



The ILO Turin Centre's facilities

Located in an attractive park on the banks of the River Po, the Centre's campus provides a congenial environment in which to live and study.

- It contains 21 pavilions with fully equipped modern classrooms, conference halls and meeting rooms fitted out for multilingual simultaneous interpretation, and a computerized documentation centre linked to various data banks.

The campus has 287 study/bedrooms, all with private bathroom, telephone, free access to internet and cable television. It also has:

- a reception desk open 24 hours a day;

- a restaurant, a self-service canteen and a coffee lounge, all catering for international dietary needs;
- a bank;
- a travel agency;
- a laundry service;
- a post office;
- an internet point;
- a recreation room;
- facilities for outdoor and indoor sports;
- medical service.

Social events are regularly held both on and off campus, so that participants from different cultural backgrounds can make the most of a stimulating international environment.

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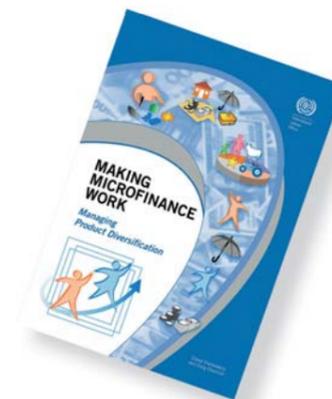
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# Making Microfinance Work for YOUTH: Managing Product Diversification

12 – 16 May 2014  
Turin, Italy



International Training Centre

www.itcilo.org

# Making Microfinance Work for YOUTH: Managing Product Diversification

*Today, there is a growing recognition that not all poor people are necessarily entrepreneurs, but all poor people do need and use a variety of financial services. The challenge is to understand and meet this demand among increasingly poor and remote populations."*

*Access for All (2008)*

*Scepticism exists regarding the viability of youth-related microfinance programs. However, evidence is now emerging to show that youth clients are bankable and that creativity of approach, differing only slightly from adult-focused microfinance, is required*

*Nagarajan (2005)*

## International Training Center of the ILO and its Microfinance Training Programme

The International Labour Organization (ILO) invests in microfinance, and in the capacity building of MFI managers in particular, because it believes that microfinance can help realize its vision of decent work for all. Microcredit and micro-leasing products provide opportunities for small investments in self-employment and job creation. Emergency loans, savings and microinsurance provide the means for poor people and youth to better cope with risk. When microfinance is delivered through group-based models, it can provide opportunities for the poor to organize and have a voice. Some MFIs, particularly those that partner with other public or private actors in pursuit of a social mission, are actively discouraging child and bonded labour, and helping microentrepreneurs to grow and formalize.

The International Training Centre (ITCILO) in Turin, Italy has been developing and delivering management training curricula for more than four decades. The International Training Centre of the International Labour Organization (ITCILO) brought this experience to bear when it joined forces with the Social Finance Programme to develop the Making Microfinance Work management training program.



### About this course

Access to financial services could help youth become economically active, start their own enterprises, finance education and manage risks. Nevertheless, few microfinance programmes actively target youth. More often, they actually avoid having youth in their loan portfolio.

The "Making Microfinance Work for YOUTH: Managing Product Diversification" training course is designed to achieve the following five objectives:

- Raise awareness of the opportunities and risks that product diversification presents
- Explore options for improving MFI outreach to youth through product diversification

- Guide the development of targeted outreach strategies for priority youth market segments
- Provide tools for managing product diversification successfully
- Encourage more proactive management of MFI product portfolios over time

This youth-focused edition of the generic "Making Microfinance Work: Managing Product Diversification" training course is designed for middle and senior managers in microfinance institutions. It is relevant for institutions that have already diversified and are looking for ways to manage their diversification more effectively, as well as institutions that have not yet diversified and are looking for guidance on where and how to begin. This course is also useful to funding agencies and technical assistance providers that are trying to support MFI diversification efforts.



