



Blue welcomes new chairman Siphon Twala

Blue Financial Services Limited (Blue or the Group) has made a decisive move to split the role of chairman and chief executive officer, by appointing Siphon Twala as its independent non-executive chairman with effect from 1 March 2010. Blue was one of 10 Alt-X listed companies where the role of Chairman and CEO vested in one person.

Siphon's selection strengthens the independence of the board's composition, which now consists of seven non-executives. Four of these are independent, equal to the number of executive directors. Blue's CEO and founder, Dave van Niekerk, welcomes the appointment, "With more than 20 years of financial experience and exposure to different industries, Siphon will certainly be an asset to the company. We look forward to him managing the board, whilst I will take care of the day to day management of Blue," says Dave. "I know that all our employees will show Siphon the true Blue spirit and make him feel very welcome."

Dave and Siphon first crossed paths at African Bank where they nurtured a professional relationship for a number of years. Today, Siphon serves as the non-executive chairperson of 1time Airline as well as Dust Aside SA and he is currently an executive director of Safomar Aviation. He completed his studies with a BCom (UBS), HDip Co (RAU) and served his articles with Deloitte & Touche in 1985. In addition, Siphon held senior positions at Shell Oil, Nestle, Otis Elevator and African Bank.

The appointment follows decisive strategies implemented by the

board to bolster the Group's corporate governance structures, as reported to the market at the release of its interim results in November last year.

"Other strategies that have been implemented last year already include the appointment of an independent non-executive director to the Risk committee, and the appointment of an independent non-executive nominated by the International Finance Corporation to the board," van Niekerk elaborated. "We also indicated to the market that the company secretarial and compliance portfolios would be bolstered. Both these intentions were met at the end of February 2010 with the appointment of Corporate Statutory Services represented by Elise Waldeck as company secretary, with the current incumbent now fulfilling the role of Group compliance officer for subsidiaries outside of South Africa."

Siphon says, "I have always found microfinance to be an extremely important development tool in improving people's lives and I look forward to working with this dynamic, energetic and professional pan-African micro-financier. Its diverse footprint across Africa presents unique opportunities that I am excited to tackle head on. With regards to Blue's current position, I look forward to the challenge the Group faces and I believe that we are poised to uplift Blue's profile and image and can't discuss too much until we have completed the current restructure and concluded the negotiations we are in." ©

Blue's chairman, Siphon Twala (left) and Blue's chief executive officer, Dave van Niekerk.

News Flash

Blue's SMME division received confirmation from Bank Seta that the Blue *Simply Successful Small Business Course* has been officially approved and registered for 5 credits on an NQA (National Qualification Authority) level of 4. Blue is an official, registered training provider of the Bank Seta.

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Message from the CEO

Successful people do the things that unsuccessful people aren't willing to do.

It is said that an aid group from South Africa once wrote to the missionary and explorer David Livingstone, asking "Have you found a good road to where you are? We want to send other men to join you." Livingstone wrote back, "If you have men only willing to come if they know that there is a good road then I don't want them. I want men who will come even if there is no road at all."

This is what I want. People who are prepared to do and go where others won't and can't. Blue certainly is an institution that likes taking the road less travelled, we go where the others can't or won't go. We have gone out and established microfinance institutions in countries and places where others could not or were not prepared to do so.

With this mindset: what does Blue expect of its people and what quality does it expect its management team to embrace? Quite simply, the following:

- Ⓢ the "can do, no matter what" attitude;
- Ⓢ the attitude of: no job is too dirty, too below me or not for me;
- Ⓢ the never give up mindset;

- Ⓢ never take no for an answer;
- Ⓢ pride in one's job and in Blue, and what you have achieved; and
- Ⓢ the word I would like to leave with you: Tenacity!

Tenacity: are you tenacious – do you have the Blue mindset that is needed to take us to the next level? Because that's what Blue needs. Let's talk about all our initiatives that we are driving:

Project Olive-Pip: the initiative has resulted in huge cost savings in the group, with more to come, and it is still ongoing.

Project Triangle: our current focus (read more on page 5). We will collect all our outstanding debt and we will as Blue employees, each and every one, make a difference. All departments and all staff are responsible for collecting outstanding clients' money. To date Project Triangle has brought in ZAR1,6 million, all in the space of 10 days. Great work, but we can not relax yet. Your determination in sticking to the objectives of the project is what is needed to succeed. Persistence is needed to reduce our non-performing loans. With tenacity we can achieve this goal!

Till next month, Ⓢ

Dave



Dave van Niekerk



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Introducing Limpopo's MICCIH scoreboard

MICCIH stands for mobile, insurance, credit, collections, innovations and home improvement loans. It is a scoreboard for branches and branch employees in Limpopo, South Africa, and measures the sales of the mentioned products as well as the innovativeness taken to sell these products.

The MICCIH scoreboard is the brainchild of regional trainer, Hester Kemp and has been implemented as a tool to get the branches involved in challenging one another to up sales and to improve the team spirit.

The results, thus far, have proven that the idea is successful.

Daniel Chauke, the branch manager of Giyani Branch, was the first winner of the MICCIH trophy. Operational manager, Ishara Satyaprakash and Annette Venter, acting manager of the training and development department, handed Daniel his trophy. Ⓢ



Winner, Daniel Chauke (left) receives his trophy from Ishara Satyaprakash



Blue supports Women's Day in Zambia



Women across Zambia celebrated International Women's Day on 8 March, with the Non-Governmental Organisation Coordinating Council (NGOCC) calling for practical and deliberate steps to improve the status of women in the country.


