

A close-up photograph of a person's hands writing on a form with a green pencil. The form has a grid of small circles, likely for data entry or a survey. The person is wearing a light blue shirt. The image is partially obscured by a white diagonal shape on the left side of the slide.

“Train me like this”

Lessons from a pilot with CDOT and JRGB on
CICO agent training

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February 2022

The intervention enhanced agent certification rates by >43%

We supported the Centre for Development Orientation and Training (CDOT), a BCNM, to train its agents and pass the IIBF certification exam.

Context

In 2018, The Reserve Bank of India mandated that all agents need to pass the IIBF BC/BF examination. This certification permits agents to serve products, such as insurance and loans. The examination tests BC agents on the basics of banking, cash flow, agri-based credit products, among others. Approximately 100,000 agents take these exams annually—many of them do not succeed.



Intervention and concept

MSC initiated a pilot to develop an agent-centric solution that can increase their pass percentage in IIBF BC/BF examination.

MSC developed an easy-to-train approach to train agents. This approach included a counseling component where agents could clarify their queries.



Pilot outputs & future outcomes

86%


of the agents passed the IIBF BC/BF examination—a 43% increase compared to the earlier 60% pass rate of CDOT agents. A total of 175 agents appeared for the certification exam after MSC's intervention. Among them, 151 agents cleared the IIBF BC/BF examination.



1.5mn

BC agents are expected to benefit from the solution. MSC will be scaling up the intervention with BCFI members. The solution will increase the pass percentage of BC agents and instill confidence in them to deliver complex products to customers.





**A successful pilot and
route to scale**

MSC 

The conundrum of the IIBF BC/BF examination

BC agents struggle to pass the IIBF exam



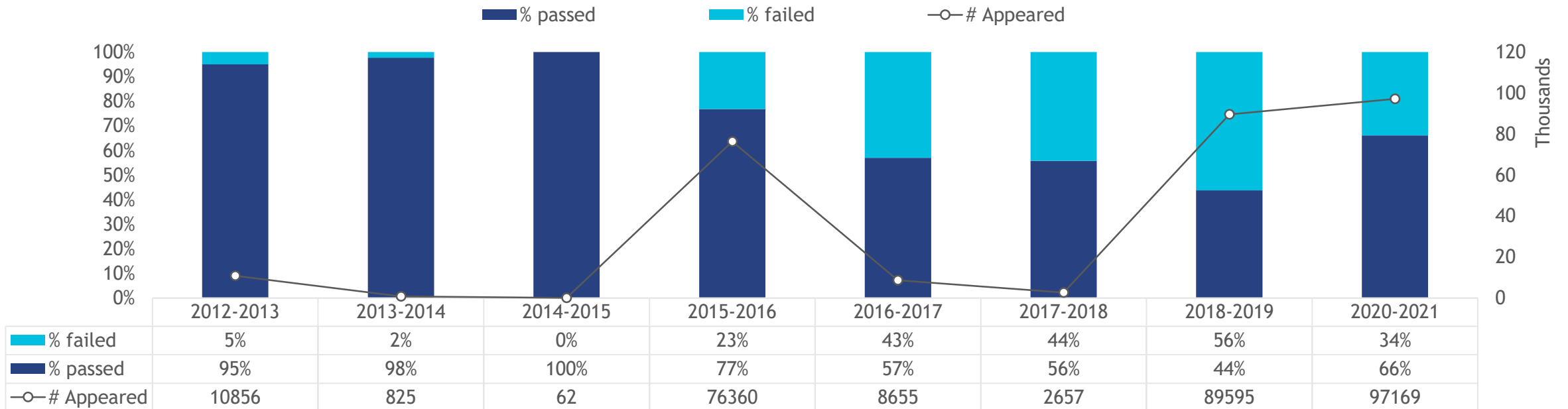
Since the IIBF BC/BF examination is mandatory, different banks and BCNMs invest additional resources to provide learning support to their agents. However, passing this examination has remained an uphill struggle for many of them.

But banks need certified agents to sell complex products



Banks use IIBF-certified BC agents to offer more complex financial products like insurance, loan origination, and NPA recovery. If agents fail to get the certification they lose the opportunity to earn more revenue and banks lose on business expansion

The IIBF BC/BF examination has a high rate of failure



The pilot saw a high pass rate among agents supported*



Number of agents who appeared

A total of 175 agents appeared for the certification exam after MSC's intervention.



Learning from their mistakes

Many agents who had attempted earlier could analyze their shortcomings and rectified their approach while writing the exam



Gender wise break up

The pass percentage of female agents was 88% (72/82) compared to 85% (79/93) for male agents



First replication with an RRB**—Jharkhand Rural Grameen Bank (JRGB)

MSC team replicated the IIBF counseling solution with one of JRGB's BCNMs (Aksh & Uttara Services). We trained 30 agents and counseled them. The success rate of agents remained 100%. Out of the 30 agents who took the exam, 24 passed it.

*Please refer Annex 21,22,23 for the detailed analysis and charts

**Regional Rural Banks (RRBs) are government owned scheduled commercial banks of India that operate at regional level in different states of India.

The training and counseling increased agents' confidence

Success of the counseling component



One immediate positive outcome of the intervention was the success of the counseling component. Many agents appreciated the opportunity to ask questions and clear their concerns.

