

## Habiba Balogun

Board Member, Accion Microfinance  
Bank (AMfB) Nigeria



**ABF:** Can you tell me a little about yourself and your background?

**HB:** I am an Organization Effectiveness and HR Consultant. My father was a diplomat so I grew up and went to school around the world and speak 5 European languages as well as my Nigerian language, Epira. I studied French and Italian at University of London and hold a Master's Degree in Organisational Management from George Washington University. My work experience covers various sectors including Banking, Manufacturing, Marketing, Education, Media, Oil & Gas, and Hospitality, working with clients consulting and training in the US, Europe, Africa and Asia, and all over Nigeria including the Niger-Delta and the North-East. I am a fellow of the Africa Board Fellowship, the Aspen Leadership Network, and the Africa Leadership Initiative West Africa. I am also a social justice activist, and a co-ordinator of the Bring Back Our Girls movement in Lagos.

**ABF:** What is your role at AMfB?

**HB:** The Board of Accion MfB wanted to bring Human Resource and Organisation Effectiveness competences and gender balance to the board and invited me to join in January 2012. As an independent director, I exercise independent judgement and bring an external perspective. Independent directors have a duty of care to act in good faith to promote the success of the company for the benefit of its stakeholders who are our customers, shareholders, employees, suppliers, the environment, and the community. I chair the Ethics and Governance Board Committee, which provides oversight for corporate governance, and people management. This involves ensuring that there are no conflicts of interest, that the organization complies with all laws and regulations, and that board decisions are in the overall interest of the company.

**ABF:** Please describe the USSD Brighta 143 solution that was launched with Interswitch. How was this project initiated?

**HB:** The Brighta 143 USSD solution project was initiated to provide clients with convenient service and easier access to their bank accounts. It is in-line with the bank's Digital Financial Strategy plan to provide easy access to financial services for the financially excluded. With over 160 million mobile phones in use in Nigeria out of a population of 180 million, the high mobile penetration in the country is a major factor in achieving seamless payments for our clients who have at least a basic phone in their possession. The USSD solution was identified as an alternative to traditional banking that can meet the needs of clients with either basic phones or smartphones to carry out banking transactions.

**ABF: What was the board's role in approving and overseeing this project?**

**HB:** The board's role was initially to review and challenge the Digital Financial Strategy and Plan devised by management, to approve the strategy and finally to ensure the project would achieve the objectives of the Digital Financial Strategy. The board also critically reviewed the cost/benefit analysis to ensure that the cost of the project was reasonable and then monitored implementation to make certain that the solution was delivered within budget.

**ABF: How was AMfB impacted by the implementation of this technology solution?**

**HB:** Within three months of launch, 1,600 customers had signed up for the service and carried out dealings worth N73 million (\$239,344) in 9,672 transactions that would have otherwise been done in our bank branches with a cost to serve impact of N600 (\$1.96) per client. We expect the long term impact of this new USSD channel to be a dramatic improvement in the cost effectiveness of servicing clients from N600 (\$1.96) to N10 (\$0.0327) per transaction. We also expect Brighta 143 to create more financial inclusion amongst existing and new clients.

**ABF: Are there other projects related to mobile or branchless banking at AMfB?**

**HB:** New channels and technology are a focus of the bank's strategy. We have pilot projects currently running on Agency Banking and another mobile USSD solution called SaveBrighta to help in customer acquisition in areas we are penetrating. The SaveBrighta and Brighta 143 projects enable the use of USSD for account opening, payments, savings and even loans to new customers who save for three months. Accion MfB is aiming to leverage technology to make banking transactions such as payments and transfers, faster, safer and more convenient and effective for customers.

**ABF: How has Brighta 143, or other technology projects, impacted your clients?**

**HB:** The major impact of Brighta 143 mobile banking and other technology projects is simplicity and convenience for our clients. They are now able to initiate transactions without having to access the internet or a mobile app. This flexibility ensures the customer is in full control of his/her account 24/7. Since its introduction in 2016, the new channels have offered convenience to our clients in carrying out basic banking transactions such as bill payment, recharge, funds transfer, and so forth.

**ABF: How does AMfB's innovative technology effort compliment the Central Bank of Nigeria's work to build a cashless economy and enhance financial inclusion?**

**HB:** Accion's innovative use of technology has helped improve access to finance for the underserved where we operate. The Central Bank of Nigeria's Financial Inclusion Strategy aims to increase formal use of financial services from the current level of 36 percent up to 70 percent of the adult population. The various technologies that we have adopted over time such as debit cards, in-branch PoS, digital field application, branchless banking and Brighta 143 mobile banking directly impact the National Financial Inclusion Strategy targets. We have helped to educate our clients in using technology channels as an alternative to cash and managing their accounts remotely without the need to visit a bank branch to transact. This has always been a major issue for clients at the bottom of the pyramid.

**ABF: What lessons would you share in hindsight for other board members considering implementing similar mobile or branchless banking solutions?**

**HB:** My advice to others wishing to implement Digital Financial Solutions (DFS) is:

- Make sure that the prospective DFS has the capability to address clients' immediate needs for it to be a success. Don't initiate a project that has limited capability.
- Carry out a proper evaluation of the proposed DFS to ensure that the organisation has a high probability to derive and capture the maximum envisaged benefits.
- Evaluate your vendor rigorously to determine its capability to deliver the project successfully and within budget. Check their track record and request references from previous clients.
- Introduce or develop an understanding of technology and Digital Financial Services at the board level to provide proper oversight of technology projects.

**ABF: How did Brighta 143 relate to AMfB's overall ABF goal of achieving greater scale?**

**HB:** Brighta 143 along with our other DFS projects increase the level of penetration in existing areas of operation, and facilitate easier acquisition of customers in new and remote areas. This is key for meeting our growth targets and achieving scale. DFS make AMfB more attractive to customers as they can access their accounts and transact business right from the convenience of their phone without the loss of time and cost of having to travel to a bank branch or ATM. Our DFS are very easy to use and have wide acceptance amongst those currently financially excluded. They already know how to use SMS to send messages so sending money using a platform they are already familiar with makes adoption faster for large scale deployment.

**ABF: What were your main take-aways from ABF? Is there anything you learned from ABF that you used while considering implementing this USSD mobile banking solution?**

**HB:** Absolutely! What we learned on strategy, the board's oversight role, customer centricity, as well as the session on technology and understanding how to plan and monitor the implementation of technology projects were very useful. We even gained approval for the establishment of a Channels and Technology Board Committee. The main take-away for me was the need to equip board members to play their vital role effectively. Another main take-away was to take introductory measures to increase client-centricity at the board level. ABF was very impactful.