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FINANCIAL SERVICES MAGAZINE

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DATA Analytics IN FINANCIAL INSTITUTIONS

THE IMPACT OF IMPLEMENTATION OF IFRS 9 & 16 ON THE BANKING INDUSTRY

FINANCE & BANKING

Agency Banking: Charting the customer journey in the Digital Age

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Foreward

Dear esteemed readers, I welcome you to the Eighth Edition of *The Financial Services Magazine.*

Under the theme *"A New Dawn for the Financial Services Sector"*, this edition focuses on products, technologies and approaches that are relatively new in Uganda's financial services industry. The articles cover the topical issues of the newer Financial Reporting Standards, IFRS9 & IFRS16 from the point of view of their implications for the performance of financial institutions, Small Holder Farmer Access to Credit, Islamic Banking (an especially insightful piece on Regulatory Perspectives), Agency Banking as seen from the customer 's view point, Data Analytics, the imperative for Training in Bancassurance and Customer Service as a Competitive Business Growth Strategy.

I invite you to read this Edition of the Financial Services Magazine and share in the rewarding experience it presents.

Anthony Mulindwa
CHIEF EXECUTIVE OFFICER

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The Role of Data- Driven Analytics in Financial Institutions

In Greek mythology, Sisyphus was a deceitful king who was punished for his malicious craftiness and treachery in the afterlife by being made to roll a huge boulder up a hill. The boulder would roll away from him before he reached the top, sentencing him to an eternity of frustration and uselessness. For financial institutions, new regulations and changes in the way business is conducted can appear to be "Sisyphean"—seemingly pointless or endless tasks and projects. But what if they are not meaningless at all?

Data-Driven Analytics

What if those "pointless" tasks are iterative and meaningful? Financial institutions are made up of people. When those people feel that there is little or no meaning in their tasks, they fall into a "Sisyphean condition." On the other hand, when people perceive that their work has meaning, they are motivated to work harder.

Here is where analytics can help financial institutions.

Data-driven analytics provide meaning and in doing so, they motivate employees to give their best to their institutions. And

motivated employees are alert to those things that might otherwise go unnoticed—such as attempts to defraud organizations as well as how to spot opportunities to better the lives of their customers. Overall, advanced data-driven analytics should:

- Enhance decision-making and risk management,
- Shine light on possible opportunities for growth, and

- Boost organizational performance.

Data can be both blessing and curse. Curse, because data oftentimes contribute to the Sisyphean condition—that is, without form or reason, they can be meaningless noise. Blessing, in that it can provide remarkable insight into the business of financial services. As British economist and Nobel Laureate Ronald Coase once said: "If you torture the data long enough, it will confess."

Compliance and direction change do not have to be viewed as necessary evils on a never-ending journey. You can use data-driven analytics for planning, decision-making, and improved performance in an iterative path: Plan, Predict, and Perform.

Nine Data-Driven Analytics Best Practices

By following data-driven analytics best practices, financial institutions can provide rich context for their data and minimize the effects of meaninglessness. At every stage in the iterative path—Plan, Predict, and Perform—ask two questions:

- What Does This Mean? (meaning)
- What Must We Do? (motivation)

Plan

Have a strategic plan? Now is the time to dust it off and dig in. Don't have a strategic plan? Now is a good time to develop one.

Best Practice #1: Begin with the Past

Begin your data-driven analytics journey with the past. Go back to the inception of the organization. Why was it formed? Who was it meant to serve? What was its raison d'être? Did anything change along the way? Decide if those reasons still stand. Be brutally honest—that is the only way to provide meaning with analytics.

In a recent consulting assignment with a community bank concerning its strategic and capital plans, I noted that the bank's mission statement stated that its reason for being was to provide a good return to its shareholders. After looking at marketing data, the Board of Directors asked themselves the two questions (What does this mean? What must we do?) and determined that the bank's mission remained the same but by using data-driven product analytics, the Board was able to see that the mission of the bank was meaningless to everyone who was not a shareholder.

The result of the "What does this mean?" exercise led to the "What must I do?" exercise. The bank now states that it exists to provide a good return to its shareholders by offering best-in-class products and services to its customer base. They did not change why they are in business, but they now understand that they need data-driven analytics to meet their goals.

Best Practice #2: Take an Inventory of the Present

What data do you currently collect, and does it support your reason for operating in the financial services industry? Does it support your mission? If not, what do you need your data to provide? All of this is based on your strategic plan.
When you look at the data available to you—noting that some of it may come from external sources—you should find that it is reflective of the type of organization you have as well as who it is that you serve. If it does not reflect either or both, find the data that does. Then, you ask the two questions: What does this data mean? And what must we do with it?

Best Practice #3: Define Expected Data Outcomes for the Future

Unless the data you have is in a form you can use, it cannot drive analytics. You can find many best practices around data management from large companies that specialize in it, including writing data management policies, managing data storage and preservation, defining a data model, and creating a data dictionary. Each is vital to proper data management, but it is data-driven analytics—not the data itself—that is vital to your strategy and decision-making.

It is also vital that your Chief Information Officer has a seat at the strategic planning table. The CIO and team need to know what types of data will be collected in the execution of your strategic plan. They can give you not only a good idea of the data you can expect, they can also provide meaning (What does this mean?) to the data collected, matching data-driven analytics with plan goals and objectives and assisting with decision-making (What must I do?).

Predict

Austrian-born American management consultant Peter Drucker, who is considered to be the founder of modern management, wrote in his book, The Practice of Management:
"What gets measured, gets managed"
—an axiom which remains in wide use more than sixty years after he wrote it. Drucker knew that measurement was essential to successful business management because measurement brings attention (good and bad) to the project, product, branch, line of business, etc. Data-driven analytics are key to measuring financial performance and risks and thereby help financial institutions make informed decisions.

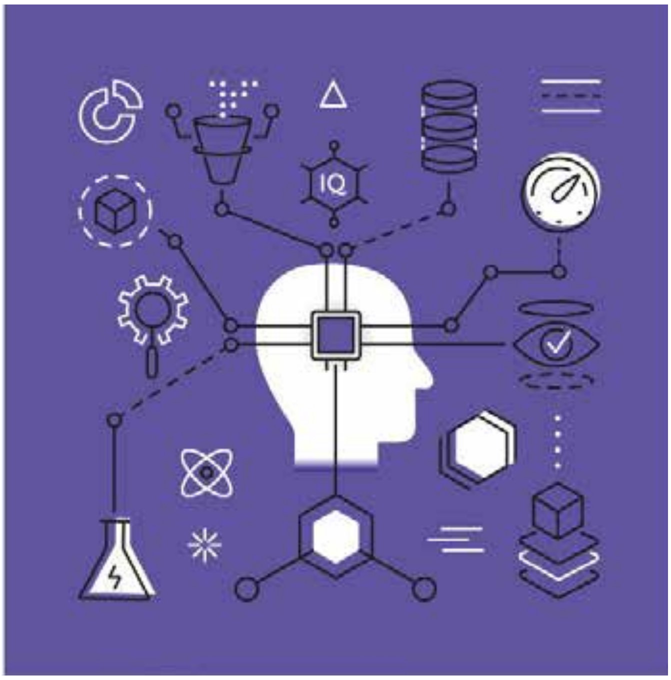
Best Practice #4: Measure, Measure, Predict

Data-driven analytics are predictive analytics. A peek into the future (Practice #3) requires building both Key Performance Indicators (KPIs) and Key Risk Indicators (KRIs), used to measure how well you are meeting your goals and objectives and when to make necessary course corrections.

Measurement instills meaning and context for the data you collect. Dashboards of your data can provide an up-to-date picture of the nature of your business as well as giving insights to your managers on how they are carrying out their parts of company strategies—providing the answer to "What must I do?"By affixing a measurement to every piece of data collected, you ensure the value of its collection.

Best Practice #5: Make Decisions Analytically

In banking, decision analysis is mostly used to analyze various alternative capital allocations, product selection, technology choices, and the future consequences/ benefits of those selections. Decision-making oftentimes encompasses many objectives, and data-driven analytics are always critical to making the right decisions.



The field of Industrial Engineering gives us the Simple Multi-Attribute Rating Technique (SMART) to derive the overall value of an alternative. SMART is data-driven analytics at its core. Think of SMART as a decision tree that provides bank management with a performance score for every strategy, line of business, product, etc., weighted according to objectives set forth in the strategic plan. Fentahun Moges Kasie at Hawassa University (Ethiopia) uses SMART combined with an analytical hierarchy process to select KPIs from the many potential indicators identified in the planning process. This greatly narrows the number of KPIs to be followed in the fulfillment of your strategies.

Best Practice #6: Design a Data-Driven Analytics Support Structure

A recent McKinsey Global Survey shows that executives' biggest challenge to effectiveness at data and analytics is designing an appropriate organizational structure to support analytics activities. Executives cite that the motivations for pursuing data and analytics activities include building a competitive advantage and improving the customer experience but unfortunately, consider their efforts to be only "somewhat effective."

Some of the biggest qualitative differences between high- and low-performing companies, according to McKinsey's respondents, relate to the leadership and organization of analytics activities. If you are serious about data-driven analytics in your company to drive performance, think earnestly about developing an organizational structure that supports data-driven bank analytics.

Perform

In their book, Performance Measurement in Financial Institutions in an ERM Framework, Ashish Dev and Vandana Rao assert that while financial professionals need to understand the drivers of performance, risk professionals need to understand how measures of risk (specifically, KRIs) integrate with the measures of performance (KPIs).

Best Practice #7: Separate Risk from Ambiguity

Nearly one hundred years ago, Frank H. Knight, in his essay, Risk, Uncertainty, and Profit, made a distinction between risks (i.e., known odds with a mathematical probability of loss) versus uncertainty (i.e., ambiguous odds—non-quantifiable, uninsurable). Data-driven analytics can help you on the risks, but as ambiguity cannot be quantified, you will need to make a distinction between the two as well. This is another key to the measurement and management of risk and financial performance.

As such, risk tolerance, risk appetite, and risk capacity should become part of your risk profile whereas, non-measurable odds cannot. Data-driven analytics enable management to make decisions on facts rather than on intuition. This is "What gets measured, gets managed" in its fundamental state.

Best Practice #8: Find the Business Value in High Quality Regulation

What to do about ambiguity, then? Studies indicate that cultures which demonstrate high levels of ambiguity avoidance benefit from the regulation of highly unlikely events—an exercise in assuring the public. Regulation, in those high ambiguity avoidance cultures, creates more trust among the non-banked and thus, the country achieves a higher level of financial inclusion.

However, Uganda as a culture handles ambiguity well and does not try to avoid it. This means that regulation of highly unlikely events has little effect in Uganda; however, the country benefits from high quality regulation. Uganda is in the top half of 186 countries assessed for quality of regulatory governance according to the World Bank's Global Indicators of Regulatory Governance—which presents measures of transparency, civic participation, and government accountability across the life cycle of regulations. What this means to Ugandan banks: high quality regulatory governance results in higher firm value as well as enhanced financial performance.

Best Practice #9: Play the Hand that Culture Gives You

Peter Drucker also said: "Culture eats strategy for breakfast." If a culture is risk-taking (as it is in the US, the UK, Mexico, and Japan), there is a direct correlation to positive firm value and financial performance. But one culture's risk-taking can appear to be recklessness to other cultures.

For cultures that show a high tolerance for ambiguity (among them, Uganda, Ethiopia, Denmark, Norway, Kenya, Burundi, South Sudan, and Rwanda), a strategy backed by data-driven analytics is very important. Data-driven analytics can add to intuition and minimize the effects of emotion for better decision-making.

Analytical decision-making allows bank management to make important business decisions with solid data to reap the benefits of deliberate and thoughtful approaches to strategy and performance—the very essences of the questions, "What does this mean?" and "What must I do?"

With the iterative process of Plan-Predict-Perform, banks circle back to the Plan part of the analytics process at the end of the strategic period and start anew. We benefit from the wisdom acquired in the previous iteration so that we can improve in the next. Our efforts have not been Sisyphean after all.

Call outs:

If you torture the data long enough, it will confess.
~ Ronald Coase
Economist, Nobel Laureate

What gets measured, gets managed.
~ Peter Drucker
The Founder of Modern Management

The Writer is a global consultant on risk and data-driven analytics and is the CEO of Kentara Analytics Company, a US-based bank analytics firm.

Peter Kalangwa

The Impact Of Implementation of IFRS 9 & 16 on the Banking Industry

Background

Uganda's Banking Industry players report their financial and operating performance within the framework of the International Financial Reporting Standards (IFRS). As a result, any changes in the IFRS are adopted by both industry players and regulators in ensuring that Supervised Financial Institutions (SFIs) present a fair and balanced record of their financial health. Two new standards of significance to the industry over the recent past are IFRS 9 and IFRS 16. Whereas the impact of implementation spans beyond the confines of financial institutions into other sectors, this article chiefly explores the impact of implementing these standards on Supervised Financial Institutions in Uganda's Banking Industry.

