. The LO is not present! Go through the instructions below to make sure you are clear.

You have 5 minutes to prepare and 10 minutes to do the role play.

About the group

Group name: Tilimbike

Loan period: 4 months

This is a new group

Loan reference: LB22963

About the clients

Member Info	Level	Loan Amount	Stated Loan Use
Asiyatu Phiri (ASPH008)	2	40,000	Fish
Chifunilo Mikwala (CHMI013)	1	10,000	Beans
Ephrida Maleko (EPKA002)	2	25,000	Wrappers
Magret Malizani (MAMA618)	2	30,000	Phones, accessories
Mkulata Chidelu (MKCH001)	1	7,000	Tomatoes

Instructions for trainees playing the group:

- 1 group member named Ephrida Maleko is not recognised by 3 other members of the group
- 1 other group member named Asiyatu Phiri is not able to say what she will use her loan for
- Members can choose how much of their client training they can or cannot remember!



Discussion – did the BM follow the procedures as set out above? Did the BM use the Group recognition test results and recommendation form correctly?

Did the BM introduce him/herself to the group and explain the purpose of the test?

Did any members fail? Which ones and why?

Did the group fail? Why?

For the BM – how do you classify this group? (e.g. passed/failed but capable of passing in future/failed and not capable of passing in future)

What are the next steps for the BM?

Are there any questions?

Step 8 – Disbursement processes and procedures

- Disbursements must be spread over the course of a week. In other words, disbursements must not all be grouped together on one day of the week
- Group recognition tests and disbursements must be done on a group by group basis (in other words, no more than 1 group at a time)
- All clients except Level 1 clients must attend disbursement meeting if they wish to receive their loan.
- Disbursement can only take place after the BM has completed a group recognition test and the group has passed (see above).
- BM must make sure that all clients have their Musoni client ID written on their passbooks during disbursement

Step by step process for disbursements:

At the branch

- Secretary must read out the **Rights and responsibilities document**; the BM must read out the staff pledge
- Secretary must read out the group's **Constitution**
- All group members sign 3x copies of the pre-filled **Disbursement form**. This signing is to prove that they were present at disbursement and for the bank to have a copy of their signature
- BM carries out 3 PPI spot checks (if the group is a 'Progress' social assessment group)

Loan utilisation checks explanation

- BM to explain/remind the group that all clients in LC1-2 must have loan utilisation checks carried out by the group's leaders. The results of these checks must be reported back in RM1 or RM2. The LO should read out the list of clients who are on LC1-2 so it is clear to the group leaders which members need to be checked.
- Group leaders must carry out loan utilisation checks on each other
- BM to go through **Loan utilisation checklist** with group leaders before disbursement has taken place. Note: if member businesses are located far from their home it may not be possible for the group to check all members' businesses. In such cases the LO/BM should assist

Returned cash/clients absent/clients fail Group recognition test etc

- If for any reason a client is not receiving the money as detailed in the **Disbursement form** this money must be returned.
- The BM must complete the bank **Deposit slip** with the amount to be returned



Group leaders only go to the bank
(branches should prioritise group leaders rather than the whole group going to the bank)

- Group leaders take 1 copy of **Disbursement form** to the bank which remains at the bank; plus **Returned cash slip** (1 copy), **Withdrawal of savings slips** (1 copy) and **Withdrawal of loan slips** (1 copy)
- No signature is required at the bank
- Group leaders are issued with

Whole group goes to the bank

- Group takes 1 copy of **Disbursement form** to the bank; plus **Returned cash slip** (1 copy), **Withdrawal of savings slips** (1 copy) and **Withdrawal of loan slips** (1 copy)
- If requested to do so, all group members sign the **Disbursement form** at the bank. This must be witnessed by a bank official
- Group is issued with a **Withdrawal slip** and if they are returning money their

<p>Withdrawal slips (loan and savings withdrawal) and if they are returning money their Deposit slip (pre-filled by the BM) is stamped</p> <ul style="list-style-type: none"> Group leaders are given the money and return to the branch 	<p>Deposit slip (pre-filled by the BM) is stamped</p> <ul style="list-style-type: none"> Disbursement form remains at the bank, and the is taken back to the branch
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<p><u>Group leaders return to the branch</u></p> <ul style="list-style-type: none"> The group leaders take the stamped Deposit slip (if relevant) back to MLF branch The rest of the group are given their loan money at the branch and every group member must sign the Disbursement form to state that they have received their money. This must be witnessed by the BM. (1 copy of Disbursement form stays with the group, 1 for the package) 	<p><u>Whole group return to the branch</u></p> <ul style="list-style-type: none"> Where the whole group has gone for banking, the whole group has to return to the MLF branch after receiving their loan The group takes the Disbursement form and stamped Deposit slip (if relevant) back to MLF branch If the Disbursement form was not signed at the bank as frequently occurs, every group member must sign it now to state that they have received their money. This must be witnessed by the BM. (1 copy of Disbursement form stays with the group, 1 for the package)
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<p><u>At the group</u></p> <ul style="list-style-type: none"> Where a group has Level 1 clients who have not travelled for disbursement, the group leaders must give the Level 1 clients their loans and update the Level 1 clients' passbooks (see below for details) <p><u>At the branch</u></p> <ul style="list-style-type: none"> <u>BM check correct information was captured in Musoni based on the Disbursement form and referring to the BM check list</u> <u>BM captures the saving withdrawal for any clients who had their loan rejected in Musoni</u> BM sends the following back to HO: <ul style="list-style-type: none"> Copy of the Disbursement form with cash returned details per clients and check first meeting date is correct Deposit and Withdrawal slips
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- **Group recognition test results and recommendations form**
- any **PPI spot checks entry form**
- **Saving request** form for **Savings withdrawal letter** for any clients who had their loan application rejected

Level 1 clients:

- Level 1 clients are not required to attend disbursement meetings. If a group includes Level 1 clients the group leaders must sign for and carry the Level 1 clients' loan money back to the clients in the village.
- Level 1 clients have the option of rejecting cash handling by their group leaders if they wish to travel themselves to the trading centre where the branch is located e.g. for restocking purposes.
- Where cash handling has taken place, group leaders must update Level 1 clients' passbooks with the loan amount received and the date received. The handover of the loan must be witnessed by the Chair, Secretary and Treasurer as well as 2 other members of the group. The LO will check and sign the Level 1 Client passbooks in RM1 to make sure this has been done.
- If a Level 1 client is a group leader she does have to travel for disbursement

Are there any questions?

Session 18 - Repayment meeting and savings procedures (1 hour)

The BM must keep **Client passbooks** and security duct tape locked away in a secure area, and issue them to LOs on a needs basis only. Each LO will be given 1 roll out duct tape at a time. All BMs must ensure they have a secure area e.g. lockable filing cabinet available for this purpose. Nobody except the BM is allowed to access and issue the **Client passbooks** and security duct tape.

The BM must ensure s/he has a good supply of **Deposit slips** at the branch so as to prevent delays to repayments.

Procedures for all repayment meetings

Before all repayment meetings:

LO must remember to take the following items/documents to each RM:

- Security duct tape
- Cash envelope
- 3 copies of that particular repayment meeting's **Treasurer's Book** sheets. IMPORTANT NOTE: LO must check the printed **Treasurer's Book** copies with the most recent version uploaded on the tablet before each repayment meeting, and update the **Treasurer's Book** copies with any updates by hand as needed.
- Stapler: LO must ensure that group's **Treasurer's Book** copies are stapled together so they do not lose them
- Carbon paper (2 sheets): carbon paper must be used when filling in the **Treasurer's Book** and copies must not be individually hand written to prevent errors
- Training materials
- **Deposit slips**

LO must put the following into the loan package:

- Completed copies of **Treasurer's Books** sheets

At all repayment meetings:

The following order for activities must be followed:

1. Member roll call
 - Secretary records group members who are present or absent in the **Secretary's book**. LO checks that this has been done.
2. Client training
 - Training must be done before any other activity takes place in the meeting, that is, before any savings, repayments, meetings with vulnerable clients etc.

3. Record member fines in **Treasurer's Book**
4. Members make their savings
 - These are recorded in the **Treasurer's Book** (3 copies) and **Client passbooks** by the Treasurer
5. Repayments
 - Members make their repayments only once savings have been made
 - These are recorded in the **Treasurer's Book** and **Client passbooks** by the Treasurer
 - The LO must not leave the meeting until the **Treasurer's Book** has been completed, taking one copy for the package and ensuring that the other copy is taken by the clients to the BM office that same day
6. Members withdraw their savings (more details below)
 - Withdrawal of savings at the group in current RM
 - Agree on which clients are to be prioritised for savings withdrawal in the next RM and record this in the **Secretary's Book**
7. Vulnerable client discussion (if there are 5+ clients who are vulnerable this does not need to take place – see Session 15)
 - The LO identifies any clients who are vulnerable based on whether they have not made a full repayment in that repayment meeting.
 - The vulnerable client discussion takes place with the rest of the group, even if the client who has not brought the full repayment is not present.
 - The LO uses the **Vulnerable client discussion form** to guide the discussion and must follow the instructions on the form. The LO must fill in one form per client who has been identified as vulnerable in that repayment meeting.
 - At the end of the discussion the group and the LO agree what the next steps will be e.g. whether the client will be able to repay on her own, whether the group will offer long-term support, or whether the client would like to reschedule her loan (see sessions 15-16 for more details). If the group has 5+ clients who are vulnerable then arrears collection policy must be followed.

IMPORTANT NOTES:

- Ensure you are following the repayment schedules that have been captured in Musoni (i.e. Repayment date indicated on the Treasurer's book). This repayment

date correspond to the date when the money is **expected to be banked.** Therefore, if the group is banking a day after the meeting, you need to meet with the group a day before the repayment date indicated in Musoni.

