



**QUARTERLY ACTIVITY REPORT**  
*APR-JUN 2019*

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## Vision & Mission

### Vision

Sustainable development through financial inclusion

### Mission

Taking measures for social and economic uplift of the marginalized, with a focus on women, to enhance their economic prosperity & self-reliance through financial inclusion & capacity building.



## **DAMEN Support Program (DSP) – Introduction**

The roots of Damen Support Programme lie in a non-profit NGO – Development Action for Mobilization and Emancipation (DAMEN) – set up in 1992, under Societies Registration Act, XXI of 1860. DAMEN started its operations with the aim of working for alternative development at grass-root level in Pakistan. It was an alliance of social scientists, philanthropists, and professionals from various fields having significant experience of working with NGOs locally and internationally.

DAMEN initially started by focusing on the role and development of women & children in local communities; the programs being run were:

- Home School Education Program
- Industrial Home for Women
- Entrepreneurship Development Program

By continuously assessing the need for community DAMEN initiated the microcredit program in 1996, to help women foster economic activities in their communities.

In 2014 DAMEN transformed its Micro Finance Program into a separate legal entity by the name of Damen Support Programme (DSP). This step has been taken to concentrate on DAMEN's economic sector initiatives, increase focus on financial inclusion, improve transparency, and strengthen access to commercial funds, donors and investors. DSP is a finance company, registered under section 42 of the Companies Ordinance 1984 with the Securities and Exchange Commission of Pakistan (SECP).

DSP concentrates on the social and economic uplift of communities, with an exclusive focus on the empowerment of women of marginalized communities with the following objectives;

- To take measures for social and economic uplift and empowerment of marginalized communities, especially in rural areas and urban slums, to enable them to enhance their capacity for income generation to eradicate the real and most tangible problems for their sustainable development by initiating / implementing programs including micro-credit, vocational training, and capacity building of communities.
- To concentrate on activities for the integrated self-reliant and long-term development of the communities through various programs of poverty alleviation.
- To enhance the cause of women development by initiating programs for income generation and awareness of their legal and basic rights.
- To train and support human resources for devising, Implementing and overseeing development projects and programs.

DSP adopts a four-pronged strategy to achieve its overall objectives;

1. Micro-Credit
2. Health and Life Insurance services
3. Training, Capacity Building and Skill Development of Community Action Groups
4. Research, Networking, and Linkages



## Clients' Success Stories

### Sughra Bibi from Warburton

Sughra Bibi lived in Jasslani with her family. Nearly 30 years before she got married but remained deprived of children due to some medical reasons. Sughra didn't want to keep her husband deprived of this blessing and asked him for second marriage. On her insistence, her husband got second marriage and Allah blessed him three kids from the second wife. Sughra loved her husband's children like hers and always tried to provide better facilities to them. Some years before her husband's business of fruits and vegetables went in loss and he scarcely managed to provide two times meal to his youngsters. They had come under the toll of poverty. Worried by the situation Sughra recalls times when conditions would be terrible to the point that days would go on without the family having had any appropriate meal.

At that time of difficulty, Sughra purchased some eatables for children on wholesale rate and started selling it at home. It gave her some profit but it was not enough to fulfill their requirements. To increase her earning Sughra needed to increase her stock but resources were not available for the purpose. Amid that extreme occasions, she was acquainted with

Damen Support Program through her relatives, who herself was a client of DSP. Seeing the circumstance of her family and expanding budgetary hardships they were confronting, Sughra stood firm and visited DSP Branch in Warburton for getting advance. She put the advance amount in her business. With the investment of money, her business started flourishing and life became easy and comfortable for Sughra and her family.

Behaving like a businesswoman Sughra also started another business of selling cloth from her home. At this time, she is our client of fourth loan cycle and has not only established a proper karyana store in a room adjacent to her home but also purchased a refrigerator for the shop from her saving. She has also supported her husband in restoring his sinking business.

Sughra is at present aiming to develop her business more by taking more advances from DSP. She has enhanced her living style and is giving not only better facilities to her youngsters but also sending them in good schools of the community. She attributes for her success to DSP, "Whenever I was going to lose hopes and drowning in the ocean of desperation, I found DSP there to pull me out. It provided me the way to proceed onward. DSP's credit always energized me by giving a course to push forward. It helped me fortifying my business as well as to enhance our lifestyle".



## Hijab from Warburton

Hijab lives in Nawan Kot with her parents and 9 siblings. Her father worked in a shoe factory and despite having a limited earning he always provided better to his children as well as married his two daughters. The life was going on smoothly, suddenly her world fell into sadness when her father got a heart attack and doctors advised him not to do any tough job. It was a troublesome time for Hijab as none of her relatives was eager to help them, while they had spent all their savings in her father's treatment. Hijab and all her family were worried about the situation and didn't know what to do. After reviewing all aspects and possibilities Hijab decided to utilize her beautification skills for the sake of her family's survival. She purchased some basic accessories of beautification and started treating clients while staying at home. It was at this time that Hijab got acquainted with Damen Support Programme and their interest-free loan schemes

After securing her loan, Hijab saw that the biggest challenge which lay before her was the lack of support and discrimination that she received from her relatives. Nonetheless, nothing in the world was going to stand between

her and her determinations to support her family; all she saw in front of her was mere jealousy. As soon as her business was established Hijab fell prey to her relatives' taunts and envy but in spite of this, she remained steadfast in her cause. Gradually, she saw a complete change in their behavior as her business grew. Through her business, Hijab was able to provide a constant income for her family.

