Bottom of the Pyramid governance: accountability and enterprise in mobile microfinance

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Agenda

• Enterprise and accountability at the Bottom of the Pyramid’ (BoP)
• Original Research gaps
• Research objectives
• Original Research Questions
• Secondary research
• Cases Study
• Research Process
• Revised Research Questions
• Revised Research Gap
• Research Design and Short Term Plan
A. Bottom of the Pyramid

**Value proposition**
1. Stakeholders:
   - MNCs, community, NGOs, state
2. Products/services
   - ex: Micro-finance

**Value Constellation**
Value chain
- ex: ICTs and Mobile

**Economic profit equation**
- Revenues
- Cost structure
- Capital employed

**Social profit equation**

Varying interests
B. Comparative accountability

(Ritchie and Richardson, 2000)

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<th>Strong Accountability</th>
<th>Weak Accountability</th>
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<td>Mandatory/Codified</td>
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Core Research Gaps

Lack of an assessment model

The lack of accountability systems and performance indicators
Lack of framework for governance and pest practises

Uncertainty about the scope of mobile technologies in addressing the problems of accountability, enterprise, and performance management in general and in microfinance in particular.
Research Objectives

This research attempts to examine the following broad research puzzles:
- How can different for-profit and non-profit organizations collaborate to achieve financial and social objectives?
- How can different financial and economic objectives be measured?
- How can we explain the emerging tensions in accountability and how an intended bottom-up approach became progressively supplanted?
- How can different forms of participation and enterprise reflect different forms of accountabilities?
- To what extent the use of mobile technology facilitates the reporting systems and configuration of varying accountabilities?
- How can BoP triangulate among governance, accountability and enterprise in general and using mobile technologies in specific?
Based on the literature gaps, the author asks the following questions:

Q1: How can the performances of BoP microfinance businesses be assessed using mobile accountability and reporting systems?

Q2: How can mobile networks are used by the loan officers to reconcile varying types of accountabilities in BoP businesses?
Case study “e-masary”

A) MFI Services Bundle (including MFI Mobiliser hosted service and MFI micro-entrepreneurship program)
B) Masary eTop-up (Hawa) Service
C) Masary Branchless Banking services
D) Masary Cash Collection Services
E) Masary Cashless Community Service
F) Masary eGovernment Services
G) Masary Enterprise Wallet
H) Masary e-Loyalty Service
I) Masary Mobile Handheld Services
J) Masary eVoucher Service
K) Masary Pay by Masary Online
L) Masary El-Khair (Charity and Donations)
M) Masary Payment Services for Corporate

Value proposition

Partnership and Participation

Mobile network providers:
*4 mobile telecoms in Egypt (Vodafone, mobinil, etisalat, el-zero)

NGO MFIs
8 NGO MFI

Governmental organizations:
Egyptian Ministry of social solidarity
Egyptian Financial supervisory authority
**Value constellation**

**Supply chain**
- Mobile telecoms
- Microenterprises
- MFIs

**Geographical footprint**
- Covers 8 governorates

**Value constellation**

**Economic objectives**
- E-masary’s: 10 m annual profit
- Accessing new markets in the rural areas in Egypt [low income people].
- Sustainable market and brand name for e-masary

**Social objectives**
- Creating Job Opportunities and microenterprises for the poor Egyptians.
- Skills Training for micro-entrepreneurs (capacity building).
- Cheap microcredit using mobile telecommunication services (banking the unbanked).
- Consumer education on how to use mobile microfinance services.
- Automating MFIs
Research process

- Reality as a social construction
- The process of building social business

Ontology

Epistemology

- Interpretivism

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Data analysis

Case study

Data collection

- Structured interviews
- Focus groups
- Documentary analysis

Qualitative & iterative
Expected contribution

An assessment model of the success of BoP businesses

Accountability framework

Corporate governance framework
Extra readings:


