



**ASA INTERNATIONAL INDIA (ASAI)**

**Training Policy  
Version -1**

<b>Version</b>	<b>Date of Adoption</b>	<b>Particulars</b>	<b>Owner</b>	<b>Custodian</b>	<b>Approving Authority</b>
1.0	23.03.2022	Training Policy	HR	Compliance	Board of Directors

## **TRAINING POLICY**

The success of micro-finance programs depends on many factors as design of operational model, methodology, implementation, policies and procedures, but above all on skilled human resources. A skilled work force is required for the successful implementation of any micro-finance program. Training undeniably plays a vital role in transforming work force into a skilled human resource. Training should be conducted for all employees at different levels of the microfinance institution. Based on the experience, the “Delinquency Management” module has been developed.

This training manual covers each part of the business of the ASAI INDIA. It offers a detailed framework for training employees on all levels of the organization, while at the same time ensuring that any skills and tools taught hereunder are fully in line with the ASA International Model of Microfinance as granted by ASA International under the license agreement.

### **1. Delinquency Management**

Delinquency Management - refers the mechanism through which we can control and recover overdue and bad debt amount from the defaulter. It is training for ongoing staff. To maintain quality and standard of recovery we must pay our keen attention to this. The methodology adapted is participatory and action oriented. The approaches are a self-discovery process of learning. Participants will learn through their active involvement in Group-discussion (small, large and peer), Lecture, Brainstorming, Questioning-answering, Field Visiting, Case study.

### **2. Group Management**

It is also for ongoing staff. Generally, ASAI INDIA forms its group with small loan members, small business personnel and small entrepreneurs. Groups of small loan are comprised of women. Groups of small business and small entrepreneurs are formed with both male and female with a motto of changing their fate by poverty alleviation. This section of people bears almost same economic and social status. In the Group Management, part will learn the techniques to form a group and group maintenance.

### **3. Internal Control & Ratio Analysis**

ASAI INDIA management has set some methods of internal control with a view to minimizing risk of the organization and promoting its operational quality. The internal control mechanism has been developed as per need on the practical experiences of the management. To ensure its internal control ASAI INDIA has introduced some measures, which play a vital rule in effective operation of all activities. The training course is for existing staff.

The purpose of Financial Ratio Analysis is to orient participants to effective use the system of 16 financial ratios in the analysis of the financial performance of a microfinance institution. Financial Ratio Analysis is an important instrument in measuring strengths and weaknesses of an organization by showing its overall condition and performance.

#### 4. Leadership Development and Communication

Leadership Development and Communication training course is for mid-level management. Leadership is a process by which a person influences others to accomplish an objective and directs the organization in a way that makes it more cohesive and coherent. It is a process, whereby an individual influence a group of individuals to achieve a common goal. In this part, we will learn Leadership types, factors, process, attributes, principles, keys to effective leadership, leadership traits etc.

Communication plays a vital role in a business. A business needs people with good communication skills. Writing, Speaking, Listening, Reading & Inter-personal communication skills are most important for selection of employees in a business. Unfortunately, most people cannot communicate well. As a result, they cannot achieve their goal as they wish.

In a business, there is a high correlation between communication skills and income. In order to get expected result, we have to maintain top-level communication in our business. Whatever position we have in our business, our performance will be measured by our ability to communicate. Therefore, it is much clearer that by improving our communication skills we shall be able to improve our business, simultaneously we can improve our personal career as well. In communication part, we will learn communication process, its forms, need for communication, how great leaders communicate etc.

#### 5. Loan Disbursement and Assessment/Verification

The training on “Loan Disbursement & Assessment/Verification” is designed for existing staff to be acquainted with the successful micro-finance operation and in accordance with the objectives of ASA International. This course will teach the total Loan Disbursement Procedure along with potential area selection, selection of borrower, evaluation of socio-economic status of the borrower, physical verification of Income Generating Activities (IGA), formation of groups etc. With the norms of loan changing on RBI regulations dated 14<sup>th</sup> March 2022 , the training will cover all aspects of new regulations, Fair Practice codes, income/expenses’ assessment of family, 360 degree Credit Bureau Assessment, calculation of Fixed Obligations to Income Ratio(FIOR), new requirements of documentation and proper due diligence of loan.

#### 6. ASAI Micro Banking System (AMBS), MIS & FIS

ASA Micro Banking System is training for ongoing INDIA Staff. It teaches the software we use globally in ASA. Through MIS (Management Information System) & FIS (Financial Information System) quantitative analysis of target and achievement of borrowers, loans and savings, repayments etc. are evaluated. Financial transactions of branch, receipts and Payment Accounts & Income and Expenditure Statements are received.

#### 7. Internal Audit

This module is primarily designed for the staffs who are engaged in micro-finance program. The participants of the course should have experience in micro-credit management & for the Internal Auditors. At the end of the course, the participants will be able to disseminate best

micro-finance practices/methods on 'Internal Audit.' facilitate training and implementation of simplified, standardized, decentralized and cost-effective sustainable micro-finance operation. Major course contents are Definition & Importance of Internal Audit, Internal Audit of All Branches, Internal Audit of Head Office, Internal Audit Planning, Budget of Internal Audit, Essential Elements of Internal Audit, Basic Policies & Checklist of Internal Audit.

#### 9. Supervision & Monitoring

Supervision & Monitoring is for the senior & mid-level management. To have check and balance in the field operation, to implement simple, standardized, decentralized and cost-effective sustainable micro-finance operation, to ensure internal control mechanism in the operation, Supervision & Monitoring plays an important role in an organization. The major course contents are - Management Monitoring, Monitoring through Central Officials, Monitoring through Field Management, Reporting System after Monitoring, Management's Decision on Monitoring Findings, On Site & Off-Site Monitoring.

#### 10. Pre-Service Orientation

This module is primarily designed for the staffs that are going to be engaged in micro-finance program. The participants of the course are newly recruited for Loan Officer/Sr. Loan Officer post. At the end of the course, the participants will be able to know: ASAI INDIA history and background, its target people, mission & vision, narrate the criteria of group formation & group direction, concept of 's entire programs, the features of ASA's self-reliant model, the system of stimulation & communication, the quality of a developing activist, the job description of the staff, the role of all sections of central office, concept of the posting of savings and loan program & system of record keeping, ASAI INDIA Service Rule, disseminate best micro-finance practices/methods on 'ASA cost effective model', facilitate training and implementation of simple, standardized, decentralized and cost-effective sustainable micro-finance operation, assist grass-root level members in micro-finance program.

The major course contents are area & member selection, group formation, members' admission, group meeting, group Record Keeping, responsibilities of the - Group Leader, Secretary/Cashier, direction strategy and steps of the group, loan documents preparation, default management, rules and procedures of the Company. Each of the modules will be on the training schedule in every quarter. Thus each module will have 4 (four) training session in a year.

#### 11 . Review of Policy

This Policy is being proposed by the Management to the Board of Directors for approval.

The policy shall come into effect from 1st April, 2022.

This Policy shall be reviewed at regular intervals or as and when considered necessary by the Board of Directors/Committee of the Company.

**The detail Manual is attached herewith for Details.**