IFRS 9

The International Financial Reporting Standards Nine (IFRS 9) become mandatory effective January 1, 2018 with earlier implementation permitted for early adopters. This reporting standard which had taken nearly ten years from first draft to implementation, points to a more prudent approach to impairment with the expected loss model, a business model test for classification and a relaxation of many of the prohibitively complex hedging rules from its predecessor IAS 39 Financial Instruments – Recognition and Measurement. Uganda's financial institutions therefore made significant changes across a number of functional areas to become compliant with the new reporting standard. Of critical importance, the standard has key bearings on operations in credit, treasury, finance, corporate banking, retail banking and other functions of a financial institution.

The Rationale

IFRS 9 replaces IAS 3: Financial Instruments – Recognition and Measurement. The standard was a direct response to the pitfalls of IAS 39 that was deemed across some key sections to be quite complex in appreciation and application, inconsistent key risk management and businesses operation models of some companies and inherently reactive rather than being proactive in the recognition of credit losses on loans and receivables and therefore less supportive to decision making. As a replacement, the IFRS 9 model is therefore simpler and more encourages proactive decision making.

The biggest asset of a well-aligned lending financial institution is its loan book, at times classified as loans and advances. This is then supported by other investments including government treasury bills and bonds, deposits with other financial institutions and other assets. IFRS9 requiressupervised financial institutions to make advance provisions for these asset classes. Credit facilities disbursed to borrowing clients with a high risk profile have translating into a relatively higher default risk must carry a high level of loan loss provisioning in the financial institution's statement of comprehensive income. This level of provisioning increases with key information becoming available about the deteriorating nature of a borrower's ability to repay the facility. The Expected Credit Loss (ECL) allowance significantly impacts on the operating and financial performance of the lender. Banks therefore compute this allowance for credit losses by considering (on a discounted basis) the cash shortagesthe lender would incur in various default scenarios for set future periods and multiplying the shortages by the probability of each scenario occurring. The considered allowance therefore becomes the sum of these probability weighted outcomes across the lender's loan book. The level of Expected Credit Loss recognized as a loss allowance or provision is therefore directly dependent on the extent of increment in credit risk since the initial loan origination or disbursement. Different ECL levels are used across the three 'buckets'of portfolio quality for financial institutions, increasing provisioning with the increment in credit deterioration.

Example

XYZ Bank located on Kampala road disbursed a UGX 500 million 5 year loan to CaroLite Beauty Products Ltd – makers of quality hand and body lotion in February 2018. However, in September 2018, the Government of Uganda banned the production of beauty products rich in Hydroquinone. Subsequently, compliance to IFRS 9 requires that XYZ Bank reclassifies CaroLite's facility level of impairment from stage 1 to stage 2 due to the significant increase in default risk as a result of the national ban on their products. In addition XYZ will increase the provision. If the default risk increases further, the loan is moved onto stage 3.

Overall, implementation of IFRS 9 has resulted in better disclosures and transparent reporting as well as prudent management of the lender's asset book. To comply with the standard, financial institutions have had to make heavy investments across a number of functions including purchase or upgrade of financial reporting systems, reskilling of staff among others.

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Islamic Banking in Uganda, How it will operate

Dr Tumubweine Twinemanzi

Islamic Banking has recently attracted media attention and generated animated commentary from the public. This debate about a new financial product or service is healthy and warranted. However, there are some misrepresentations and falsehoods in this debate that need to be corrected. In line with its constitutional mandate, Bank of Uganda (BoU) worked with Parliament to ensure that legislation enabling the introduction of Islamic banking products in Uganda was enacted. Consequently, the Financial Institutions Act of 2004 was amended in 2016. The amendments included specific provisions allowing for the establishment of fully-fledged Islamic Financial Institutions and for existing Financial Institutions to offer Islamic Banking alongside their conventional banking services.

But what then is Islamic banking? In essence, it is a banking system based on the principles of Islamic or Sharia law. It is underpinned in the application by concepts derived from the Quran and the writings of Islamic scholars. These concepts revolve around the value of a sound currency and fairness in transactional dealings, the latter being structured within the bounds of Sharia law. Parties to any transaction in this banking system are obliged to conduct their business affairs, with a focus on what is permissible and lawful under Sharia law. As indicated earlier, Islamic banking transactions are guided by morals and value system as derived from Sharia Law, and these demand: transparency and full disclosure between parties to a transaction; good faith in conduct by the parties to a transaction; and participation in transactions that do no harm to the wider society. Consequently, transactions in Islamic Banking are often viewed as a culturally distinct but religiously motivated form of ethical investing. And last but not least, the central premise in Islamic Banking is that money, in of itself has no intrinsic value, but rather it must be used to generate income through trade and/or investment intangible assets; whence it derives its value. Any gains arising from the trading are shared between the party providing the capital and the one borrowing the money and providing the expertise. In supplement to this fundamental premise, there are four key principles that provide an additional anchor for this type of banking, namely:

a) Prohibition of payment and receipt of interest

Interest represents any fixed or guaranteed payment on cash advances or on deposits, therefore representing a sure gain to the lender regardless of the performance of the borrower's business orcommercial undertaking. This is precisely what Islamic Banking prohibits. However, Islamic banks are permitted to engage in trade and commerce, and the value they create is through the profits earned in trading or participating in other forms of commercial enterprise. But this option is not available to conventional banks since the value they create is through the earning of interest.

b) Mutuality of risk sharing-profit and loss

In Islamic Banking, the Banks and their customers are partners, and share in a predetermined and agreed ratio, the profits or losses arising from this "joint venture". This, of course, demands full disclosure or rather minimal information asymmetry from both the lender and borrower with respect to the said transaction.

c) Prohibition of investment in harmful sectors / Businesses

Islamic Banking integrates Islamic moral and ethical value systems, and as such, prohibits the financing of harmful products and or activities. The definition of what constitutes harmful is derived from Sharia Law, and thus Islamic banks cannot, therefore, finance businesses such as casinos, nightclubs or any such activity.

d) Prohibition of uncertainty and speculation.

There are strict rules in Islamic finance or banking against transactions that are highly uncertain or speculative or that may cause any injustice or deceit against any of the parties. For example, the sale of goods or assets of uncertain quality or delivery or payment; or contracts not drawn out in clear and unambiguous terms; are some of the many transactions prohibited under Islamic banking. This prohibition extends to transactions or contracts where uncertainty is combined with one party taking advantage of the property of the other, or where one party can only benefit when the other party loses. And by extension, speculative transactions are also prohibited since no asset is created.

How Islamic banking will operate in Uganda

In operation, Islamic Banks mobilize customer deposits and provide financing arrangements to customers by structuring various types of financial contracts. These contracts or transactions must uphold the four (4) key principles of Islamic Banking that were described earlier.

Mobilization of Deposits: Under mobilization on deposits or funds, the existing legal and regulatory framework in Uganda allows for customer deposit mobilization through the following arrangements:

Profit-Sharing Investment Accounts

These are akin to fixed deposit accounts in that the account holder allows the bank to invest the funds on their behalf either in projects specified by the account holder or in unspecified projects. The bank and the account holder share

profits/losses arising from the investments.

Profit Earning Investment Accounts: These in operation are akin to savings accounts in conventional banking. With these accounts, the customer earns a profit on their deposits held with the financial institution.

Non-profit-bearing deposit accounts: These are akin to current accounts in conventional financial institutions. The depositor does not earn any profit on their deposits.

Disbursement of Credit: Regarding funds mobilized in a Sharia-compliant manner, Islamic banks provide and extend Sharia-compliant credit facilities in the following forms:

Sale Based Financing (Cost-Plus Mark-up); in this contract, the financial institution purchases an asset directly from a supplier and sells it to the customer at a pre-determined price. The selling price includes the original cost plus a negotiated profit margin.

Lease Based Financing: where the financial institution purchases an asset directly from a supplier and leases it to the customer for a certain period at a fixed rental charge. The repayments made by the customer comprise the cost price plus the financial institution's profit.

Equity Partnership: Financing; these contracts are based on Profit or Loss Sharing arrangements and they mainly take two broad forms: Trust Financing and Partnership as indicated below:

i) Trust financing: The financial institution provides the entire capital needed to finance a project, and the customer provides the expertise, management and labour. The profits from the project are shared by both parties on a pre-agreed (fixed ratio) basis. However, in the case of losses, the entire loss is borne by the bank.

ii) Partnership: These are similar to joint venture agreements, in which a bank and an entrepreneur jointly contribute capital and manage the business project. Any profit or loss from the project is shared in accordance with a pre-determined ratio. The financial institution would ordinarily terminate the joint venture gradually after a certain period or upon the fulfilment of a certain condition.

Regulatory framework: As indicated earlier, The Financial Institutions Act 2004 was amended in 2016 to enable Islamic Banking. The amendments therein included exemptions offered to licensed Islamic Financial Institutions with respect to restrictions on engaging in trade and commerce, activities not allowed for in conventional banks. Subsequently, Bank of Uganda issued the Financial Institutions (Islamic Banking) Regulations in February 2018 to cater for the technical aspects unique to Islamic financing, and to operationalize the amendments related to Islamic Banking in the Financial Institutions Act 2004. This regulation covers the "how" and "what" for the licensing and regulation of Islamic banking in Uganda, and a proviso that outside of the specific exemptions granted in the amended Financial Institutions Act 2004, Islamic financial institutions are still bound to comply with all existing regulatory requirements.

One key requirement of the abovementioned Regulation is the establishment of a Shariáh Advisory Council (SAC) at the Bank of Uganda. This SAC is responsible for ensuring that all Islamic financial products presented and marketed as such, meet Shariáh based criteria for the said products and services. The establishment of this SAC should be concluded once consensus has been gotten with the relevant stakeholders.

Islamic Banking in Uganda, where we are today: Various entities have expressed interest in establishing Islamic Banking entities in Uganda. Bank of Uganda is currently processing three applications: one for an Islamic products window by a locally domiciled conventional Bank, and two applications by foreign entities interested in establishing fully-fledged Islamic Banks. It should be noted that Islamic Banking is practised in various jurisdictions around the World. In Africa, this includes countries like South Africa, Nigeria, Mauritius, Botswana, Kenya, Tanzania, Rwanda, Senegal, Algeria, Egypt, Sudan and Tunisia. The diversity of the dominant religious belief systems of the nations on the list above underscore the fact that Islamic banking is not a preserve of Islamic states or nations.

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Source: Daily Monitor


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Bana Uganda, we're inspired by people like Isaac Nabwana who find ways to bring their imagination to life.
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For us it's not just a word. It's how we do things and it's our commitment to helping people find a way to get things done.
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Jonan Kisakye

Training – the critical component of bancassurance

Uganda's Bancassurance journey which commenced in July 2017 has largely been successful if we are to go by the current numbers of licensed players. To-date, more than 20 banks across the different tiers have been granted Bancassurance licenses with a GWP contribution of 3% compared to 32% by brokers in 2018 which was the first full year of operation. Industry specialists predict that this tide will continue with banks expected to hit double digit figures in 2019. But this early success could face challenges unless the banks take time to re-strategize and re-assess their businesses with a view of creating a durable business model.

The bank branches have played an important role as their potential as distribution points is significant based on two important features; the potential to identify insurance customers and being able to close the sale, roles played by both the traditional banker and the bancassurer. The combination of the bank employee and insurance consultants in the same space has provided an environment where each concentrate on what they know best. The bank employees with their knowledge of customers are able to generate quality referrals by identifying customers with insurance needs which allows the bancassurance specified person to concentrate on sitting down with the referred customer to complete the sale. This combination of roles has made it easier to convert prospects unlike in the case of other intermediaries say a typical insurance sales Agent who performs the two tasks.

Because of this separation of roles productivity levels for insurers that have strategic bancassurance partnerships has been higher than inhouse alternative insurance agency forces. This has however created a puzzle in determining how to reward and share the proceeds with most banks feeling that they are better placed to enjoy the rewards as opposed to the individual sales person and referral staff as these are remunerated on a monthly system, sometimes with a performance bonus at the end of the operational year.

Most banks have opted for simple products targeting savings, life, Funeral, medical and child education policies branded as their own with a silent declaration of the insurance carrier as required by law. Insurance is traditionally a complex business and as banks endeavor to provide better value products away from the standard products offered by insurers through other traditional distribution channels, the main task has been in ensuring that customers are able to recognize this difference and the value provided by buying through the bank and not through any other intermediary.