- If you do not follow the schedule and **repayments are not banked on time:**
 - the group will appear in arrears
 - the clients will appear as vulnerable and not eligible to increase their loan size as it will be counted as a missed repayment and missed saving opportunity
- Ensure the repayments are recorded under the correct client's name. If a client contributes for another client, the amount needs to be recorded under the client she is contributing for.
- **Clients' overpayments in a group do not cover other clients' arrears. Therefore, if at the end of the loan cycle some clients have overpaid while some other are in arrears, the group will not be able to recapitalise.**
- Ensure that information on **Treasurers' book copy** matches information on **Clients' passbook**, especially the loan balance and saving balance.
- Ensure that the group are reminded they must give a copy of the **Treasurer's Book** to the BM after banking
- Ensure that the group are told to look after their **Treasurer's Book** copies and keep them safe

Banking:

- At every repayment meeting the LO must bring a cash envelope and security duct tape. The LO must not give a supply of envelopes and security duct tape to the group, but must bring one to each RM.
- The group Treasurer will fill in **Deposit slips (repayment and savings)** and put these inside the cash envelope; savings and repayment money are put in separately inside the cash envelope so that they are not mixed up (e.g. in small separate bags, or with elastic bands).
- All cash (repayments and savings) to be banked will be counted and verified by the LO and put inside the cash envelope, then the envelope will be sealed in the LO's presence using the security duct tape issued by the BM. Once the envelope is sealed it must be signed by the LO and either the group's Chair or Secretary. The signatures must go across both the tape and the envelope.
- Clients going for banking will take the sealed cash envelope to the bank; the bank teller will open the envelope and carry out normal banking procedures
- Bank staff will be instructed only to only accept money from clients within a cash envelope sealed with the security duct tape and with the LO and group leader's signatures. This will be included in audit checks to ensure compliance
- If the cash envelope has been opened before the teller opens it the teller will refuse

the payment and the clients must return to the MicroLoan branch to get a new envelope and security duct tape; when the new envelope is sealed it must again be checked by the LO

- When the group indicates they will make additional or late repayments (e.g. if full repayment was not made, or the overall repayment is late):
 - The BM is only allowed to issue a cash envelope to the LO after the LO has confirmed that the group did not make a full repayment in that group meeting
 - The LO makes a follow up visit to the group and carries out the procedures as above and a **Late repayment copy** must filled in (i.e. not a normal **Treasurers' book**)or
 - The group visits the MLF branch to receive a cash envelope and security duct tape, and carries out the procedures as above and a **Late repayment copy** must filled in (i.e. not a normal Treasurers' book)

After Banking

Groups

- After banking, clients must submit the **Treasurer's Book**, **Deposit slip** to branch office, and be issued with a **Group repayment slip**
- For branches where the group does not bank close to the BM office, the LO must send the **Treasurer's Book** and **Deposit slips** via messenger (e.g. minibus driver) twice per week on Wednesdays and Fridays.

MLF staff

- BM completes and attaches a **Group repayment slip** to the **Treasurer's Book** copy and **Deposit slips**.
- In cases where incomplete payments and follow-up payments are made after the original repayment date, a **Late repayment** must be filled in.
- A separate **Group repayment slip** has to be attached to the **Late repayment copy** and **Deposit slip**.
- All discrepancies between **Treasurer's Books** and **Deposit slips** must be resolved before the BM captured the data in Musoni. Any discrepancies will result in the data not being captured by BM or rejected in the system by HO.
- After checking the accuracy of the information for both repayments and savings referring to the **BM check list** , BM to capture the repayments, savings and savings withdrawal in Musoni.
- BM indicates clearly 'Data captured' on the **Group repayment slip** and send a copy

of the **Treasurer's Book**, **Deposit slip** and **Group repayment slip** to HO for repayments and saving deposits and withdrawals to be approved.

- A copy of the **Treasurer's Book**, **Deposit slip** and **Group repayment slip** are attached to the package
- BM must capture the repayments/savings received from the group the same day in Musoni.



Work out the order – without looking at the pages above and working on your own, fill in the below table. You have 3 minutes.

Your task is to put the activities into the correct order: write the numbers 1-7 next to the activity	Activities at repayment meeting
	Members make their savings
	Members withdraw their savings
	Members make repayments
	Member roll call
	Feedback on support given to vulnerable group members
	Client training
	Record member fines in Treasurer's Book



Discussion – How does banking procedure work with cash envelopes and security duct tape?

Why is it important for the repayments/savings to be banked on the date indicated on the Treasurers' book?

How should you handle a situation where a group is far from the bank and has to bank a day after the group meeting?

Why is it important for the LO to stay until the Treasurer's Book has been fully completed?

What do groups and MLF staff have to do after banking?

How often must documentation be sent to Head Office by the BM?

Procedures for specific repayment meetings

RM1

Loan utilisation checks – explanation/reminder .

- Loan utilisation checks must be carried out on all new clients, either in new groups or ongoing groups. All new clients must have loan utilisation checks done in their LC1 and LC2
- LO to explain/remind the group that all clients in their own individual LC1-2 must have loan utilisation checks carried out by the group's leaders. The results of these checks must be reported back in RM1 or RM2.
- Group leaders must carry out loan utilisation checks on each other
- If individuals refuse to have checks done on them (e.g. stating they have not yet stocked their business) they must be instructed to phone the BM once they have stocked; the BM must then carry out the check
- LO to go through **Loan utilisation checklist** with group leaders if they are unclear (though this should also have been done by the BM at disbursement)
- In some cases (e.g. where clients' businesses are far from their homes) it may not be possible for group leaders to do all the checks themselves. In such cases the LO/BM should spot check these additional clients

Loan utilisation checks – feedback by group leaders to group. Note: this is part of LC1 training modules 1, 2 and 3 and **MUST** be done each and every loan cycle where there are clients in LC1-2 even if the training modules do not explicitly state that it must be done.

- Group leaders to present back their findings from the loan utilisation checks on any clients in LC1-2; leaders should present back on each other, not on themselves
- LO to attach completed **Loan utilisation checklists** to package

Group photo check

- Check the group photo against the clients attending the meeting to be sure that the clients using the loan are the same as the clients who attended the training/application/disbursement meetings

If there are Level 1 clients in the group

- LO to check whether Level 1 clients have received their loans which were carried by the group leaders from the disbursement meeting at the branch: this must have been recorded in the Level 1 **Clients' passbooks**, signed by the client and witnessed by 5 other clients (3 group leaders plus 2 non leaders). The LO must sign the **Client passbooks** of Level 1 clients to verify that s/he has checked it has been updated correctly
- LO to check the photograph of the Level 1 clients against the Level 1 clients attending the RM to ensure there is no fraud, ghost clients etc

	<p>If member was rejected at Group recognition test stage but needs to withdraw savings</p> <ul style="list-style-type: none"> • Provided the other group members have saved enough in RM1, the exiting client should withdraw her savings at the group rather than travelling to the bank. Withdrawal of the exited client's savings at the group must be prioritised. The Treasurer must write up the client's savings withdrawal in the Client passbook. • If withdrawal of savings at the group is not possible, the former member must be given the Savings withdrawal letter and travel with the group signatories to the bank to withdraw her savings. The Treasurer must write up the client's savings withdrawal in the Client passbook. Travelling to the bank to withdraw savings mid-loan cycle is not the preferred choice and should be avoided where possible.
RM2	<p>Loan utilisation checks – final feedback by group leaders to group</p> <ul style="list-style-type: none"> • loan utilisation checks feedback on any clients in LC1-2 to be carried out by the group's leaders • LO to attach completed Loan utilisation checklists to package • <u>Loan utilisation checks must have been completed by this meeting</u> <p><u>NOTE:</u> if the LO or BM spot checks of Loan utilisation checklists find that the client has not used the loan as she had originally stated, this must be reported back in the next repayment meeting to the rest of the group. This should act as a deterrent to ensure that clients use their loans for the intended purposes.</p>
RM2-4	<p>New clients</p> <ul style="list-style-type: none"> • Any clients wishing to join the group must attend RM2, RM3 and RM4 • Training registers must be completed and submitted as part of the loan package for the client's application to be approved. If the new member does not attend RM2, RM3 and RM4 and have training registers completed for these meetings she will not be allowed to take a loan • New clients must be registered in Musoni before the loan application meeting



Memory test – before you start the activity, put your workbooks on the floor under your chairs so you cannot see them. Break into small groups of 2-3 per group. Working in your small group, write down:

- ✓ **4 activities that need to be done in RM1**
- ✓ **1 activity that needs to be done in RM2**
- ✓ **1 activity that needs to be done in RM2-4**

The activities need to match what was on the list provided to you. You have 5 minutes.

Why is it important for the LO to tell the rest of the group when spot checks made on the Loan utilisation checklist has revealed that the client did not use the loan for the intended purposes?

Session 19 – Savings withdrawal procedure (50 minutes)

There are two ways for clients to withdraw savings:

1. At the group: savings can be withdrawn at any RM, using the savings made by other clients at that same meeting. This session will detail this option only.
2. From the bank: at the end of the LC. Current procedures remain unchanged and will not be detailed here.

General procedures

- The savings that clients withdraw will be taken from the savings made that repayment meeting by other group members; this means that the savings will be available immediately and that clients will not need to pay travel costs to go to the bank
- Savings are only allowed to be withdrawn by group members who are present at the particular repayment meeting. Savings are not allowed to be withdrawn by members of the group on behalf of other group members who are absent.
- Savings withdrawal at the group must be recorded by the Treasurer in the **Treasurer's Book**; the LO must sign that s/he has witnessed each clients' savings withdrawal in the **Treasurer's Book**
- Clients are allowed to withdraw up to the full amount of the savings they have saved in the bank if this amount is available at the group meeting; a client can only withdraw up to the amount that is saved by the other group members on that particular day only
- Clients can withdraw savings in any RM including RM3 and RM4. However a client's savings balance is assessed at the loan application stage (i.e. RM3 or RM4) and if she drops below 10% of her current loan size she will not be eligible to increase her loan size in the next LC. If she has dropped below 10% at the point of loan application she can still take the same size or smaller size loan in the next LC though this is subject to LO/BM discretion. For example, if the loan application takes place in RM3 the client must have 10% savings of her current loan/planned loan (see Session 3 for Overview of loan products for more details); however, if the loan application or approval of loan application is pushed to RM8 she must maintain the 10% savings in this repayment meeting.
- Clients can withdraw savings in RM4 and this will not count as a missed savings opportunity. If savings are not made in RM4 this will also not count as a missed savings opportunity. However if clients withdraw savings in RM4 before loan application is made or approved they must ensure they do not drop below 10% savings if they wish to increase their loan size
- Saving withdrawals made at the bank at the end of the loan cycle do not count as missed saving opportunities. Saving withdrawals at the bank will be recorded on **Saving withdrawal request and exit form** as per current methodology (not on the **Treasurers' book**)

Remember: if a client withdraws savings it will count as a missed saving even if she saves. Therefore, a client should NEVER save and withdraw in the same meeting but should instead save less.