Today, Hijab's business is well flourished. She has not only established a proper set up of parlor in her home but also has empowered 5 more females to start their own business by imparting her skill to them. Hijab is now an inspiration for her relatives who feel motivated and inspired to start their own business as well and for the purpose send their females to her for learning skills.

"I can't forget the time when all my relatives had nothing for me except criticism but financial support of DSP and tiresome efforts of mine altered their criticism with respect while some of them want their daughters to learn these skills from me. It became only possible due to the financial support of DSP" says Hijab.



## **Rukhsana from Shahkot**

Rukhsana lives near Darbar Road in Shahkot with her husband and four daughters. Her husband worked in a factory in Faisalabad but with the growing ages of their daughters, Rukhsana wanted her husband to work in Shahkot for the security of her daughters. She alone did not want to take this responsibility. She also expressed her thought to her husband but they were unable to do so due to non-provision of any job to her husband in their residing area. Rukhsana desired to start a business at home and call her husband back after establishing it, but the capital was not available for the purpose. Despite, she didn't leave courage and started thinking on different aspects to accomplish her desire. Rukhsana's home was situated on the main location and behaving like a businesswoman she got complete benefit of it. She purchased some jewelry from all her savings and started selling it at her home. At first, she couldn't get a legitimate reaction as the community didn't know about her business but after some period a large number of people from her nearest as well as a little far territory started coming to her for purchasing jewelry. It made her limited stock of jewelry insufficient to entertain all her customers.

The earning obtained through this business was very small but she thought it a blessing and instead of getting disappointed always thought about the opportunities to improve it as growing ages of her daughters were always alarming her. One day, during a conversation with one of her

customers, she came to know about the microcredit services provided by DSP. Rukhsana talked about the opportunity with her husband and after getting his consent she visited DSP Branch in Shahkot, where DSP representative briefed her about policies and procedures of taking a loan. After getting briefed she applied for a loan and it was approved. In the wake of getting her first advance of Rs.35,000, she bought a stock of jewelry from Shah Alam Market Lahore and expanded her business. DSP loan improved her earning by increasing her capacity to satisfy the needs of more customers. Rukhsana utilized a total of four loans of DSP and every time used it to expand her business. She has now a proper jewelry shop and is earning nearly Rs. 30,000 monthly from it. She has also called her husband back from Faisalabad and he also supports her in business. Rukhsana is not only bearing the whole expenses of her family but has also purchased a 4 marlas plot from her savings.

"In the absence of my husband at home I always felt unsecured and this feeling was increasing with the growing ages of my daughters. I wanted my husband to settle in Shahkot but despite all our efforts, he could not find a job here. Because of having no other source of earning there was no possibility of my desire to be fulfilled, but DSP loan made it possible by providing financial stability to me. My husband is now living with us and I am feeling very satisfied and secured in his presence at home. It became possible only due to the financial assistance of DSP" acknowledges Rukhsana.



### Shahda from Nankana

Shahda dwells in Shadbagh Colony Nankana with her parents and 9 siblings. Her father is a driver and having a huge family it was not possible for her mother to provide necessities to their children in the limited earning of her husband. Shahda's mother used to spend the greater part of her energy in considering how to provide a better life to her family but she could never find a solution. Shahda, who felt the pain of her parents from the chores of her heart, always desired to support them but could never find an opportunity for it.

One day Shahda met a female who did the business of stitching velvet quilts, pillows, cushions, and other dowry items. She needed a worker and upon the request of Shahda, she started giving her some quilts to stitch at home. It enabled Shahda to share some burden on her parents. After getting experienced Shahda thought that she can earn more by starting her own business, but financial resources were not available for the purpose.

One day, during a conversation with one of her community female, she came to know about the microcredit services provided by DSP. Shahda talked about the opportunity with her parents and after getting their consent she visited DSP Branch in Nankana,

where DSP representative briefed her about policies and procedures of taking a loan. After getting briefed she applied for a loan and it was approved. In the wake of getting her first advance of Rs.45,000, she bought a stock of velvet, thread, stickers, beads and other raw material from Faisalabad and prepared her product. Her father helped her by supplying her prepared items to shops in Azam Market Lahore. The multiplied profit encouraged her to further expand her business.

Recently Shahda is DSP's client of 3<sup>rd</sup> loan cycle and her earning has been increased from Rs.5000 at the start to Rs.35,000 till now. Her mother and a sister have also joined her to increase their family income. Shahda is now very happy and satisfied as she is bearing the maximum burden of her parents. Her father has become a heart patient and misfit to do some hard job. At this critical situation, Shahda has taken not only the whole burden of her family on her shoulders but also collected dowry items for her elder sister.

"It was more than impossible for me to support my family without the financial support of DSP, it saved me and my family from sinking in the oceans of desperation and poverty," says Shahda.



## Operational Enactments

Damen Support Programme (DSP) empowers women by increasing their well beings, access to resources, self-confidence, self-esteem and respect, participation in decision-making and bargaining power, and increased control over benefits and their own life. The main focus of DSP is to empower women through the expansion and sustainability of their enterprises. For the purpose, DSP provides its financial support to low-income female clients and micro-entrepreneurs having no access to formal financial resources. Recently DSP is providing its financial services in Lahore, Kasur, Sheikhpura, Nankana Sahib, Okara, Faisalabad, Gujranwala, Sahiwal, Toba Tek Singh, and Sialkot districts.

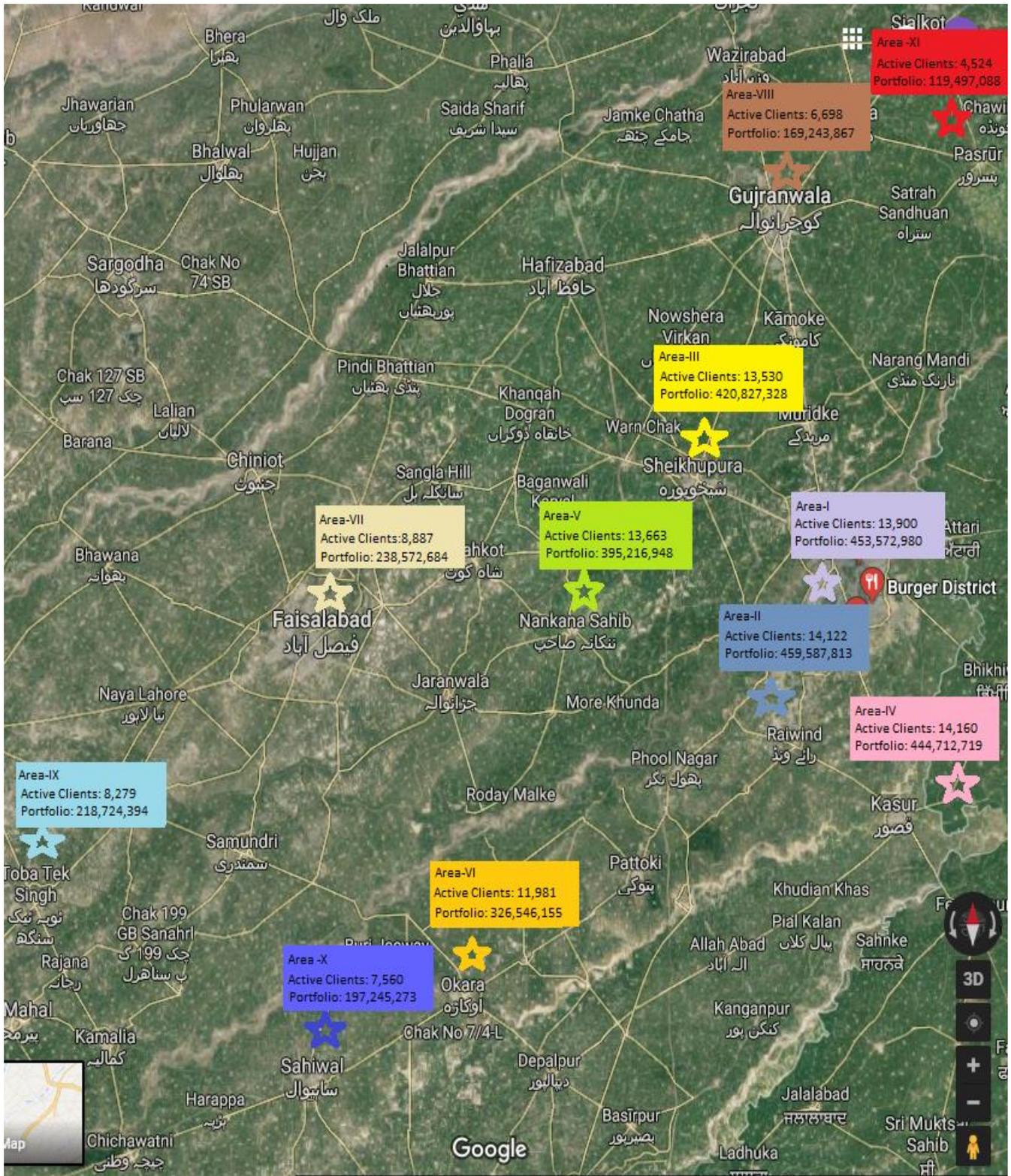
### Outreach

By the end of the reporting period total 50 branches of conventional microfinance are working in 11 areas Lahore-I, Lahore-II, Sheikhpura, Kasur, Nankana, Okara, Faisalabad, Gujranwala, Sahiwal, Toba Tek Singh and Sialkot, as well as 6 branches of Islamic microfinance are operational in Rajana (Area-IX), Pakpattan (Area-X), Hafizabad (Area-VIII), Narowal (Area-XI) and Muslim Town (Area VII). Detail of conventional branches is given in the table below.

#### Detail of Conventional Areas with Respective Branches

Lahore		Sheikhpura	Kasur	Nankana	Okara	Faisalabad	Gujranwala	T.T. Singh	Sahiwal	Sialkot
Area I	Area II	Area III	Area IV	Area V	Area VI	Area VII	Area VIII	Area IX	Area X	Area XI
Niaz Baig	Halloki	Begum Kot	Phool Nagar	Nankana Sahib	Okara	Faisalabad	Gujranwala	T.T Singh	Sahiwal-I	Daska
Chung	Shamke Bhattian	Sharqpur	Chunian	Shahkot	Hujra Shah Muqem	Thikriwala	Kamokey	Kamalia	Sahiwal-II	Sialkot
Kahna	Manga	Rachna Town	Pattoki	Mor Khunda	Depalpur	Jaranwala	Wazirabad	Gojra	Chicha Watni	Sambrial
Ali Raza Abad	Raiwind	Muridkey	Habib Abad	War-burton	Haveli Lakha	Samandri	Alam Chowk	Pir-Mahal	Arifwala	Pasrut
Bhola Garhi	Maraka	Dhamkey	Jamber	Bucheyki	Renala Khurd	-	-	-	-	-

