

An aerial night photograph of a city, likely in Myanmar, featuring a large, brightly lit pagoda (Shwedagon Pagoda) as the central focus. The pagoda is illuminated with warm yellow lights, and its spire is topped with a golden flame. The surrounding city is lit up with various lights, and a road in the foreground shows long, curved light trails from moving vehicles. The sky is a deep blue, and the overall scene is vibrant and dynamic.

MFI Digital Backend Platform Proposition

By Blue Stone Solution

Copyright© by Blue Stone Solutions 2020.

This report is solely for the use of client personnel. No part of it may be circulated, quoted, or reproduced for distribution outside of the client organization without prior written approval from Blue Stone Solutions.



Table of Contents

1. Limitations to Current Legacy System

2. Structure of Blue MFI Digital Solution

3. Features & Functions of MFI Backend Digital Solution

4. Considerations Before Adopting Backend MFI System

1. Limitations to Current Legacy System



Common System Issues

Out-dated System Architecture

- Majority of Myanmar MFI's are technically unable to keep up to rapidly changing IT trends; preventing adoption of Digital Transformation.
- Web or Mobile environment are not supported, and Closed Architecture prohibits collaboration with external systems.

Insufficient Features and Functions Required by MFIs

- Basic functions like Loan Amount Management, Loan Application, etc. exist. However, functions like CRM, Accounting, Human Resource Management, Asset Management; which helps stimulate Sales and makes business operations more efficient, are not enough.

Ineffective System Support

- Myanmar is yet to have professional System companies that have extensive business domain knowledge to design the right MFI System.
- As such, communication with business users are ineffective and often lead to misunderstandings; making System Implementation difficult.