“

Initially, I was terrified of the IIBF exam. I knew nothing about banking concepts and the online examination format. The training definitely boosted my confidence.

”

-Rabindra Shaw, BC agent

Increase in the confidence of agents



Qualitative interactions with the agents revealed that their confidence while dealing with customers has increased. A confident agent is likely to attract more customers, as found in our earlier work at the Helix Institute at MSC.

“

The duration and timing of the counseling sessions were effective and feasible. Had it been a one-day training, it would not only have caused a business loss but would have also made it difficult for us to understand everything in a day.





-Shahjahan, BC agent

”



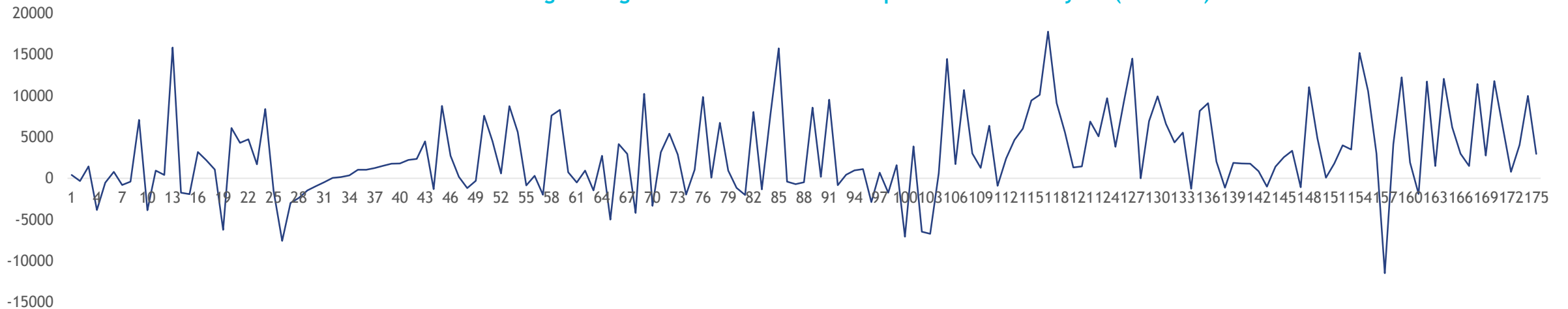
Agents who passed the exam saw significant increases in revenue

MSC analyzed commission data of 175 agents who appeared for the IIBF BC/BF examination. Despite several emerging challenges, the increase in commission was substantial for the agents with positive results in examination.

<p>The challenges that hurt their commission payout were:</p>	<p>i</p>  <p>Impact of COVID-19</p>	<p>ii</p>  <p>Technology challenges (server/hardware issues)</p>	<p>iii</p>  <p>Liquidity shortfalls</p>	<p>iv</p>  <p>Seasonality of transactions</p>
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Of the 128 agents who saw their revenues increase, 110 agents had passed the exam, with a median increase of 150% from the previous year's income as commission. This amounts to a median increase of INR 3,855 (USD 50). Meanwhile, 18 agents did not clear the exam, and their median increase of 67% from the previous year. The reduction in income over the past year was lower among the agents who passed the exam (median decrease of 27%, INR 1,330 (USD 17)) than those who failed the exam (median decrease of 35%, INR 1,917 (USD 25)).

Average change in commission from the previous financial year (2019-20)



Data analyzed for the period of April 2020 - September 2021. We will continue to track the performance of CDOT agents

Effective scale-up will depend on four key considerations

Key considerations when scaling up the counseling program

Right time



The training and counseling process should be scheduled in small batch sizes during non-peak business hours to make it easier for agents to attend the sessions and consume the content.

E-module



The training module needs to be converted into a digital module with the recorded voice of counselors to ensure a broad reach with minimal human intervention.

Internet connectivity



Lack of internet connectivity or inadequate bandwidth could hamper the counseling session. The content can be converted into low-resolution modules that can be played even if the internet bandwidth is low.

Counselor on call



BCNMs can set up a facility for agents where the counselor will clarify their concerns or assist them with the module.



We must note that not all agents deliver complex financial services. Many only conduct basic cash-in and cash-out (CICO) transactions and are known as service agents. In contrast, an agent who provides a broader range of services including account opening, credit sourcing etc. can be called sales agents. These different types of agents require different training and certification. Policymakers should introduce different levels of IIBF certification along with separate examinations for these differentiated BC agents.

We have a clear route to scale to impact 1.5 million BC agents



The Business Correspondent Federation of India (BCFI) is scaling up the pilot with its 51 member organizations. These members are payment banks, financial technology partners, and BCNMs.

MSC will:

- ▶ Develop e-modules from the training and counseling program and upload them on an e-learning platform. MSC had earlier developed the ABC Siksha, digital platform alongside BCFI with financing from IFC. The platform helps users learn basic financial concepts—savings, customer service, grievance resolution, etc. We will seek to build on this platform.
- ▶ Translate e-modules into other regional languages in India.
- ▶ Offer technical assistance to BCNMs and providers that seek assistance on strengthening training programs in their organization.



The training and counseling program will be a stepping stone toward building the capacity of agents on complex banking products and services.



After the scale up with BCFI, we expect the intervention to impact approximately 1.5 million BC agents across the country.

