

Strengthening Capacity through an Internal Financial Inclusion CoP: AFD Group

MOLLY TOLZMANN

The Agence Française de Développement (AFD) Group has a financial systems strategy and operational teams that work on financial inclusion projects. However, staff rotations and operational realities at field bureaus have revealed a need for greater expertise and awareness of financial inclusion across AFD Group, especially in the context of the 2030 Agenda for Sustainable Development. How can an organization effectively and efficiently build internal capacity around a cross-cutting development theme? This case study examines a thriving internal community of practice that is sharing good practices in financial inclusion and strengthening operations across AFD Group.

Background

AFD Group is committed to advancing a broad vision of financial inclusion, grounded in a five-year strategic framework (2018–2022) that supports the development of inclusive financial market ecosystems and encourages innovation in financial services. Three teams drive the bulk of financial inclusion activities:¹ (i) the Financial Systems (SYF) department supports public policies in the countries where AFD Group works, (ii) Proparco's Financial Institutions & Inclusion (FII) unit provides financing to a broad range of financial services providers, and (iii) AFD Campus leads a range of capacity-building activities for AFD Group's external financial inclusion partners.²

The official strategic objectives and dedicated teams have helped drive financial inclusion work at AFD Group. After seeing positive outcomes and recognizing the potential for financial inclusion to support other organizational objectives, core SYF, FII, Campus staff became motivated to share financial inclusion success stories and good practices across the AFD Group's portfolio. This generated demand for a channel through which to engage and influence across the organization, demand which has been reinforced by structural and operational realities.

AFD Group staff regularly rotate into different units or field bureaus, creating natural linkages between colleagues who leave financial-sector teams and bring financial inclusion experiences into their new roles. At the same time, rotation separates outgoing staff from

1 AFD Group's nongovernmental organizations team also engages in *ad-hoc* financial inclusion projects.

2 AFD Campus was formerly known as CEFEB.

new resources and discussions in financial inclusion and has left some hungry for ongoing engagement mechanisms.

Similarly, field bureaus, where most financial inclusion projects are operationalized and which often draw on junior staff, have also demonstrated interest in connecting with supportive resources that enable them to better identify, monitor, and influence projects.

Finally, as financial inclusion is increasingly positioned as an enabler of many Sustainable Development Goals (SDGs), maintaining internal visibility for the topic and finding synergies between different technical areas to support AFD Group development priorities have taken on greater importance. Together, these forces have generated a strong strategic impulse to build awareness and capacity in financial inclusion across AFD Group.

Grassroots Efforts Take Flight

A grassroots community of practice (CoP) for financial inclusion began to emerge in the late 2000s among the AFD Group staff who rotated both into and out of direct work in microfinance. This group recognized the potential cross-cutting impact of financial inclusion and wanted ongoing access to learning opportunities, resources, and specialists. The AFD Campus emerged as a key partner for these efforts, based on its long experience facilitating external communities of practice, an understanding of good practices and innovation in knowledge exchange, and familiarity with the microfinance landscape.

The financial inclusion CoP first took shape as a simple internal email distribution list co-owned by SYF, FII, and Campus personnel. These owners function as *de facto* CoP facilitators and, in addition to their formal operational responsibilities, have taken the initiative and time to push financial inclusion resources, relevant news, training opportunities (see Box 1), and events to list members. Popular resources include internal thematic notes describing sector challenges and AFD Group financial inclusion projects, as well as reports and materials from relevant internal and external events.

Mass email has proven to be an excellent and convenient channel for information sharing, if an imperfect venue for dynamic exchange. Nevertheless, discussion or debate does sometimes erupt within the listserv around hot topics, and facilitators have drawn on participative tools such as collaborative wikis to help facilitate two-way engagement. To provide additional opportunities for exchange and learning, CoP facilitators and members have been instrumental in organizing events ranging from expert presentations to high-level meetings to networking opportunities.

The Growing Footprint of Financial Inclusion Across AFD Group

The CoP mailing list has a good reputation for providing useful resources, and colleagues frequently recommend it to new staff even if they do not work directly on financial inclusion issues. As of 2019, approximately 10 years after it was created, the CoP has grown to over 200 members—far beyond the core financial inclusion footprint of SYF and FII—ranging from junior staff to management. Beyond financial-sector specialists, AFD Group

BOX 1. Spotlight: Training

One key function of the CoP is to advertise financial inclusion training and learning opportunities led by AFD Campus and the internal AFD training unit in coordination with relevant technical staff.

In the early years of the financial inclusion CoP, an annual in-person training on financial inclusion was advertised and offered to staff from SYF, FII, and a range of other internal teams to build capacity across the organization. To better reach more AFD Group staff—especially staff in the field—various face-to-face trainings were transformed into e-learning offerings beginning in 2016. The virtual course schedule is tailored to support staff working in local agencies in Africa, Asia, and MENA, as well as colleagues at headquarters.

