



# FIRST +

Financial Institution Resilience & STrengthening

February 2023

## Fiaseman Rural Bank PLC

### Transforming the Banking Experience for Women Entrepreneurs

A case study from FIRST+, a CapitalPlus Exchange, Bank of Ghana, Ghana Microfinance Institutions Network, and Mastercard Foundation partnership



Fiaseman Rural Bank PLC is proof that a bank can both benefit its community through socially responsible finance and be profitable. In fact, it is Ghana’s most profitable rural bank and one of the largest, operating 14 branches serving the predominantly mining communities of the Western and Central Regions. The Bank strives to reduce poverty in the communities where it operates and emphasizes lending to women. Among its many awards, Fiaseman Rural Bank was named Top Rural Bank of 2022 for its outstanding contribution to Ghana’s economic development.

Fiaseman Rural Bank joined the FIRST+ (Financial Institution Resilience and STrengthening) program in February 2022 with the aim of taking its banking operations to an even higher level. Upon the Bank’s request, CapitalPlus Exchange (CapPlus) guided the Bank in taking a fresh look at its loan products from the perspective of its small business customers, particularly women.

In June 2022 Fiaseman Rural Bank launched an innovative, technology-driven “Smart Loan” targeting women-owned businesses in the agricultural value chain that provides faster loan approvals. In the first couple of months – driven in part by the Smart Loan success – the Bank’s total loan portfolio grew significantly, accelerating the growth and resilience of small businesses like Agatha’s Restaurant and Geoster Coldstore.

“ Our focus is on women in agri-business trading, which is a very broad sector. This Smart Loan facility serves the entire chain, and CapPlus was instrumental in that strategy.” — Godwin Amoakohene, Deputy Head of Micro, Small, and Medium Enterprises (MSMEs)

#### FIRST+ (Financial Institution Resilience and STrengthening)

The FIRST+ program is catalyzing systemic change to accelerate job creation in Ghana through small business growth powered by access to finance.

Through FIRST+, CapPlus applies an ecosystem development approach to address the underlying challenges that inhibit financial institutions’ lending to small businesses, partnering with them to change mindsets, implement proven methodologies and practices, and tailor financial services for women and youth with a focus on the agricultural sector.

CapPlus employs change management principles while bringing best-in-class expertise and systems to profitably increase lending to underserved small businesses, the largest creators of jobs in Ghana.

FIRST+ is led by CapitalPlus Exchange (CapPlus) in partnership with the Mastercard Foundation, Bank of Ghana, and Ghana Microfinance Institutions Network (GHAMFIN) which offers group-based skills training on critically relevant topics to financial institutions, reinforcing the skills that CapPlus delivers in the field.





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Fiaseman Bank team members in front of the Head Office in Bogoso

## Technology Accelerates Lending to Women and Agricultural MSMEs

“The Smart Loan has transformed the way the Bank gives loans, because we use smart phone technology to deploy the loan process. So you don't have to come to the bank – you can be in your village and apply for a loan with a click on your phone,” explains Godwin Amoakohene, Deputy Head of Micro, Small, and Medium Enterprises (MSMEs), a department created to provide affordable credit as well as non-financial services targeted to women and young entrepreneurs. “The technology also speeds up our approvals to deliver a decision within 48 hours if we receive all the data we need, which is much faster than before.”

In addition, the Bank eliminated prohibitive guarantor requirements thanks to credit appraisal techniques learned from CapPlus, making the Smart Loan even more accessible to women business owners. Within eight months, Fiaseman Rural Bank disbursed loans valued at 4.3 million Ghana Cedis with 100% repayment, with 76% made to women business owners.

The Smart Loan is also ideal for remote businesses in the agricultural value chain. “Our focus is on women in agri-business trading, which is a very broad sector – the market movers who are foodstuff sellers, grocery store

The Smart Loan is complemented by Fiaseman Rural Bank's adoption of iCAM, the Integrated Creditworthiness Appraisal Model, an automated standardized loan appraisal system developed by CapPlus that equips credit officers to accurately assess loan applications. iCAM, which also greatly accelerates the speed of loan approvals, is now deployed in all 14 branches of the Bank.

## Better Loan Management Enables More MSME Lending

CapPlus and Fiaseman Rural Bank also teamed up to strengthen the Bank's loan management procedures. “The entire credit division and all branch managers were trained on credit appraisal techniques and how to manage difficult loans. Now staff know how to follow up and make sure we recover loans for the Bank. We learned what to do when you give a loan and the client doesn't want to pay,” asserts Monica Abobo, Head of Credit. “And the quality of our loans improved thanks to our deeper understanding of security requirements. In one month following training from CapPlus, we reduced our non-performing loans (NPL) by 21%, to 5.72% of our loan portfolio.” The average bank NPL rate in Ghana was 15.12 % in 2021.

## Marketing Skills Transform Small Businesses

The Bank's marketing team also learned new customer management and outreach skills through CapPlus' sales and marketing training, helping them attain 160 Smart Loan customers in just three months. That success led Fiaseman Rural Bank leaders to permanently alter their process for extending finance to small businesses.

Not only did customer service improve, but the training also equipped credit officers to share their new skills with small business owners, empowering them to grow their businesses and become more resilient. "Any customer who receives a Smart Loan is trained by us. We set up an 'MSME business school' where we train customers before they get the loan on how to manage the funds to ensure they are fully utilized. The marketing training has also translated into helping our clients to have effective marketing strategies to better position their products with customers," says Mr. Amoakohene.

"We also give borrowers training on business management and financial management. We've seen the businesses grow because our credit officers are able to share the knowledge we've gotten from CapPlus with them. And we can see an increase in our deposits and advances within the period that we've interacted with CapPlus. I believe the training has been instrumental in this," he adds.



**“ Our customers are so thankful and are coming to us for more services because now they have greater trust in the Bank. They know that the Bank is prepared to support them in their businesses,” declares Monica Abobo, Head of Credit. “We are seeing faster repayment, enabling us to lend to even more small businesses.”**

**“ The recent loan I received helped me to buy a distribution van which has greatly improved my operations and increased my profit.”  
– Esther Amponteng, Geoster Coldstore**



Esther Amponteng, Owner, Geoster Coldstore

“ My business has grown from meat pie hawking to this table-service restaurant, where I employ six young women, because of my relationship with Fiaseman Rural Bank.”  
 – Leticia Attobrah, Agatha’s Restaurant



Loans enabled Leticia Attobrah to grow from a street food vendor to a restaurant owner



## FIASEMAN RURAL BANK PLC 2022 IMPACT



**19,423**  
MSME LOAN  
CUSTOMERS



**40,359**  
TOTAL JOBS



**23,711**  
JOBS HELD BY  
YOUTH



**14,630**  
JOBS HELD BY  
FEMALE YOUTH



**24,972**  
JOBS HELD BY  
WOMEN