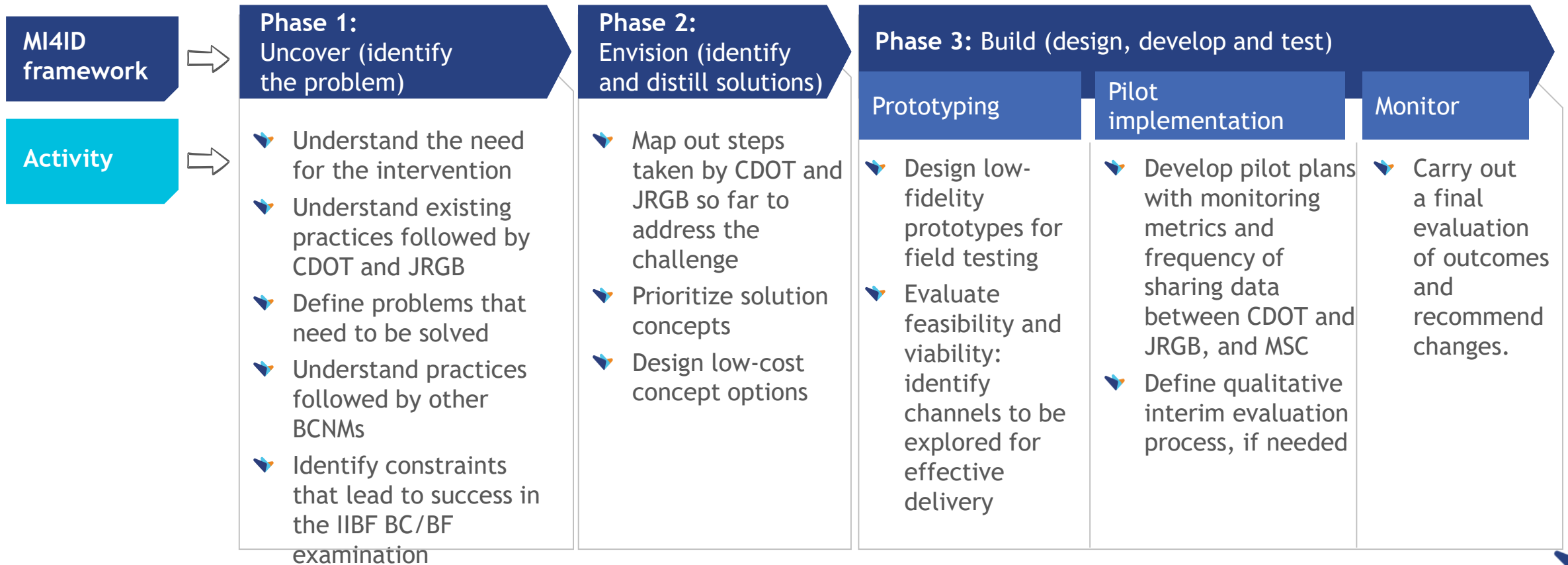
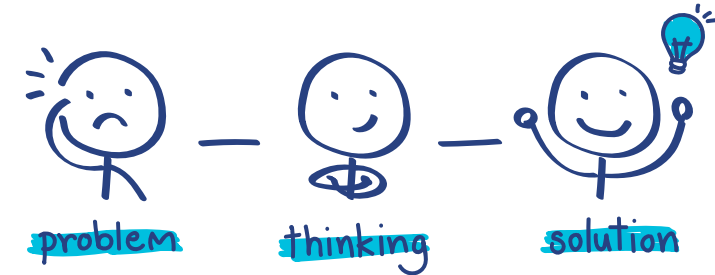


**How we achieved
these results**



A design thinking approach to create an agent-centric solution

MSC initiated a pilot with the Centre for Development Orientation and Training (CDOT). The team co-created a relevant, desirable, and impactful solution using MSC's Market Insights for Innovation and Design (MI4ID) approach of design thinking.



Phase 1: Identify the problem (approach)

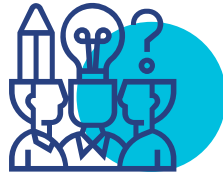
MSC spoke to multiple stakeholders. Discussions were followed by root cause analysis and identification of challenges.

01



MSC consulted internal and external stakeholders to understand the importance of the intervention on the IIBF BC/BF examination

02



Brainstorming sessions were held internally as well as with CDOT to arrive at the root causes, represented in the form of a fishbone diagram.*

03



The MSC team detailed out challenges that could be solved through a well-designed intervention.

- I. Examination format
- II. Language and terminology
- III. Study material
- IV. Skillset of BC agents
- V. Skillset of CDOT staff
- VI. Lack of awareness of the online format



*Please see Annex 3 for the detailed fishbone diagram

Phase 1: Identify the problem (challenges)

We identified several challenges that agents face while preparing for the IIBF BC/BF exam and while appearing for it



Examination format

Agents are unfamiliar with the online exam. Agents often lose their initial attempts in understanding the format

01



Language and terminology

The terminologies used in the examination are in formal language and are difficult to understand.

02



Study material

BC agents cannot access the supplementary study material readily.

03



Skillset of BC agents

The examination's syllabus is exhaustive and covers aspects largely well beyond the routine activities of BC agents.

