

The Duke MBA Global Consulting Practicum 2010 - 2011 Projects in India

In 2010-2011, students in the Duke MBA Global Consulting Practicum (GCP) completed projects with several organizations in Hyderabad, India. The Duke MBA Global Consulting Practicum matches student teams with nonprofit or for-profit social ventures serving base-of-the-pyramid markets.

TRIDENT MICROFINANCE – Salesforce Efficiency Improvement



Trident Microfinance is a microfinance institution headquartered in Hyderabad, India whose mission is to ‘reach the unreached.’ The overarching goal of the company is to provide comprehensive financial and business solutions to low income individuals and enterprises. At the time of the project, the regulatory system for Microfinance Institutions (MFIs) in India was unpredictable, with state and national legislation pending, and a high likelihood of increased regulation by the central bank. As a result of these regulatory actions and uncertainty, Trident’s

loan collections had fallen from near 100% recovery to single-digits. Given the volatile environment, Trident was reconsidering its long-term growth targets and instead wanted to focus on improving internal operations and the collection process, as well as to increase the efficiency of its field staff.

After researching microfinance best practices, working with the Trident staff and other microfinance experts, and conducting field interviews and focus groups, the Duke GCP team made several recommendations. In order to boost repayment rates and improve client relationships, Trident should implement standardized procedures for handling non-paying clients, train Client Relationship Officers (CROs) to educate clients on the new industry regulations, conduct a comprehensive analysis to determine which key traits affect repayment and include these in client screening and testing, and develop a new loan disbursement prioritization based on consecutive months of repayment. The GCP team also noticed the importance of good relationships, both among clients and between clients and CROs. The team suggested that Trident should train its CROs in conflict mitigation to better handle conflicts amongst clients and to reward superior client-CRO relationships by linking promotion criteria or non-monetary incentives to client feedback.

HEALING FIELDS FOUNDATION – Business Plan Development

Healing Fields Foundation (HFF) is a nonprofit organization with a vision to make quality healthcare accessible and affordable to all people in India, particularly the poor, underprivileged and marginalized populations. Currently, HFF’s initiatives revolve around a community health leader (CHL) training program, which trains individuals (mainly young women) to educate families on health care. For HFF to scale up the CHL program and reach more beneficiaries, the organization aims to create new revenue streams through two new initiatives: a sanitary napkin micro-enterprise model and a water and sanitation initiative. The Fuqua Team conducted research, on-site



observations of existing HFF programs, and interviews of key stakeholders in order to develop business plans for each initiative to ensure that the programs would be delivered in a way that is sustainable and efficient, while achieving the intended social impact.

To ensure that the sanitary napkin project would be self-sustaining, the Duke GCP team recommended that HFF continue to conduct market research to estimate market demand, solidify CHLs' commitment by requiring an initial contribution, train CHLs with necessary business skills, and reinvest a portion of their earnings into buying raw materials. The team also advised that HFF could boost its competitiveness by maintaining a 40% price gap with branded sanitary napkins, emphasizing their "community ownership" image, and leveraging the strong network of CHLs with door-to-door selling.

With the same goals in mind, the Duke GCP team tackled the challenge of launching an HFF water and sanitation initiative. They suggested that it could be self-sustaining if HFF fundraises construction costs to minimize its own investment, makes monthly maintenance payments, and keeps maintenance costs low enough to allow for a stipend to CHLs and HFF. Furthermore, in order to be effective, it is important that HFF consistently monitor latrine quality and maintain 100% participation among existing households while also enrolling new households.

BASIX KRISHI – Public-Private Partnership Development



BASIX Krishi is a subsidiary of a large, for-profit microfinance institution that seeks to provide Agricultural Extension Services to farmers in Andhra Pradesh. In order for BASIX Krishi to achieve its goal of reaching 1 million farmers by 2015 (up from their current clientele of 9,000 farmers), they were considering pursuing a public-private partnership model to help accelerate growth. BASIX Krishi sought to partner with the government to use existing, underutilized infrastructure in order to reach more farmers and defray some of the costs of doing business in India. However, while public private partnerships have been quite successful elsewhere, they have only a

limited track record in agriculture within Andhra Pradesh and BASIX Krishi did not have experience working with this partnership model.

The Duke GCP team worked with BASIX Krishi to determine a strategy for initiation, implementation, and monitoring of a public-private partnership with the government, as well as to identify other potential sources of revenue growth. In addition to summoning numerous sources on agricultural extension services, the team met with individuals across a diverse array of professions, including government officials, academics, agripreneurs, farmers, and many others. The team's recommendations to BASIX Krishi included using RSKs (information centers for farmers) in Karnataka as pilot programs to implement the public-private partnership model; expanding BASIX Krishi's government contracting line of business; and, pursuing strategic partnerships in contract farming. The team also reviewed BASIX Krishi's other policies to make sure they complemented their growth strategy, and suggested that they revamp human resources and talent retention strategies, and improve marketing campaigns to increase awareness of their services.