



# An Operational Planning Model for Microfinance Banks / Institutions

CHECMARK

Presents

Three Days Training Workshop on Microfin

November 28 to November 30, 2022 - 10:00 AM to 05:00 PM

Faletti's Hotel, Lahore

# Agenda



1. Profile of ChecMark
2. Profile of MFI Resources & Business Planning with Microfin
3. Three Days Plan
4. Profile of Trainer
5. Training Fees & Registration Form

# Profile of ChecMark



- Checmark is an Advertising, IT & Corporate Communications network focusing on the perception management of its clients. The network provides third party IT & corporate communication services such as; stakeholders management through public relations, communication advisory, promotions and managing corporate media/publications, software & web development etc.
- The network enables its clients to use their IT & communications assets to protect, enhance, develop and defend their enterprise value through the systematic planning and realization of information flow, communication, media development and image care in a long-term horizon.
- Major Products of Checmark are:
  - Event Management
  - Software / Website Development
  - Marketing
  - Social Media Marketing
  - Documentary Production / Product Shoot

# Profile of MFI Resources



Howard Brady  
Chief Executive Officer

- MFI Resources was established in 2007 by Howard Brady to fill a need in the Microfinance marketplace to provide quality microfinance training and directed consulting.
- Microfin is the premier Microfinance planning and budgeting tool. Anyone who has created a MFI's budget quickly realizes microfinance's complexity. Microfin automates all of the complex calculations, taking inputs (assumptions) on future organization growth, current and future loan and savings products, staffing, expenses, fixed assets and funding, and automatically generates future balance sheets, income statements, and cash flow statements for future budgeting, analysis, and comparison with actual results.
- As MFIs take budgeting seriously, they can capture market share, reduce interest rates, test the impact of operational decision on the financial statements, and make credible presentations to board members, donors, and investors, many of whom are very familiar with (or may even require) Microfin.

# Business Planning with Microfin



- Microfin training focuses on strategic planning as the basis for creating operational forecasts for program growth, revenue, and expenses. Tradeoffs regarding interest rate policy, organic vs. exponential growth, and capital structure all will be discussed along with how they relate to operational decisions. Participants will use a case study approach to learn the Microsoft Excel based tool, and will have a good feel for how to create their own projections when they leave the training.
- This will be a very interactive learning process and participants will be encouraged to share experiences, feelings, and ideas regarding the state of the industry as well as successes and challenges currently facing the provision of credit and savings services to the unbanked. Although not required, bringing a Windows based laptop is encouraged.
- Lunch and two coffee breaks will be provided each day.

# Day 1



- Why develop a financial plan?
- What is the goal of Microfin and what does it do well and what doesn't it do?
- How does Microfin use custom menus and worksheets to create a financial model?
- What are the System Parameters that are used throughout Microfin?
- Which currency should I use when I construct a financial model?
- Why is predicting inflation an important part of financial modeling?
- How detailed can I get with my financial plan?
- What are the key components of a Balance Sheet, Income Statement, and Portfolio Report?
- Why is it important to have a starting point for Microfin projections?
- What are some recognized, important ratios for microfinance specific financial analysis?
- Where can I see the initial balance sheet and income statement balances again?
- How are loan products different from one another?
- How does Microfin differentiate one term loan product from another?
- What is the difference between a PDS and PAS sheet?
- What payment frequencies can Microfin handle?
- Can I use an amortizing loan or does it have to be a flat rate loan?
- How can I customize the repayment cash flow and termination of the loans in Microfin?
- How can I project monthly variability in the number of new loans?
- What is the impact of client retention on the number of new loans that are needed?
- What graphs, summary and detailed reports are included in portfolio and income projection?