Agreeing on savings to be withdrawn in current RM

- Refer to **Secretary's Book** to remind group what they agreed last RM on which clients should be allowed to withdraw their savings. If emergencies have arisen between the last RM and this meeting or if less than expected savings were made, the group may agree to change which clients are prioritised for taking out savings.
- Group to update **Treasurer's Book** and **Client passbooks**.
- LO to sign **Treasurer's Book** to prove that s/he witnessed the withdrawal of savings

Agreeing on savings to be withdrawn at the next RM:

- Group discussion on members who would like to take out savings in the next RM (subject to change depending on how many clients save in that meeting and whether any clients have an emergency in the interim). Group agrees which members will be prioritised next RM and this is recorded in **Secretary's Book**
- If for whatever reason a client's request to withdraw savings has not been recorded in the **Secretary's Book** and she would like to withdraw savings, she is allowed to do so. This is as long as 1) she has enough savings, 2) the group has made enough savings in that repayment meeting and 3) there are no other more urgent requests for savings withdrawals from other members



Discussion – If a client has 10% savings of her current loan in RM3 and the loan application is pushed to RM4 and she withdraws savings in RM4, will she be allowed to increase her loan size in the next LC?

Are there any questions on the above?



Role play – break into 2 groups: In both groups the client wanting to withdraw savings is present at the RM

- **Group 1: at the previous RM the group have agreed that 1 client will withdraw K3,000 (she has enough savings in the bank). At the meeting the group have saved K3,500 but another client has had a medical emergency because her child is sick so also needs to withdraw K2,000 (she has enough savings in the bank). One person should be the LO and the others the clients to arrange how to deal with this situation. Update the Treasurer's Book and Client passbooks as appropriate.**

- **Group 2: at the previous RM the group agreed that 2 clients will withdraw savings: K2,000 and K2,500 (both clients have enough money in the bank). The group has saved K4,000 in the repayment meeting. One person should be the LO and the others the clients to arrange how to deal with the situation. Update the Treasurer's Book and Client passbooks as appropriate.**

You have 10 minutes to prepare your role play, and 5 minutes per group to deliver your role play.



Discussion – Did both groups follow the procedures as they are set out above? If no, what was not done according to the procedure?

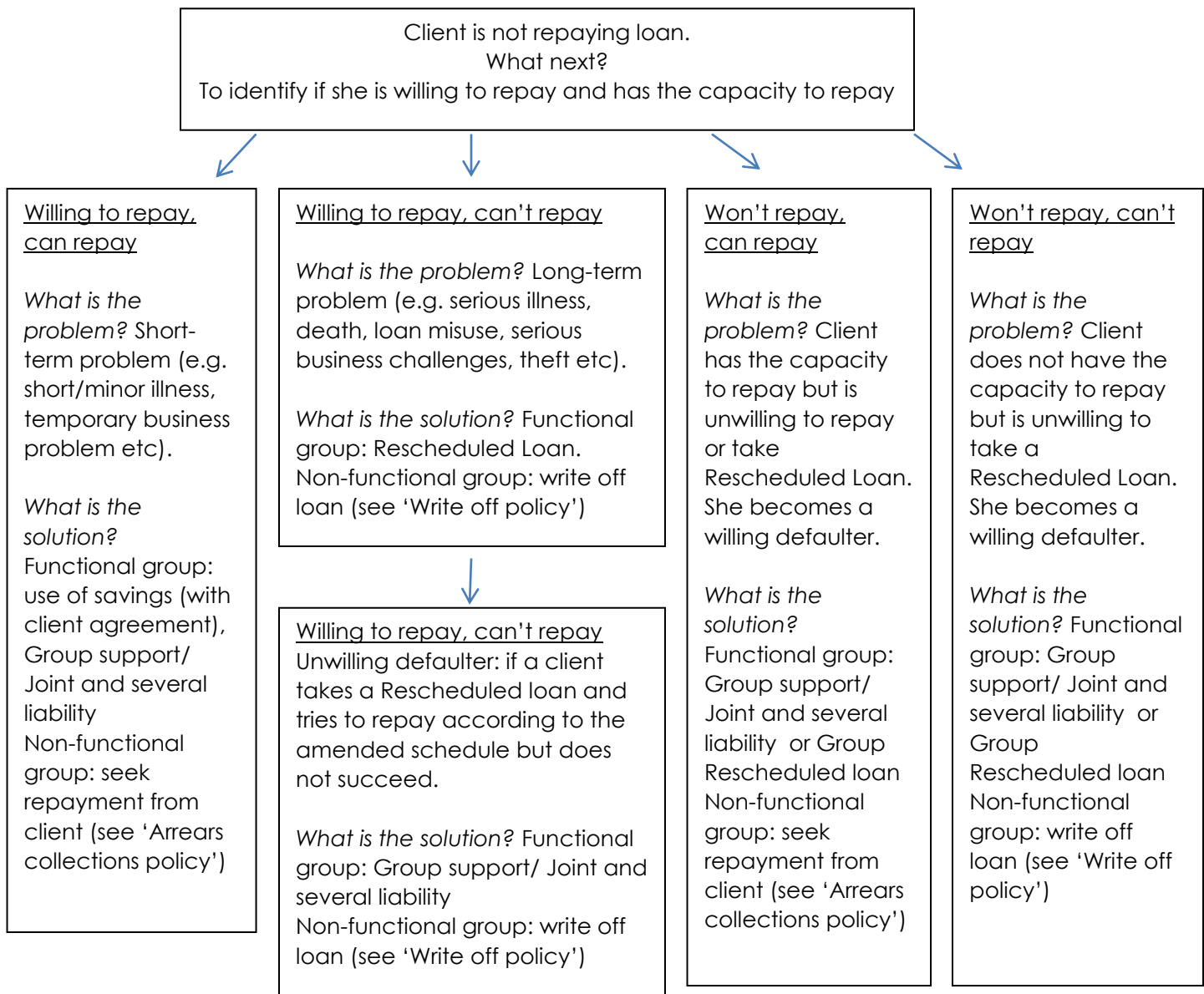
Were the Treasurer's Book and Client passbooks filled in correctly?

Are there any questions before we move on?

Session 20 – Defining problems and next steps (1 hour)

We cannot escape from the fact that clients will face problems repaying from time to time. Therefore, it is important to know exactly how we should respond appropriately in different circumstances. The diagram below gives you an overview of what processes you must follow when you are faced with certain situations. You will see that the way you must respond is different depending on the client's situation, and whether the group is functional or non-functional.

DEFINING HOW SERIOUS THE PROBLEM IS AND NEXT STEPS



Now let us look at the Arrears collections policy. Please refer to your policy booklet. Note that we will go through the **Vulnerable client discussion form** after this session.

Are there any questions before we move on?

Session 21 – What is a vulnerable client? (25 minutes)

A client is defined as vulnerable if she has not fully paid any loan instalment in the current LC.

A loan instalment which has not been fully repaid is defined as any amount less than the required loan instalment; a late repayment counts as an instalment which has not been fully paid.

A client is defined as vulnerable based on her performance in the current LC. Although it affects her loan size in the next LC, she is not defined as vulnerable in that new LC unless she again misses repayment(s).



Understanding whether clients are eligible for loan size increase. Working on your own, fill in the table below. You have 5 minutes.

Client situation	Is the client eligible for loan size increase? (write Yes or No below)
A client whose loan instalments are MK2,500 but she only paid MK2,000 at one repayment meeting. She has withdrawn savings once	
A client whose loan instalments are MK3,000 and she paid this amount one day after her repayment meeting date	
A Level 2 client missed making savings once and withdrew savings once. Otherwise she has saved 2% of her loan each repayment meeting. She has not missed any repayments. She has 10% of her current loan amount saved.	
A Level 2 client has missed making savings 3 times including RM4. Otherwise she has saved 2% of her loan each repayment meeting. She has not missed any repayments. She has 10% of her current loan amount saved.	
A client has saved 2% of her loan each RM and repaid each instalment fully. In her group there are 2 members who have had their loans rescheduled for the next loan cycle.	
A client has saved 2% of her loan each RM and repaid each instalment fully. In her group there are 2 members who have not fully repaid once, 2 members who have not fully repaid twice and 1 member who has not fully repaid 4 times.	

Are there any questions?

Session 22 - Supporting vulnerable clients: the vulnerable client discussion (40 minutes)

Why do we need to support vulnerable clients?

- So that clients who have had genuine problems, but want to repay, are not forced to drop out due to circumstances that were not their fault

How will you know when a client is vulnerable?

- Refer to session 'What is a vulnerable client': a client is defined as vulnerable if she has missed any repayment (this includes making a late or incomplete repayment)
- You must refer to the **Treasurer's Book** which will tell you if a client is vulnerable

What support must you provide to vulnerable clients?

- After the repayment meeting activities have been completed and when you know which client(s) are vulnerable because of repayment problem(s), you must carry out a vulnerable client discussion using the **Vulnerable client discussion form** to guide you
- This discussion takes place with the group. Although it is preferable for the vulnerable client herself to be present, if she is not present the discussion must still go ahead without her. The reason for you to carry out the discussion is to understand the problem and to agree next steps with the client/group
- It is very important that the group and the client(s) understand that the client(s) is/are not in any trouble
- You must fill in one **Vulnerable client discussion form** per vulnerable client
- If there are 5 or more clients identified as vulnerable the vulnerable client discussion does not need to take place. Instead other measures need to be taken e.g. following arrears collections policy.

What is the purpose of the vulnerable client discussion?

- To understand what challenges the client is facing
- If she is having repayment problems, to identify whether she is willing to repay and has the capacity to repay (the **Vulnerable client discussion form** which we will talk about now will guide you)
- So that the LO can help the group come up with a solution before arrears develop

Do you have any questions before we move on?