The biggest hindrance in product development has been from the partner insurers who prefer low risk products if the two are to achieve the average premium prices that would attract customers and provide the much needed early profits. Other banks have opted for standard insurance products to avoid complexities that come with enhanced insurance products and the costs associated with product development, after all insurance is complex and not many customers are in position to differentiate these products. This coupled with low risk exposures required by insurers, the need for lower prices and low entry costs through using the bank as a distribution channel will ultimately lead to early profits.

Despite this early success registered, a deeper analysis reveals significant improvements are required by the banks in order to adopt bancassurance as a business and fit within the wider processes and nature of commercial banking. The challenges include a need to align bancassurance goals, objectives and strategies with the wider bank strategy, structural integration and simplification of reporting lines with access by bancassurance principal officers to the MDs of banks and not necessarily report through line managers most of whom have a limited understanding of insurance.

Others include: cultural awareness and understanding, limited marketing and sales knowledge and processes by most of the bancassurance staff, low levels of motivation arising from improperly structured reward and motivation systems, the need to educate bancassurance staff who are new to the banking side of the financial services and better IT systems to ease operations and integration with insurers. Some banks are facing resistance from customers due to a new pricing model that includes extra charges on their current bank products which now come with insurance benefits. Those that are offering stand-alone insurance products are in a dilemma as they have traditionally defended banks and assured customers their money is safe now have to face the unpalatable fact that customers' capital is not sacrosanct. Their money is not safe and depends of the nature of the insurance product purchased.

Another portend of difficult times ahead is the challenge of mis-selling that most banks may not realize now but will affect most products on maturity long after the referral staff and specified persons who identified the insurance need and concluded the sale will have left the financial institution. Insurance is based on a promise to pay when a particular insured event happens, mis-selling creates a challenge and breeds dissatisfaction of customers in either way where they may feel lost if they do not face the peril and feel lost when they face the peril and their premium does not help.

There is also an occasional outbreak of hostilities between salaried bankers and their insurance colleagues who depended on sales bonuses or commissions for a high proportion of their total income. Depending on the model used, most insurers have provided support staff as specified persons to different financial institutions, these are not necessarily viewed by the mainstream bankers as one of their own creating an operational gap and defeating the key business driver of creating a lead generator and an insurance expert who sits down with the referred customer to complete the sale.

Challenges are however part of any successful story, for most banks undertaking the sale of insurance products it should be a case of going back to the drawing board for when in doubt it is necessary to return to the classroom to reassess strategy and re-engineer internal processes.

The Insurance Institute of Uganda (IIU) has been at the forefront of providing the critical tools, resources and training in the area of bancassurance since 2015. The institute re-engineered its curriculum to ensure that bancassurance is offered as part of the Certificate of Proficiency (COP) to enable banks meet the minimum requirements by the regulator through a certification process that is relevant to the bancassurance practitioners. This is in addition to the Certificate in Insurance (CIU) and the Diploma in Insurance (DIU) where bancassurance papers form a key component of the course with the aim of creating an insurance expert ready to face the bank customer who is more sophisticated and requires a skilled bancassurer to handle them.

The institute has also been recognized as an Accredited Training Partner (ATP) for the internationally recognized Award in Bancassurance (AWB) under the Chartered Body Alliance comprising of CISI, CII and the Chartered Banker Institute all from the UK. Plans are underway to infuse the AWB into the IIU curriculum by providing exemptions to ensure a quick route to the certification of Specified Persons who effective July 2020 will be required to possess a Certificate in Insurance.

In all its bancassurance training courses, the institute takes an approach of establishing a professional who has developed a whole range of sales skills based on best practices of relationship marketing. These courses can be customized to provide banks with the necessary support to upskill their sales force and ensure that teams fully optimize and take advantage of sales opportunities. This is in addition to the other areas like compliance procedures, technical insurance knowledge, customer profiling and prospecting and building relationships, key tools in bancassurance training.

The financial services sector is highly dynamic, and the business is constantly changing, on top of the regulatory training needs provided by the institute, banks do have specific short-term training needs which must be fulfilled in addition to other training programs. Businesses world over have in house trainers, managers and coordinators, but its costly for a business to keep a pool of trainers of its own, the institute is in position to provide banks and other financial services businesses with skilled resources from a pool of over 50 professional trainers each with unique skills and qualities in any insurance related area. All IIU trainers have a background in insurance and the wider Financial Service Industry, are fully qualified in their field and have been taken through a rigorous assessment process to ensure that they are suited to the high standards that banks require and desire to set. By setting high standards, the institute is sure of delivering quality services to banks who in turn will deliver the same to clients through well trained staff. The institute can therefore be used to cover for operational resource shortages, or to provide a skill bank to be used when internal trainers have insufficient experience or knowledge to deliver to a specific need.

Through Continuous Professional Development programs, the institute partners with international and regional trainers, facilitators and consultants to provide short term training programs in the area of bancassurance where certificates are awarded demonstrating professional competence and skills. These areas include; Creating a successful bancassurance strategy, Key success factors for successful partnerships, Innovation and product development in bancassurance, Global trends in bancassurance, Innovation at the branch level, Digital distribution trends, Selling the bancassurance products, what drives profitability in bancassurance and Turning the branch into a bancassurance profit center. These and other trainings are offered on a quarterly basis and details are provided in the IIU annual calendar and on the IIU website.

While the institute aims at bridging the training gap, banks must take a leading role in the area of creating a motivational environment by taking a critical look at both the soft and hard side in motivation. Banks must also ensure that sales persons under bancassurance spend a majority of their time selling and not fulfilling certain other roles and administrative duties. Even as banks invest in providing the best training in the world, some staff will fail to produce the results expected which may be for a variety of reasons that may stem from the business or personal nature of the bancassurance staff. Such islands of resistance can be successfully changed, but it does take the personal involvement of an experienced and wise mentor through a mentorship program that can carefully be crafted by the bank or with the help of other experts. With these initiatives and efforts, the expectation is that we shall create an environment that protects the reputation of the industry for the benefit of all stakeholders.

The Writer works as Head of Training at Insurance Institute of Uganda

Robert Ntalaka

Challenges Of Smallholder Farmers In Accessing Finance

Agriculture financing has been a big challenge for the microfinance industry because of the various risks associated with it. However, recent years have seen an increase in the number of MFIs, donors and wholesale lenders interested in promoting agriculture financing. Uganda, being a majorly agricultural based country, there is no way this sector can be ignored.

Agriculture remains the main economic activity and employs the majority of the people in most low income countries. Globally, there are approximately 450 million households whose main activity is agriculture. Agricultural producers in developing countries, particularly those in low income countries, face a number of hurdles including low productivity, limited access to markets for their products, lack of adequate risk management products and services and limited access to finance. While agriculture remains a key economic activity in Africa employing about 55% of the population, only approximately 1% of bank lending goes to the agricultural sector.

Furthermore, only 4.7% of adults in rural areas in developing countries globally have a loan from a formal financial institution and only 5.9% a bank account, according to Fintex data. Access to financial services, while not a means to an end, is critical to provide funds for farm investments in productivity, improve post-harvest practices, smooth household cash flow, enable better access to markets and promote better management of risks.

Access to finance can also play an important role in climate adaptation and increase the resilience of agriculture to climate change, thus contributing to longer term food security. Access to a comprehensive range of financial services is a significant challenge for smallholders, who constitute the vast majority of farmers in developing countries. Smallholder farmers are quite a heterogeneous group, differing in their resource base and choice of crops and livestock, links to markets, the relative importance of agricultural income, and other dimensions. As such, solutions regarding access to finance need to better understand the various profiles of smallholder families and the conditions and market context where they operate.

Research to date has said little about how smallholder farmers outside value chains and less commercially-oriented farmers access financial services of any kind, or the kinds of products and services they demand. At the same time, there is a recognition of a missing middle in agri-finance in that there is limited understanding of what happens outside the commercial farmer and tight value chain segment when it comes to financing models for most. MFIs have not adjusted their credit methodology and instead only offer loans to the traditional, well-known sectors in urban areas: trade, services, and some small factories. Agricultural activities and livestock farming are usually not eligible. But the reality is that micro entrepreneurs in rural areas have diversified businesses with different sources of income and quite complex risk profiles and financial needs. Since money is fungible, clients apply for loans by presenting the loan officer with an eligible activity—for example, a small grocery shop or transportation service firm—but also use the funds to finance their agricultural activities, which are not evaluated by the loan officer. This has two different effects that need to be considered. First, there is a hidden risk, because if the client has a problem in his agricultural activity, it will affect his overall repayment capacity. Second, because the loan officer only considered the eligible activities, the client's profile (and hence his potential needs) are not registered and cannot be evaluated and used for cross-selling activities or any other commercial targeted campaign. It is important to draw MFIs' attention to this critical issue and create awareness of the hidden risks and the missed business opportunities they have in their loan portfolios.

A number of studies to improve financing in this sector have been undertaken and one of the major challenges identified through the various studies the Association of Microfinance Institutions in Uganda (AMFIU) has conducted is the poor record keeping by small scale farmers. Farming is a business like any other. It is a complex business which demands accurate records and careful financial management. Both Financial and production records are required in order to provide the information on which the farmer and the farm employees can make critical decisions regarding performance of the farming business.
Unfortunately, since farming is widely viewed "as a way of life" rather than a business, farm record keeping has not been embraced by the farming community. Indeed most farmers have a real problem in keeping records because it is not something they enjoy and they argue that it is not the reason why they went into the farming business.

It is surprising to see the number of farms that have little or no record keeping system. Reasons given for this include, "I don't have time", or "I don't need to bother". Some farmers simply save up all their receipts and at year end, carry it all off to their accountant. Therefore, there is no accurate measure of profitability or production costs until months after the fiscal year ends when the accountant prepares financial statements.

Why farm Record keeping

Accurate and up-to-date records are essential to successful farm management. Before any financial analysis, budgeting, or financial decisions can be made farm records must be maintained.
Present-day farm operations are becoming more and more business oriented than yesterday farm operations. Being a good producer is no longer good enough to remain in business. The key to becoming a successful farmer today is being a good producer as well as a good financial manager. The first step in being a successful farm manager is keeping good and accurate records and establishing a reliable sound record-keeping system. Farming is a business and records can be helpful in planning improvements for that business and making proper management decisions.

Farm managers need a complete and accurate farm records system in order to make informed management decisions that will help maintain or improve farm business profitability. Records can help the manager plan and implement farm business arrangement and do estate and other transfer farming. Also, farm managers can use records to determine what the efficiencies and the inefficiencies are, measure progress of the business and plan for the future.

The writer is the Information and Marketing Manager at the Association of Microfinance Institutions in Uganda (AMFIU)


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'Your Growth is Our Pride'

Lambert Brian Rusoke

Agency Banking: Charting the Customer Journey in the Digital Age

Digital innovation is disrupting and reshaping financial services at a rapid pace, and incumbents and challengers alike need to be attuned to the evolving expectations of their customers.

By keeping a technology-forward mindset, they are able to offer services that are at once personalized, accessible, transparent, frictionless and cost-effective.

These characteristics are sufficiently appealing to consumers in significant numbers to create a truly disruptive threat to incumbent banks, insurers and wealth managers.

When the Ugandan Parliament passed an amendment to the Financial Institutions Act of 2004 in 2016, banks started offering agency banking. This simply meant that banks with lower footprint didn't have to invest in slow-to-scale brick and mortar branch networks, but could Instead, focus on capturing market share based on better products, customer experience and price, while leveraging the (operationally) lower-cost agent networks. More so, even those with a wider footprint, would look at it as an opportunity to leverage operational costs.

Two or so years down the road, more people, especially in rural far flung areas, are getting accustomed to 'not visiting a bank' to get service, but to turning to their nearest trading centres and doing the banking.

Agency banking, among other financial inclusion methodologies, is only here to answer a few customers' concerns, that banks cannot underestimate, especially in an era of choices;

Customers want banking to be easy
It sounds straightforward, but easy banking with a great customer experience is deceptively difficult. Accessing bank products and services should be a simple, seamless experience – clean menus that don't require countless clicks or tons of taps to access basic banking tasks. If one can get his banking done at the corner of his/her trading centre, this would save them costs and time that he/she would have encountered in the town traffic jam.
If a financial firm fails to make basic banking tasks simple and unified, customers will move on to a bank that does.