# Day 2



- How do I link savings to loan product growth?
- What if I'm a savings led organization like a credit union where everyone saves and just a few have loans?
- How can I differentiate savings products from one another?
- What about projecting line of credit products?
- What is the difference between a loan loss reserve, provision, and write off and how does Microfin work with each?
- How does the new loan loss reserve feature work?
- If I'm in consolidated mode, how do I work with branches?
- How important is staffing in modeling a microfinance business?
- Does Microfin treat loan officers differently than other branch or head office staff?
- Is there a way to link the number of loans with staffing decisions?
- Why are linkages used with branch office staff and not often used with head office staff?
- Is it easy to give all staff a raise, including or excluding inflation, at the beginning of the fiscal year?
- What about budgeting for deferred cash salary costs such as insurance, withheld taxes, and pensions?
- How are expenses similar and different to salary costs in Microfin?

# Day 3

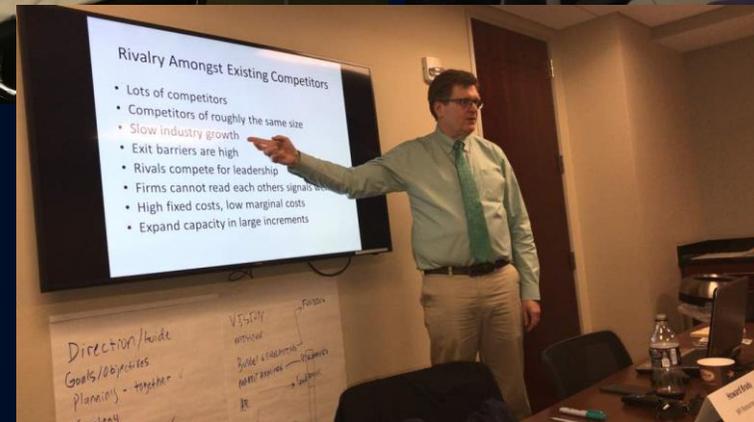
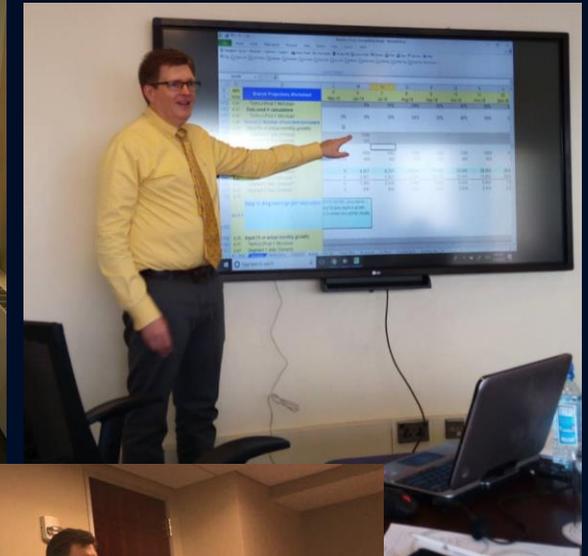
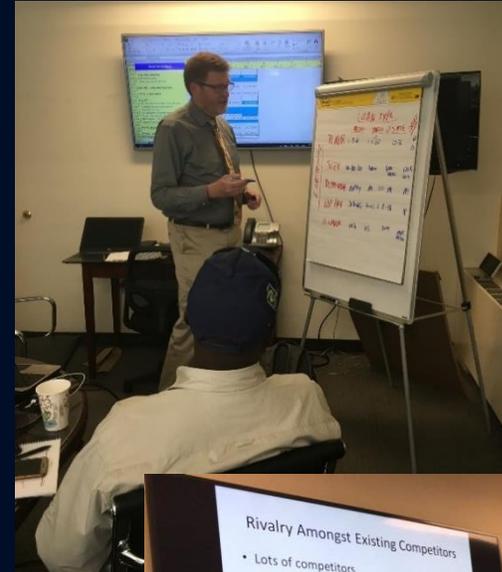