### Areas View at Map

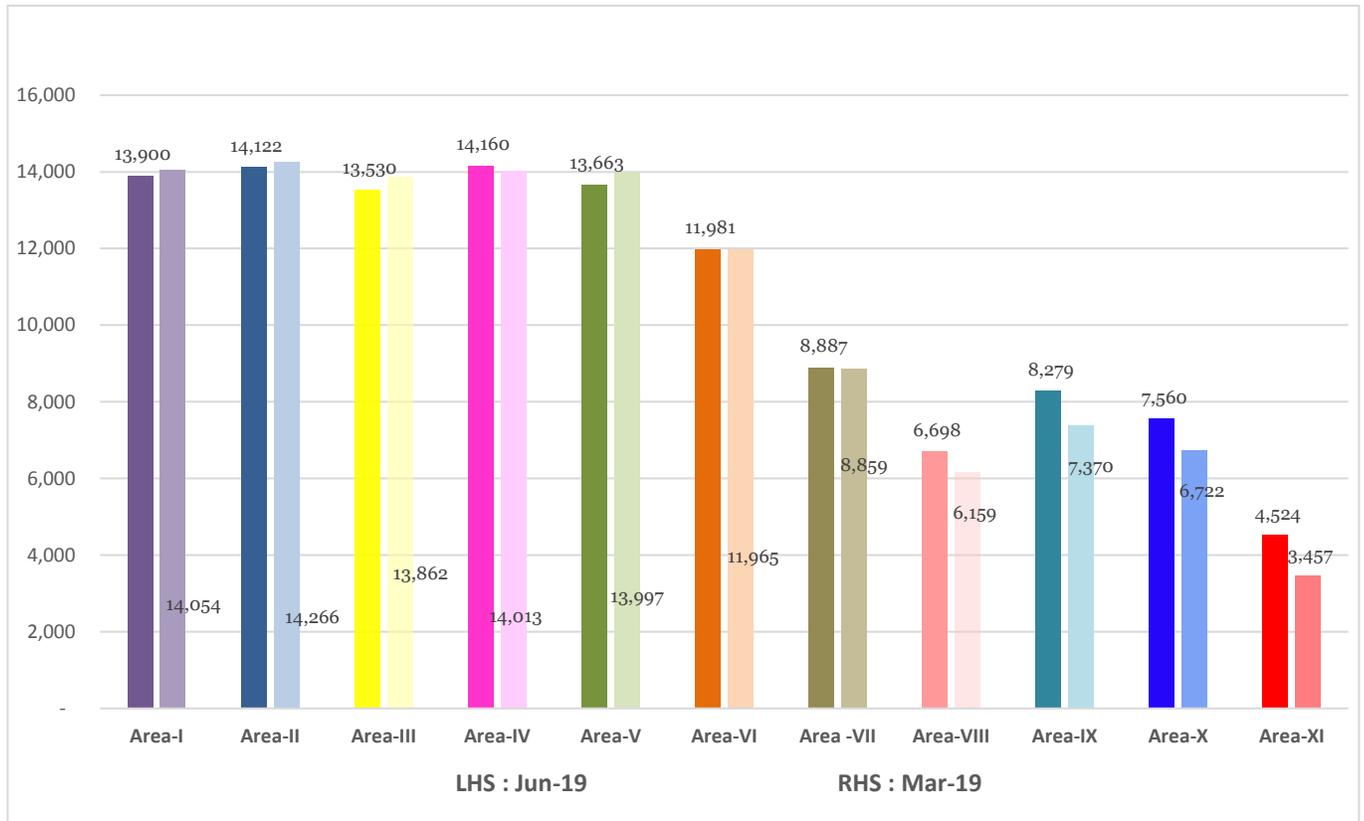




## Active Clients

By the end of the reporting period, the total number of active clients increased from 114,724 to 117,304. By the end of the June-2019 total number of active clients remained 13,900 in Area-I, 14,122 in Area-II, 13,530 in Area III, 14,160 in Area IV, 13,663 in Area V, 11,981 in Area VI, 8,887 in Area VII, 6,698 in Area VIII, 8,279 in Area-IX, 7,560 in Area-X and 4,524 in Area XI.