Customers want options for how they bank

Ease isn't enough – banking customers want 24/7 access . Today's customers operate across both digital and physical, with 65 percent of customers interacting with their bank through multiple channels. Even the older, less technologically-engaged demographics that prefer in-person banking are eager to include other channels and expand their web or mobile-based interactions.
Customers want to be able to start a banking process online and not have to repeat information or tasks at a physical branch. Providing many options and a seamless, easy experience across every avenue can be challenging for banks, but it is critical to satisfying today's customer

Customers want responsive customer service

Great service quality is a necessity, as customers have no reservations about switching when they receive frustratingly opaque fines and fees or their bank fails to solve their problems. Banks need to be transparent and communicate with their customers, and if issues do arise they must act quickly to painlessly resolve them on the first try. With agents providing the linkage line between banks and their far off customers, there is a feel of communicating with the 'real bank' as agents can easily access the bank's correspondences or feedback lines.

A third of banking customers report that poor customer service is the primary reason they would leave their bank . For customers who have changed banks due to bad service, over 80 percent said they could have been retained if their issue had been solved on their first contact with the bank . Though responsive customer service may not win banks new customers, it is crucial to keeping existing ones. And a bank agent, in a town centre, that knows all the residents in an area, can be a good defensive tool in trying to keep the customers, as he understand given that he lives with them.

Customers want to be better understood

Customers want individual attention and relevant offers from their bank, and not the usual spam of generic ads.

There are customers who, naturally, may feel out of place, when they approach the banking halls. The shinny tiles, air conditioned offices, glamorous looking front lady officers,who may prefer touching their fancy phones than offer an eye to eye conversation to the customer,to mention but a few,makes some inferior and fear to ask .The option of having a 'local' agent,whom they better understand and read,leads to a better customer satisfaction.

Customers want to be understood so much that they are perfectly willing to trade personal data for tailored offerings. Through bank agents,customers take advantage of digital channels, they interact with their bank more – giving banks more opportunities to better understand customer needs, to present more relevant offers at the right time and place, and ultimately to increase retention while selling additional products.

Customers want great value from their financial products and services

Customer loyalty program adoption is rising, but it's not because customers are actually more loyal to their bank. To compete, banks must go beyond personalization for existing customers and build great, high-value financial offerings that attracts today's savvy banking customers. Customers want convenience and value, and they are willing to exchange their personal data for good deals and discounts..

Precisely speaking, The Agency Banking Model is a Marathon that banks and their agents must keep up the pace of the environment.

The challenges are there, and issues like liquidity problems, security concerns and safety, poor customer service by workers at agent stalls, thus affecting the bigger brand, customer deposit suppressions, administering charges far off the bank-agent relationship contract,et tal,are what the marathon tactics must address.

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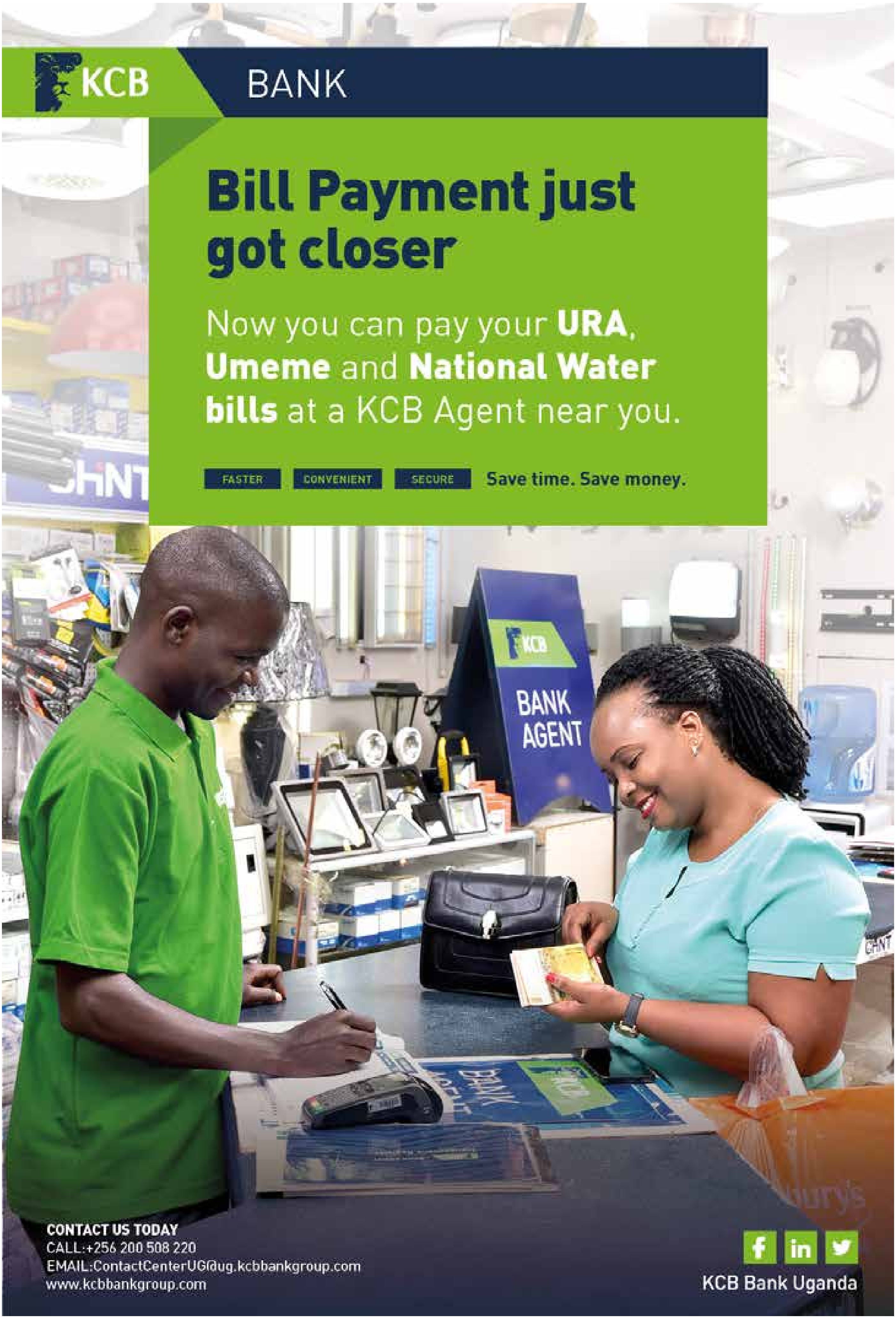
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Customer Care as a Competitive Business Growth Strategy

Augustine Mwanje

In his book ***The loyalty Effect***, Frederick Reichfeld points out that achieving profitabe growth is impossible without building a loyal base of customers, and the loyalty of customers can't be earned without first earning the loyalty of front line employees.

Unfortunately, we have come to accept bad customer service as the standard, and a good experience is more of a surprise than an expectation.

This presents a fantastic opportunity for a business to create a unique selling advantage based on good customer service, which without doubt will make it stand out like a giraffe in a field of mice.

For the purposes of this article, we'll define customer care as the attentive attitude and courteous behaviour that helps build a life-long relationship between a business and its customers, before, during and after any mutually beneficial transaction between the two parties.

Why Good Customer Care is Important

One of the main reasons why your customers stop doing business with you is because they had a bad experience, and rather than complain, they took their money elsewhere.

In general, most customers and clients are looking for convenience,confidentiality (the trust factor),friendly service, familiarity,and speed of service.

It's clearly evident that attracting a customer costs money. In fact marketing tests have consistently revealed that it costs 5 to 7 times more to acquire a new customer than it does to retain the one you already have.

For starters, you need to appreciate that your customers and clients are all those individuals, companies, internal departments, and organizations that use your products or services.

Next,you need to understand what motivates your customers and clients and the best way to find out to ask them in a non-threatening manner.

Let's take an example.How often do you enter a shop where someone has been assigned to follow you around hopingto help you?

That kind of customer service only appeals to people who like being followed around.

If you are like the rest of us, you know that as soon as the follower asks,*"Do you need any help?"* You usually say *"No thanks, just looking around"* and with those magic words, you carefully plan your exit.

Never assume that what appeals to you will appeal to your customer.

Be mindful that excellent customer service is a culture that has to be consistently nurtured throughout the organization.

Developing consistency in customer service across the entire organization, regardless of the geographical location of its branches, can go a long way in communicating to customers that you genuinely care about their needs, wants and desires.

In this way, extraordinary service becomes the rule and not the exception.

Customer Lifetime Value

Customer lifetime value or marginal net worth refers to how much a particular customer is worth to an organization over the length of the business relationship between the two parties.

One of the easiest yet often under looked ways to grow a business is to increase the frequency of repeat sales from the same number of customers.

Without understanding the concept of customer lifetime value it's difficult to justify how much a business can spend to *acquire* and *retaina* customer.

To this end, it's important to note that anyone who walks into your premisesto do business with you can be worth a lot more to you over time, than what you earn from initial transaction.

Does it therefore not make sense to treat everyone who patronizes you business with you with courtesy and consideration?

With good customer service, almost *anyone* who starts a business relationship with your organization can be worth a lot more to you over time, especially when your product or service is used repeatedly.

If you're in the banking business, your past customers with a good repayment history are your best candidates for more credit, and it's your responsibility to initiate the sales process to them before your competitors do so.

Let me share a story. I was a loyal customer of a Telecom company, whose internet services I had been using for over five years, so you'll agree with me that their income from me was relatively predictable.

When a new player came into town with free trial offer, I opted to take advantage of the free promotion.

Long story short, I've been with the new company ever since and six years later, the previous company has never made any attempt to contact me to find out why I had dropped their service and even try to match the offer of their competitor.

Take note that customer service is not only relevant to those staff members who directly engage customers in their day-to-day activities but also to staff interacting with co-workers (or internal customers).

It's unrealistic to be rude to your co-workers and think you can consistently offer a great customer service experience to external customers.

You and your staff have to be very careful about what you say and do in the workplace, especially in the presence of strangers because you never know who is watching and deciding whether to do business with your organization, simply based on your words and actions.

This begs the question; do you know the average lifetime value of your customers?

As you think about the answer, remember that the people who do business with you repeatedly and are delighted with the experience turn into raving fans.

In their best-selling book *Raving Fans*, Ken Blanchard and Sheldon Bowles emphasize the importance of instituting effective systems to ensure the creating and maintenance of raving fans is a constant feature in a business, as opposed to a passing fad.

Going The Extra Mile

Going the extra mile refers to delivering an experience above and beyond what customers expect. It depicts selfless acts of kindness that allow you to treat others with honour dignity and respect.

To go the extra mile, you need to anticipate the needs of customers and behave in an empathetic manner towards meeting those needs.

This can be as simple as going out of your way to offer a seat to a prospect, customer or client who may be carrying an infant or an elderly person without them having to ask.

You should offer extra mile service to *everyone*, as it creates a significant impact on those prospects that are interested in doing business with you, but have not yet done so.

When they witness this extra mile service as strangers, they can't help but wonder how you handle loyal clients. This has the potential to speed up the conversion process, taking them from suspect to raving fan in record time.

Going the extra mile makes people feel important and valued. It also creates a positive impression about t your organization, its products, services and staff.

Good customer service is all about doing ordinary things extraordinarily well and going beyond what's expected, by adding value and integrity to every customer interaction.

You have to go out of your way to deliver a good experience *before*, during and *after* any transaction with a customer or client.

You also need to deliver your best with every customer, and discover new ways to delight those you serve by anticipating their spoken and unspoken request without ever saying or thinking *"that's not my job"*.

Once you learn the specific behaviours that communicate to customers an attentive and courteous attitude thereby buildingrelationships with them, you have to consistently practice your customer service skills until they become second nature.

The way you interact with customers leaves a lasting impression of your business (whether positive or negative) and to customers and outsiders, perception is reality.

What they see or hear is the absolute truth, and they will go out of their way to communicate it to others. Your parting comments after interacting with a prospect, customer or client will always leave a lasting impression.

Dealing with Difficult Customers

All too often, we let other people's opinions of us affect us in ways they really shouldn't.

How you respond to criticism from an irate customer largely depends on how much time you give yourself to respond.

When you increase the time you take to respond, even if it's a few well thought out seconds, you exercise your option to choose how to respond.

In some cases, it may even be necessary to maintain your silence, because it's difficult, if not impossible, for someone to argue alone.

Sometimes a customer will provoke you on a day that may not be going well for you personally.
Staying calm in such a situation may be a lot easier said than done.

Where possible, it helps to let your supervisor know what you're going through *before* you react to a customer in an inappropriate way, so that he or she can avert a potential confrontation.

When you find yourself in a situation where you have to deal with an errant prospect, client or customer, it helps to have processes and procedures for handling such situations *before* they happen.

Above anything else, be sure to get the customer's name right.Nothing is more irritating to them at that moment than failing to remember their name a few minutes after they have given it to you.

Avoid becoming adversarial, defensive or confrontationaland don't take any insults personally, as you may not be directly responsible for the client's bad behavior.