- Why is it important to budget for capital expenditures and replacement of equipment?
- Why is a general approach to budgeting for Fixed Assets appropriate?
- How should one think about the integration of the Institutional Capacity and Branch and Head Office Sheets?
- How does microfin calculate when items need to be replaced?
- Can I project taxes on income?
- Why do we leave financing inputs as the last section?
- What is the difference between restricted and unrestricted funds?
- How do the purpose of the funds and the use of the funds intersect?
- Is there a way to automate the repayment of specific loans?
- Is there a way to simulate an increase in interest rates?
- Can cash be segregated into specific pools, like cash used for portfolio, fixed assets, and operations?
- What is the danger of having too much debt?
- How much debt is appropriate?
- When should additional capital or equity be generated?
- How does microfin track the difference between various cash pools?
- Can I manually input additional borrowing and repayments?
- What if I have loans that are not in local currency?
- What if I don't know where all the funding is going to come from for the next five years?
- How do I know if I have a legitimate model, for example, does the balance sheet balance?
- How do I know if I have uncompleted sections of the model?
- How do I know if there are any unidentified errors in the model?
- What are important summary reports and graphs to share with others?
- Is there the ability to do some sensitivity analysis on the inputs?
- How can I use actual data results to improve the predictive ability of Microfin?
- How do I create a new term loan product?
- When is it appropriate to use branch mode instead of consolidated mode?
- How do I go from a consolidated model to a branch or regional model?
- What operational questions do you have about Microfin?

# Profile of Trainer - Mr. Howard Brady



Howard Brady, a seasoned microfinance consultant of 28 years, will be present throughout and will co-teach the workshop. Howard has been a Microfin instructor with Chuck Waterfield, the original author of the software, since 2000. In April 2016, Howard assumed the future development and maintenance of Microfin. Howard's consultancies have helped increase the efficiency and effectiveness of MFIs worldwide have helped organizations find solutions to delinquency issues, and have created appropriate internal audit and internal control environments. Howard integrates his first hand experiences into his teaching to provide practical solutions to complex issues facing MFIs today. Howard's consultancies have helped increase the efficiency.



- Rivalry Amongst Existing Competitors
- Lots of competitors
  - Competitors of roughly the same size
  - Slow industry growth
  - Exit barriers are high
  - Rivals compete for leadership
  - Firms cannot read each others signals
  - High fixed costs, low marginal costs
  - Expand capacity in large increments

Direction/Trade  
Goals/Objectives  
Planning - together  
Strategy

# Training Cost



## International Participants

- For international delegates, the cost of the training is USD 850, however the following early booking discounts are available:
- Register before October 21, 2022 and an early registration discount of USD 250 will apply (the cost is USD 600).
- Register before November 18, 2022 and an early registration discount of USD 150 will apply (the cost is USD 700)
- Register multiple delegates from the same institution and there will be a USD 300 discount for each delegate registered (making the cost USD 550 for each delegate registered before November 18, 2022)

## Pakistan Participants

- For individuals representing institutions in Pakistan, a fixed cost of PKR 75,000/- applies.
- Register before October 21, 2022 and an early registration discount of PKR 15,000/- will apply (the cost is PKR 60,000/-)
- Register before November 18, 2022 and an early registration discount of PKR 10,000/- will apply (the cost is PKR 65,000/-)
- Register multiple delegates from the same institution and there will be a PKR 20,000/- discount for each delegate registered (making the cost PKR 55,000/- for each delegate registered before November 18, 2022)

# Microfin Training Workshop - Registration Form

November 28 to November 30, 2022  
Faletti's Hotel, Lahore



Please register the following name for Microfin Training Workshop:

Name: \_\_\_\_\_ Designation: \_\_\_\_\_ Company: \_\_\_\_\_

Address: \_\_\_\_\_ Email: \_\_\_\_\_

Mobile No: \_\_\_\_\_

Cross Cheque / Demand Draft / Pay Order should be drawn in favor of Checmark.

DD/Cheque No	Amount	Drawee/Bank Branch	DD/Cheque Date

### Details for Bank Transfer:

Account Title: Checmark

Bank Name: Samba Bank Limited

Address: Shadman Branch, Lahore

IBAN Number: PK42SAMB0000002001156031

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

LAST DATE TO SEND IN THE REGISTRATION FORM IS NOVEMBER 23, 2022.



Contact Details for Registration

**ChecMark**

**Cell:** 0092 3334546561 / 0092 318 6703915 |

**Email:** [info@checmark.org](mailto:info@checmark.org)

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