Session 23 – Rescheduled Loans and impact on client and group (1 hour)

Rescheduled Loan (rescheduled Level 1, Level 2 or Level 3 loan)	
Eligibility for loan to be rescheduled	<ul style="list-style-type: none"> • A client (or group) is only eligible to have her loan rescheduled if the group is not dysfunctional. A dysfunctional group is one where 5 or more clients in the group have missed any repayment in the current LC • Client who is classified as being in arrears. Note that outstanding arrears must be MK10,000 or more, otherwise the group must repay using joint and several liability. • As soon as Rescheduled loan is fully repaid according to schedule client is able to take either a Level 1 or Level 2 loan maintaining their current LC number but with LC1 loan size rights • Once a client has taken a Rescheduled Loan she can NOT take another Rescheduled Loan on the same loan • A client who has taken a Rescheduled Loan cannot take a Level 3 loan even if she was previously a Level 3 client • A client whose Rescheduled Loan was a rescheduled Level 1 loan can only start as a Level 1 client again, not at Level 2
Loan cycles	Completion of whichever LC went into arrears
Interest	0%: carry across any unpaid interest plus loan capital from previous loan
Loan period	Rescheduled loan signed during the loan application meeting and loan to be fully repaid during next loan cycle (either 4 months or 6 months, depending on the group)
Repayment frequency	<p>Same as loan which is rescheduled</p> <p>Still attending the same meetings with previous group members (except in cases where the client has defaulted and the group is repaying her loan as a group rescheduled loan (see below).)</p>
Savings required for loan size increase	None required
Voluntary savings	None required
Savings withdrawal	Savings can be withdrawn at any RM.
Loan sizes	No new loan allowed: pay off rescheduled loan and then return either as a Level 1 or Level 2 client once successfully repaid.
Eligibility for loan size increase	Loan size taken cannot be larger than the loan size of the original loan that was rescheduled AND cannot be larger than the maximum loan size for either a first Level 1 or Level 2 loan
Special notes	Clients taking this loan lose their credit history (i.e. their previously established loan ceiling) and revert back either to Level 1 or Level 2 depending on capacity to save and what Level they were on previously. Once they reintegrate into their group their first loan back is

	<p>not allowed to be larger than their previous loan AND not larger than the maximum loan size for a first Level 1/Level 2 loan (whichever is smaller).</p> <p>If a group has 2 or more members who have taken a Rescheduled Loan then no members of the group are eligible for a loan size increase the next LC.</p> <p>Joint and several liability holds for all Rescheduled loans.</p> <p>There is no maximum number of Rescheduled loans per group.</p>
<p>The Group Rescheduled loan</p>	<p>A group rescheduled loan is defined as <u>one client's loan</u> that is repaid by the group.</p> <p>In some circumstances there may be no chance of a client paying off her outstanding loan (e.g. she may have run away). However, the group would still like to repay the loan, but are not able to do so by the end of their loan period. In such cases the entire group may be given a Rescheduled loan. The outstanding balance payable by the delinquent member will be split equally amongst the other remaining group members as soon as the agreement is signed.</p> <p>New clients joining that group will not pay off the delinquent member's loan.</p> <p>A 'group Rescheduled loan' counts only as one Rescheduled loan for the purpose of group eligibility for loan size increase.</p> <p>Any clients who have agreed to take a Rescheduled loan at the same time as the group is on their 'group Rescheduled loan' are still required to contribute to the 'group Rescheduled loan' repayments.</p> <p>A rescheduled loan that is being paid off by the group will be listed on Musoni under the original client's name and repayments will continue to be posted against that client's name.</p>
<p>Irrigation loans</p>	<p>These can be rescheduled. The rescheduled period must be the same as the group's next loan period. If the next loan for the group is again an irrigation loan then the rescheduled client must start repaying monthly during the rest of the group's grace period (in other words, 6 monthly payments).</p>

Do you have any questions about the rescheduled loan?

A reminder of key eligibility criteria for rescheduled loan:

- A client must be willing to repay and must be present at the time of loan rescheduling. Asking a family member to agree to a rescheduled loan in the client's absence is not acceptable.
- A client (or group) is only eligible to have her loan rescheduled if the group is not dysfunctional. A dysfunctional group is one where 5 or more clients in the group have missed any repayment in the current LC

Rescheduled loan process

- In the vulnerable client discussion with the group, the group and vulnerable client may decide that the group will repay the loan using joint and several liability. However, provided the client is eligible to have her loan rescheduled the group and client may decide that the loan needs to be rescheduled, which is what is going to be discussed here.
- When a client and group decide that a client is unable to repay her loan she may take a Rescheduled Loan, which means that the outstanding balance including interest will be rescheduled. The loan can be rescheduled at the group loan application stage only and the new schedule will start from the next group loan RM1. The Rescheduled Loan needs to be paid off by the end of the next group LC.
- Ahead of agreeing a new loan schedule with the group/client, the LO needs to inform the BM and RM of the situation and get their approval that the loan can be rescheduled. The communication to the RM needs to be done in the form of an email sent to the RM, cc-ing the Finance Manager and CEO.
- **RM** to give their approval for the loan to be rescheduled and check that the **Rescheduled loan agreement** has been pre-filled properly by the BM:
 - Correct outstanding balance amount that can be rescheduled (i.e. excluding partially paid instalment)
 - Correct potential first repayment date of the rescheduled loan
- LO to agree with the client on the first repayment date of the rescheduled loan and complete the **Rescheduled loan agreement** which needs to be signed by the client(s). At this stage the **Client passbooks** need to be updated for any clients who have had their loans rescheduled:
 - For individual clients who have had their loans rescheduled: in the **Client passbook** the LO must cross out the old loan that is being rescheduled and fill in a new loan cycle section with the rescheduled loan details. At the top of this new section the LO must clearly write 'Rescheduled loan'
 - For group rescheduled loans: two loan cycles need to be filled in in the **Client passbooks** in cases where the whole group is repaying a rescheduled loan. One loan cycle section will be for the client's own loan and one loan cycle section will be for the client's portion of the rescheduled loan. At the top of

the rescheduled loan section the LO must clearly write 'Group rescheduled loan'

- Then the **Rescheduled loan agreement** is finally signed and approved by BM and sent with the package for RM to approve. Once approved by RM, the **Rescheduled loan agreement** must be sent to HO alongside the package for CEO to reschedule the loan in the system.

When can a loan be rescheduled?

- It can be agreed during any repayment meeting after a vulnerable discussion that the loan will be rescheduled on the next loan cycle. However, the **Rescheduled loan agreement** will only be signed at the loan application meeting and loan been rescheduled when package is sent to HO.
- The loan will be rescheduled on the group next loan cycle as agreed during the loan application meeting. . The RM1 date of the group next loan has to follow the repayment frequency of the loan being rescheduled. For example, if a fortnightly loan is rescheduled and the last meeting date is 1/1/2016, the RM1 of the group next RM1 will have to be on 1/1/2016 + 2 weeks or 1/1/2016+4 weeks or 1/1/2016+6 weeks, etc...
- Any outstanding balance on a partially paid instalment needs to be cleared before a loan can be rescheduled and/or the group can recapitalise (LO/BM to check Repayment schedule on Musoni)
 - No group members can recapitalise (get another loan) until any outstanding balance on a partially paid instalment for a client has been paid

IMPORTANT NOTES!

- ✓ Joint and several liability still holds

The group is liable to repay for any member of the group who remains within the group and for whatever reason has not fully repaid her loan. However as soon as a Rescheduled Loan is agreed, the remaining instalments that the group member has to pay falls dramatically. The group remains liable for repaying a member's loan even when that loan has been rescheduled using a Rescheduled Loan. For example, at RM4 the Rescheduled loan instalment needs to have been repaid otherwise the group cannot be disbursed their next loans.

- ✓ Loans can only be rescheduled once

A client can only receive one Rescheduled loan on a particular loan. If she is unable to repay her Rescheduled Loan it cannot be rescheduled a second time, and joint and several liability must cover the arrear. A client can receive more than one Rescheduled Loan in her time with MLF, but not on the same loan.

- ✓ A delinquent client's loan can be rescheduled to the whole group

A group may receive a 'group Rescheduled loan'. This is where a group member is

definitely not going to repay, but the group is willing to repay for her, but cannot do it by the end of the current loan cycle so need a repayment extension. See session 3 (Overview of loan products) for more details. A group Rescheduled loan will still be listed under the original client's name on Musoni in the next loan cycle where the group are repaying the loan.

✓ When the group recapitalise the repayment schedule must follow the rescheduled loan new schedule

✓ Each branch must reschedule 1 or more clients in the next 6 months
 Each branch must reschedule 1 or more clients' loans in the first 6 months that MLF Watsopano is operational in the branch. This will demonstrate that vulnerable clients are being supported by the branch.

Summary of advantages and disadvantages of the Rescheduled Loan:

	Advantages	Disadvantages
To clients	<ul style="list-style-type: none"> • Smaller more manageable loan instalments • No additional interest payable on outstanding balance that is rescheduled 	<ul style="list-style-type: none"> • Loss of credit history: client has to start with loan size as for a new client or her own previous loan size (whichever is smaller) although keeps her LC number and member reference number
To groups	<ul style="list-style-type: none"> • The group does not have to finish repaying what may be a large outstanding loan and can recapitalise their own next loans at the normal time • If just 1 group member takes a Rescheduled Loan or has exited after being classified as vulnerable then group members can still get an increased loan in the next loan cycle 	<ul style="list-style-type: none"> • The group is still liable to repay a member's Rescheduled Loan if she does not pay any instalment(s) • Nobody in the group can get an increased loan in the next loan cycle if there are more than 1 group members who have had to take a Rescheduled Loan

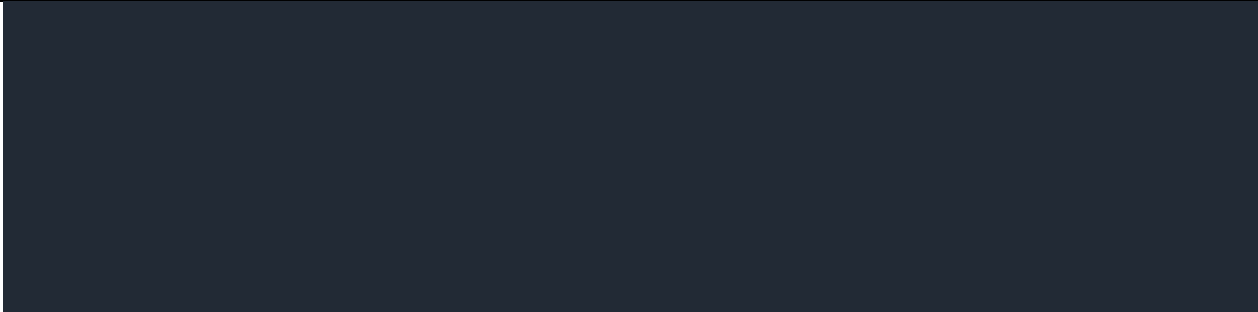
Summary of rescheduled loan process:



Quiz time! You have 5 minutes to read through the information again and remember as much as possible, then I will ask you questions.

Questions	Answers
1. Can a loan be rescheduled if the group is dysfunctional?	
2. What is a dysfunctional group?	
3. If the group is repaying well and there is a client who has MK9,000 arrears who wants it to be rescheduled, what must be your response?	
4. When can a rescheduled loan be signed?	
5. When is the first new Rescheduled Loan instalment paid?	
6. True/False: a group cannot recapitalise before the partially paid instalment has been repaid	

	7. What needs to happen before signing a Rescheduled loan agreement?	
	8. Who needs to sign a Rescheduled loan agreement?	
	9. True/False: The group's next loan repayment schedule has to match with the rescheduled loan new repayment schedule	
	10. How long does the client on a Rescheduled Loan have to repay her rescheduled loan?	
	11. True/False: a client can receive as many Rescheduled Loans as she wants on the same loan.	
	12. What are advantages of the Rescheduled Loan to clients?	
	13. What are advantages of Rescheduled Loan to groups?	
	14. What are disadvantages of Rescheduled Loan to clients?	
	15. What are disadvantages of Rescheduled Loan to groups?	
	16. True or false: a group which has taken a 'Group Rescheduled loan' and has one other member taking a Rescheduled loan is not eligible for loan size increases in the next LC	





Role play – 1 person will be the LO, 1 person will be a client who has been identified as vulnerable, 1 person represents the group leaders, the rest are the other group members.