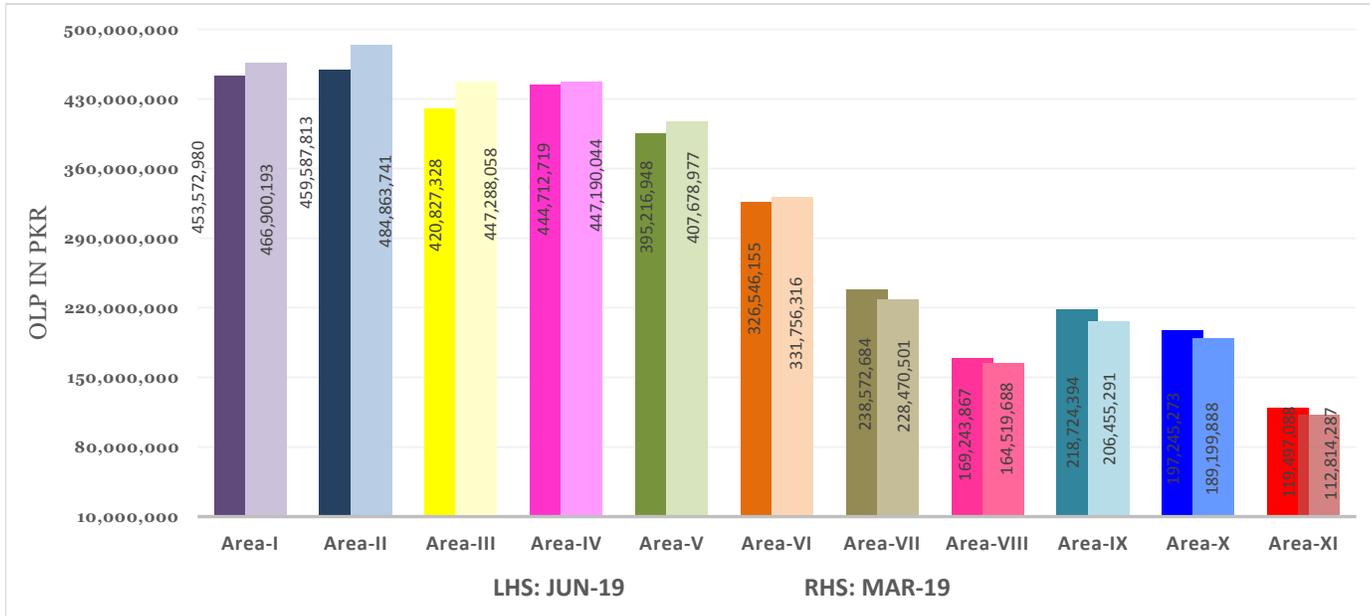
### Area-Wise Active Clients



## Outstanding Loan Portfolio (OLP)

The outstanding loan portfolio (OLP) of DSP was decreased from Rs.3,487,136,984 (by the end of Mar-19) to Rs.3,443,747,249 (by the end of Jun-19) with the total Rs.453,572,980 OLP of Area-I, Rs.459,587,813 OLP of Area-II, Rs.420,827,328 OLP of Area-III, Rs.444,712,719 OLP of Area-IV, Rs.395,216,948 OLP of Area-V, Rs.326,546,155 OLP of Area-VI, Rs.238,572,684 OLP of Area-VII, Rs.169,243,867 OLP of Area-VIII, Rs.218,724,394 OLP of Area-IX, Rs.197,245,273 OLP of Area-X and Rs.119,497,088 OLP of Area-XI.

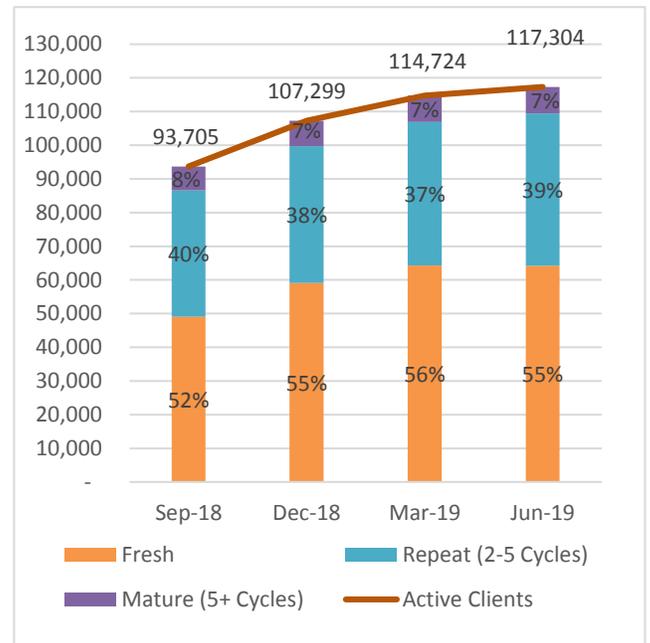
**Area-wise Outstanding Loan Portfolio**



**Division of Clients Regarding Loan Cycle**

DSP has a main focus on building up a solid and long-term association with its clients. It is obvious from the LTS figures which show that long term relationships have been established with 54% clients out of which 9% represent a 5 year + relationship.

It is simply because DSP considers clients the heartbeat of microfinance; therefore, developing a healthy relationship with them is vital for its success. Through good and bad times, maintaining a healthy client relationship with all its clients helps DSP in gaining sustainability.

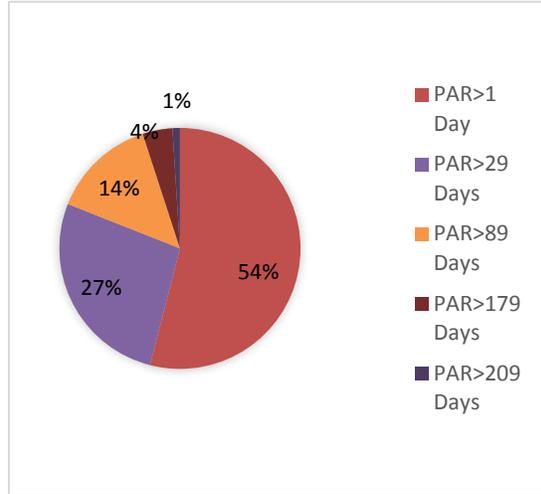


**Division of Clients Regarding Loan Cycles**



### Portfolio at Risk Ratio

During the reporting period, PAR > 29 days remained 1.37.