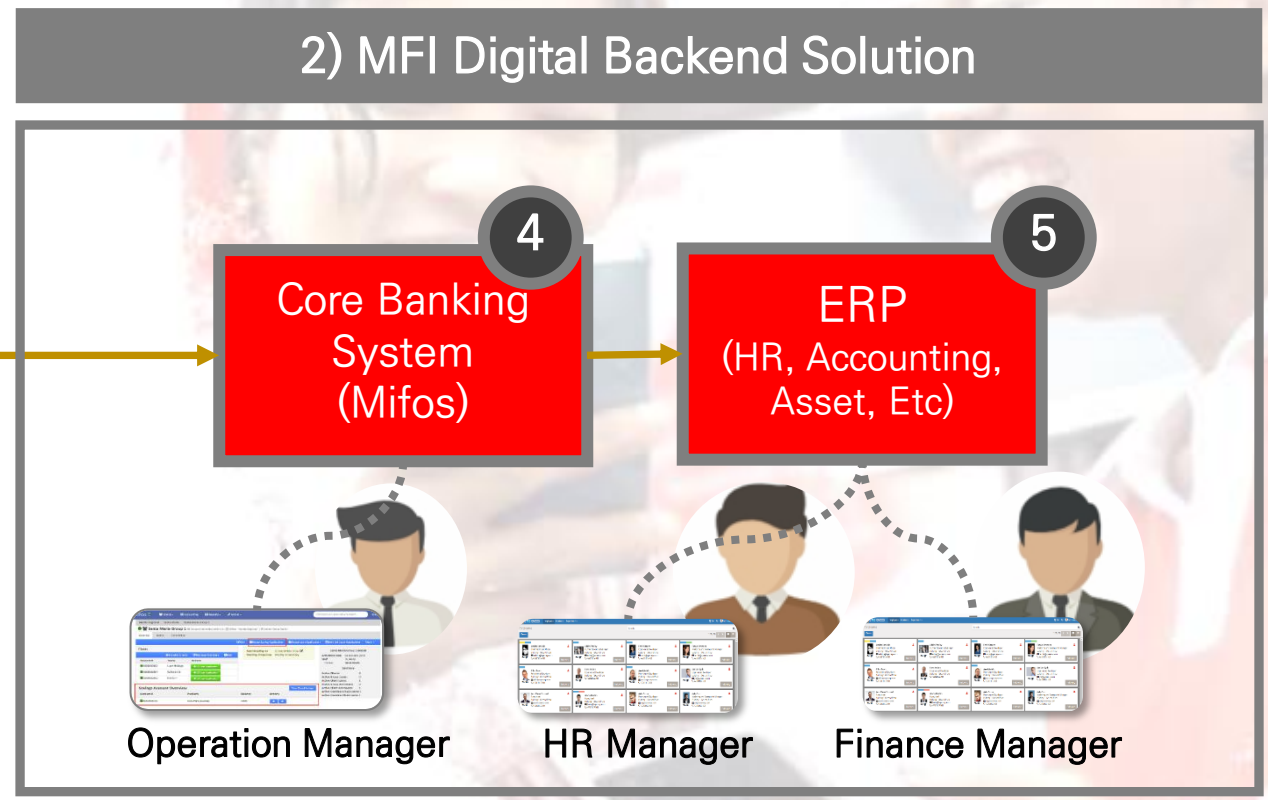
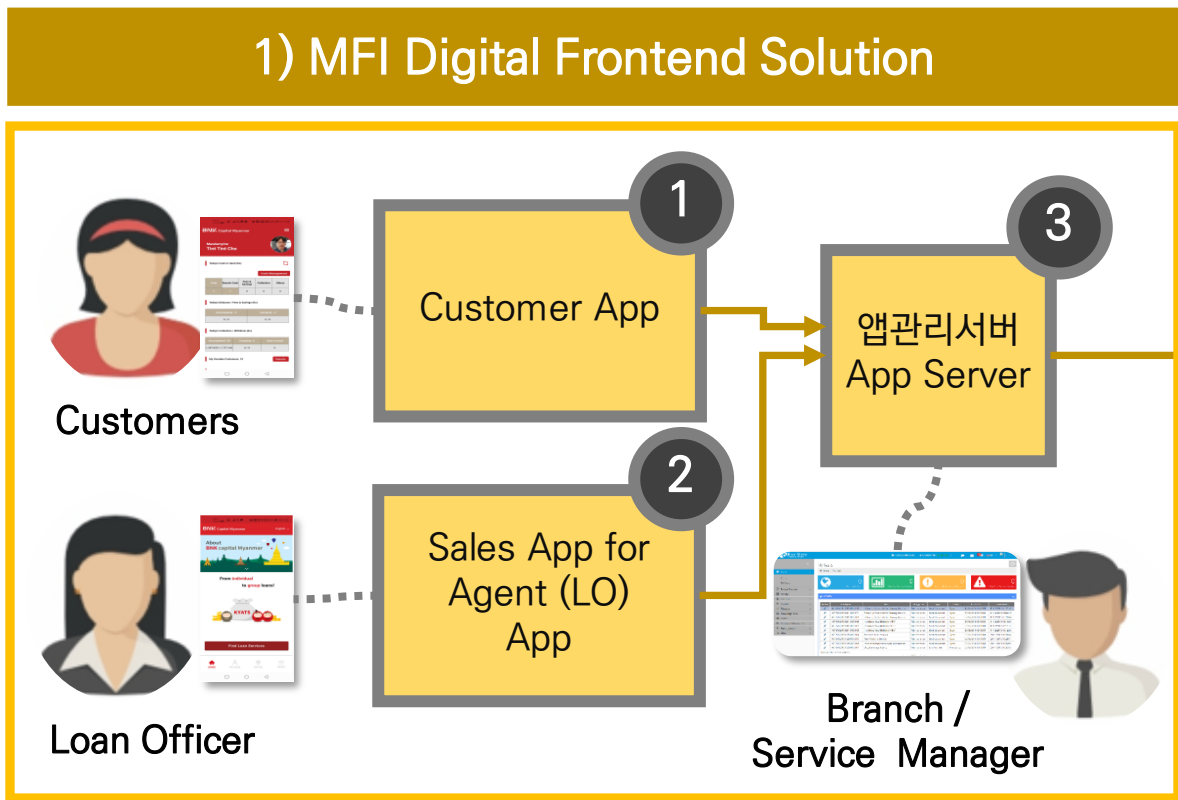
2. Structure of MFI Digital Solution



Blue Stone's MFI Digital Solution consists of two areas: Frontend Solution and Backend Solution. Based on customer requirements, each area can be implemented Standalone, or as a Package.