04



Skillset of CDOT staff

Staff are mostly involved with the day-to-day activities and have skillset restricted to it.

05



Lack of awareness

Although a few online platforms host practice tests, most of the agents do not know about such platforms

06

“

I did not get much help; the BCNM staff simply told me that the exam would have some banking-related questions, but nothing more.

-Vikas, a BC agent

”

Phase 2: Identify solutions

01 — Modify the existing training material

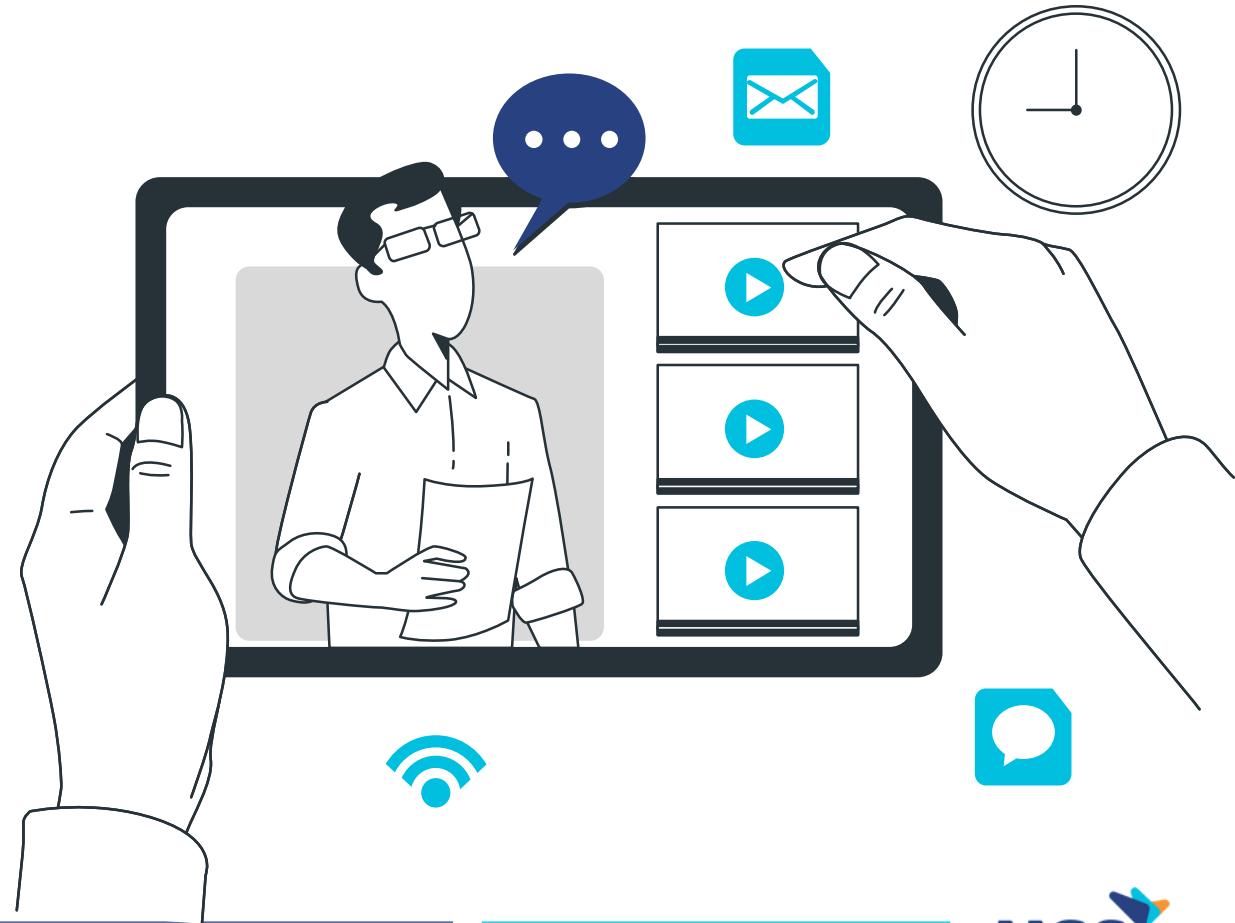
MSC created simplified reading material for agents from the prescribed study material of IIBF

02 — Introduce a counseling program

MSC conceptualized the idea of conducting counseling sessions for agents to facilitate the understanding of the modules

03 — Improve training delivery

MSC curated aspects of delivering the training, such as the frequency of sessions, channels for delivery, and assessment of an agent's readiness to take the IIBF exam



*Please see Annex 3 for the detailed fishbone diagram

Phase 3a: Develop the solutions

01



To modify existing training material, **the MSC team**

- Reviewed the recommended book for the IIBF exam in detail along with other study material available
- Scanned through previous years' question papers and attended practice tests
- Consulted with the CDOT team to conceptualize simplified content for the IIBF exam
- Created modified and simplified content that agents could use to prepare for the IIBF exam.