The group is in RM6. In this meeting Magret, the vulnerable client, has not been able to fully repay her loan instalment. Magret has a sick child at home, and has stopped doing business and used her loan to pay for medical costs but this is information that the LO has to find out, and does not know before the one-on-one.

Group/Client details:

Group name:	Tadala
Group ref:	0002-003401985
Vulnerable client name:	Magret Malizani
Member ref:	0023-0076-21884
Outstanding balance:	MWK 13,900
Next LC loan period	4 months

The LO must use the Vulnerable client discussion form to guide the conversation and fill in the Rescheduled Loan agreement form (if the client agrees!). Note that the client who is having problems is present for the discussion.



Discussion – Were you clear on how to use the Vulnerable client discussion form?

Did the LO follow the correct procedures? What should have been done differently?

Why is it important to do a vulnerable clients discussion?

Does the vulnerable client need to be present? Why?

What do you think should happen if a client on a Rescheduled Loan does not make a full repayment after the new schedule has been agreed?



Practical exercise – Go through the Rescheduled loan agreement form. After a vulnerable discussion, it was agreed that Magret Malizani will reschedule her loan.

The BM pre-fills the Rescheduled loan agreement and gets approval from RM and the LO completes the Rescheduled loan agreement during the group loan application meeting and it is signed by the client.

The group's first meeting date of their new 4 month loan will be on 20th April 2016 because the group was late to finish repaying their loans and did not recapitalise on RM8.

You have 5 min to fill in the form based on Magret's case and her repayment schedule below (BM to complete the BM section and LO to complete the LO section).

Repayment Schedule

#	Date	# Days	Paid by	Loan Amount and Balance			Total Cost of Loan			Total Due	Total Paid	Total Outstanding
				Disbursement	Principal Due	Principal Balance	Interest Due	Fees	Penalties			
	25-11-2015			15,000		15,000		0	0	0	0	
1	16-12-2015	21	16-12-2015		1,875	13,125	450	0	0	2,325	2,325	0
2	30-12-2015	14	30-12-2015		1,875	11,250	450	0	0	2,325	2,325	0
3	13-01-2016	14	Overdue		1,875	9,375	450	0	0	2,325	50	2,275
4	27-01-2016	14	Overdue		1,875	7,500	450	0	0	2,325	0	2,325
5	10-02-2016	14	Overdue		1,875	5,625	450	0	0	2,325	0	2,325
6	24-02-2016	14	Overdue		1,875	3,750	450	0	0	2,325	0	2,325
7	09-03-2016	14	Overdue		1,875	1,875	450	0	0	2,325	0	2,325
8	23-03-2016	14	Overdue		1,875	0	450	0	0	2,325	0	2,325
Total		119		15,000	15,000		3,600	0	0	18,600	4,700	13,900

Download Loanschedule

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Make Repayment More Actions ▾

Are there any questions before we move on?

Session 24 – Transfer of transition groups to MLF Watsopano (25 minutes)

As soon as groups are up for loan application, they must switch to MLF Watsopano.

All groups must be transitioned to MLF Watsopano within 6 months of roll out training.

Defining:

- Transition groups/clients: any client that has experienced both the old and new methodologies
- Fresh groups/clients: any client that has only experienced MLF Watsopano

Transition groups

All ongoing groups in your branch will be switched over to the new system and will be called transition groups. When they are applying for their new loan the loan given will be done so according to the old loan size increase eligibility criteria but with the new MLF savings requirements: 10% for Level 2/Level 3 clients of the loan being applied for. From disbursement onwards these transition groups will follow all the new procedures including use of the new forms, doing the Group Recognition Test etc.

ALL clients including transition clients need to complete 3 loan cycles before becoming eligible to graduate to Level 3.

Transition (ongoing) Makwelero and Bridging clients on loan cycle 2 and 3 can exceptionally be on a monthly repayments even if they are not on their 4th loan cycle yet. Note that the credit checks in Musoni will be triggered so the credit check will have to be overridden at HO based on the BM explanation.

If there are new clients joining a previous Makwelero or Bridging loan group, those new clients are only allowed to pay monthly once they are on their individual LC4+.

Transition groups must receive training in the new processes and procedures using certain pre-disbursement modules for new groups:

- In RM6: Transition module 1. Note: if you would like to split Transition module 1 into 2 parts this is acceptable. If you do decide to split the module then you must start training the group in RM5 and new clients must attend.
- In RM7: Transition module 2

Training registers must be completed for all of these particular client training sessions and attached to the loan package by LOs.

All transition groups must receive the new LC1 modules in their first loan cycle of the MLF Watsopano.

Fresh groups/clients

New clients in transition groups and fresh groups will start with the new procedures immediately from day 1.

New Pre-disbursement and new Loan Cycle 1 training modules to be delivered (training in these new modules will also be provided this week). Training registers must be completed for all pre-disbursement training sessions, and for any new clients joining the group in future for RM2, RM3 and RM4.

Are there any questions?

Session 25 – Social Assessment training (4 hours)

Objectives – participants will

- Understand why social assessment is important
- Practice using the social assessment questionnaire and understand potential pitfalls

I) About the questionnaires

We have been using the Progress out of Poverty Index (also called PPI) in Malawi since 2011. This tool tells us important information about whether we are working with poor women, and whether their poverty status is improving over time. We call this questionnaire the **PPI questionnaire**.

In addition we now have another questionnaire which is called the **Outcomes questionnaire**. Some of the questions that used to be on the PPI questionnaire (on food security and the client's child's name) have been moved to this Outcomes questionnaire. There are also some additional new questions on e.g. the client's business, health, children's education and so on. The purpose of this questionnaire is to give us more information on whether other aspects of clients' lives are improving over time.

The PPI and the Outcomes questionnaire together will give us a good picture on whether we are improving our clients' lives.

You as Loan Officers are the key to providing this very important information for the organisation!

II) When should I do social assessments?

- PPI and outcomes questionnaires are done in loan application meetings after the loan signing has taken place. This is so that clients do not worry that the answers they give in the assessment will affect whether they get a loan or their loan size. When the group is first formed however, the PPI assessments and other social assessments need to take place at the group and clients registration stage.
- Each branch will have 12 social assessment groups: ALL clients in these groups will be assessed every loan cycle by the LO in the loan application meeting
- The group name MUST start with the word: '**Progress**' before the actual group name. This will enable us to find all social assessment groups on the system.
- Each LO must have at least 1 social assessment group each; the BM must ensure that the social assessment groups are evenly spread between LOs. It's important

that each LO has their own social assessment group because the BM spot checks will be used to work out the LOs' accuracy and this will feed into staff bonus

- At each loan application meeting the LO must assess each and every client in Progress groups who is applying for a new loan or who is exiting. This must include all ongoing clients and all new clients in the group, as well as clients who are exiting the group that loan cycle
- If any of the 12 social assessment groups becomes non-functional it must be replaced with a new social assessment group so there are always 12 active social assessment groups in your branch. A group is defined as non-functional if the BM decides the group is not capable of receiving any loans in future and must be shut
- The Social assessment entry forms must be sent to HO for data capture along with the other loan application forms. The BM must ensure that that each client has the completed Social assessment entry form attached when a group is registered and for all subsequent loan applications for these groups. It will be clear which groups are social assessment groups by the group name ('Progress' in front of the group's other name)

Why is it important to do the questionnaire in the loan application meeting after the loan forms have been signed and not during another meeting?

III) Practicing introducing the social assessments to clients

It is very important that clients understand why we are asking them these questions so that they answer truthfully and are not afraid. We need accurate data for us to know whether our clients' lives are improving or not. The way that the questionnaires are introduced to clients is therefore very important.

Why do you think it's important to clearly explain the reason why we are asking these questions to clients?

Explaining the reason for social assessments to clients:

'My name is ...

MicroLoan Foundation's aim is to improve the living conditions of its clients, by providing loans and training that will allow you to run a profitable business. To understand if MicroLoan Foundation is achieving this aim, it is carrying out monitoring activity – we need your help with this. We will be asking you a number of questions about your household and living conditions to see whether over time the loans are making a difference to your lives. Please be totally honest, so MicroLoan is able to use the information to improve services to you and all its other clients.

There are no right or wrong answers and whatever you say will have no impact on receiving a loan in future.

We are not collecting this information so we can seize assets as MicroLoan Foundation NEVER takes client assets.

Your group will have the word 'PROGRESS' in front of your other group name. This identifies you as a special social assessment group. Your contribution is very much appreciated and you will help us serve our other clients better by what we learn from you.

Do you have any questions?'

What are the key words that have to be present in your introduction?

Why is it important to make sure clients understand the reason they are being asked the questions?

What are the challenges of getting accurate answers to the questionnaire in a group situation?

Why is it important to make sure it is the client herself answering the questions, and not somebody else (e.g. another client) answering for her?



Practice the introduction to clients: each LO should practice their introduction to the clients using the above box as a guide. Ensure that the underlined sections in particular are not skipped.

IV) Revision of PPI questionnaire

Take a look at the questionnaire and entry forms now. Note that there are 2 questionnaires: 1) the PPI questionnaire and 2) the outcomes questionnaire. There is however only one entry form where answers for both questionnaires are entered. **Be sure to fill in all answers for all clients.**

We will start by looking at the PPI questionnaire.

General guidance for using the PPI questionnaire

- Read the questions exactly as they are written on the sheet.
- Wait for client to answer question and then fill in the corresponding letter; do not prompt them to answer in a certain way and do not read out the answer options; do not show them the question and answer sheet.
- Ensure that all questions are asked. The questionnaire is designed so that each question (1-10) contributes to the final poverty likelihood score. Therefore, if you miss even one question out the entire questionnaire for that client cannot be used and will have to be redone.
- Questions relate to the household, so even if something is not true of the client herself, but is true of someone in her household, then it should be counted.
- Make sure that each of the answers is kept separate for each client.
- If a client has more than one house, combine her assets from both houses to answer the questions



Discuss the following questions:

Why is it important for the LO to follow the questionnaire exactly as it is written?