### Overview of the course curriculum

- I. **Preparing for Diversification.** This introductory section helps managers understand diversification, the opportunities and risks it poses, and how MFIs can prepare themselves to diversify successfully. First module defines product diversification and the concept of a strategic product mix. It explores the many reasons for which MFIs might want to develop new products and markets, but it also raises awareness of the damage diversification can cause. The second module then explores how to manage product development, in particular, how to manage the risks inherent in the process.

The third module of the course is delivered throughout a day and focuses on new market development and in particular on targeting the youth market segment successfully. It explores how managers can use market segmentation to better understand and serve new types of customers. Participants practice profiling their priority youth market segment, explore market research tools that have proven effective for gathering information from youth and analyse outreach strategies through which MFIs could serve youth sustainably.

- II. **Product Options.** MFIs that wish to diversify will find they have many options to choose from. Several modules are discussing different types of products that MFIs could introduce to expand their outreach to youth. Three modules explore in details characteristics and requirements of savings, loans and non-financial services using examples from MFIs around the world to illustrate variations in the way the product can be delivered to youth. The main challenges and risks associated with each of these three product types are discussed together with examples of the strategies MFIs have used to manage them. A module dedicated to other financial services is helping to further expand the choice that managers might have in deciding on which products to offer. It helps exploring functionality

of leasing, microinsurance and money transfers, as well as discuss the relevance and applicability of service delivery with use of mobile technologies.

- III. **Diversifying Successfully.** After exploring numerous combinations of products and services that MFIs could offer to better meet the needs of youth market segments, this section returns to the management agenda. One of the modules looks at the important role of partnerships in helping MFIs of various types to diversify efficiently and effectively. The second module in this section examines the product portfolio management function and helps participants understand that the decisions they make to increase outreach to youth will impact their existing products and markets. The module motivates them to pursue the youth market in a way that increases the overall success of their MFI.
- IV. **Designing an Outreach Strategy for Youth.** This fourth and final section of the course brings together all that the participants have learned during previous sessions to design an outreach strategy for a youth market segment of their interest. They discuss how to identify the priority needs of youth, to examine which needs can be met by the MFI's existing products, to communicate that value to youth in a way they can relate to, and deliver the products in a way youth find accessible and comfortable. The section's modules raise awareness of the issues that need to be dealt with and provide specific suggestions for adapting the institutional culture, redistributing responsibilities, empowering staff, communicating with clients, as well as help to identify strategies for overcoming the major challenges inherent in serving youth.

Using adult learning principles, the course relies on activities, exercises and case studies to help participants apply the concepts that they are learning. Throughout the course participants are given numerous opportunities for developing their action plan – this Action Plan approach focuses on identifying practical steps that participants can implement in their organizations in relation to the design of the outreach strategy to youth and management of product diversification.

**Dates:** 12 - 16 May 2014

**Venue:** ITC ILO Campus in Turin, Italy

**Course Language:** English

**Tuition Fees:** 2,100 euros

- Includes tuition fees, materials, full board and accommodation
- Participants are responsible for travel arrangements, visas, and airports transfers

Payment for tuition fees is made by bank transfer. Participants will receive payment instructions upon acceptance of their application.

Cancellation fees apply.

PLEASE REGISTER ONLINE HERE:  
<http://intranetp.itcilo.org/STN/A907028/en>

**Deadline for applications:**  
**30 March 2014**

COURSE SCHEDULE					
	Day 1	Day 2	Day 3	Day 4	Day 5
<b>Morning</b>	<b>Opening Session</b> <b>I. Preparing for Diversification</b>  Understanding Diversification	Targeting the Youth Market Segment	<b>II. Product Options</b>  Savings  Loans	<b>III. Diversifying Successfully</b>  Building and Managing Partnerships  Product Portfolio Management	Delivery Strategy  Communication Strategy
<b>Afternoon</b>	Understanding Diversification Managing Product Development	Targeting the Youth Market Segment	Other Financial Services  Non-financial Services	Product Portfolio Management  <b>IV. Designing an Outreach Strategy for Youth</b>  Product Strategy	Relationship Strategy  <b>Closing Session</b>