02



To facilitate counseling, **we**

- Divided the counseling material into three sections and scheduled it over three weeks
- Scheduled a week of self-study before every counseling session
- Kept the focus of the counseling session on revising each section, and clearing any questions and difficulties faced by agents
- Set the agenda for the next counseling session at the end of each session

03



To improve training delivery, **we**

- Decided the frequency and modules to be covered per session to allow agents to understand the concepts effectively
- Decided the optimum batch size for the effectiveness of the module
- Included videos, callouts, and infographics in the training modules
- Included an evaluation component to test how well the agents have understood a concept

Phase 3b: Pilot testing the solution

01



Solution testing through a pilot

The solution was tested by implementing a pilot comprising of training and counseling over a period of 3-4 months. In this period 230* agents—a mix of men and women—were trained using MSC's training curriculum.

02



Counseling session characteristics

Agents were divided into small batches of 10-15 members. A counseling sessions lasted for 90-120 minutes. These were scheduled during non-peak hours of the business.

03



Counseling session highlights

In each session, the counselor summarized lessons from the previous session and explained new concepts as per the module. This was followed by Q & A sessions with agents. The counselor also shared suggestions to solve questions in the exam.

04



Responsibilities for counselors

The counselors were a critical part of the testing phase and were responsible for several tasks, such as

- ▶ Managing logistics and facilitating the counseling sessions
- ▶ Guiding agents through practice tests and encouraging them to discuss challenges in the module
- ▶ Disseminating information on the exam registration process and the schedule

*By June 2021, 175 of these 230 agents had appeared for the IIBF exam. We reviewed the test results and spoke with agents who took the exam to assess the outcomes of the pilot.





Annexes



Annex 1 - Pilot assessment: Success stories (1/2)

Rabindra Shaw, a BC agent who was once apprehensive of the online assessment format, is now excited to showcase his excellent performance in the first attempt at IIBF BC/BF exam

Rabindra Shaw is a 29-year-old B.Sc. graduate who became a BC agent for Jharkhand Rural Gramin Bank (JRGB) in August, 2020



- Rabindra was unfamiliar with the pattern of questions asked in the exam and had never appeared in any online examination before this.
- He attended the counseling sessions conducted by MSC and participated actively. He said that the well-paced training sessions helped him understand the examination system and syllabus better.
- Rabindra says, “The training was beneficial as it covered almost all important topics. The trainers also helped us understand the keywords to reach the answers.” With JRGB and MSC’s partnership, Rabindra passed the exam with 62% in his first attempt itself.
- He is excited to display the certificate at his outlet to attract more customers and increase his business.

Annex 2 - Pilot assessment: Success stories (2/2)

Vikas Kumar brims with confidence as he excels in his second attempt at the IIBF BC/BF exam; thanks to the counseling team for their support

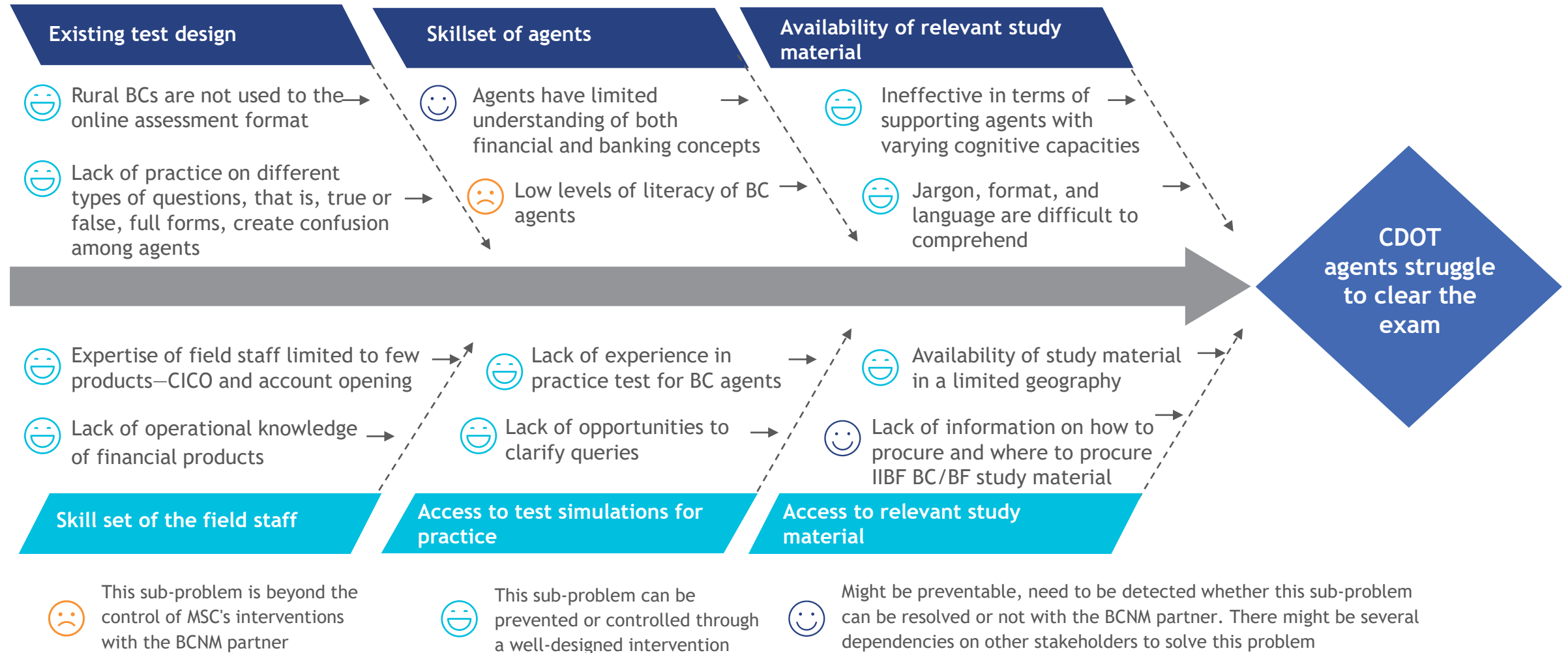
Vikas Kumar is a 32-year-old BC agent who has studied till class 10th. He attended the training and counseling sessions and shared that this was his second attempt



