

# SPOTLIGHT

## KNOWLEDGE MANAGEMENT

January 2022



### SUMMARY

Female agents in India reach out to women facing social barriers to using bank accounts and digital finance. Opportunity provides a training course and apprenticeships to prepare women for becoming government certified “Business Correspondents” (BCs). This women’s network has potential to financially empower millions.

**Financial Exclusion:** Although 80% of Indian adults have an account, 48% are inactive. Women make up 60% of those without accounts.

**Male-Dominated Solution:** The Indian government certifies BCs to address this usage gap, but most are men, and serve primarily men.

#### Opportunity’s Women’s Empowerment Solution:

Train female BCs using a unique program developed by Opportunity that uses

- A cascading training-of-trainers approach
- Apprenticeship model
- Community field work

#### Extraordinary Pilot Program

**Success:** 300 women trained; 95 new apprentices recruited; 80% success in certification exam. 2,000 villagers educated on services.

## Agents of Empowerment: India Digital Training Pilot Project

### THE CHALLENGE: DIGITAL FINANCIAL EXCLUSION

In India, despite high rates of bank account access, millions of women face challenges using these accounts and benefitting from their safe savings and money transfer options. This is particularly true for low-income women and women living in socially conservative areas. The Government of India has made major strides in financial inclusion, but women are too often left out, as this brief history illustrates:

- ▶ **Bank Accounts:** In 2014, the Government of India promoted the opening of bank accounts for millions of people, with the result that the portion of Indian adults with a bank account rose from 53% to 80%, and to 77% for women.
- ▶ **Inactive Accounts:** Despite this success, India accounts for the world’s highest share of *inactive* accounts – 48% compared to 25% on average in developing countries. Why? Not enough training or appropriate access points. Bank branches located in cities are physically and socially distant for many women, who are limited socially and in terms of resources, from travelling to cities, entering intimidating facilities like bank branches, and interacting with the predominantly male bank staff.
- ▶ **Business Correspondents (BCs):** In response, the Government and banking associations are expanding a system of *business correspondents* (BC). BCs are government certified, community-based agents who offer convenient and culturally appropriate bank services leveraging digital platforms. This solution is penetrating rural areas, but – once again - the majority of BCs are men, and the system reaches more men than women.

### OPPORTUNITY’S INSIGHT: TRAIN FEMALE BANKING CORRESPONDENTS (AGENTS)

Opportunity supported a simple innovation: to train more female agents, and to train them to train women in banking and digital finance. This arose from insights gained in the field over the last few years. These findings showed that Women BC Agents could empower women in the following ways: Female BC Agents–

- ▶ **Made finance more accessible to women:** Women are more likely to use female agents, particularly younger women in communities where interacting with men who are not relatives is prohibited.
- ▶ **Are empowered by experience and reputation.** The development of new skills, work experience, and a new (visible) identity within their communities empowered women BC agents.
- ▶ **Provided women with role models.** Women agents become role models as skilled workers and leadership especially for other women and girls in their communities.
- ▶ **Outperformed male agents.** Banks began asking us to train and send more female agents.
- ▶ **and customers are empowered by access** as they experience greater control over their money, more privacy in their financial transactions, and are able to save safely and confidentially.

**The financial system is opening:** As women’s visibility in the sector has expanded, the system has responded by being more open to women’s participation. The success of female agents operating to date have led banks to request more women be trained as BCs.

### TRAINING SYSTEM DEVELOPMENT: A SUSTAINABLE, SCALABLE MODEL

The pilot program sought to establish an innovative, sustainable, scalable model that would empower women to become BCs. It tested the feasibility and effectiveness of multiple innovative features:

- ▶ Close working relationship between the training institution and the bank
- ▶ A cascading training-of-trainers approach
- ▶ Digital/On-line delivery of trainings available at all levels (agent, apprentice, customer)
- ▶ Apprenticeship model focused on active banking agents training apprentices to sit for certification exams
- ▶ Community-level trainings providing field experience for applied learning and confidence building
- ▶ Thoughtful monitoring, evaluation and learning agenda to document results and generate lessons



Community-Based Training, India



DFS Training Apprentices

### TRAINING PROGRAM RESULTS: AN EXTRAORDINARY SUCCESS

This DFS pilot has produced extraordinary outcomes showing that this could be scaled up to impact millions of lives. In the context of working with women who had to overcome barriers like low literacy, limited experience with financial transactions and digital platforms, and low confidence in all noted above, in 4 months, the project achieved—

- ▶ The development of a training program that far exceeded the quality of other training available
- ▶ 100 women apprentices were trained with 79% achieving certification – an extraordinarily high rate
- ▶ Outreach and service education to 2000 villagers conducted by apprentices
- ▶ Has received high praise from bank, regulatory, and para-regulatory institution leaders
- ▶ The model has been sufficiently proven such that we can confidently consider scaling

### NEXT STEPS: EXPANSION TO 2000 BC AGENTS, 4000 APPRENTICES

Opportunity is proposing a dramatic expansion of this pilot initiative to empower 2,000 BC agents, 4,000 apprentices, and 80,000 villagers over a period of 2 years. The expansion will capture learnings on delivering at scale, follow business development for newly trained agents, analyze the characteristics of good agents and apprentices, how family support can be promoted, and the business case for female agents. For more information, watch this brief video: <https://www.youtube.com/watch?v=TjbJzGcGOCY>.