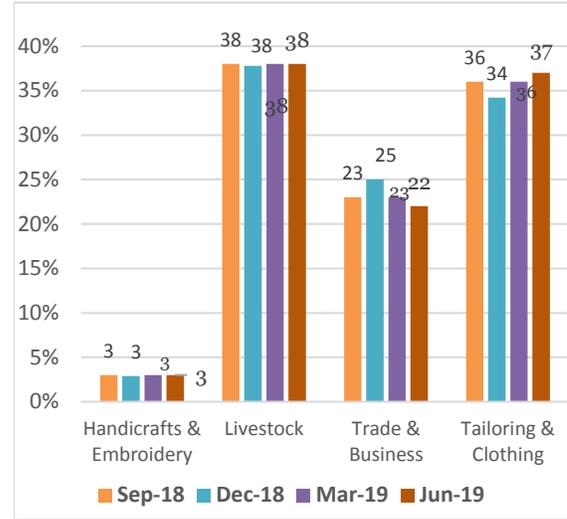


**Aging Summary of Portfolio at Risk**

### Business Classification

Majority of DSP clients is related to Livestock followed by tailoring & clothing, trade & business, and handicrafts & embroidery respectively.

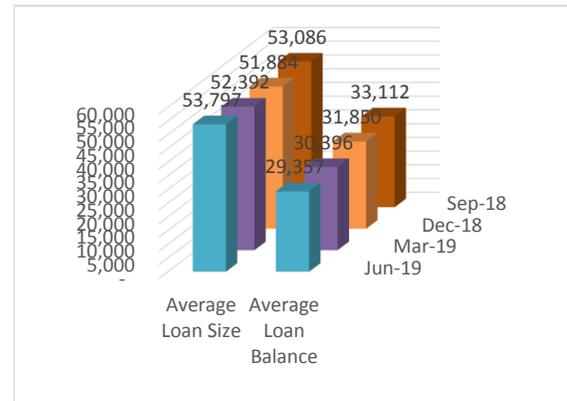
During the reporting period 38% of clients utilized their loans in the business of livestock, 37% used it to expand their business of tailoring & clothing, 22% did trade and business, ranging from buying and selling of milk to owing micro-level departmental stores, while only 3% utilized their loan to strengthen their business of handicrafts & embroidery.



**Business Classification of Loans**

### Average Loan Size & Balance

Average loan size of DSP increased from 52,392 (by the end of the preceding quarter) to 53,797 (by the end of June 2019). While average loan balance shows a decrease from 30,396 (by the end of the preceding quarter) to 29,357 (by the end of the reporting quarter).



**Average Loan Size and Loan Balance**



### Seasonal Loans

The number of active clients of Seasonal Loans remained 114 with a total Rs.6,098,346 OLP, during the reporting period. The average loan balance of seasonal loans was increased from 48,394 to 53,494 while average loan size remained 55,778.

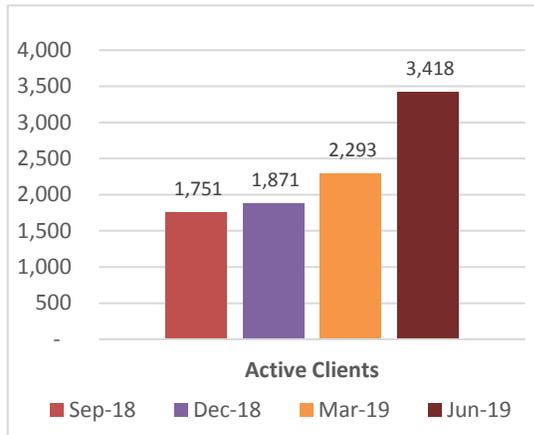
### Islamic Microfinance

The total number of active clients of Shariah Compliance increased from 2,293 to 3,418 by the end of the reporting period.

During the reporting period, the average loan size of Islamic branch remained 45,848 with the average loan balance 32,442.

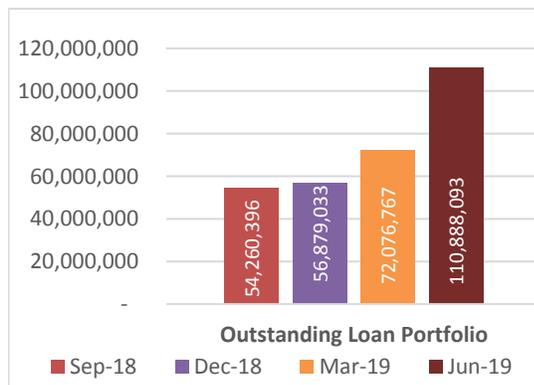
### Complaint Cell

Complaint Cell of DSP addresses the grievances of clients timely and effectively. During the reporting period this cell received a total of 157 complaints, out of it 111 were resolved while other 46 unresolved are health claims dependent on the insurance company.



**Active Clients of Islamic Microfinance**

OLP of Islamic Microfinance increased from RS.72,076,767 to Rs.110,888,093.



**OLP of Islamic Microfinance**



### Developing Capacities

Capacity Development is defined as "the activities, approaches, strategies, and methodologies which help organizations, groups, and individuals to improve their performance, generate development benefits and achieve their objectives". DSP has a focus on strengthening technical expertise, through hiring or training staff or volunteers in program planning and design, best practices, and other similar technical areas.