- Vikas scored 28 in his previous attempt. He says, “I did not get any help; the BCNM staff simply told me that the test would have some banking-related questions but nothing more.”
- He had some idea about the examination system from his first attempt, but the training helped him focus on essential topics and reach the answers logically.
- Vikas mentions, “I had little knowledge earlier, and the training was very helpful. Now, if any customer asks questions on banking products and services, I am more confident and better positioned to answer them all.”
- Vikas passed the exam and scored 59% on his second attempt. He appreciated and thanked the training team for the support.

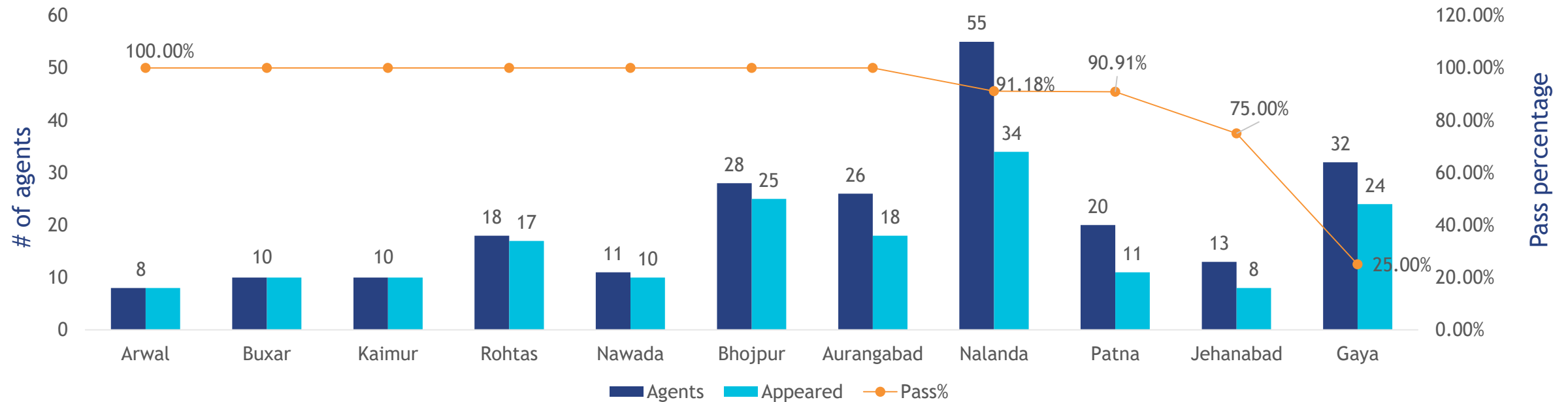
Annex 3 - Fishbone analysis

MSC conducted a root-cause analysis and a performance analysis of CDOT agents in the IIBF exam to identify internal and external challenges



Annex 4 - Pilot assessment: Findings from the CDOT MIS (2/3)

