



2019 Boulder Digital Transformation of Microfinance Institutions Program Course Syllabus

Course Information

Course:	Turning Digital Strategies into Products with Great Business Cases and Minimized Risk
Faculty:	Susie Lonie
Dates:	Week 2 (July 29 – August 02, 2019)
Time:	Morning (10:30 – 13:00)
Language:	English

Course Description

Strong digital financial services have a clear strategy that addresses your businesses challenges and opportunities, and delivers your revenue targets. This course takes you through the process of creating a robust business proposal for a digital financial service. Case studies will be used to illustrate key points.

The week starts by considering digital strategies relevant to MFIs and other providers, and ends with a longer-term view of your customers' lifecycle and your product roadmap. There is a focus on the creation of a digital business case, including new revenue streams and expenses. We will review the partnerships needed, especially with agents, and their impact on your back office operations. The technology options will be considered, including data collection and its many uses. The risks associated with digital services will be explored for each topic.

On the last day we will pull all of this together to create a digital business proposal for the organisation. The course will include the opportunity to work in teams to practice some of the techniques covered.

Objectives

- 1: Understand how to identify the strategic opportunities for digital services, and evaluate the size of the opportunity by creating a simple business case.
- 2: Be able to construct a business proposal for a new digital service, including high level commercial, operational and technical implications.
- 3: Be able to identify the main risks associated with "going digital" and how to manage them.



Prerequisites

This course assumes a basic understanding of digital financial services such as the concepts of agent networks and digital/mobile money. No detailed or specialist knowledge is required.

Audience / Participants

The course is designed for managers and staff either working in digital financial services, or considering engagement. However, it is sufficiently broad-based to be of interest to anyone wishing to develop their understanding of DFS and current best practices. It is designed to be of value to both technical and commercial personnel.

Methodology

Class based lectures and daily group activities. There is an emphasis on interaction and participants will be encouraged to add their comments, questions and experiences to enrich the content.

Suggested Reading List

1. 6 Ways MFIs can adapt to the digital age (CGAP): <http://www.cgap.org/blog/6-ways-microfinance-institutions-can-adapt-digital-age>
2. Breaking Free of the Branch - Microfinance and alternative delivery channels in Sub-Saharan Africa (PFI): <https://www.ifc.org/wps/wcm/connect/e3053362-27a0-4608-a779-673f0bc1604b/IFC+Field+Note+%236+Breaking+Free+of+the+Branch.pdf?MOD=AJPERES>
3. Aligning expectations: The business case for digital financial services (IFC publication): https://www.ifc.org/wps/wcm/connect/industry_ext_content/ifc_external_corporate_site/financial+institutions/resources/aligning+expectations+the+business+case+for+digital+financial+services
4. Adapting internal and external culture in times of digital transformation (IFC publication): https://www.ifc.org/wps/wcm/connect/93567f5c-6eb5-4e23-bc13-ee0c55f3eabc/IFC+MCF+Field+Note+8_DFS+Change+Management+MCF.pdf?MOD=AJPERES
5. Digital Financial Services and Risk Management Handbook (IFC): <https://www.ifc.org/wps/wcm/connect/06c7896a-47e1-40af-8213-af7f2672e68b/Digital+Financial+Services+and+Risk+Management+Handbook.pdf?MOD=AJPERES>



Outline

Day 1 :	Developing a DFS strategy: Determining the strategic goals of delivering a digital service to meet your customers' needs. Using a <i>business model canvas</i> to document a realistic new idea. Strategic risk.
Day 2 :	Creating a Business Case: Using a template to create a digital business case from "the bottom up". Identifying business case assumptions with special reference to partnerships and agents. Financial & partnership risk
Day 3 :	Operational Implications of Digital Services: Using business processes needed to operate the new service successfully. Understanding the opportunities provided by digital data. Operational risk.
Day 4 :	Keeping Control of the Technology: Technology "myth-busting" and using multidisciplinary teams to create digital service requirements. Helping the organisation to adapt. Fraud Risk management.
Day 5 :	Creating a Business Proposal: Future-proofing the product roadmap and customer lifecycle. Using the learning from the course to create a comprehensive business proposal.