Use inclusive language like 'us' or 'we' as this creates an impression of collective responsibility, and listen carefully and attentively, while you calm down the customer.

Don't yield to the temptation of puttingerrant customers in their place. Instead, find out what the customer wants, and discuss alternatives where possible.

Take responsibility for what you CAN do and agree on a course of action if you can't find a solution right away.

Most importantly, don't lose your temper and avoid calling the customer derogatory names. The truth of the matter is, difficult customers will always put your customer care skills to test.

Dealing with customers, clients or prospects over the telephone requires the appreciation and application of telephone etiquette.

As far as the caller is concerned, anyone who answers the phone is a representative of the bank and should be able to solve their particular problem or answer to any enquiry he or she may have.

Always let the caller hang up first and write down any important information right away. Before you end the call, ask if there is anything else you can help them with and thank them for calling.

The inflection, pitch, tone and volume of your voice will communicate a great deal. It's therefore important to speak clearly and slowly. Make sure you smile becausestrange as it sounds, the caller can 'hear' the smile in your voice.

Don't eat or drink while on the phone, and don't say things you would not want the other party to hear while they are on hold.

Keep in mind that there's always an opportunity to transform the most difficult customer into a raving fan by handling a delicate situation extraordinarily well, in a manner that exceeds the customer's expectations.

Conclusion

A culture that promotes good customer service, thereby turning customers into raving fans, can be used by any business as a source of competitive advantage that's not easy to replicate, making it a unique selling advantage.

Such a culture enables you to consistently deliver a positive experience to all the people who get to do business with you.Your customers will buy from you more often, spend more, and turn into a loyal fan base, eager to refer you to others.

The unanswered question in the mind of any prospect before they spend money with you is:*"Why should I do business with you and not your competitors?"*

If the answer to that question is *"because we offer a good customer experience"*, it needs to be articulated in such a manner that your definition of good customer service is aligned with that of the prospect, client or customer.

I'll end with a quote.

"Be polite to everybody, even the messenger. You never know when he may turn up as a client. If you are going to be mean to somebody, be mean to the chairman of the board. He won't be around very long." - **Bruce Barton**

Mr Mwanje Augustine is a Certified Entrepreneur Trainer and Freelance Consultant.

Success Story of Former UIBFS Student

Samuel Kakuru

Give us a brief background about your self

Iam Kakuru Samuel, currently a lecturer at Uganda Christian University in the Faculty of Business and co-founder and Managing Director of The Wit Limited an IT & Business Solutions company based in Mbarara, Western Uganda.

I did two short courses at The Uganda Institute of Banking and Financial Services (UBIFS), one in computerized accounting and another one in Computerized Data entry and Analysis after my graduate program at Uganda Christian University in 2016.

I'm born a twin and i was raised in the western part of Uganda in Mbarara town.

Describe your experience at UIBFS and why you would recommend someone to study there.

It was and will always be my wonderful study experience while at UIBFS. The customization of learning needs based on there abilities is what stood out for me. You are attended to individually and at the end of the day to achieve above 90% of learning goals. It was amazing, and I have on several occasions recommended my friends to come there for such trainings if within or near Kampala.

How did your UIBFS study experience prepare you for this career?

My study experience enhanced my accounting skills and data analytical skills which I needed so much for our Tech start up that I cofounded with my twin. Having trained in Business Computing I hungered to dig deep in understanding the use of information systems to automate some business functions. This has made me good at my job, where I'm the first consumer of my skills, my clients who I have analyzed their data and recommended computerized accounting software, and of course my students that I share with my knowledge and experience.

What do you think are the secrets behind getting where you have got to in terms of your career?

The secret is just one. Passion and obsession. Keep pushing and do what you think you are meant to do in life. And Prayer works!

What is the best career decision you have ever made/ what is the worst, if any?

The best career decision I made was just to follow my passion. To choose business computing and entrepreneurship with a background inspiration to start a business that will focus on 21st century Tech & business trends. Training, and providing tech & business solutions.

What do you love about your job/career?

My jobs are demanding, I love it that they push me to always be a student, learning and relearning.

When do/did you consider yourself a success?

I consider myself a success, when my ideas/knowledge benefits people and makes them better than they think were. Simplifying their tasks and improving their lives.

What would be you best career advice?

My career advice is that we all have different roles we are meant for in life. Let us discover them and relate them to our purposes in life. Our career goals should be to inspire ourselves and others. And let us all struggle to embrace technology in all our career options and opportunities.

What occupies you during your free time?

In my free time, I catch some movies, read some books with music in the background, if not out jogging for physical fitness.

Samuel during a Tech – talk at Embassy Institute, Mbarara

Peter Ssenyonjo
Agent Banking Manager, UBA Uganda

The UBA Redshop - bringing banking services closer to you!

Agent banking is when a financial institution contracts a third party retailer to offer financial services to clients on its behalf. Banking agents can be pharmacies, supermarkets, convenience stores, lottery outlets, petrol stations and more. UBA Uganda introduced its agent banking solution dubbed 'the UBA Redshop' this year. Peter Ssenyonjo, the Manager, agent banking tells us more about the UBA Redshop services.

1. What is a UBA Redshop?

The UBA Redshop is an agent banking solution that has been developed to bring banking services closer to our customers. UBA RedShop agents are third party retailers that the bank has partnered with to act as banking agents and offer banking services on behalf of the bank. The agents are vetted and authorized to offer various selected banking services.

2. What services are available at the UBA Redshop?

The UBA Redshop agents offer most of the services customers can access in the banking hall.

These services include:

- *Account opening*
- *Funds Withdrawal*
- *Fund Deposits*
- *Balance Enquiry*
- *URA Payments (University Tuition, Domestic taxes, KCCA, Internal Affairs)*

All services are offered using point of sale machines that are technologically connected to the banking system.

3. Who can access UBA Redshop services?

All UBA and other bank customers can enjoy UBA Redshop Services. UBA is part of the shared Agent banking platform that enables Redshop agents also offer services to other bank customers.

4. Where can customers find UBA Redshop?

We currently have over 55 agents across the country and we are recruiting more. Just look out for the UBA Redshop signpost near you to be served.

Retailers wishing to become UBA Redshop agents can approach the bank through its branches across the country.

5. What do customers benefit by Using a UBA Redshop?

Transacting at agents is very convenient as most of these agents are near where you live, work and hangout. Transacting at a Redshop agent is also very affordable for customers compared to other alternative means.

To get more information about the **UBA Redshop agent solution**, call us on **0800100030/0417715100** or Email: **cfcuganda@ubagroup.com**

DFCU BANK (ROYAL BLUES) WINS THE 20TH EDITION OF THE ANNUAL BANKERS' SPORTS GALA (2019).

The men and women from Dfcu Bank were in top form collecting 220 points to emerge the 2019 Bankers' Sports Gala champions. The Bankers' Sports Gala was held at Lugogo Indoor Stadium and Namboole Stadium on Sundays, 13/10/2019 and 20/10/2019 respectively. Pandemonium broke out when Dfcu Bank picked award after award from the different games categories as the bank's name was constantly read out during the awards ceremony, graced by the Deputy Governor, Bank of Uganda, Dr. Louis Kasekende, Mr. Anthony Mulindwa, The Uganda Institute of Banking and Financial Services CEO and Mr.Wilbrod Owor, the Executive Director Uganda Bankers' Association (UBA).

Centenary Bank (Team Cente) came second overall with 187 points while Stanbic Bank (AutoBank) finished third overall collecting 157 points.

Dr. Kasekende paid gratitude to the 32 teams that took part in the gala and thanked them for their very active participation and advised them to always ensure teamwork and set targets. "Some of you, who are not winning anything this time, please go back, prepare yourselves and come back next year with a new target to win. As Bank of Uganda, we shall continue to support these games and participating with a target of winning them," Kasekende stated.

Mr.Mathias Katamba, Chairman Board of Directors of the Uganda Institute of Banking and Financial Services said the number of participants was increasing by the year. "The games remind us that we should keep fit even after the gala so that we keep healthier and better. In the coming years we will try to have our colleagues from the East African region participate and we hope this will come to pass," Katamba said.

Dfcu Bank staff members celebrating for winning the 20th Edition (2019) of the Annual Bankers' Sports Gala at Mandela National Stadium, Namboole, Kampala.

Centenary Bank (Team Cente) celebrate for taking the Second Overall trophy at the 2019 Sports Gala

INSTITUTIONAL HIGHLIGHTS

THE 20TH ANNUAL BANKERS' SPORTS GALA (2019).

Stanbic Bank Uganda staff receiving the Third Overall Position Trophy from the Chief Guest, Deputy Governor Bank of Uganda

Netball game at the 2019 Bankers' Sports Gala at Lugogo Indoor Stadium

Football game at the 2019 Bankers'Gala at Mandela National Stadium, Namboole.

Badminton game at the 2019 Bankers' Sports Gala at Lugogo Indoor Stadium

Award WINNERS

AWARD OF THE UGANDA INSTITUTE OF BANKING AND FINANCIAL SERVICES ACCOLADES 2019.

The Uganda Institute of Banking and Financial Services (UIBFS) is a membership based organisation comprised of different categories of membership, namely Corporate and Individual members who include, Honorary Fellows, Fellows, Associates, Ordinary Members and Student Members.
The Institute annually awards accolades i.e. Associate ship, Fellowship and Honorary Fellowship to professional bankers as well as other members who satisfy the criterion as laid down in its Articles of Association. During the Bankers' Dinner held on Friday, 22nd November 2019 at Mestil Hotel, Kampala the following individuals were awarded the Institute accolades as follows:

ASSOCIATESHIP (AUIB)

The criterion for the award of Associateship of the Uganda Institute of Banking and Financial Services is as follows,

Associates shall be individuals elected by the Board and who have passed the Diploma in Banking examinations a.k.a Certified Professional Banker (CPB) or obtained such other qualifications of the Institute or of any other recognized Banking Institute as the Board may from time to time prescribe or approve.

Such individuals shall possess three years proven banking and or financial services working experience obtained prior to or after the attainment of the Certified Professional Banker qualification. They shall be paid up members of the Institute and shall continue to actively participate in the Institute's activities as approved by the Board at least once a year.

The Board shall regularly forward to the Council names of those individuals elected to the rank of Associate (AUIB) for the award of the accolade.

The Council during its sitting of Friday 18th October 2019 elected the following persons to the rank of Associate of the Uganda Institute of Banking & Financial Services, (AUIB).

MR. ANYAGAN ANDREW TIMOTHY

Andrew is currently employed as a Supervisor Agri business at Centenary Bank, Commercial Services Division (Head Office) and has over 10 years experience in the banking industry.
He holds a Bsc in Agriculture Degree from Makerere University. He is currently pursuing MA in Financial Services Degree at the Institute.
Andrew completed the Certified Professional Bankers' course in 2017 and has continued to be an active member of the Institute.

MR. TONNY OPIO

Tonny is currently employed as a Banking Assistant at Bank of Baroda Uganda since 2012.
Tonny holds a Grade 111 Teachers Certificate Kyambogo University and Banking Certificate from the Institute. He also completed the Certified Professional Bankers' course at the Uganda Institute of Banking and Financial Services in 2015 and has continued to be an active member of the Institute.

MS. KATEME BARBRA

Barbra is currently employed as Credit Administrator at Orient Bank Ltd. Prior to joining Orient Bank Barbra worked at Guaranty Trust Bank in the Credit Department. She boost of over 10 years experience in the Banking industry.
She holds a Bachelor of Arts Degree and Diploma in Law from Makerere University. Barbra completed the Certified Professional Bankers' course in 2018 and is currently on the Institute's Chartered Banker Program. She has also continued to be an active member of the Institute.

INSTITUTIONAL HIGHLIGHTS

MS. ACHOM GRACE

Grace is currently works as an Assistant Credit Manager; Reporting & Personal Consumer Loans at Post Bank Ltd. Prior to joining Post Bank, Grace worked at Terudet as Loan Tracking Officer. She boosts of over 12 years experience in the Banking industry.
She holds a Bachelor of Arts Degree from Makerere University. She also possesses a Diploma in Micro Finance & Community Economic Development from Uganda Martyrs University.
Grace completed the Certified Professional Bankers' course in 2014 and has also attended a number of short skills trainings at the Uganda Institute of Banking and Financial Services. She has continued to be an active member of the Institute.

MR. MWESIGYE RICHARD

Richard currently works as an Assistant Product Manager – Banking at Future Link Technologies Ltd. He has over 5 years experience in Financial Services Industry specifically in providing Financial Technology solutions.
Richard possesses an Advanced Diploma in Accounting and Business from Association of Chartered Certified Accountants (ACCA). Richard completed the Certified Professional Bankers' course in 2018 and has continued to be an active member of the Institute.

