



## **Criteria for SME Financier of the Year Category**

### **General Information to start the entry**

1. Industry Type
2. Number of Years in Operation
3. Number of Staff
4. Number of ATMs (if relevant)
5. Number of Branches (if relevant)
6. Number of Countries Operating
7. Headquarter Location
8. Total MSME Loan Outstanding in USD
9. Total Loan Outstanding in USD
10. Number of your MSME Clients
11. How do you define SME? How do you distinguish this from microenterprise? Do you have separate accounting for your SME portfolio – e.g., numbers of accounts, loans, product volume; financial spread; allocated overhead; net profit?
12. What is your target market in SMEs – clarify in terms of definition above; provide information on target market segments, if applicable. Be specific about what you have done for SMEs in a specific period of time (could provide graphs or charts as attachments to back up/illustrate your impact)
13. Why do you consider your financial institution an SME market leader? How do you compare to the competition in your market: 1) overall standing as a financial institution or FinTech; 2) standing in the SME market; 3) standing among competitors for your market segment.
14. How do you measure your success in serving the SME market?
15. Are there any other factors not already addressed through the questions that distinguish you as an SME market leader or innovator – please describe.

## Specific Judging Criteria for the Category

### 1. Effectiveness and Impact

#### a. Market share and growth

- i. Are SMEs your primary target customer in your market? Why did you choose to pursue this market strategy?
- ii. What is your target market in SMEs – clarify in terms of definition above; provide information on target market segments, if applicable.
- iii. Do you have a particular product or products that are market leaders or market makers – what are your innovations or dominance in the SME market in your country? Describe the product(s), and relative status in the market.
- iv. What is your market share in the SME market (in terms of assets, liabilities, customers, etc)

#### b. SME Significance

- i. Describe the organization of your financial institution – is the SME portfolio a division of its own, or is it part of a larger retail or corporate business?
- ii. Describe products/services that you have available for SMEs.
- iii. Describe your delivery system/operating for SME products/services – is this an innovation in the market? Why have you chosen this delivery system?
- iv. What has been the year on year growth of your SME business in the past 2-3 years? (this data should be reflected in the *SME Financier of the Year* spreadsheet).

#### c. Profitability

- i. On the spreadsheet you have provided information to calculate your institution's ROA and ROE; what profitability measures do you use for the SME line of business? Please explain and provide measures for as many years as you can up to three years.<sup>1</sup>
- ii. What are your average spreads in lending - corporate, SME and consumer?
- iii. SME business Net Profit % / LTD Preferably in comparison to the total institution's profitability.

#### d. Sustainability

- i. Please provide details of your funding sources.
- ii. What is the percentage of your funding that is short term, medium term and long term? Estimates are sufficient.

#### e. Credit Risk Management

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<sup>1</sup> The longer you can show performance data, the stronger your case.

- i. Describe your underwriting process. Do you use a statistical scoring system? What place does it have in the overall underwriting process?
  - ii. What percentage of loans are processed solely through scoring and what percentage receive further review?
  - iii. What form does that further review take e.g. credit committee, manager review, etc?
  - iv. What is the frequency with which you validate credit scores?
  - v. What do you accept as collateral? Do you offer collateral free loans? If yes, what share of your loans are collateral free?
- f. Efficiency
- i. What is the current level of automation of internal processes?
  - ii. What is the current level of automation of client interaction?
  - iii. What is the percentage of transactions going through digital channels vs branches?
  - iv. Average turnaround time to process SME products and services in days (from application to disbursement) e.g. loans, commercial mortgages, insurance quotations, etc.
  - v. Average cross-sell, i.e. number of products/services per SME customer

Additionally, you will need to attach the completed SME Financier of the Year worksheet, that you can download [here](#).

**If you are ready to start your entry, click here to be taken to the [awards platform](#)**