To strengthen knowledge transfer and help participants put their new learning into practice, facilitators define concrete objectives for training sessions. For example, after related training and with ongoing support from CoP facilitators, participants are better equipped to embed consumer protection in project design.

Between 2016 and 2018, 85 AFD Group staff participated in e-learning sessions. Three webinars on financial inclusion topics, open to AFD Group staff as well as partners in the field, drew nearly 100 participants in 2017–2018. Offerings receive consistently positive evaluations.

colleagues working in field bureaus and a wide range of thematic departments are well represented among the membership. This suggests that financial inclusion and its network of practitioners are recognized as an enabler and important system context for other development goals. The fact that the list has continued to grow speaks to its value.

The CoP has succeeded in raising awareness of financial inclusion across AFD Group, maintaining buy-in for the topic at high levels and embedding good practices throughout project lifecycles. Financial inclusion experts are now asked to play a regular advisory role within the organization in preparation for high-level meetings like the G7; on cross-cutting issues such as gender, refugees, and resilience in fragile states; and for technical teams in different fields, most notably, agriculture and health. Some technical divisions have begun to engage financial inclusion experts in project definition and design, recognizing the ways in which proactively incorporating financial inclusion perspectives and good practices upstream can support project objectives. For example, a digital health microinsurance project in Kenya was co-initiated and jointly investigated by the financial systems and health teams. As development contexts and strategic objectives have brought more multifaceted projects into the AFD Group's portfolio, the internal relationship and knowledge network forged by the financial inclusion CoP has strengthened organizational capacity to respond effectively to emerging priorities.

The grassroots CoP effort has validated both the demand for cross-cutting communities and the value of engagement mechanisms. The CoP has also functioned as a key stepping stone in the AFD Group's efforts to scale up collaboration and expertise in financial systems development. In 2019, AFD Group created a cross-cutting financial systems knowledge platform connecting AFD and Proparco at headquarters and regional and country offices. The objectives of this effort are to source and disseminate financial systems expertise across teams and to strengthen strategic coherence, thereby generating positive impact on financial systems. Though its scope is broader than the financial-inclusion-centric CoP, the platform places solid emphasis on financial inclusion content, in part because the CoP

had already succeeded in championing and making this content visible internally. Though still in its early days, this effort has already brought financial inclusion specialists and other colleagues together to discuss future collaboration pathways.

Recognizing the benefits of knowledge transfer across organizational silos, AFD Group also formalized an institutional knowledge management function in 2019. With this high-level commitment and support from the new knowledge management team, the CoP will continue to enhance the quality and relevance of its programming to support staff needs and organizational objectives.

Lessons Learned

For a CoP to succeed, someone needs the initiative and capacity to take ownership. Facilitating a CoP is a time-consuming activity and requires both topical knowledge and an understanding of internal engagement and influence pathways. Though staff have many operational responsibilities and limited time, with committed facilitators as in the case of the AFD Group financial inclusion CoP, it is possible to sustain an informal or semiformal grassroots community. If a CoP has an official status or objectives—explicit support from management, strategic measurement targets, and ideally a place within staff’s individual workplan objectives—it may be easier to prioritize facilitation and achieve the momentum necessary for a CoP to sustain itself and thrive.

A CoP breaks down internal silos and helps staff connect across topical, geographic, and hierarchical divides. With its financial inclusion CoP, AFD Group has created a diverse network of staff who understand financial inclusion on some level, can connect it to their own specific contexts, and know where to go if they need more specialized financial inclusion expertise. This benefits projects that are explicitly focused on financial inclusion as well as those where it plays a supportive or enabling role.

Enabling staff across an organization to gain sufficient knowledge of the basics for a cross-cutting theme like financial inclusion can contribute to other objectives. General resources, the latest statistics, and accessible learning opportunities are valuable to a range of staff and can help them make connections to their own projects and geographic contexts. When staff rotate to new roles, they take their knowledge with them, catalyzing longer-term and wider-reaching effects on organizational capacity.

A growing and maturing CoP needs to innovate to engage a larger and more geographically dispersed audience. For a community to thrive, it needs, at a minimum, a means of circulating key information efficiently. The mere existence of simple tools like a mass mailing list—and the ability of staff to conveniently access them—is critical to building community. Now at AFD Group, the ongoing digitization of financial inclusion learning opportunities, the longer-term accessibility of resources on internal knowledge platforms, and the development of dynamic, two-way engagement channels like an internal social network are important adaptations in response to and in anticipation of community growth. In general, the facilitators of any CoP need to think creatively about how to innovate, and all stakeholders need to be willing and able to adopt new approaches or risk stagnation.