District-wise agent performance on the IIBF BC/BF examination



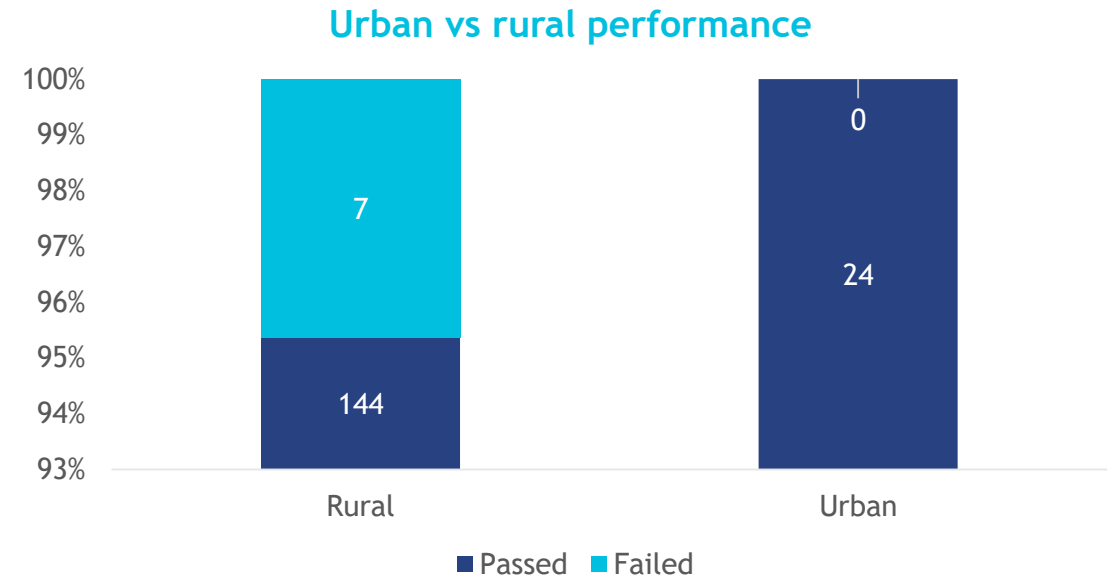
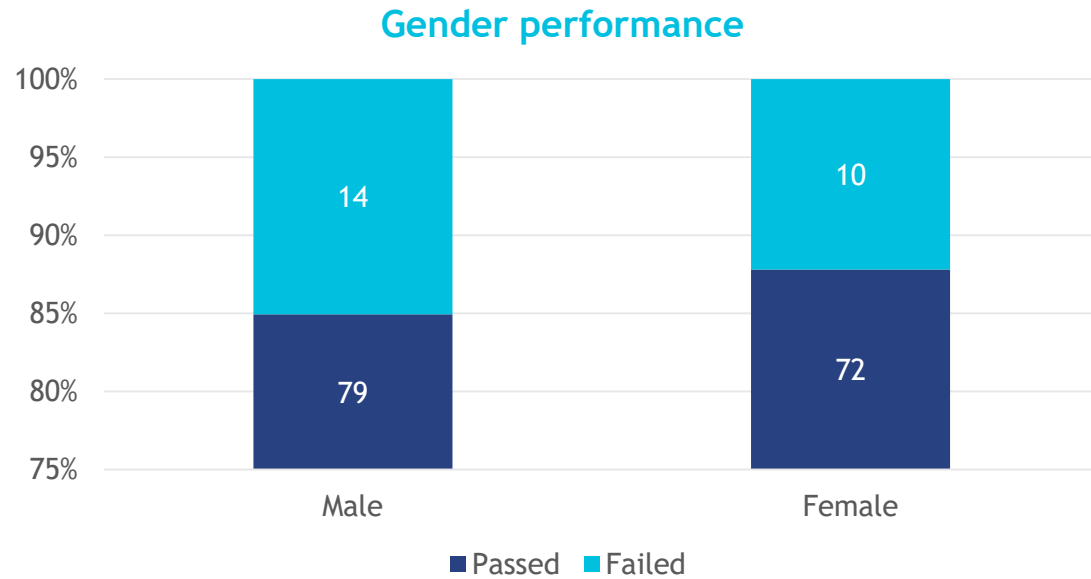
Findings

- A total of **175** agents wrote the certification exam after MSC's intervention. Out of them, ~45% of agents belonged to Nalanda and Gaya.
- Out of the 175 agents who attempted the exam, **151** agents cleared the IIBF BC/BF examination, which is **86%** of the total.
- Nine out of 11 districts managed to maintain a success ratio of above 90%. Jehanabad and Gaya were the other two districts with low success ratios. The lower success in the two districts may be attributed to field officers who could not implement the counseling program effectively.

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Annex 5 - Pilot assessment: Findings from the CDOT MIS (3/3)

Results by male/female and urban/rural agents



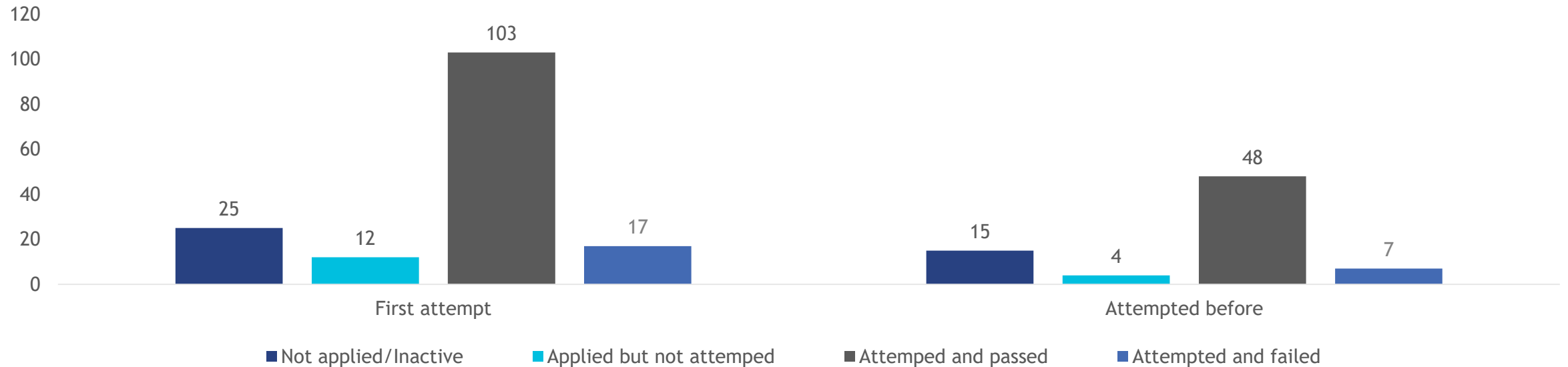
Findings

- The pass percentage of female agents was 88% compared to their male counterparts, which was 85%. Female agents adapted well to the counseling program.
- Rural agents maintained a pass percentage of 84%. Our sample had seven urban agents who attempted the examination and all of them passed.