Why is it important to ask about the 'household' and not the 'family'?

Qu no	Guidance for specific questions
1	<ul style="list-style-type: none">• Sections a, b and c all relate to the members living in the household. This includes all people who normally live or eat in the household. Ensure that you are focusing on the household and not on the family, as the household can include members who are not related (e.g. orphans).• The reason the questions are asked separately is so that it is very clear exactly how many adults and children are in the household and whether the client has included herself in the totals she gives. It is then up to you to total the figures she gives.• Unlike the other questions where you will need to write in a letter corresponding to the answer the client gives, in this case you can just write the actual number that you total.

2	<ul style="list-style-type: none"> • If the construction materials fall into category A its materials are classified as 'traditional', if they fall into category C they are classified as 'permanent'. Any house that includes 1 item from the 'traditional' AND 'permanent' list is classified as 'semi-permanent'. • Grass thatch with plastic sheeting is still classified as grass thatch ('traditional').
3	<ul style="list-style-type: none"> • This question is asking whether a client has a private or communal water source. If she says she has a private water source, probe her further to determine whether this is really the case, or whether she has simply misinterpreted the question. • A water source is 'private' if it is owned by the household. Even if other people from the community use the water source, if it is owned by the household it is defined as private. • Note that this question relates only to the last month.
4	<ul style="list-style-type: none"> • It is possible that clients will use more than one source of cooking fuel. That is why it's important to clarify that if they use more than one type, it is the one they use most frequently. • Also if a client replies 'firewood' be sure to clarify whether it is collected or purchased firewood.
5	<ul style="list-style-type: none"> • It is possible that clients will use more than one source of lighting fuel. That is why it's important to clarify that if they use more than one type, it is the one they use most frequently. • Also if a client replies 'firewood' be sure to clarify whether it is collected or purchased firewood.
6	<ul style="list-style-type: none"> • This question is asking about lanterns that are bought from a store, not homemade lanterns. • The lantern must be a paraffin lantern. Any other type of lantern (e.g. battery operated) should not be counted. • It should be counted even if it is broken or not in working order.
7	<ul style="list-style-type: none"> • If the household has any of the listed items you should answer 'yes'. • Make sure to tell clients that a small stool for sitting on does not count as a chair.
8	<ul style="list-style-type: none"> • If the household owns one or more of these items you should answer 'yes'. • They should be counted even if they are broken or not in working order.
9	<ul style="list-style-type: none"> • If the household owns one or more of these items you should answer 'yes'. • They should be counted even if they are broken or not in working order.
10	<ul style="list-style-type: none"> • The iron can be any type of iron, electrical or charcoal. • It should be counted even if it is broken or not in working order.



Discuss the following questions:

For questions 4 and 5 if the client answers 'firewood' why should the LO follow up by asking if the client collected or purchased the firewood?

Why is it important to probe more if you are unsure of the answer? Give examples of questions where this may be relevant.

If someone says their household has an item but that it is broken, what should you ask next?

V) Outcome questionnaire

Outcome questionnaire questions	Guidance for specific questions
1. How many children under 18 do you look after?	<ul style="list-style-type: none"> • This must be children only. They must be aged under 18 years old. • This can be either the client's own children or other children who are unrelated to the client. • They do not have to live in the same house, but just children who the client considers herself to be responsible for in some way
2. How many of these children are your own children?	<ul style="list-style-type: none"> • Of the number of children mentioned in question 1, how many of these are the client's own biological children
3. How many other people (adults) are you financially responsible for?	<ul style="list-style-type: none"> • This must be people aged 18 and above • They do not have to live in the same house, but just be adults that the client considers herself to be responsible for in some way • These adults can be related or unrelated to the client • These must be people that the client herself is financially responsible for. E.g. if her husband is also working and earning money then she would not be responsible financially for him so he should not be counted
4. Do you have any employees who are NOT part of the family who help you with your business? If yes, how many do you have? (enter 0 if no employee)	<ul style="list-style-type: none"> • If the client has no employees enter 0 (zero) in the entry form • Enter the number of employees into the entry form • Employees are any people that the client pays to help her run the business • Someone who helps with the business just once or twice (e.g. helping to carry stock) would not be counted as an employee. It must be someone who works for the client on a regular basis • Members of the family who are working for the business must NOT be counted

5. How much profit do you make from your business?	<ul style="list-style-type: none"> This is the amount of money the client has left over after all her business costs have been subtracted from her business income
6. Over which period?	<ul style="list-style-type: none"> You must choose one of the options given. If the client has given you a different time period (e.g. 2 months), then you must divide the profit given in question 5 by half, and enter 'monthly' for question 6
7. How many children of school age (between 5-17 years old) are you responsible for?	<ul style="list-style-type: none"> These can be either the client's own children or other children who are unrelated to the client. They must be aged 5-17. Anyone who is older than 17 must not be counted
8. Of those children you are responsible for, how many are currently NOT attending school? If they are normally at school but on holiday at the moment, they should be counted as attending school.	<ul style="list-style-type: none"> Of the number given in question 9, only count the children who are NOT attending school By not attending school we mean for reasons such as not being able to afford school fees, uniform, books; not wanting to attend school etc. If a child is on holiday but usually would be attending school that should be counted
9. Of the children of school age you are responsible for how many are girls?	<ul style="list-style-type: none"> These can be either the client's own daughters or other girls who are unrelated to the client The girls must be aged 5-17. Any girl who is older than 17 must not be counted
10. How many of these girls are currently NOT attending school? If they are normally at school but on holiday at the moment, they should be counted as attending school.	<ul style="list-style-type: none"> Of the number given in question 11, only count the girls who are NOT attending school By not attending school we mean for reasons such as not being able to afford school fees, uniform, books; not wanting to attend school etc. If a girl is on holiday but usually would be attending school that should be counted
Note: all the following questions must be asked of clients individually as they are potentially sensitive and clients may not answer truthfully in a group setting	
11. Have you had to sell any assets to help you repay your loan in the last LC?	<ul style="list-style-type: none"> This question is not applicable for the first assessment you do for a client (when she is new); at this time enter N/A You must answer 'yes' only if the assets were sold to help the client repay her loan. If the client sold assets for any other reason then answer 'no'
12. Have you had to take a caterpillar loan to help you repay your loan in the last LC?	<ul style="list-style-type: none"> This question is not applicable for the first assessment you do for a client (when she is new); at this time enter N/A You must answer 'yes' only if the caterpillar was taken to help the client repay her loan. If the client took a caterpillar for any other reason then answer 'no'
13. In the past year did you or other members of your household not seek	<ul style="list-style-type: none"> Only count instances where the client felt she or other household members should have got medical

<p>medical treatment when you felt you should have due to cost or lack of money to pay for treatment?</p>	<p>treatment for herself, but did not because of cost</p> <ul style="list-style-type: none"> • This question relates to any members of the household
<p>14. Have you been pregnant over the past 12 months?</p>	<ul style="list-style-type: none"> • This can relate to either delivery or prenatal care
<p>15. If yes, did you visit any modern health facility?</p>	<ul style="list-style-type: none"> •
<p>16. Did any of your household miss any meals (breakfast, lunch or supper) in the last month because you did not have enough food in the house?</p>	<ul style="list-style-type: none"> • This question should be asked separate from the rest of the group because it is seen as a personal question that clients may not feel comfortable answering in front of the rest of the group. • Ensure that you read the question exactly as it written and mention breakfast, lunch and supper. • Note that this question relates only to the last month. • The question relates to any members of the household • The question asks about household members missing a meal because there was not enough food in the house. If a meal was missed for any other reason (e.g. being too busy) this should be answered with 'no'
<p>17. If the answer to the previous question was 'yes' how often did this happen?</p>	<ul style="list-style-type: none"> • This question should be asked separate from the rest of the group because it is seen as a personal question that clients may not feel comfortable answering in front of the rest of the group.
<p>18. What is the name of your first born child (if you do not have a child, what is the name of your mother)?</p>	<ul style="list-style-type: none"> • This question should be asked separate from the rest of the group • This question is asked for audit purposes: the auditor will do spot checks when he visits and by asking this question will know whether the LO did really speak to the client to ask her these questions • If the client does not have a child then the name of the mother should be recorded • If the client's first child passed away that child's name can still be recorded if the client feels comfortable with this; otherwise the mother's name can be recorded

VI) Information accuracy

Making sure your answers are accurate:

The activity you are carrying out is vital to help MicroLoan Foundation to understand who our clients are and whether their poverty status is changing over time. It will also help us to target more very poor clients and assess whether we are successfully doing that.

Your part in gathering this social assessment information is essential. If the information you collect is not accurate then the whole process becomes meaningless.

Once you start collecting this information **spot checks** will be regularly carried out by your Branch Manager, Regional Supervisor, internal audit and also the SPM Officer on your answers.

Your BM will spot check 3 clients at each and every disbursement meeting for social assessment groups and submit this information to Head Office. _Where a branch does not have a BM (in other words, where there is only one member of staff in the branch), the Regional Manager will carry out 2 group spot checks (3 clients/group) every quarter for each staff member and submit the forms to HO.

1a. Progress out of Poverty Index (PPI) questionnaire – Chichewa version (v15)

- Read the questions EXACTLY as they are written and ensure ALL questions are answered
- If a client has more than one house, combine her assets from both houses to answer the questions
- Questions relate to the household, so even if the client does not own a certain item, if someone in the household does then the item should be counted

Qu no	Mafunso: Wakafukufuku funso mmene lalembedwera awerenge	Mayankho omwe angayankhidwe: Wakafukufuku asawerenge yankho loyembekedzeka koma apereke mpata kwa ofunsidwa kuti ayankhe mwaiye yekha	Code yolembedwa paform yamayankho
1	Kodi pakhomo panu pali anthu angati? Izi zikuphatikiza inu, anthu akulu akulu ndi ana onse amene akhala kapena kudy a pakhomo panu.	Chidziwitso kwa wofunsa: Onetsetsani kuti mukufusa za anthu ‘a pakhomopo’ (anthu onse amene amadya ndi kukhala pakhomopo) osati ‘pachibale kapena pabanja’ pokha	Nambala ya anthu onse pakhomopo kuphatikiza akulu akulu, otenga ngongole, ndi ana
2	Ndizinthu ziti zomangila zimene zinagwiritsidwa ntchito pomangira nyumba yanu?	A. Zachikhalidwe (pansi pozira, njerwa zosaotcha, kufolera ndi udzu) B. Yapakati-kati (yophatikiza zachikhalidwe ndi zamakono, mwachitsanzo: yanjerwa zootcha yofolera udzu, kapena yanjera zosaotcha yofolera ndi malata) C. Yamakono (pansi pa simenti, njerwa zootcha, malata)	A B C
3	Kodi madzi okumwa pakhomo panu mumawatenga kuti m'mwezi wapitawu?	Chidziwitso kwa wofunsa: ngati woyankha akuti ali ndi madzi ake ake funsitsitsani ngati zili zoonadi A. Pipe/Mpopi wa pamudzi, Njigo, chitsime chowaka, chitsime chosawaka, nyanja,	A B

		<p>ntsinje, kasupe, dziwe kapena malo ena ogwiritsa ntchito ndi anthu ena</p> <p>B. Pipe/mpopi wa pakhomo panu pomwepo, pipe / tapu yamnyumba, njigo wa pakhomo panu, chitsime chowaka/ chosawaka cha pakhomo panu pomwepo, kapena malo ena ogwiritsira ntchito inu nokha</p>	
4	<p>Kodi mumaphikira chani? Ngati mumagwiritsa njira zingapo zophikira, ndinjira iti yomwe mumagwiritsa ntchito kwambiri.</p>	<p>Chidziwitso kwa wofunsa: ngati yankho lomwe laperekedwa ndi 'nkhuni' funsani ngati zili zotola kapena zogula</p> <p>A. nkhuni zotola, zinyatsi za kumunda, ndowe za ziweto</p> <p>B. Nkhuni zogula</p> <p>C. Paraffini, magetsi, gas, makala, utuchi kapena zina zotero</p>	<p>A</p> <p>B</p> <p>C</p>
5	<p>Kodi mumawunikira chani? Ngati mumagwiritsa njira zingapo zounikila, ndi njira iti yomwe mumagwiritsa ntchito kwambiri.</p>	<p>Chidziwitso kwa wofunsa: ngati yankho lomwe laperekedwa ndi 'nkhuni' funsani ngati zili zotola kapena zogula</p> <p>A. Nkhuni zotola, maudzu kapena zina zosachita kugula</p> <p>B. Paraffin</p> <p>C. Nkhuni zogula, magetsi, gas, Tochi ya mabatire, makandulo</p>	<p>A</p> <p>B</p> <p>C</p>
6	<p>Kodi pakhomo panu muli ndi nyali ya paraffin yogula ku sitolo? Chiwerengedwebe ngakhale ndichoonongeka kapena chosagwira ntchito. Ngati muli ndi nyale ina, mwachitsanzo yogwiritsa ntchito mabatire, musaiwerengere.</p>	<p>A. Ayi</p> <p>B. Eya</p>	<p>A</p> <p>B</p>
7	<p>Kodi pakhomo panu pali mpando, tebulo lalikulu, mipando ya sofa, kapena katebulo kakang'ono? Chiwerengedwebe ngakhale ndichoonongeka. (Ka situlu</p>	<p>A. Ayi</p> <p>B. Eya</p>	<p>A</p> <p>B</p>

	kamene mumakhalapo, kasawerengedwe ngati mpando)		
8	Muli ndi Njinga, mthuthuthu, kapena galimoto pakhomo pano? Chiwerengedwebe ngakhale ndichoonongeka kapena chosagwira ntchito.	A. Ayi B. Eya	A B
9	Muli ndi wailesi ya kaseti kapena ya CD pakhomo pano? Chiwerengedwebe ngakhale ndichoonongeka kapena chosagwira ntchito.	Chidziwitso kwa ofunsa: Wailesi isawerengedwe ngati ndiyosaika ma kaseti kapena ma CD. A. Ayi B. Eya	A B
10	Muli ndi ironi/ simbi yositira zovala pakhomo panu? Chiwerengedwebe ngakhale ndichoonongeka kapena chosagwira ntchito.	A. Ayi B. Eya	A B

Progress out of Poverty (PPI) questionnaire (v14)

- Read the questions EXACTLY as they are written and ensure ALL questions are answered
- If a client has more than one house, combine her assets from both houses to answer the questions
- Questions relate to the household, so even if the client does not own a certain item, if someone in the household does then the item should be counted

Qu no	Questions: Interviewer to read each question exactly as it is written	Possible answers: Interviewer should NOT read answer options, but allow client to answer on her own	Code entered into entry form
1a	How many adults are in your household? This includes all adults who normally live or eat in the household.	Note to interviewer: Ensure that you are asking about the 'household' (all individuals who normally live and eat in the household) and not about the 'family'.	
1b	Did you include yourself in the above total?		

1c	How many children are in your household? This includes all children who normally live or eat in the household.	Note to interviewer: Now add the numbers from 1a, 1b and 1c and write the total into the entry form	Total household members including adults, the client and children
2	What general type of construction materials are used for the dwelling?	D. Traditional (mud floor, unfired mud bricks, grass thatch) E. Semi-permanent (mix of traditional and permanent e.g. red bricks with grass thatch, or unfired mud bricks with iron sheeting) F. Permanent (cement floor, fired red bricks, iron sheeting)	A B C
3	What was your main source of drinking water in the past month?	Note to interviewer: if the client says she has a personal water-source, question her further to determine if this is really the case. A. Communal standpipe; communal open, unprotected well; communal hand pump; lake/reservoir, river, spring or other B. Piped into dwelling; piped outside dwelling (personal); personal hand pump; protected spring; personal open, unprotected well	A B
4	What is your main source of cooking fuel? If you use more than one type, it is the one you use most frequently.	Note to interviewer: if client says 'firewood' ask whether it is collected or purchased A. Collected firewood, crop residue, or animal waste B. Purchased firewood C. Paraffin, electricity, gas, charcoal, sawdust, other	A B C
5	What is your main source of lighting fuel? If you use more than one type, it is the one you use most frequently.	Note to interviewer: if client says 'firewood' ask whether it is collected or purchased A. Collected firewood, grass, other B. Paraffin	A B C

		C. Purchased firewood, electricity, gas, battery/dry cell (torch) or candles	
6	Does your household own a lantern (paraffin) bought from a shop? It should be counted even if it is broken or not in working order. If you have any other type of lantern (e.g. battery lantern) this should not be counted.	A. No B. Yes	A B
7	Does your household own a chair, table, upholstered chair, sofa set or small coffee table? A small stool does not count as a chair.	A: No B: Yes	A B
8	Does your household own a bicycle, motorcycle/ scooter or car? It should be counted even if it is broken or not in working order.	A. No B. Yes	A B
9	Does your household own a tape or CD player or HiFi? It should be counted even if it is broken or not in working order.	A. No B. Yes	A B
10	Does your household own an iron (for pressing clothes)? It should be counted even if it is broken or not in working order.	A. No B. Yes	A B



1b. Outcomes Questionnaire Malawi – Chichewa version

Mafunso	Mayankho
Zokhudza pakhomu	
1) Ndi ana angati osapitilira zaka 18 zakubadwa amene mumasamalira?	
2) Mwa ana amenewa, ndi angati omwe ndi anu?	
3) Ndi anthu ena angati (akulu akulu) omwe inu mumathandiza ndi ndalama zanu?	
Kakulidwe ka bizinesi	
4) Kodi muli ndi antchito amene SIGAWO la banja lanu omwe amakuthandizani kuyendetsa malonda anu? (<i>lembali 0 ngati palibe antchito</i>)	
Phindu la ku bizinesi	

5) Kodi mumapanga phindu lochuluka bwanji ku bizinesi yanu?	
6) Kwa nthawi yotalika bwanji?	A. Pa tsiku B. Pa sabata C. Pa masabata awiri D. Pa mwezi
Maphunziro	
7) Ndi ana angati amsinkhu opita ku sukulu (apakati pa zaka 5 – 17) amene mumasamalira ndinu?	
8) Mwa ana omwe mumasamalira ndinu, ndi angati omwe SAPITA ku sukulu? (ngati amapita ku sukulu koma tsopano alipa tchuthi, muwawerengerebe kuti amapita ku sukulu)	
Jenda	
9) Mwa ana amsinkhu wa pasukulu omwe mumasamalira inu, ndiangati amene ndi atsikana?	
10) Mwa atsikanawa, ndi angati amene SAPITA ku sukulu?(ngati amapita ku sukulu koma tsopano alipa tchuthi, muwawerengerebe kuti amapita ku sukulu)	
FUNSANI MAFUNSO AWA ALIYENSE PAYEKHA-PAYEKHA	
Zinthu zikalakwika (dumphani gawo ili ngati mukufunsa kwa nthawi yoyamba)	
11) Kodi munagulitsapo katundu aliyense kuti mubwezere ngongole muchigawo cha ngongole yathayi.	A. Eya B. Ayi C. Losafunika(kwa atsopano)
12) Kodi munatengapo katapila kuti mubwezere ngongole yanu muchigawo cha ngongole yathayi?)	A. Eya B. Ayi C. Losafunika(kwa atsopano)
Umoyo	
13) Kodi chaka chathachi, inu kapena wapabanja panu munalepherapo kupita kuchipatala chifukwa chosowa ndalama zolipilira?	A. Eya B. Ayi
14) Kodi munalipo oyembekezera mu miyezi 12 yapitayi? Chidziwitso: mutha kuona mubuku lochilira kapena lakusikelo	A. Inde B. Ayi (pitani pafunso 16)
15) Ngati ndi eya, kodi munapita kuchipatala cha makono?	A. Eya B. Ayi
Chakudya	
16) Kodi mwezi wanthawu pakhomo panu munasowako chakudya (chammawa, Nkhomaliro/ chamasan kapena Mgonelo/ Chamadzulo) chifukwa chosowa chakudya chokwanila?	A. Eya B. Ayi (pitani pafunso 18)

17) Ngati funso la pamwambapa munati 'eya', zinachitika kangati?	A. Kambilimbili B. Mwanthawi zina C. Sizichitika chitika
Funso lotetezera mafunsowa	
18) Mwana wanu oyamba dzina lake ndani (ngati mulibe mwana, dzina la amayi anu ndi ndani)?	