MR. MUSENGE BRIAN

Brian is currently employed as a Financial Inclusion / Agent Banking Supervisor at Centenary Bank and has over 5 years experience in the banking industry.
He holds a Bachelors of Arts in Economics Degree from Kyambogo University. Brian completed the Certified Professional Bankers' course in 2017 and has continued to be an active member of the Institute.

MR. TEEBA MUSA

Musa is currently employed as a Finance Analyst at Topten Business Services and has over 5 years experience in Financial Management and Business Development.
Musa holds a Bachelor of Business Administration (Finance and Banking) Degree from Cavendish University. He also holds a Diploma in Business Management from Mutesa 1 Royal Institute. He completed the Certified Professional Bankers' course at the Uganda Institute of Banking and Financial Services in 2016 and has continued to be an active member of the Institute.

FELLOWS (FUIB)

The criterion for the award of Fellowship of the Uganda Institute of Banking and Financial Services is as follows,

Fellows shall be elected by the Board from among the Associates (AUIBs) on the nomination by at least two Fellows of the Institute who shall certify in writing that the nominee is a fit and proper person to be considered and elected a Fellow.

Such individuals shall possess three years proven banking and or financial services working experience from the date of attainment of the Associateship and shall have attended at least five Professional Development seminars/lectures organized by the Institute from the date of attainment of the Associateship. They shall in addition be paid up members of the Institute.

The Board shall regularly forward to the Council names of those individuals elected to the rank of Fellow (FUIB) for award of the accolade. The Council during its sitting of Friday 18th October 2019 elected the following persons to the rank of Fellow of the Uganda Institute of Banking & Financial Services, (FUIB).

DR. SAZIR MAYANJA NSUBUGA, FUIB

Dr. Sazir attained Associateship of the Uganda Institute of Banking & Financial Services (UIBFS) in 2008. Dr. Sazir's career in the financial services sector spans over 30 years with tenures at United Assurance Company, at the defunct Green land Insurance Company and Pan Africa Insurance Company all serving as General Manager.

Dr. Sazir's experience is largely in the areas of Insurance, Marketing and Financial Management. He currently works as a lecturer at the University of Kigali, does business consultancy work, published a number of papers and books in Marketing and Finance and is also a Director at Sharia Finance Support Organisation.

Dr. Sazir holds a PHD (Finance) Degree from Cyprus Institute of Marketing and a Bachelor of Commerce Degree from Makerere University. He is also a fellow of the Insurance Institute of Uganda (IIU) and Member of Uganda Institute of Corporate Governance. He has also been an active Associate Member and Trainer at the Uganda Institute of Banking and Financial Services.

MS. NABWIRE KATHERINE, FUIB

Katherine attained Associateship of the Uganda Institute of Banking & Financial Services (UIBFS) in 2014. Katherine's banking career spans over 12 years with tenures at Barclays Bank, Equity Bank and Stanbic Bank Uganda.

Katherine's experience is largely in the areas of Business Development, Branch and Customer relationship management. She currently works as Director at First Almond Finance Company, Kampala.

Katherine holds a Master of Business Administration Degree from Eastern and Southern Africa Management Institute (ESAMI) and a Bachelor of Social Sciences Degree from Makerere University. Katherine has had a number of short skills trainings in Leadership and Customer service and has been an active Associate member of the Uganda Institute of Banking and Financial Services.

MR. NABENDE NICHOLAS, FUIB

Nicholas attained Associateship of the Uganda Institute of Banking & Financial Services (UIBFS) in 2015. Nicholas' banking career spans over 18 years with tenures at DFCU Bank, Stanbic Bank Uganda, Bank of India Uganda and Post Bank.

Nicholas' banking experience is largely in the areas of customer relationship and financial management in regard to which he has formulated and implemented several bank financial management frame works and policies. Nicholas currently works as Chief Finance Officer (CFO) and Executive Management Committee Member at Glotrans Financial Services Limited.

Nicholas holds a Master of Business Administration Degree (Accounting & Finance) from Uganda Martyrs University, Nkozi and a Bachelor of Arts Degree from Makerere University.
He is also a Member of the Institute of Public Accountants of Uganda (ICPAU) and an active Associate Member and Trainer at the Uganda Institute of Banking and Financial Services.

INSTITUTIONAL HIGHLIGHTS

MR. ELWANA ANDREW, FUIB

Andrew was elected Associate of the Uganda Institute of Banking and Financial Services in 2016. Andrew's professional and banking experience, acquired over 10 years of working with Bank of Uganda, is largely in the areas of Cash / Currency and Branch Management. Andrew is currently working as the Acting Branch Manager, Bank of Uganda Kabale Regional Currency Centre / Branch.

Prior to his posting at Kabale BOU regional Office, Andrew headed the Quality Assurance, Remittance / Control and Verification Units at Bank of Uganda Headquarters in Kampala.

Andrew holds a Post Graduate Diploma in Project Planning and Management from Uganda Management Institute and a Bachelor of Business Administration (Finance) Degree from Makerere University. He has also attended short trainings at the Institute of Chartered Secretaries and Administrators. He has been an active Associate member of the Uganda Institute of Banking and Financial Services.

MR. OMUKOLA MICHAEL, FUIB

Michael attained Associateship of the Uganda Institute of Banking & Financial Services (UIBFS) in 2003. Micheal's banking career spans over 20 years with tenures at Uganda Commercial Bank, Stanbic Bank Uganda and United Bank for Africa.

Michael's banking experience is largely in the areas of branch management and branch operations having been part of the team that successfully managed the takeover of former Uganda Commercial Bank by Stanbic Bank Uganda.
Micheal currently works as Finance and Administrative Associate in the Office of the Prime Minister responsible for providing technical support in the utilisation of financial resources in UNDP funded projects.

Michael holds a Bachelor of Commerce (Finance and Banking) Degree from Makerere University and Diploma in Banking from the Uganda Institute of Banking & Financial Services and has been an active Associate member of the Institute.

HONORARY FELLOWS (FUIB, Hon)

The criterion for the award of Honorary Fellowship of the Uganda Institute of Banking and Financial Services is as follows,

Honorary Fellows shall be persons of distinction in the practice or literature of Banking, Finance, Economics or Kindred Subjects and who shall upon nomination by either a Director of the Institute, Fellow, Honorary Fellow, or Chief Executive of a Corporate Member institution, have been accepted by the Board as fit and proper persons on the basis of their learning and contribution to the profession of Banking, the Banking industry and or the financial services sector in general.

In addition, they shall be persons of distinction on the basis of character and public bearing.
The Board shall regularly forward to the Council names of those individuals elected to the rank for final approval and award of the accolade.

For their distinguished service to the banking industry in Uganda, the Council during its sitting of Friday 18th October 2019, elected the following persons to the rank of Honorary Fellow of the Uganda Institute of Banking and Financial Services, (FUIB, Hon).

MR. HERMAN KASEKENDE FUIB, HON

Herman's banking career spans 21 years in the course of which he has made significant contributions to the financial services sector in a range of areas including Consumer and Wholesale Banking.

Herman is currently Managing CEO Standard Chartered Bank (SCB) Zambia (position held since March 2017);

He was the first Ugandan CEO for the Bank and first Ugandan CEO in the Standard Chartered Bank Group;

Herman joined Standard Chartered Bank (SCB) in 1998 from the now defunct Nile Bank and has since held various roles in SCB in and outside of Uganda including:

- CEO for SCB Uganda (position held for 4 years
- Other previous roles held at SCB include : Head, Consumer Banking (held for 4 years and first Ugandan to head this division)
- SME Banking, General Manager – Shared Distribution, Senior Relationship Manager –Wholesale Banking and on short term assignment in Standard Chartered Bank, Singapore.
- During his illustrious career as the CEO of SCB Uganda, Herman contributed to the banking profession through a number of ways including sitting on various Boards such as The Uganda Institute of Banking and Financial Services (which he chaired), Varkey Foundation (Chair) and Advisor to the Board of Uganda Chambers of Mines and Petroleum and delivering key note addresses in different forums;

Herman holds an MA (International Economics & Finance) from Brandeis University and has attended several courses in banking, finance and leadership from renowned institutions.

MRS. MARGARET MATOVU FUIB, HON

Mrs. Margaret Matovu is a retired Banker, formerly working for Bank of Uganda which she joined in 1987. She served in various capacities at Bank of Uganda in the Banking, Commercial Banking and Supervision Departments until her retirement in 2004 as Director, Banking Department.

Margaret's previous roles in BOU and other organizations included:

- Director Banking for 3 years (2002-2004)
- Director, Commercial Banking for 3 years (1999-2002)
- Deputy Director, Banks Supervision from 1998-1999
- Non Executive Director at Standard Chartered Bank Uganda (position held for 13 years - 2005-2018) where she was the Chairperson of the Bank' Asset and Liability Committee (ALCO).

During her illustrious banking career, Margaret significantly contributed to the banking industry by applying her transformational leadership style in the various departments in Bank of Uganda where she worked. To highlight some notable examples:

- Margaret championed the establishment of the legal framework for supervision of banks in Uganda; first with the Financial Institutions Statute 1993 and later with the Financial Institutions Act 2004.
- Margaret also championed the shift from compliance based to risk based supervision of banks in Uganda which BOU commenced in 2001.
- These two achievements continue to form the foundation of BOU's supervision structure and processes.
- Margaret exhibited a high level of integrity throughout her 30 year Banking career.

Margaret holds a Bachelor of Commerce Degree from Makerere University and has attended several courses in banking, finance and leadership from renowned institutions around the globe.

2019 ANNUAL BANKERS' DINNER PICTORIAL

Bank of Uganda Governor (Patron to the Institute), Prof. Tumusiime Mutebile (right), Uganda Bankers' Association (UBA) Chairman, Mr. Patrick Mweheire (Centre) and UIBFS Board Chairperson, Mr. Mathias Katamba during the 2019 Annual Bankers' Dinner at Mestil Hotel, Kampala

UBA Chairman (left) and Executive Director, Mr. Wilbrod Owor (right) welcoming the Chief Guest, Prof. Ephraim Kamuntu (Centre), Minister of Tourism, Wildlife and Antiquities

(Left – right) Centenary Bank CEO, Mr. Fabian Kasi, Housing Finance Bank, CEO Mr. Michael Mugabi, Executive Director Bank Supervision BOU, Dr. Tumubweine, United Bank for Africa Uganda CEO and Institute Board Member, Mr. Johnson Agoreyo, Ecobank Uganda CEO and Institute Board Member, Mr. Clement Dodoo, Executive Director, Uganda Bankers' Association, Mr. Wilbrod Owor, Institute Registrar, Mr. Richard Semakula and the Institute's CEO, Mr. Anthony Mulindwa

Guests at the Bankers' Dinner

TheUganda Institute of Banking and Financial Services (UIBFS) staff at the Dinner cocktail

Centenary Bank CEO, Mr. Fabian Kasi receiving the Institute's Honorary Fellowship Award on behalf of Mr. Herman Kasekende, CEO, Standard Chartered Bank, Zambia from the Institute's Board Chairperson

2019 ANNUAL BANKERS' DINNER PICTORIAL

Mrs. Margaret Matovu (retired Banker) receiving her Honorary Fellowship Award from the Institute's Board Chairperson

Dr. Sazir Mayanja Nsubuga receiving his Fellowship Award

Mr. Andrew Elwana (Bank of Uganda Kabale Branch Manager) receiving his Fellowship Award

Mr. Andrew Timothy Anyagan (Supervisor, Agri Business Centenary Bank) receiving his Associateship Award

Mr. David Ssebaddawo, formerly the Institute's Training Executive (1987 – 2019) receiving a Special Recognition and long Service Award from the Institute's Board Chairperson.

UIBFS Associates, Fellows and Honorary Fellows after receiving their Accolades during the 2019 Bankers' Dinner

Dfcu Bank CEO and Institute's Board Chairperson, Mr. Mathias Katamba delivering his speech

The Uganda Institute of Banking and Financial Services (UIBFS) CEO, Mr. Anthony Mulindwa presenting the Institute's Accolades to the invited guest at the Dinner

ISO 9001:2008 CERTIFIED

THE UGANDA INSTITUTE OF BANKING AND FINANCIAL SERVICES

Raising Professional Standards in Uganda's Banking and Financial Services Industry

PROFESSIONAL AND ACADEMIC PROGRAMS OFFERINGS

1. CHARTERED BANKER PROGRAM

The Chartered Banker program is leads to the award of the Chartered Banker qualification of the Uganda Institute of banking & Financial Services.

About the Chartered Banker Program:

- A premier Professional Qualification for bankers around the world
- A traditional gateway for professional recognition as Associate or Fellow
- Initially developed to provide the fundamentals of banking and largely unchanged over the last 25 years
- Has recently undergone significant review to bring it in line with contemporary developments and standards

What is New?