- 1) MFI Digital Frontend Solution (Sales, Customer Mobile App), 2) MFI Digital Backend Solution (Core-Banking, ERP)

Regardless of Package or Standalone, our solution is designed to allow flexible integration to other systems (3rd Party Solution), and module-by-module implementation is also possible.



3. Features & Functions of MFI Backend Digital Solution

► Core Banking (Mifos)



Blue Stone Solutions' Core Banking Solution is built on Mifos Platform, consisting of functions such as Loan Management, Product Configuration, Savings, Customer Management, etc.



Loan Management	Product Configuration	Saving	Base Accounting	Other
<ul style="list-style-type: none">• Amortization• Write Off• Loan Application• Individual Loan• Group Loan• SME Loan• Agriculture Loan• Open Ending Loan• Collection Sheet• Loan Guarantor• Delinquency Control• Collateral• Incremental Disbursement	<ul style="list-style-type: none">• Loan Product Configurator• Saving Product Configurator• Fee & Charge• Multi Currency• Product Mix• Interest Management• Audit Trails <p>Customer Management</p> <ul style="list-style-type: none">• Customer Management• Address and Contact• Group Management• Center Management• Blacklist• Credit Scoring	<ul style="list-style-type: none">• Saving Account• Deposit• Term Deposit• Recurring Deposit• Share Accounts• Custom Saving• Withdraw• Transfer• Standing Instruction• Interest Baring Savings	<ul style="list-style-type: none">• Balance Sheet• Profit & Loss• COA Mgt• Accrual Base Accounting• Journal Entry• Standard Report	<ul style="list-style-type: none">• Cash Management• Holiday Mgt• Loan/Customer Reassignment• Job Scheduler• SMS/Notification• Loan Frequency Reschedule

3. Features & Functions of MFI Backend Digital Solution

▶ Enterprise Resource Planning (ERP)



Blue Stone Solutions' ERP Solution is built on Odoo Platform, consisting of functions Human Resource Management, Purchase, Accounting (including reports required by the FRD).



Accounting

- Chart of accounts
- Accounts Segments
- Journal entry
- Journal Voucher
- Multi-Currency
- Exchange rate
- Sales Tax
- Analytic Account
- Bank Statement
- Asset Management
- Budget Management

Finance Report

- Two Currency Report
- Prudential Report
- Lender Report
- IS-FRD Report
- Monthly Report
- Trial Balance Report
- Balance Sheet
- Cash Book
- Journal Audit
- Partner Ledger
- General Ledger
- Profit and Loss
- Aged Partner Balance
- Fixed Asset
- Tax Report

Purchase

- Partner Management
- Purchase order
- Purchase Backorder
- Purchase delivery
- Purchase return
- Purchase invoice
- Purchase Credit note
- Bidding Process

HR

- Employee
- Contract Management
- Payroll
- Salary Structure
- Simple Appraisal
- Leave Management
- Expense Management
- Attendance
- Expense Management
- Recruiting Management

Other

- Calendar
- Email Notification
- Email Marketing
- Messaging and Chat
- Bulletin Board
- Meeting Arrangement

4. Considerations Before Adopting Backend MFI System

► What Blue Stone Can Offer



Core Banking and ERP System should be able to support Sales expansion, while business process should allow quick and easy expansion by adopting to everchanging IT Trend. Following considerations should be made before MFI System implementation.

