

Microfund For Women Case Study

Client: Microfund for Women

Project Start Date: TBD

Project End Date: TBD

Project Size and Scope:

- Branches: 63
- Users: 700+
- Active loans: TBD



Overview: Empowering Women Entrepreneurs in Jordan

Microfund for Women (MFW) is Jordan's largest private not-for-profit shareholding microfinance company. Dedicated to empowering entrepreneurs—particularly women—through financial and non-financial services, MFW supports businesses and livelihoods to promote financial inclusion. Founded in 1994, MFW was one of the first microfinance institutions (MFIs) licensed by the Central Bank of Jordan in April 2018. With a network of 63 branches across Jordan, MFW serves 140,685 active borrowers, employing 745 staff members, 73.15% of whom are women.

Delta Fintech Solutions Product Overview

Loan Management Suite Delta Fintech Solutions' Loan Management Suite is a comprehensive solution designed to streamline and automate the loan lifecycle for microfinance institutions like MFW. It includes integrated systems for loan tracking, saving and deposit management, microinsurance, and legal follow-up, ensuring efficient and effective loan processing, compliance, and service delivery.

Challenges

1. Manual Processes:

- **Inefficiency:** MFW's reliance on manual processes for loan application, approval, disbursement, and collection led to significant inefficiencies. The time-consuming nature of these tasks slowed down service delivery, impacting the overall client experience.

- **Error-Prone:** Manual data entry and processing increased the likelihood of errors, resulting in incorrect loan information, delays in disbursements, and challenges in maintaining accurate records.

2. Scalability Issues:

- **Growing Client Base:** With a rapidly expanding client base of over 140,685 active borrowers, MFW struggled to keep up with the volume of loan applications and transactions using their existing manual systems.
- **Branch Expansion:** Operating across 63 branches, the need for a scalable solution that could support growth in new regions and efficiently manage an increasing number of clients became critical.

3. Integration Challenges:

- **Third-Party Services:** MFW required seamless integration with various third-party services such as e-payment platforms, credit bureaus, and collection agencies to enhance service delivery and streamline operations.
- **Internal Systems:** The lack of integration between internal systems led to data silos and inconsistent information across different departments, hindering effective decision-making and operational efficiency.

4. Regulatory Compliance:

- **Central Bank Regulations:** As an organization operating under the Central Bank of Jordan's regulations, MFW needed robust reporting and compliance capabilities to ensure adherence to financial regulations and standards.
- **Transparency and Accountability:** Ensuring transparency in financial reporting and accountability in loan management processes was essential for maintaining regulatory compliance and building trust with stakeholders.

5. Data Management:

- **Client Information:** Managing a vast database of client and guarantor information, including loan products, transactions, and documentation, required a more robust and secure system to maintain data integrity and confidentiality.
- **Real-Time Tracking:** The ability to track loan performance, delinquency rates, and portfolio health in real-time was limited, affecting MFW's capacity to respond promptly to emerging issues and optimize loan management strategies.

Why Delta Fintech Solutions

MFW selected Delta Fintech Solutions' Loan Management Suite for several reasons:

1. **End-to-End Automation:** The suite offers comprehensive automation of the entire loan lifecycle, from application to disbursement and collection, significantly reducing manual effort and errors.
2. **Scalability:** Delta's solution can easily scale to accommodate MFW's expanding client base and growing loan portfolio.
3. **Integration Capabilities:** Seamless integration with e-payment solutions, credit bureaus, and other third-party services ensures streamlined operations and enhanced service delivery.
4. **Regulatory Compliance:** Robust reporting and compliance features facilitate adherence to Central Bank regulations, ensuring transparency and accountability.
5. **Proven Track Record:** Delta's experience in the microfinance sector and its commitment to continuous development made it the ideal partner for MFW's digital transformation.

Implementation Approach

Given the unique nature of MFW's operations, Delta Fintech Solutions followed a phased and strategic implementation approach:

1. **Assessment and Planning:**
 - Conducted thorough requirements gathering to understand MFW's existing processes and specific needs.
 - Documented existing business processes and identified areas for improvement.
2. **Design and Development:**
 - Developed comprehensive design documents, including system requirements specifications, system architecture, and integration details.
 - Utilized Oracle Tools for back-end and front-end system development, covering all identified services.
3. **Business Process Re-Engineering:**
 - Re-engineered business processes and provided a To-Be business process document outlining optimized workflows.
 - Implemented redesigned processes to enhance efficiency and effectiveness.

4. Integration and Customization:

- Implemented integrations with internal systems and external stakeholders, such as e-payment platforms and credit bureaus.
- Configured system parameters and customized modules to meet specific business needs, including loan tracking, saving and deposit, microinsurance, and legal follow-up.

5. Training and Knowledge Transfer:

- Provided comprehensive training sessions for users on all aspects of the suite.
- Ensured effective knowledge transfer to facilitate smooth adoption and utilization of the new system.

6. Deployment and Support:

- Supervised the deployment of the system to ensure adherence to project timelines and objectives.
- Offered ongoing support and maintenance for all system components to address any issues and optimize performance.

Results

Improved Operational Efficiency:

- Automated loan management processes reduced manual effort and errors, enabling faster loan processing and disbursement.

Scalability and Growth:

- The scalable solution accommodated MFW's expanding client base and growing loan portfolio, supporting future growth.

Enhanced Integration:

- Seamless integration with e-payment platforms, credit bureaus, and other third-party services streamlined operations and enhanced service delivery.

Regulatory Compliance:

- Robust reporting and compliance features ensured adherence to Central Bank regulations, enhancing transparency and accountability.

Increased Client Satisfaction:

- Faster loan processing and improved service delivery led to higher client satisfaction, empowering more women entrepreneurs across Jordan.

Client Testimonial

“Delta Fintech Solutions’ Loan Management Suite has transformed our operations. The automation and integration capabilities have significantly reduced our manual processes, enabling us to serve our clients more efficiently. We are now better equipped to meet the growing demand for our services and comply with regulatory requirements. This partnership has been instrumental in helping us achieve our mission of empowering women entrepreneurs across Jordan.” — MFW Representative

Conclusion

Delta Fintech Solutions’ Loan Management Suite has significantly transformed MFW’s operations, enabling the organization to better serve its beneficiaries and fulfill its mission of empowering women entrepreneurs and promoting financial inclusion in Jordan. The successful implementation has resulted in improved efficiency, scalability, integration, and compliance, ultimately enhancing client satisfaction and supporting MFW’s strategic goals.