- New content e.g. Digital banking, Risk & Compliance, Islamic Finance, Agent banking etc…
- Combines global standards and local content
- Multi-Level structure & entry routes
- Greater Practical content – Project and case study approach embedded at all levels
- Extensive CPD structure
- Strong emphasis on ethics
- Futuristic – treatment of emerging issues
- Exemptions and credit transfer mechanism

Structure of the Chartered Banker Program

- Three stage progressive structure: Professional, executive and chartered (planned to be linked to an MBA)
- Leads to award of Chartered Banker
- Varied entry requirements depending on students' background
- Three year duration, broken into two semesters per level

Why the Chartered Banker qualification?

- Enhance competence and competiveness
- Professional Recognition
- Mobility/cross border recognition
- Affordability

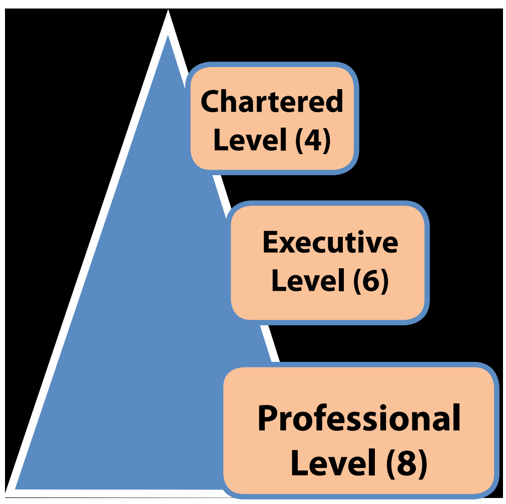
Entry Routes/Requirements

(i) First Route

- Bachelor's Degree in relevant disciplines (Eligible for exemptions)
- Professional qualifications (CPA, ACCA, CIMA, CIPS, CPB) - (Eligible for exemptions)
- Master's degree (Eligible for exemptions) and :

(ii) Second Route

- Diploma - (No exemptions)
- U.A.C.E with 2 Principal Passes (No exemptions)



INSTITUTIONAL HIGHLIGHTS

What will I study?

LEVEL 1 – PROFESSIONAL BANKER

Semester 1:

1. Financial Systems &Regulatory Frameworks
2. Banking Professional Ethics
3. Law Relating to Financial Services
4. Banking Operations

Semester 2

1. Financial Reporting & Analysis
2. Marketing of Financial Services
3. Economics of Banking
4. Human Resources Management

LEVEL 2 – EXECUTIVE BANKER

Semester 1:

1. Corporate & Retail Lending
2. Bank Management and Financial Analysis
3. International Banking & Trade Finance

Semester 2

1. Risk & Compliance
2. Customer Relationship Management
3. Agency & Digital banking

LEVEL 3 – CHARTERED BANKER

Compulsory Papers

Semester 1

1. Contemporary Issues in Banking
2. Corporate Governance & Strategy

Elective Papers (Any two)

Semester 2

1. Lending Specialisation
2. Commercial & Investment Banking
3. Risk and Compliance

Study Methodologies

(i) Evening Classes - The evening classes are conducted from 6.00pm to 9.00pm

(ii) E-Learning -

What is the pass mark in the examination?

The pass mark in each paper shall be 50%.

When do studies begin for level 1 (Professional Banker)?

The semester begins on **27th January 2020** to **13th May 2020** and July to November semester begins on **20th July to 11th November 2020.**

When are the examinations held?

Examinations are held in the first two weeks of May and November each year.

TUITION FEES PER SEMESTER

(Tuition & Examination fees 2019) per module/Subject

Courses		Tuition Evening	Tuition ELearning	Examination	Exemption
1.	Level 1: - Professional Banker	350,000	250,000	85,000	300,000
2.	Level 2: - Executive Banker	500,000	400,000	120,000	-
3.	Level 3: - Chartered Banker	800,000	700,000	300,000	-

Please note:

- Fees are charged per module/subject. Each Semester, 4 modules are conducted in the Evening Study classes. You can take a minimum of 1 module per semester up to a maximum of 4 modules/subjects per semester.
- Exemption/Credit Transfer cases shall be handled on a case by case basis upon presentation of relevant qualifications.

Functional Fees

(i)	Identity Card	10,000
(ii)	Membership fee	65,000
(iii)	Technology fee	45,000
(iv)	NCHE fee	50,000
(v)	Internship (Level 1)	200,000* applicable to non-bank students
(vi)	Application Fee	50,000
	Total	**390,000**

2. CERTIFIED CREDIT MANAGEMENT PROGRAM

The Certified Credit Management program leads to the award of the Certified Credit Manager qualification of the Uganda Institute of Banking & Financial Services. The Certified Credit Management, formerly the Certificate in Credit Management has been revised to twelve (12) subjects/papers.

OBJECTIVES

- To equip graduates with the most current knowledge, skills, values and practices in Credit management;
- To prepare graduates with career progression into the workforce;
- To equip graduates with analytical skills/logical exposition; conceptual grasp; problem solving and case analysis in all issues related to Credit Management.

ENTRY REQUIREMENTS

An applicant should possess one of the following:-

(i) A university degree with at least two years of Credit related work experience in a financial Institution

(ii) Recognised professional qualification like CPA, ACCA or equivalent

(iii) Certified Professional Banker (Diploma in Banking)

WHAT WILL I STUDY?

Semester 1:

1. Fundamentals of Credit Analysis
2. Credit Procedures
3. Credit Products
4. Credit Evaluation Standard
5. Credit Administration & Policy
6. Risk Analysis & Management in Lending

Semester 2:

1. Marketing & Mobilisation of Credit Business
2. Security Analysis for Credit
3. Legal Aspects of Credit
4. Quantitative & Qualitative Analysis
5. Ethics in Credit Functions
6. Business Project Work

Duration: Nine Months

STUDY METHODOLOGY

- Evening Classes
  The evening classes are conducted from 6.00pm to 9.00pm
- E-Learning

WHAT IS THE PASS MARK IN THE EXAMINATION?

The pass mark in each paper shall be 60%.

WHEN DO STUDIES BEGIN?

The semester begins on **27th January 2020** to **13th May 2020** and July to November semester begins on **20th July** to **11th November 2020.**

WHEN ARE THE EXAMINATIONS HELD?

Examinations are held in the first two weeks of May and November each year.

TUITION FEES PER SEMESTER

1. Tuition fees per semester is UGX 1,250,000/= (Evening); UGX 1,000,000/= (E-learning)

2. Functional Fees

(i)	**Identity Card**	**10,000**
(ii)	**Membership fee**	**65,000**
(iii)	**Technology fee**	**80,000**
(iv)	**NCHE fee**	**20,000**
(v)	**Examination fees**	**200,000**
(vi)	**Project Supervision**	**500,000**
(vii)	**Application Fee**	**50,000**

Please note:
- *Exemption/Credit Transfer cases shall be handled on a case by case basis upon presentation of relevant qualifications.*

3. DIPLOMA IN MICROFINANCE

This leads to the award of a Diploma in Microfinance of the Uganda Institute of Banking and Financial Services it's the basic qualification for the majority of career Microfinance practitioners.

OBJECTIVE:
To create a pool of professionals, with appropriate skills to effectively manage the challenges of growth in the microfinance industry

(a) Entry Requirements:

Either:

(i) Uganda Advanced Certificate of Education (UACE) with 2 Principal passes and 1 subsidiary pass obtained at the same sitting or equivalent

Or

(ii) Banking Certificate

(iii) Any other recognised professional qualification like CPA, ACCA or equivalent.

(b) What will I study?
For the award of the Diploma in Microfinance one must pass the 16 papers listed below, including the internship/ Business Project:-

- Management Information System
- Risk Management in Microfinance
- Financial Resource Mobilisation and Management
- Human Resource Management
- Marketing in Microfinance
- Business Environment for Microfinance
- Management and Organization in Microfinance
- Accounting and Financial Management
- Legal Framework of Microfinance Business
- Entrepreneurship and Investment
- Product Design & Development
- Rural & Agricultural Value Chain Financing
- Monitoring and Evaluation for Microfinanc
- Credit Administration in Microfinance
- History and Trends in Microfinance
- Student' Project/ Internship

Duration: ***2 Years***

(c) Study Methodology: E-learning

(d) What is the pass mark in the examination?
The pass mark in each paper shall be 50%.

(e) When do studies begin?
The semester begins on 27th January 2020 to 13th May 2020 and July to November semester begins on **20th July** to **11th November 2020**

(f) When are the examinations held?
Examinations are held in the first two weeks of May and November each year.

(g) Fees per semester

(i) Tuition

Courses	**E-learning**
Tuition and Examination fees per semester (4 modules)	660,000

(ii) Functional Fees

(i)	**Identity Card**	**10,000**
(ii)	**Membership fee**	**65,000**
(iii)	**Technology fee**	**45,000**
(iv)	**NCHE fee**	**20,000**
(v)	**Internship**	**200,000**
(vi)	**Application Fee**	**20,000**

ACADEMIC GRADUATE PROGRAMS

ISO 9001:2008 CERTIFIED

4. ADMISSION TO THE POST GRADUATE DIPLOMA IN AGRICULTURAL RISK MANAGEMENT AND FINANCE (DAF-ARF)

The Uganda Institute of Banking and Financial Services is a professional body offering Banking and Microfinance training.

The Registrar hereby invites applications for admission to the Post Graduate Diploma in Agricultural Risk Management and Finance Programme for the academic year 2019. This is a nine (9) month course done in partnership and awarded by the Mountains of the Moon University (MMU).

Mode of delivery

The programme is to be delivered through an evening study mode. Lectures will be held from Monday to Friday from 6.00 pm to 9.00 pm

Target group

Senior staff in Agriculture financing and lending in Commercial banks, Credit Institutions, MDIs, Microfinance Institutions, SACCOs, Ministry of Agriculture, Animal Industry and fisheries personnel, Ministry of Finance Planning & Economic Development personnel, consultants, researchers, NGO staff such as Grants Officers, program managers/Officers and as well as fresh graduates wishing to acquire a postgraduate qualification for a career in financial services.

Course Content

- Agricultural Risk I
- Agricultural Value-Chain Analysis
- Agricultural Credit Analysis
- Agricultural-Finance Partnership Management
- Business Economics
- Introduction to Financial Sector Development
- Agricultural-Business Internship
- Decision Analysis for Agribusiness
- Project planning and investment analysis
- Agribusiness Production Management
- Strategic Management for Agribusiness
- Financial Management for Agribusiness
- Agricultural Risk II
- Financial Sector Internship
- Paper Review

Admission requirements

Applicants to the Post Graduate Diploma in Agricultural Risk Management and Finance must meet the minimum requirements for admission to the programme as set by National Council for higher Education. Specifically, applicants should possess the following requirements:

(i) At least second class degree from a recognized University OR
(ii) A holder a recognized professional qualification in Accounting, Diploma in banking/Certified Professional Banker

Tuition fees

Ugandan: UGX 2,990,000 (Entire Programme)
International students: UGX 3,990,000

Functional Fees

(i) Identity Card	10,000
(ii) Membership fee	65,000
(iii) Examination fee	200,000
(iv) Technology fee	45,000
(v) NCHE fee	20,000
(vi) Internship/Project	400,000
(vii) Administration fee	200,000
Total functional fees	**940,000**

Bank Drafts should be made in favour of **"The Uganda Institute of Banking and Financial Services"**

Application Procedure:

1. Hard copies of application forms can be obtained from the Institute upon payment of an application fee of. UGX 50,000/= (Ugandan applicants) or UGX 100,000 (international Applicants).
2. The completed application forms together with certified copies of academic certificates and transcripts, and two (2) letters of references should be submitted to the Institute by **20th January 2020.**

Semester Start dates

Weekend intake class Commences on **17th February 2020** whereas the Weekend intake class commences on **24th August 2020.**

Detailed information about the above programmes can be obtained from:

The Registrar's Department
The Uganda Institute of Banking & Financial Services
Plot 10 Buganda Road
P.O. Box 4986 Kampala
Tel:0414-236849 OR Gen. Line 0414-233628
E-mail: uibinformation@uib.or.ug

MASTER OF ARTS IN FINANCIAL SERVICES DEGREE PROGRAMME

ISO 9001:2008 CERTIFIED

MAKERERE UNIVERSITY

(Awarded by Makerere University, tenable at The Uganda Institute of Banking and Financial Services)

The Institute Registrar invites applications for admission to a two–year Master's degree in Financial Services for the Academic year 2020/2021.