Annex 6 - Pilot assessment: Findings from the CDOT MIS (1/3)

Results by agents who wrote the exam for the first time versus agents who had written once before

Performance of agents



Findings

- Out of 231 agents who were a part of the pilot, CDOT had 157 agents appeared for the first time and 74 agents who had attempted the exam before.
- The success rate of agents who attempted for the first time is at 86% and the success rate for agents who had attempted before stood at 87%. Many of the agents who attempted earlier could analyze their shortcomings from the earlier attempt and rectified while attempting the exam.

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Sectors we work in

Providing impact-oriented business consulting services



Multi-faceted expertise

Advisory that helps you succeed in a rapidly evolving market



MSC is recognized as the world's local expert in economic, social, and financial inclusion



International financial, social, and economic inclusion consulting firm with **20+** years of experience



>200 staff in **11** offices around the world



Projects in **~65** developing countries

Our impact so far

>550
clients

>1,000
publications

Assisted development of digital G2P services used by **>875 million** people

Implemented **>875 DFS** projects

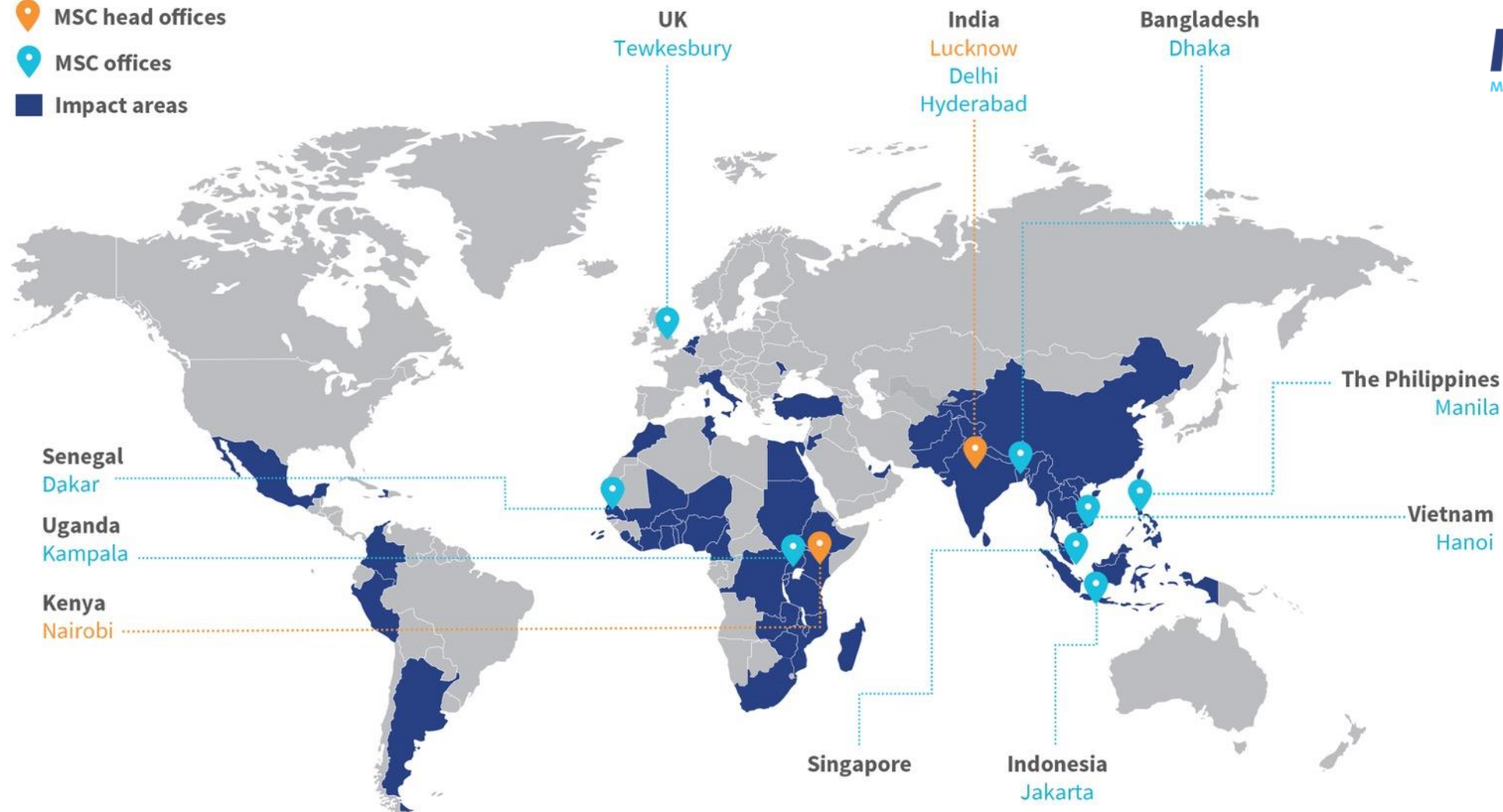
Developed **>275 FI products** and channels now used by **>55 million** people

Trained **>10,500** leading FI specialists globally

Some of our partners and clients



-  MSC head offices
-  MSC offices
-  Impact areas



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