Scalability & Flexibility	Open Architecture	Support Web and Mobile System	Flexibility & Convenience in Product Configuration	Customization Availability based on MFIs Business Practice
Effective Sales Support	Agent's Ability to Access to Customer Information	Calculation of Loan Amount On-site	Support Real-time Communication between Agent and Customer	Ability to Perform Quick Sales Anytime Anywhere
	Tool to Support Agent's On-site Sales Activity			
Human Resource Management	Comprehensive Management of Employees/Staffs	Salary Management	Leave Management, Timesheet Management	Employee Evaluation and Survey
Other Critical Business Features	Purchase and Expense Approval	Asset Management (Depreciation, etc.)	Other Expense Management, Cash Management	Dual Currency and Relevant Reports (MMK and USD)
			Various User-defined Reports (including	

4. Considerations Before Adopting Backend MFI System

► What Blue Stone Can Offer

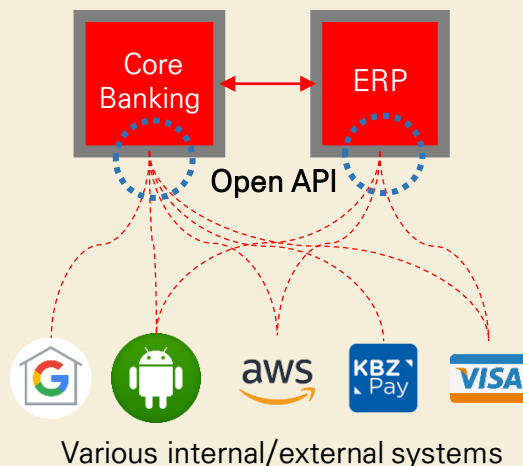



Blue Stone Solution would like to propose the following for implementation of Backend Solution.

Scalability & Flexibility

Open Architecture 

Open architecture system and open API, makes it possible to interwork with external and internal systems, allowing easy expansion of the system.




Support Web and Mobile System 

Mobile devices and the Web are essential tools; without them MFIs will have less opportunity to expand into new markets.

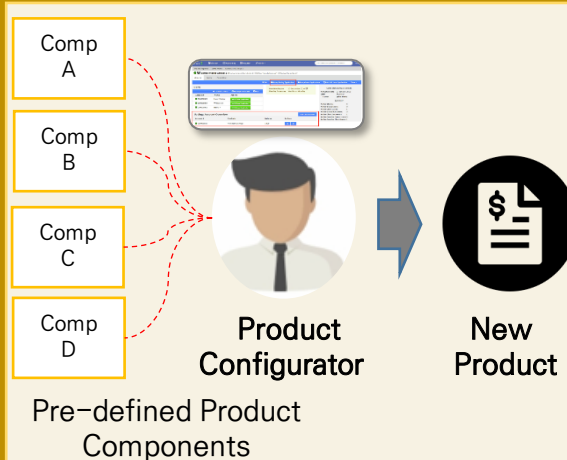



Effective Sales Support

Human Resource Management

Flexibility Product Configuration 

Each components of a product are pre-defined, allowing easy composition based on user needs (fast and rapid product launching).



Customization Availability 

MFIs share similar business process; however there are distinct practices that some MFIs have against others. This factor should be well reflected to the system.



Distinct Characteristic per MFI



Customized System

Other Critical Business Features

4. Considerations Before Adopting Backend MFI System

► What Blue Stone Can Offer



Blue Stone Solution would like to propose the following for implementation of Backend Solution.