Target group

The Masters of Arts in Financial Services (MFS) is a Programme of Makerere University offered in collaboration with the Uganda Institute of Banking and Financial Services. It is aimed at graduates seeking to work in investment or commercial banking, in a range of specialized financial institutions, stockbroking and dealing agencies or insurance companies. It will provide a strong qualifications and skills to allow individuals to work with pension funds, investment funds and in effect any kind of investment. It is intended especially for those who have acquired field experience in private sector, banking and financial institutions. The Programme is also well suited for fresh graduates wishing to acquire a postgraduate qualification for a career in financial services.

The Masters of Arts in Financial Services (MFS) Programme will focus on strategic issues in banking, microfinance, securities and capital markets and will examine the impact of global financial management including information technology (IT) on the business environment. For people in management positions, this Programme will provide an understanding of management in a financial services environment, including strategy formulation and implementation as well as contemporary issues facing the industry.

Mode of delivery

The programme is to be delivered through an evening study mode. Lectures will be held from Monday to Friday from 6.00 pm to 9.00 pm

Admission requirements

Applicants to the M.A. in Financial Services must meet the minimum requirement for admission to the programme set by National Council for higher Education (NCHE) and Makerere University. Specifically, applicants should possess at least one of the following requirements:

(a) At least a lower second class first degree in Finance, Accounting, Economics, Statistics or a degree with a strong quantitative bias.
(b) A holder of a first degree and a postgraduate Diploma in Accounting, Finance, Economics or Banking from a recognized Institution.
(c) At least a lower second class first degree with at least three (3) years consecutive working experience in Financial and Banking institutions services industry.
(d) A recognized professional qualification such as CFA, ACCA, CPA, and CIMA

Course content

- Managerial Economics
- Legal Aspects of Financial Services
- Financial Markets and Institutions
- Quantitative Techniques for Finance
- Business Finance
- International Business and Finance
- Financial Services Marketing
- Business Research Methods
- Investment Analysis and Portfolio Management
- Business Analysis and Valuation
- Corporate Governance and Ethics
- Corporate Governance and Ethics
- Commercial and Investment Banking
- Strategic Management
- Risk Management
- Microfinance Services
- Research Project
- Human Resources Management
- Islamic and Development Finance
- Insurance Services
- Financial Derivatives
- Digital Finance and Agency Banking

Fees:

- Ugandan: UGX 5,000,000 per year
- International students: UGX 7,000,000 per year
- ***Others Charges applicable to the Masters Programme***
  (a) Contribution to NCHE (New Applicant) 20,000/=
  (b) Membership fee(student registration & ID) 25,000/= (New applicants)
  (c) Membership fee (Annual subscription) 50,000/=
  (d) Technology Fee 80,000/=
  (e) Functional fees 625,000/=
  (f) Affiliation Fee 20,000/=
  (g) Endowment fee 10,000/=

- **Bank Drafts** should be made in favour of ***"The Uganda Institute of Banking and Financial Services"***

Application Procedure:

1. Access The ***online application*** link by clicking here: https://admissions.mak.ac.ug/

2. Deadline for submission of application forms : **31st March 2020**

Detailed information about the programmes, content and regulations can be obtained from:
The Registrar's Department
The Uganda Institute of Banking & Financial Services
Plot 10 Buganda Road
P.O. Box 4986 Kampala
Tel:0414-236849 OR
Gen. Line 0414-233628
E-mail: uibinformation@uib.or.ug
Website: www.uibfs.or.ug

SHORT COMPUTER AND IT-RELATED COURSES

The Institute runs four separate sessions for short courses in the department of IT & Computer-Based courses that allows you the flexibility to attend at your convenience. We train in small groups to meet the needs of individual participants and use a variety of learning methods to stimulate interest and meet different learning styles. We also offer a free follow-up service by email or phone to all trainees.

The sessions are:

a) Morning (9:30 AM – 1:00 PM)
b) Afternoon (2:00 PM – 5:30 PM)
c) Evening (6:00 PM – 9:30 PM)
d) Weekend (Saturdays 9:30 AM – 3:30 PM).

- Duration for each course is between 2 – 4 weeks, though extensions can be granted based on individual reasons
- Enrolments are on weekly basis.

Computer Courses

1) Certificate in Data Entry and Statistical Analysis for Researchers
2) Certificate in Computerized Accounting
3) Certificate in Advanced Excel
4) Certificate in Inventory Management using Tally ERP and QuickBooks
5) Certificate in Data Entry and Electronic Records Management
6) Certificate in Qualitative Data Analysis Using Nvivo
7) Certificate in Digital Marketing and Cooperate Communications
8) Certificate in Certificate in Computer Applications

Up Coming Courses

The Institute has engaged a consultant to explore the evolving world of finance, focusing on the changing dynamics caused by the conversion of products and services into digital goods, new customer demands and design new short ICTcourses that would deliver requisite skills for staff in financial sector and other businesses.
The proposed courses will include the following:

1) Data Mining and Business Intelligence
2) Big Data Analytics
3) Big Data Analytics using R and Python
4) Process automation
5) Low-Code, No-code applications PowerPlatform
6) Machine Learning
7) Microsoft-Flow (Power-Apps)
8) Advanced Databases
9) ERPs (Enterprise Resource Planning)
10) CRM (Customer Relations Management)
11) Data Science.

CORPORATE MEMBERS' DIRECTORY

Bank of Uganda	37/43 Kampala Road P.O.Box 7120 Kampala	Tel: 041 4258441/3 041 4283723 /4344549 Website: www.bou.or.ug	Prof E.Tumusiime Mutebile FUIB (Hon) Dr. Louis Kasekende, FUIB (Hon)	Governor / Institute Patron Deputy Governor
ABC Capital Bank ltd.	4 Pilkington Rd P.O. Box 21091 K'la	Tel: 041 4345200 /0414345203 Website: www.abccapitalbank.co.ug	Mr. Jesse Timbwa	Ag. Chief Executive Officer
Bank of Africa	45 Jinja Road PO. Box 2750 Kampala	Tel 041 4230436 / 4302001 Website: www.boauganda.com	Mr. Arthur Isiko	Chief Executive Officer
Bank of Baroda (U) Ltd.	18 Kampala Road P O Box 7197 Kampala	Tel: 041 4232783, 4233783 Website: www.bankofbaroda.ug	Mr. Ashwini Kumar	Chief Executive Officer
Bank of India (U) Ltd.	37 Jinja Road Kampala Uganda	Tel: 04 14 341880 / 0313400400 E-m: BOI.uganda@bankofindia.co in	Mr. Ajay Kumar Panth	Chief Executive Officer
Barclays Bank (U) Ltd.	Barclays House, Plot 2 Hannington PO Box 2971 Kampala	Tel: 0312218383/393 Website: www.barclays.co.ug	Mr. Nazim Mahmood	Chief Executive Officer
Cairo International Bank Ltd	Greenland Tower, 30 K'la Rd P O Box 7052 Kampala	Tel: 041 4345533 / 4230141 Website: cairointernationalbank.co.ug	Mr. Ahmad Maher Nada	Chief Executive Officer
Centenary Bank Ltd.	Mapeera House. 44/46 K'la Rd P.O.Box 1892 Kampala	Tel: 0414 340298/ 4251276 Website: www.centenarybank.co.ug	Mr Fabian Kasi	Chief Executive Officer
Citibank Uganda Limited	4 Teman Avenue P.O.Box 7505	Tel: 0312 305567 / 0414 305500 Website: www.citigroup.com	Mrs. Sarah Arapta Wojega	Chief Executive Officer
Commercial Bank of Africa (U) Ltd.	Twed Towers 10 Kafu Road Nakasero P 0. Box 74827, Kampala	Tel: +256417335700 / 312188400 Website: www.cbagroup.corn	Mr. Anthony Ndegwa	Chief Executive Officer
DFCU Bank	Impala House 22 Kyadondo Road P.O. Box 70 Kampala	Tel: 0312300200/041435100 Website: www.dfcugroup.com	Mr. Mathias Katamba	Chief Executive Officer
Diamond Trust Bank (U) Ltd	Diamond Trust Building P.O.Box 7155 Kampala	Tel: 0314 387100/100/101/105 Website:www.diamodtrust-bank.com	Mr. Varghese Thambi	Chief Executive Officer
East African Development Bank	EADS Building, 4 Nile Avenue P.O. Box 7128 Kampala	Tel: 0417112900 / 312 300000 Website: www.eadb.org	Ms Vivienne Yeda	Director General
Ecobank Uganda	Parliamentary Avenue. Kampala	Tel: 0414233179 / 0417700100 Website: www.ecobank.com	Mr Clement Dodoo	Chief Executive Officer
Equity Bank	390 Mutesa I Katwe P.O. Box 10184 K'la	Tel: 0312 262437 / 6 Website: www.equitybank.co.ug	Mr. Samuel Kirubi	Chief Executive Officer
Exim Bank (U) Ltd.	6Hannington Rd P.O.Box 36206 K'la	Tel 0312320400/9 E-m: inloug@embank-ug.com	Mr. Sabhapathy Krishnan	Chief Executive Officer
Finance Trust Bank	121 &115, Block 6 Katwe Kampala (U)	Tel: 0414255147/6 Website: www.financetrust.co.ug	Ms. Annette Nakawunde M.	Chief Executive Officer
GT Bank Uganda Ltd.	Plot 56 Kira Road P O Box 7323 Kampala	Tel: 4233837/0414237284 Website:www.gtbank.co.ug	Mr.Lekan Sanusi	Chief Executive Officer
Housing Finance Bank	4 Wampewo Avenue P.O. Box 1539 Kampala	Tel: 0414 259651/2 Website: www.housingfinance.co.ug	Mr. Michael Mugabi	Chief Executive Officer
KCB Uganda Ltd.	Kampala Road P O Box 7399 K'la	Tel: 0417118200/ 229 / 268 0417118200 Website:www.kcbbankgroup.com	Mr. Edgar Byamah	Ag. Chief Executive Officer
Mercantile Credit Bank Ltd.	8 Old Port Bell Road P.O. 620, Kampala	Tel: 0414235967 Website: www.mcb.co.ug	Mr. Paul Senyomo	Chief Executive Officer
NC Bank (U) Ltd	Rwenzoni Towers. 416 Nakasero Rd P O Box 28707 Kl'a	Tel 0312388100/417337000/105 Website: www.orientbank.com	Mr. Sam Ntulume	Chief Executive Officer
Orient Bank Limited	Orient Plaza P.O.Box 3072 Kampala	Tel: 0417719259/2014236012/15 / 0414 236066 Website: www.orient-bank.com	Mrs. Darshana Bhatia	Chief Executive Officer
Stanbic Bank Uganda Ltd	Crested Towers PO Box 7131 Kampala	Tel: 0312224400/1031224500 Website: www.stanbicbank.co.ug	Mr. Patrick Mweheire	Chief Executive Officer
Standard Chartered Bank (U) Ltd.	5 Speke Road P O Box 7111 Kampala	Tel: 0414 341623 0414 258211/2, 0312 294202 Website: www.sc.com/ug	Mr. Albert Saltson	Chief Executive Officer
Tropical Bank Limited	27 Kampala Road PO.Box 9485 Kampala	Tel 0414 313154, 0414·313100 Webste trobank.com	Mr . Abdulaziz Mansur	Chief Executive Officer
Uganda Development Bank	Ruth Towers P O Box 7210 Kampala	Tel: 041 435551/570 Website: www.udbl.co.ug	Mrs. Patricia Adongo Ojangole	Chief Executive Officer
United Bank For Africa	22 Jinja Road	Tel: 0417715100/0417715101/2 Website:www.ubagroup.com	Mr. Johnson Agoreyo	Chief Executive Officer
Post Bank Uganda	4/6 Nkrumah Road P.O. Box 7189 Kampala	Tel: 414 230049 / 4258551/3 Website: www.postbank.co.ug	Mr. Julius Kakeeto	Chief Executive Officer
Finca Uganda	11 Acacia Avenue P.O.Box 24450 k'la	Tel: 0414 231134 Website: www.finca.ug	Mr. James Onyutta	Chief Executive Officer
Pride Microfinance Ltd	Victoria Office Park, Block B Bukoto P.O. Box 7566 Kampala	Tel: 414346297 / 312262366 Website: www.pridemicrofinance.co.ug	Ms. Namagembe Veronica	Chief Executive Officer
UGAFODE Microfinance Ltd	62, Silva Acade, Bomba Rd P.O. Box30815 Kampala	Tel: 414257181/414235778 414257183 Websrre: www.ugafode.co.ug	Mr. Shafi Nambobi	Chief Executive Officer
Brac Uganda Bank	Mengo Kabusu P.O. Box 6582 Kampala	Tel: +256 200 900 720 Website: www.brac.net	Mr. Jimmy Onesmus Adiga	Chief Executive Officer