Outcomes Questionnaire Malawi – English version

Questions	Answers
Household	
1) How many children under 18 do you look after?	
2) How many of these children are your own children?	
3) How many other people (adults) are you financially responsible for?	
Business Growth	
4) Do you have any employees who are part of the family to help you with your business? If yes, how many do you have? (enter 0 if no employee)	
Profitability	
5) How much profit do you make from your business?	
6) Over which period?	E. Daily F. Weekly G. Fortnightly H. Monthly
Education	
7) How many children of school age (between 5 – 17 years old) are you responsible for?	
8) Of those children you are responsible for, how many are currently NOT attending school?(If they are normally at school but on holiday at the moment, they should be counted as attending school)	
Gender	
9) Of the children of school age you are responsible for how many are girls?	
10) How many of these girls are currently NOT attending school?(If they are normally at school but on holiday at the moment, they should be counted as attending school)	
ASK THESE QUESTIONS TO CLIENTS INDIVIDUALLY:	

Flexibility (not applicable for first assessment – N/A)	
11) Have you had to sell any assets to help you repay your loan in the last LC?	A. Yes B. No C. N/A (new clients only)
12) Have you had to take a caterpillar loan to help you repay your loan in the last LC?	A. Yes B. No C. N/A (new clients only)
Health	
13) In the past year did you or other members of your household not seek medical treatment when you felt you should have due to cost or lack of money to pay for treatment?	C. Yes D. No
14) Have you been pregnant over the past 12 months? Note: Can refer to delivery and/or prenatal care	C. Yes D. No (go to question 16)
15) If yes, did you visit any modern health facility?	C. Yes D. No
Food Security: ask questions 16 and 17 to the client individually, away from the rest of the group	
16) Did any of your household miss any meals (breakfast, lunch or supper) in the last month because you did not have enough food in the house?	C. Yes D. No (go to question 17)
17) If the answer to previous question was 'yes', how often did this happen?	A. Often (frequently) B. Sometimes C. Rarely
Security question	
18) What is the name of your first born child (if you do not have a child, what is the name of your mother)?	

Appendix 2

Social assessment entry form (Progress group)

Enter only ONE response per question into the entry form and ensure ALL questions are answered for both PPI and Outcomes questionnaire.

Date: _____ Group name: _____ Group ref number:
_____ Branch: _____ LO: _____

Names 1. PPI 2. Outcome questionnaire	Member Ref No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	States if mother or child	

Session 26– ‘Code of Ethics and ‘Staff and client rights & responsibilities document’ (3 hours 45 minutes), Whistle blowing and safeguarding policies

Objectives: participants will –

- Understand and commit to the content of the ‘Staff and client rights & responsibilities document’ and ‘Code of Ethics’
- Know how to apply the appropriate collections practices
- Know how to use the ‘Staff and client rights & responsibilities document’ with groups



Defining rights and responsibilities

What are rights?

Can you name some specific rights that you have as individuals?

What are responsibilities?

Can you name some specific responsibilities that you have as individuals or as employees of MicroLoan?

What is the LINK between rights and responsibilities?

Now we're going to be talking about rights and responsibilities specifically in the context of your day to day work at MicroLoan. Rights and responsibilities are closely **linked**. A client has the **right** to know exactly what product she is choosing and what the loan terms are. And at the same time she has the **responsibility** to pay back that loan on time and in full.

MicroLoan staff also have rights and responsibilities.



If the client's right is to know exactly what product she is choosing and what the loan terms are, what is MicroLoan's responsibility?

If the client's responsibility is paying back the loan on time and in full, what is MicroLoan's right?



Work in small groups for 5 minutes to discuss specific client rights and what MicroLoan staff's responsibilities are to make sure those rights are met.

Examples of client <u>rights</u>	How MicroLoan staff are <u>responsible</u> for making sure those rights are met

Applying rights and responsibilities to the MicroLoan context

At MicroLoan we have 5 values which are what we live by. Remember we covered these. The table below recaps what the values are, and gives examples of how this relates to our work.

	Value	Example
1	Attentive	Listening to what the clients want, responding when clients have problems
2	Far-reaching	Reaching the poorest clients, reaching as many clients as possible
3	Consistent	Always behaving in a good way – treating clients with respect; always providing clients with consistently good quality service
4	Small (with impact)	Small loans which are appropriate to the client's business size
5	Open	Being honest about everything we do so that clients understand the terms of their loan and feel free to ask questions

Session 27 – Procedural non-compliance (1 hour)

Your role is crucial in making sure this succeeds and benefits our clients as well as MicroLoan Foundation. Good performance will be rewarded and we will revise the Key Performance Indicators (KPIs) that you need to achieve to be rewarded with bonus payments. However, we must also be strict on non-compliance so we will talk about this as well.

For this session we will be talking about what happens if you do not follow the procedures. We will be referring to the **Procedural non-compliance: HR consequences** document. Once we have gone through this you will be asked to sign the **Procedural non-compliance: staff agreement form** to say that you agree with the contents of the **Procedural non-compliance: HR consequences** document.

Do you have any questions before we begin?

Procedural non-compliance: HR consequences – to change

INTRODUCTION

The process for receiving warnings in response to non-compliance of pilot related activities have been tightened to ensure consistency in the compliance with procedures.

Any 2 single instances of non-compliance as listed below will result in a warning letter and docked bonus for that quarter. It takes a further 2 instances of non-compliance to move to the next step. Note that 2 separate occurrences of the same non-compliance activity (e.g. twice not submitting workplans on time) counts as 2 single instances of non-compliance. A single instance of non-compliance stays active for 3 months. So if another instance of non-compliance takes place within that 3 month period a consequence follows. The exception to the above are non-compliance on PAR and caseload which immediately result in a warning being issued.

A warning stays active for 3 months from the date of the letter. For warnings relating to PAR and caseload which require an improvement to have taken place within 3 months, the status of the staff member's PAR/caseload performance must be logged in the tracking database (see 'Tracking non-compliance and warnings' below). If the target has not been achieved in 3 months, another warning will be issued and the warning will require faster achievement of the target than 3 months.

After the third warning letter, the subsequent fourth warning letter results in a disciplinary hearing at the HR Office with the outcome being possible dismissal.

Example: A staff member receives a first warning letter on 1st January which means this warning stays active until 1st April. If that same staff member receives another warning before 1st April s/he moves to the second warning letter. If however s/he receives another warning after 1st April this would be his/her first warning letter.

Responsibilities for issuing warning letters

HR Office is responsible for issuing warnings letters on PAR and caseload. BM/RM are responsible for issuing warning letters on all other non-compliance matters (see 'key performance areas' below).

The following staff must be copied on warning letters issued:

	Warning letter issued by	Cc-ed to
LO warning	<ul style="list-style-type: none"> • HRM if PAR/caseload • BM for all other instances of non-compliance (as below) 	BM, HR Office, Regional Manager, CEO

Tracking non-compliance and warnings:

Non-compliance: BMs and RMs will be provided with a simple Word tool to capture their staff's non-compliance, so that they can keep track of how long one instance has been active and whether a warning letter is therefore due when a second instance of non-compliance takes place. The BM/RM must send these to the HR Office by the end of every month.

Warnings: Warnings given to staff members will be tracked in a tracking database and circulated at the end of each month by the HR Office. The HR Office must update this before sending with whether or not PAR/Caseload (see below) have been cleared or are still active. The database will be circulated to the relevant staff: BM, RM, CEO. The HR Office is responsible for updating staff warnings on the tracking database.

Warnings and bonus

Staff are not eligible for any bonus in the month in which a warning letter was issued.

LOAN OFFICERS KEY PERFORMANCE AREAS

	Required activities	Details
1	PAR 30	<ul style="list-style-type: none"> • PAR 30 must be below organisation PAR. From date of warning LO has 3 months to bring PAR 30 down to 3% or less. Arrears collections policy must be followed • If target is not met in 3 months, a further warning will be issued with a shorter timescale

		than 3 months to achieve the target
2	Caseload	<ul style="list-style-type: none"> • Caseload will be managed as per MLF Annual Budget which is 600 per LO • After 2 months of non-compliance a 1st warning letter will be issued. • Thereafter every month with a final written warning 4 and action taken by HR/CEO in month 6.
3	Weekly workplans sent	<ul style="list-style-type: none"> • Completed workplan of the coming week and of the week just completed are submitted to the Branch Manager every Friday.
4	Group meeting attendance	<ul style="list-style-type: none"> • Each group meeting that is detailed in the weekly workplan is attended. • The only exception is where the Loan Officer has informed the Branch Manager of any changes to the schedule in advance of the meeting time, in which case the group must also be informed.
5	Client training carried out	<ul style="list-style-type: none"> • Client training is carried out at as required: <ul style="list-style-type: none"> ◦ 7 sessions for new groups or those with 50% more new clients in the group; ◦ LC1/LC2+ modules carried out in regular group meetings
6	Cash handling	<p>Malawi – if staff handle cash this is:</p> <ul style="list-style-type: none"> • Fraud which is a dismissible offence if: any cash is stolen, and/or cash is banked later than 24 hours after repayment meeting • Procedural non-compliance if: full amount of cash is banked (repayments and savings) within 24 hours of repayment meeting
7	For Loan Officers in satellite branches only	<ul style="list-style-type: none"> • Group Recognition Test is done for each group which is being disbursed • No groups is disbursed with any arrears

LOAN OFFICER BONUS ELIGIBILITY CRITERIA 2018

Client Growth	401-500 501-600 601-onwards
Portfolio Quality PQ	<3% *0.5 <2% *0.8 <1% *1
Variable to be used	1 0.8 0.5
Amount payable *K	K75
Check PQ=Variable*Clients*K	K100 K150

Levels of achievement

<u>Level 1:</u> LO 401-500clients tied to PAR <3 x 0.5 <2 X 0.8 <1 x 1	K75
<u>Level 2:</u> LO 501-600clients tied to PAR <3 x 0.5 <2 X 0.8 <1 x 1	K100
<u>Level 3:</u> Loan Officer 601-above clients tied to PAR <3 x 0.5	K150

CLIENT NUMBERS

401-500	501-600	601-above
MWK 30,075	MWK 50,100	MWK 90,150

Why is this KPI important?

All officers are supposed to have 450 clients and above however new officers who have just joined can have 250 clients and grow within 6 months. Note these are active clients at the end of the month. However we will look at the caseload tie it to your portfolio quality so that as you recruit clients you do a thorough assessment so that your collection techniques are good to avoid arrears which cost the organisation a fortune. This means that the bigger number of clients you have linked to the high quality portfolio enables you to earn a higher amount of incentive each month.

.Bigger caseloads and group sizes improve the income because more clients are repaying interest, without generating a big increase of overheads.



Important note!

Caseload should primarily increase by increased group sizes not increased number of groups.

SUMMARY MONTHLY BONUS

Indicator	Level 1	Level 2	Level 3
CGAPPAR 30% <3%*0.5	401-500 (K75)	501-600(K100)	601-above (K150)
	K15,037.5	K25,050	K45,075
<2%*0.8			
	K24,060	K40,080	K72,120
<1%*1			
	MWK 30,075	MWK 50,100	MWK 90,150

Ensure that you submit the agreement form to HR.

Next – Client Training modules.