Scalability & Flexibility

Effective Sales Support

Human Resource Management

Other Critical Business Features

Access to Customer Information



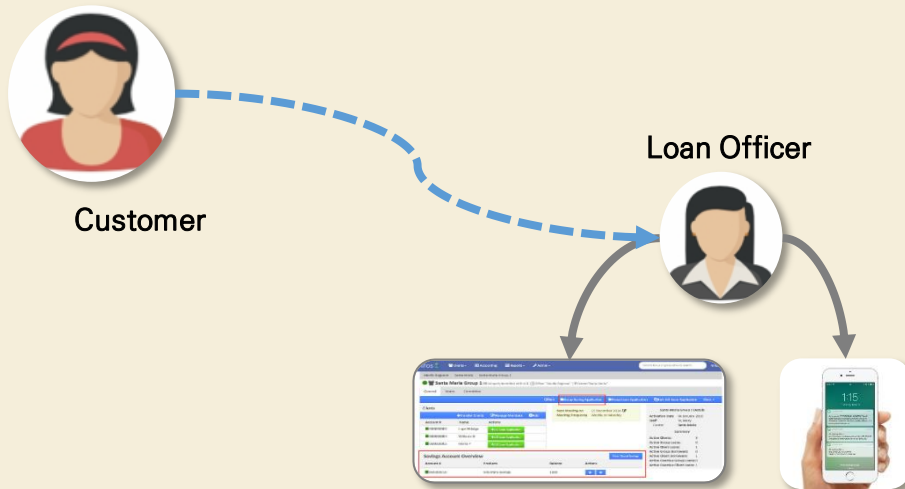
Tool for Agent's On-site Sales Activity



Perform Quick Sales Anytime Anywhere



Due to the nature of the MFI business, LOs spend most of their time outside the office. Thus a tool to support their on-site activity is critical.



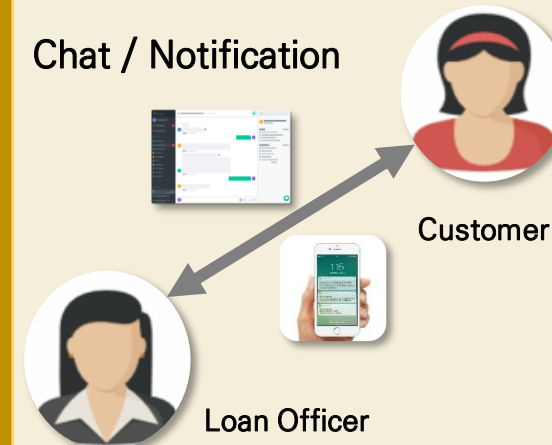
1. Check Customer Information through Web and Mobile
2. Provide required information requested by Customer

Real-time Communication



Customer App allows real-time chat with the assigned/dedicated LO, and the LO can Chat or send a message to the customer using Notification.

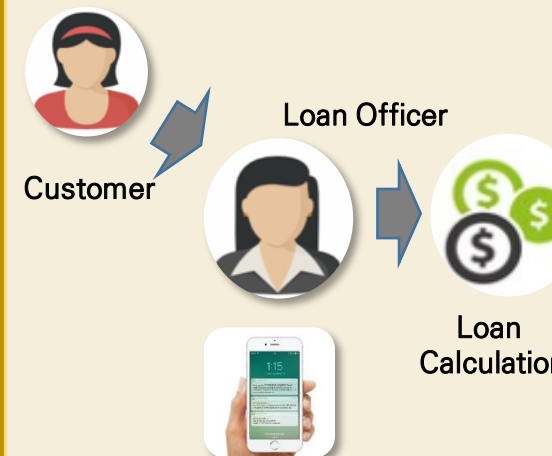
Chat / Notification



Calculation of Loan Amount On-site



Loan Amounts are easily calculated, regardless of time and location. Customers can also calculate their own loans through the App.



4. Considerations Before Adopting Backend MFI System

► What Blue Stone Can Offer

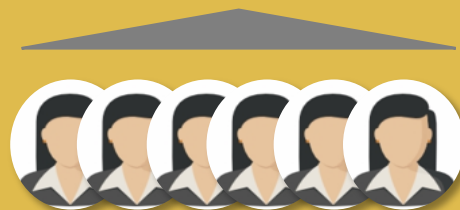


Blue Stone Solution would like to propose the following for implementation of Backend Solution.


Scalability & Flexibility

Management of Employees/Staffs 

As number of LOs increase, it becomes critical for MFIs to do Human Resource Management. ERP System helps improve efficiency and accuracy of Human Resource Management.



Employee Information

Leave, Timesheet Management 

Managing Leaves and Timesheet of increasing number of LOs become more and more difficult to handle manually. ERP System helps improve efficiency and accuracy form Resource Management perspectives.




HR Manager



Effective Sales Support


Human Resource Management

Salary Management 

Salaries are calculated on many complicated factors, and ERP System can automate calculation process with accuracy and verification.



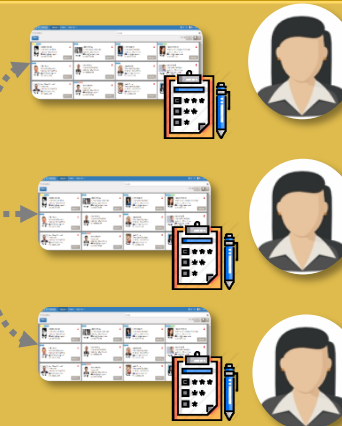
Salary Calculation, Captured in Accounting Module

Employee Evaluation and Survey 

System supports in preparing employees' evaluations, support surveys for employees so that current employees' assessments and business problems can be investigated and verified.



HR Manager



Evaluation Form, Survey

Other Critical Business Features

4. Considerations Before Adopting Backend MFI System

► What Blue Stone Can Offer




Blue Stone Solution would like to propose the following for implementation of Backend Solution.

Scalability & Flexibility

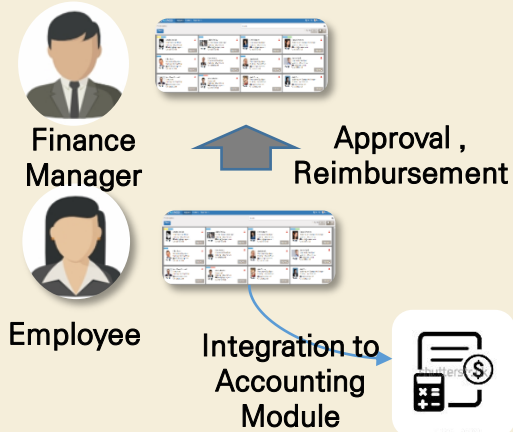
Effective Sales Support


Human Resource Management

Other Critical Business Features

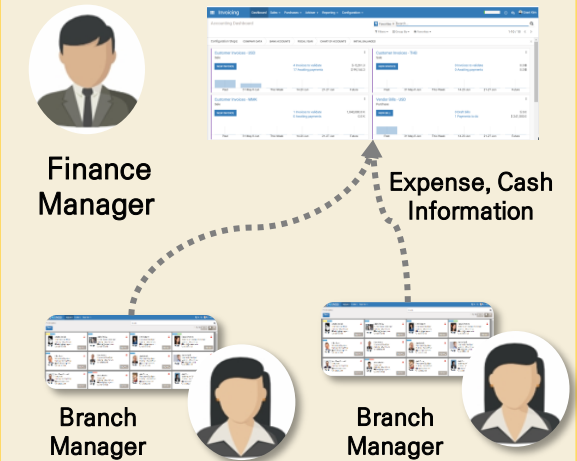
Purchase and Expense Approval 


System automates end-to-end Purchase process, allowing request and approval of purchase requests; linked to the Accounting Module for financial capture.



Other Expense, Cash Management 


System manages all cash distribution by HO and Branches; also providing automatic real-time calculation of balances on hand.



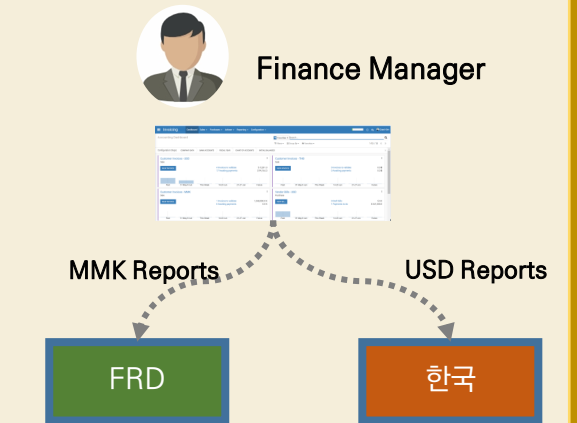
Asset Management (Depreciation, etc.) 

MFI's have many tangible and intangible assets, which needs to be systematically managed by the System.



Dual Currency and Relevant Reports (MMK and USD) 

For MFIs that have foreign investment or by required by the FRD, ERP System generates Dual Currency related reports.





Thank You Very Much



Copyright© by Blue Stone Solutions 2020. This report is solely for the use of client personnel. No part of it may be circulated, quoted, or reproduced for distribution outside of the client organization without prior written approval from Blue Stone Solutions.