

TERMS OF REFERENCE | BRAC UGANDA BANK LIMITED
CONSULTANCY SERVICES FOR HUMAN CENTERED DESIGN PROCESS TO REVIEW
EXISTING PRODUCTS AND DESIGN AND IMPLEMENT ADD-ON PRODUCTS FOR BRAC
UGANDA BANK LIMITED

1. Summary

Conduct a Human Centered Design process to review existing products, design and implement ADD-ON products for BRAC_UGANDA BANK LIMITED

2. Organizational Profile


BRAC Uganda Bank Ltd (BUBL) transformed into a Tier 2 bank on 25 April 2019, following a successful history as a leading microfinance service provider in Uganda. Its microfinance operations launched in 2006 with two core product offerings: microfinance group loans and small enterprise loans. Today, BUBL operates 32 branches and 126 satellite offices covering 84 out of 146 districts in Uganda. The Bank is operationally and financially self-sustaining with over 175,000 active borrowers as at December 2023. Upon transformation into a Tier 2 financial institution, BUBL was licensed to mobilize customer deposits and hold and operate savings accounts. 94% of BUBL's borrowers are women and 88% are served through satellite offices in rural areas while an estimated 41% of BUBL's customers live below \$3.20/day.

BUBL operates with the mission to provide financial services responsibly to populations living at the bottom of the pyramid, especially women living in rural and hard-to-reach areas.

BUBL is implementing the Women Economic Empowerment project aimed at fast-tracking the growth of small scale women entrepreneurs and their ability to manage their businesses. As part of the project, the bank seeks to review its existing products and design additional products to meet the needs of small scale women entrepreneurs. Ultimately, this will drive the financial inclusion of currently excluded small scale women entrepreneurs by addressing barriers in product design and delivery, and progression of small scale women entrepreneurs to bigger loan sizes, in order to increase income earned by SSWEs. This will entail Innovative reviews to inform areas for revisions of existing products, and identify opportunities to introduce new products to meet unserved customers' needs.

3. Objective of the Consultancy

1. Conduct a Human Centered Design process to review features of existing products (such as repayment frequencies, loan cycle limits, tenures, pricing, benefits, segment fit etc.)
2. Design add-on products to build resilience (such as educational loans, emergency loans) delivered digitally, saving products, etc)

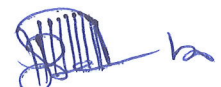


4. Scope of Work

The consultant will conduct a client-focused need assessment in order to design financial product prototypes. The project will engage Small Scale Women Entrepreneurs (SSWE) in multiple regions across rural and peri-urban areas, through a variety of methodologies as needed, including focus group discussions and individual interviews in local languages/dialects. Research methodology (including indicative sample size) will be determined in consultation with BUBL.

The specific scope of work for this assignment include the following:

- Review the current financial products for Small Scale Women Entrepreneurs (SSWE) on the market with the aim of identifying unmet needs, particularly of Small Scale Women Entrepreneurs (SSWE) living in poverty.
- Segment existing BUBL clients by sector of activity to understand the segments(s) whose activities are inadequately catered for or touched by BUBL's current offerings. Meet Small Scale Women Entrepreneurs (SSWE) and undertake a thorough gender/client review. Segmentation will inform the design of more appropriate financial product(s). Map client segments across demography, economic activities, technology use, etc. and identify priority client segments for developing financial products with BRAC.
- Based on findings and using the human-centered design approach, develop a profile of product(s) considering the emerging wants and needs of Small Scale Women Entrepreneurs (SSWE), particularly of women Small Scale Women Entrepreneurs (SSWE).
 - For each prototype, assess the need for and the appropriateness of any added services such as changes to savings products, emergency loans and school fees loans.
 - Identify appropriate channels, and/or alternative credit assessment models for each prototype, including digital delivery channels
 - Suggest what changes need to be made to operational processes, policies/manuals, systems, etc. to ensure the success of proposed prototypes. Consider the internal capacity of BUBL (IT system, staff skills, financial resources needed, etc.)
- Recommend what Small Scale Women Entrepreneurs (SSWE), particularly women Small Scale Women Entrepreneurs (SSWE), need to be successful in their enterprises beyond finance (eg. financial/digital literacy, training on good agricultural practices with a focus on climate-smart agriculture, information and advisory services, market linkages/development, etc.). Identify and make recommendations for additional financial and non-financial support necessary for addressing barriers that prevent Small Scale Women Entrepreneurs From escaping the traps of poverty.
- Recommend partner organizations and private sector actors as needed (MNOs, fintechs, banking agents, market linkages, agriculture extension service providers, etc.).
- Develop detailed product papers for each of the product prototypes, together with financial projections, risk assessment ready for piloting.
- Define a monitoring plan with specific KPIs/performance metrics to track the success of product prototypes proposed.
- Develop a detailed pilot plan for the activity, together with the timelines and pilot test protocols.



- Propose communications and/or marketing strategies that will successfully market the reviewed and new financial product(s)
- Share a final report compiling all deliverables and provide detailed implementation plans for each prototype/redesigned product.
- Ensure structured handover of project documents and plans to BRAC management for proper implementation and conduct short training sessions, if necessary

The design stage will involve a review of BUBL's operational capacity to deliver the products and services, cost-benefit analyses of each model and exploration of private-sector partnerships (including mobile network operators, fintechs, banking agents, agriculture extension service providers, etc.), where needed to support delivery.

5. Deliverables and Key Timelines

The duration of the engagement is expected to be over 6 months counted from contract signing and is expected to be completed by early Q2 2025. Activities should begin upon contract award. At the conclusion of the project, all deliverables must be handed over to BUBL management for implementation.

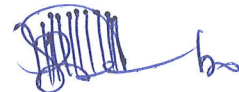
Key Deliverables

Product Prototypes for 3 core product feature refinements prioritized for testing, Prototypes for 3 new credit or add-on products prioritized for testing, together with detailed financial projections and detailed implementation plans as well as pilot test protocols for the selected products.

6. Qualification of the Consultant/Firm

- Experience in conducting client-centered research/market assessments in financial services for the bottom of the pyramid. Previous experience in similar work in Uganda that the firm is applying for is preferred but not required.
- Deep understanding of issues around SSWE's financial inclusion, as well as broader issues that specifically affect women Small Scale Women Entrepreneurs (SSWE) living in poverty.
- Preferably have experience in HCD approach (or other client-centric methodologies) to understand the needs, behaviors, and motivations of Small Scale Women Entrepreneurs (SSWE), and to iteratively design product prototypes across the complete customer journey and product experience.
- Knowledge of regulatory environments of the target markets.
- Strong analytical, research, and writing skills with expertise in survey and qualitative research in the form of interviews and focus groups with low-income communities (in local languages)
- Proactive project management skills with strong attention to detail. Experience working under tight deadlines with a multilateral team across time zones and managing a rigorous schedule of data collection.
- Fluency in English required.





7. How to Apply

If you meet the above qualifications, please submit a technical proposal detailing your previous experience in conducting similar work, a proposed work plan with tentative timeline, a proposed budget, and CVs. The technical proposal should be no more than six pages (excluding profile, budget and CVs).

All proposals must be submitted by email to procurement_mfug@brac.net, diana.luutu@brac.net and kiseka.denis@brac.net no later than 14 August 2024 at 11.59pm East African Time (EAT). Any questions can be submitted to the same email address prior to the submission deadline.

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