Trainings are the tool used for enhancing the capabilities of staff. Targeted trainings towards staff are important to help them meet their key responsibilities. Building the skills of staff is important in helping them out in carrying their job specification, not only through preliminary trainings but on-going trainings as well. These trainings also help the employee in acquiring new skills to perform their duties effectively, in getting promotions within the organization and in getting up-skilled to do some innovative things, which keep them fresh and motivated.

To keep the employees up with the new developments in their field, human and institutional department of DSP firstly identifies the gaps in their performance and then decides what type of training is needed and who needs it.

### Staff Trainings

#### Credit Appraisal Techniques and Delinquency Management

5 trainings on “Credit Appraisal Techniques & Delinquency Management” were organized to enhance participants' knowledge about microfinance, microcredit, major types of credit appraisal and major channels in credit appraisal, the difference between bank appraisal and MFI appraisal, key areas of credit appraisal, ensuring borrowers' satisfaction, delinquency and management of delinquency. Total of 173 participants including FMS, JPs, and LOs participated in the training.

Sr.#	Date	Area	Nature of Participants	Number of Participants
1	3 <sup>rd</sup> April	Area-1	FMs, LOs, JPs	34
2	4 <sup>th</sup> April	Area-4	FMs, LOs, JPs	32
3	11 <sup>th</sup> June	Area -8	FMs, LOs, JPs	36
	12 <sup>th</sup> June	Area-11	FMs, LOs, JPs	31
	14 <sup>th</sup> June	Area-9	FMs, LOs, JPs	40
	Total			173

## Social Mobilization, Communication Skills Credit Appraisal Techniques & Delinquency Management

5 trainings on “**Social Mobilization, Communication Skills Credit Appraisal Techniques & Delinquency Management**” were organized to boost up the communication skills of our staff and to enable them to deal with different behaviors of clients as well as to develop their skills about using different tools of social mobilization. These trainings also enhanced participants' knowledge about microfinance, microcredit, major types of credit appraisal and major channels in credit appraisal, the difference between bank appraisal and MFI appraisal, key areas of credit appraisal, ensuring borrowers' satisfaction, delinquency, and management of delinquency. Total of 151 participants including ACs, FMs, LOs, and JPs participated in the training.

Sr.#	Date	Area	Nature of Participants	Number of Participants
1	5 <sup>th</sup> April	Area-5	FMs, LOs, JPs	35
2	2 <sup>nd</sup> May	Area-3	FMs, LOs, JPs	24
3	3 <sup>rd</sup> May	Area -7	FMs, LOs, JPs	27
	4 <sup>th</sup> May	Area-6	FMs, LOs, JPs	35
	13 <sup>th</sup> June	Area-10	FMs, LOs, JPs	30
	<b>Total</b>			<b>151</b>



### New Staff Orientations

During the reporting period, orientations were organized for all newly hired staff as well as Junior Professionals of Region-I and II. The orientations briefed the participants about vision, mission, objectives, and goals of DSP and Its organizational structure and hierarchy at Head Office, Region, and Field level. The orientations also focused on major operational and HR policies.

### Training on Credit Risk & Delinquency Management

A training on “**Credit Risk & Delinquency Management**” was organized on 29th April for Appraisal Officers, Area Risk Officers, Compliance Officers, Internal Auditors and Area Coordinators of Region I. The main purpose of the training was to enable participants to assess and evaluate risks for DSP as well as enhance their skills on delinquency management.

### Training on MS Excel

To enhance our Head Office staff's skills and efficiency on MS excel, training was organized on 22<sup>nd</sup> April, in Head Office. Total of 12 staff members was benefitted from this training.

### External Trainings

Mr. Wajid Ali Khan (GM Admin & Finance) participated in a 5-Day Training Workshop on “An Operational Planning Model for Microfinance Banks / Institutions” organized by “LSE Financial Services Limited” from 15th – 19th April, at LSE Plaza Auditorium Lahore.



Ms. Riffat Shaheen (Senior Training Officer), Ms. Humera Asghar (Senior HR Officer) and Ms. Aisha Almass (Research & Documentation Officer) received a 2-day training on “Performance Management System” organized by Institute of Knowledge & Leadership.

### International Trainings

Ms. Khadija Farid (Deputy Manager Finance) received training on "Strategic Planning and Business Plan Development" organized by "Inspiring Development" from 8<sup>th</sup> – 11<sup>th</sup> April, in Bangkok



## Research Networking & Linkages

### Research

DSP's Research Section conducts various types of surveys and studies i.e. feedback surveys, staff satisfaction survey, client satisfaction survey and various success stories of borrowers. During the preceding quarter, client satisfaction and staff satisfaction surveys were conducted.

### Staff Satisfaction Survey

Employee satisfaction is important to companies and organizations who want to keep their employees happy and reduce turnover. Knowledge about it helps organizations better understand and appreciate employee preferences when developing programs and policies designed to influence job satisfaction and engagement. For the purpose, DSP conducted a job satisfaction survey 2019 during the preceding quarter.

Staff Satisfaction Survey 2019 was conducted in each area and field office of DSP to assemble valuable feedback, and measure staff satisfaction level.

