



# Out-of-the-Box Solution for VisionFund International



**With BankBI VFI gained visibility and control over its portfolio – and that's accelerating the transformation strategy.**

Since engaging with BankBI, VisionFund International (VFI) has gained visibility and control over its operational portfolio. Visibility that is providing insights into financial and social performance data and accelerating VFI's overall transformation strategy.

VFI is the microfinance network of child-focused international aid organisation, World Vision (WV). Through its various affiliates, VFI offers small loans and other financial services to low-income families in over 30 countries across Africa, Asia, Latin America and Eastern Europe.

As the financial arm of WV, VFI provides economic empowerment through microfinance, serving 1.2 million customers across the globe. Currently impacting the lives of 4.3 million children annually, VisionFund's aim is to grow this figure to seven million by 2020.

Tom Allen, VFI Global Director of Change & Programmes, is engaged in a donor funded, multi-year transformation programme to standardise core banking and financial system platforms across the VFI network. He describes microfinance as: "The gateway to financial inclusion for the poor - especially those involved in agricultural work or women. It's an absolute force for good."

One of the main problems VFI faced was that it had very limited visibility over its data. Many of the datasets were located in remote locations across the VFI network in 19 different core banking systems and 18 different general ledgers. With many processes still paper based, and time lag at month end, Head Office were only receiving reporting every six weeks or so.

## The aim

Allen explains that VFI has a 'double bottom line': to operate effectively as a business, its commercial bottom line; and to work to improve lives as a result of its business, the social impact bottom line.

"We are an NGO and as a result we're not all about the profit - we're about making people's lives better. Our need was to have the bigger picture at a grassroots level but also dig down to understand our client base as individuals," he says.

VFI needed systemic transformation to make informed decisions. It wanted to take everything it already knew about its clients and add new data points. It then wanted to be able to learn from this and apply learnings from one area to another, or vice versa.

## BankBI

The issue was more than just data management. Allen explains the search was never just about finding a provider or a vendor, "It was about being able to address the bigger issue of reorganisation – finding a vendor to help us change the way we work," he says.

**"We knew we had the data, that it was untapped and that if we could harness it then we would stand a better chance of delivering on our strategy and would give us the power to work with our risks and opportunities."**

Tom Allen

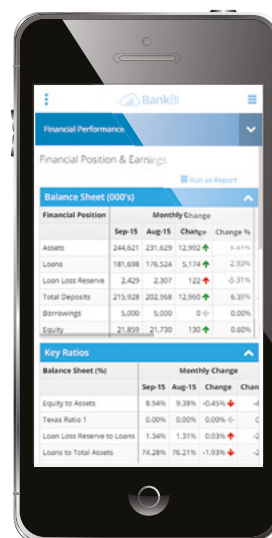
VFI had already reached out to 'the obvious' vendors but it was soon apparent that their size meant too formulaic an approach, and that VFI's needs and current position meant nothing practical could happen in the short term.

**Sector**  
Microfinance

**Country**  
Africa  
Asia Pacific  
Latin America  
Middle East  
Eastern Europe

**BankBI Applications**  
Financial Performance,  
Banking Performance

**Source Systems**  
T24  
Mambu



VFI also reached out to a few niche companies before connecting with BankBI via industry connections and BankBI's past experience in the tier 1 provider Temenos' market.

"What we liked about BankBI was that they weren't in development stage. Instead they had a system that was ready to go and was a good fit for the complexities that we needed to detangle,"

Initially the plan was to install BankBI within each of the MFIs in line with the overall core banking system transformation program, and this has been very successful. In the MFIs where BankBI has been implemented, typically Temenos T24 sites in Africa and Asia, the daily portfolio reporting and deep financial analysis BankBI offers has given VFI a level of control they had previously found impossible to achieve.

**"BankBI's previous experience with T24 along with their remote implementation methodology has meant we've been able to get up and running in those sites really quickly. It's a powerful combination for institutions like ours."**

Tom Allen

There was a concern however, "We soon realised that to put our reporting solution rollout behind our core banking system strategy could take 5 years. It was then that BankBI proposed a middle solution – a bridge," says Allen.

## Game Changer

The interim result has been a 'FastTrack' solution where the MFIs upload their loan portfolios directly to BankBI in Microsoft Azure. In this way the process has been streamlined into something that is both valuable and readily achievable.

This has had the effect of starting to enforce the discipline required on the ground and given a priority level of visibility at corporate level. VFI can now monitor portfolio at risk and social impact across the network, and make decisions about global lending limits and guidelines based on current up to date information.

Allen is still looking to implement this core banking system strategy within other MFIs, with implementation of the complete BankBI system including full financial analytics very much part of that. In the meantime however, what he's got is a system that's providing the most valuable information in the shortest possible time, a global analysis of the VFI network loan portfolio. "I'm really happy with this. It puts us more in the driving seat than we would have been otherwise. It's a great starting point," he says.

## Vendor Client Partnership

He says that in terms of working with BankBI it's not just been that they had the system, it's been that their consulting style was very much one of working alongside each other and learning and developing together.

"There is a great deal of cultural affinity between us - we all have an institutional banking background which we'd sought to move away from and BankBI have joined us in working to effect change on smaller scale, at the micro lending level. To perhaps even be a little altruistic in their approach," he says.

**"In practical terms this means not just that BankBI have the software and the highly effective implementation methodology – they do everything remotely, but also the willingness to go the extra mile to get us where we want to be, making informed decisions."**

Tom Allen

Allen reiterates that making good decisions is all the more important given that double bottom line of financial and social responsibility.

"We want to have an impact on people as well as balance the books. We can't do this if our visibility is limited or out of date," he says.

"Instead of heading straight down the agreed line of core banking migration and the time that would take, we've been able to accelerate to something that has taken immediate effect," he says.

**"In that sense BankBI has given us back the reins."**

Tom Allen