### Outcomes of the survey were;

1. DSP's Satisfaction Survey 2019 provided a forum to its current staff to voice their opinions. The goal of this project was to determine overall staff satisfaction. This survey identified job satisfaction levels, measured workplace perceptions, and recognized areas of strength and attainable improvement opportunities.
2. Results of the survey confirm that DSP employees recognize the critical role satisfaction plays in a successful work environment. An overwhelming majority (80%) of employees is satisfied with their careers, while just 20% seem dissatisfied. These statistics suggest that employees could be more satisfied with their careers and responsibilities.
3. Our analysis shows maximum level of satisfaction in Area 10 (91%) followed by Area 8 (89%), Area 9 (85%), Area 4 (84%), Area 7 & Region 2 (82%), Area 6 (81%), Area 5 (79%), Area 1 (78%), Area 2 & Region 1 (77%), Area 11 (76%), and Area 3 (69%). While minimum level of satisfaction (66%) was observed in Head Office Staff.
4. Maximum satisfaction (91%) was observed regarding supervision, followed by teamwork (88%), communication & training and development (83% each), work environment (80%), PAMS (77%), quality & customer focus (76%), fairness (70%) and recognition & Award (68%).
5. Further steps regarding job security and career growth of staff are required to be taken to increase the loyalty and satisfaction level of our staff.
6. Results of the survey suggest that more steps are needed to be taken to increase employee satisfaction at DSP. To do so, however, every manager and team member needs to establish better



communication practices. If DSP begins to promote a culture of listening and appropriate action, everyone will be motivated to work toward the same goal.

7. A comparison of the Staff Satisfaction Survey 2019, 2014 and 2012 shows that the satisfaction level of the staff is gradually increased, 70% in 2012, 79% in 2014, and 80% in 2019, but still some areas are needed to improve to further increase the satisfaction level of staff with their careers and responsibilities.

### Client Satisfaction Survey

From June-2017 to today DSP has inaugurated a total of 25 new branches resulting in a huge increase in its clientele. It enforced DSP to find out the views of its clients on various issues not only to satisfy them but also to gauge and improve the performance of the organization. For the purpose, DSP conducted the client satisfaction survey 2019 having the main focus on services and policies provided by DSP.

To build and maintain relationships with its clients, DSP needs to understand and meet their expectations. The primary objective of this survey is to determine client satisfaction levels and also to determine parameters which cause satisfaction or dissatisfaction, regarding services and products of DSP, so that changes can be made where required. Key objectives of the research study 2019 were:

- To measure the awareness level of clients about the policies of DSP and their level of satisfaction regarding services and transparency.
- To get the feedback of clients on staff behavior before and after disbursing loan

The overall result of the client satisfaction survey 2019 was satisfactory. Our recent survey focused on getting clients' feedback on our products, services, and transparency of the organization. The survey also focused on gauging the awareness level of clients about complaint resolution mechanism.

1. According to survey results majority, 97% of respondents were satisfied with DSP and most liked feature was DSP policies.
2. Majority of our old and mature clients seems more satisfied than new ones as they were interested in taking next loan while new clients were not assured about it and they left it over the situation at that time.
3. It was observed that only 4% of our clients showed dissatisfaction over LPF, 3% considered lending process comparatively lengthy, 4% needed increase in initial loan size, 2% were not satisfied over repayment schedule, 3% found difficulty in making groups, 1% were not easy with the loan duration, 1% thought both insurance policies useless and against the Sharia. 3% of respondents were not satisfied with branchless banking as their Omni agents demanded extra money from them as well as 2% of staff had a problem with CoC.
4. 42% of our clients had faced problem in paying the installment at some stage and 46% of them had informed their LO about their problem. Out of 58% of clients, who still had not faced a problem in paying the installment, 37% were not willing to inform their LOs about their problems due to multiple reasons.



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5. Out of 42% respondents, who faced problem in paying the installment, 94% had borrowed money from some other sources for making payments while 30% of total respondents had to reduce their meals to make payments timely.
6. 100% of our respondents were informed about the interest rates, repayment schedule, and loan processing fee during the disbursement and none of them had to pay an extra amount than what was due.
7. 100% of respondents showed satisfaction over their interactions with their loan officer and other staff as they were never intimidated or disrespected by anyone. It is a strong indication of their satisfaction with the DSP.
8. The results of the survey reveal that clients have not been properly told about complaint cell and its mechanism as majority 84% of respondents were not aware of DSP's toll-free number to register a complaint. There is a dire need to create awareness about complaint cell and its working.

### Networking & Linkages

In this age of globalization, no organization can imagine surviving alone without having links with others. Creation of networks and linkages are an essential component of any development program and provide synergies for the program to build upon from a point of advantage to a point of strength. Networking and Linkages mean forming formal and informal partnerships and ties with other organizations in different areas of mutual interest and/or benefits. DSP like other microfinance organizations uses networking as a way to gain new clients and make sustainable development. For the purpose, it creates new linkages and networking at the local and regional level for creating a better relationship with other organizations and institutions.

- Mr. Awais Masud (Manager Marketing & Communication) participated in a meeting organized by Pakistan Microfinance Network (PMN) at Avari Hotel, Lahore.



## Constraints & Challenges

- Implementation of new performance appraisal & management system at all levels and impact on the improvement of the loan portfolio.
- Maintain the yield of GLP by not allowing field staff to take recoveries before the due date
- Reduce the cost per loan
- Maintain the client base at a certain level of 2500 clients per field office.
- Monitoring of loan utilization.

## Existing Gaps

- Weak social mobilization.
- The problem of delinquency due to non-compliance of policies and procedures in groups and center formation.

## Lessons Learnt

- Improved monitoring (from Head Office, Regional Offices, Area / Field offices) can surefire the success of the program.
- Strong mobilization for group and center formation can ensure the long-term sustainability of the microcredit program.
- Customary interaction with the borrowers can be assured better recovery rate and delinquency loans.