According to an editorial published in the *Times of Zambia* relating to the 2010 Women's Day, Zambia has already made tremendous progress in ensuring equal opportunities for both men and women, as is evidenced in the many women serving in decision-making positions in Zambia.

The editor writes that women have been recognised as equal partners in various social and economic sectors of society.

"Now the women in Zambia are even able to access loans without the consent of their spouses and are engaged in various life empowerment skills, thereby improving their livelihood and that of their families," states the editor.

To celebrate the financial emancipation of women, the Zambian ministry of finance in conjunction with the Bank of Zambia organised a financial services exhibition at the Mulungushi International Conference Centre in Lusaka around Women's Day. "The objective of the exhibition was to make the public aware of the plight of women in our economic environment and to reveal the extent of work done by financial institutions to assist women," says country manager for Blue Zambia, Deon Verster.

Blue had a stand amongst other microfinance institutions: Microfin, Alieos, Finca and Pulse. Commercial banks were represented by: Eco Bank, Barclays Bank, FNB, ZANACO, Bank of China, Stanchart, ABC, and Natsave.

The exhibition also held a workshop where successful women in finance shared their experiences. As the *Times of Zambia* says, "For the Zambian women, the sky should always be the limit." 



No 'Surprises' here: BIMFB rocks!



Patience Fruebi, the chief executive officer and owner of Surprises Enterprises is an expert in the frozen Irish potatoes distribution business and has a vast supply chain across Lagos and other parts of Nigeria. She is a young and industrious entrepreneur and started her small business 18 months ago.

Patience approached Blue Intercontinental Microfinance Bank (BIMFB) in Nigeria at the end of 2008. After BIMFB conducted a viability assessment of her business, she was granted a loan of N450 000 at the start of 2009 for a period of 12 months. Patience injected this loan into her business and also attended the BIMFB small business training.

On collection of the loan, Patience began aggressively marketing, supplying and distributing frozen Irish Potatoes to hotels, eateries and supermarkets. A few months later, she was able to share her experience and success story with the *Blue Bulletin*.

"My business is a recession proof business because I am operating in a key industry where my product will always be in constant demand. Everyone must eat, and as long as people eat, my product will always be in demand. I have been able to grow my business from one regular client to over twenty clients monthly, and most of those clients also have branches," says Patience.

Patience says that the potential of her business runs into millions of naira.

"I have had so many orders nationwide arising from my success story and the advert I placed in March 2009 in *Success Digest* one of the mostly read business papers. Since then, I have been receiving calls from various states enquiring about the distributorship of my products. So far, I have been able to increase my reach nationwide through recruiting distributors in areas that I can not reach directly. I am taking the next step to beating my competitors and continuously staying on top of the business. That is, I am moving to the next level by supplying clients with branded freezers to stock my product. This move is to seal the business relationship with regular customers, supermarkets, eateries and more," says Patience.

She finished payment of the first loan and collected a second loan of N500 000 in January 2010. According to Patience, the first loan from BIMFB enabled her to increase turnover, which translated into more profit. As a result of the high profit margin, she was able to save and pay her monthly repayment when it was due.

Who knew that the humble potato could turn mash into magic? 



Blue reveals its excellence to Yale students



The ministry of tourism in Namibia invited Blue Namibia to introduce micro-finance to a group of students from Yale University.

The scholars were visiting the country as part of their 2010 Yale SOM International Experience, a programme that gives them the opportunity to meet with various business sectors in Namibia and South Africa.

The 45 students represented the USA, China, Japan, India, Colombia, Canada, Britain, Pakistan, Nigeria, Zambia, Zimbabwe and Mexico, and were hosted by the director of the ministry of tourism.

Blue Namibia country manager, Charl Deacon, and acting area manager, Pieter Swartz, presented to the students at

the ministry's offices in mid-March. "Initially one hour was allocated to us for the presentation. However, the students were so fascinated by Blue's business and micro-finance institutions as a whole that they asked numerous questions and it took us another two hours to answer all of these," says Charl.

He continues, "When we asked them their opinion regarding our branding and products, the students' response was the following: fresh, aimed at the younger generation, and exciting! We found this extremely motivating as we unfortunately sometimes think that first-world countries are miles ahead of the developing countries. We now know that Blue is truly on international standards, well done to the whole team." 

Welcome to Le Pays des Milles Collines: Rwanda

Blue Rwanda opened in August 2008. The operation has a branch in Kigali.

This month we travel to the thriving African country, Rwanda.

Known in French as *Le Pays des Milles Collines* (Land of a Thousand Hills), Rwanda is a lush country of endless mountains and stunning scenery, and nowhere are the mountains more majestic than the peaks of the Virunga volcanoes in the far Northwestern Rwanda. In *Parc National Des Volcans*, the volcanoes form a natural frontier with the Democratic Republic of Congo (DRC) and Uganda, and hidden among the bamboo and dense jungle of their forbidding slopes are some of the world's last remaining mountain gorillas. It is the opportunity to encounter these contemplative creatures at close quarters that continues to draw visitors to Rwanda.

There's more to Rwanda than magical mountain gorillas, however. The shores of Lake Kivu conceal some of the best inland beaches on the continent. Deep in the southwest, *Parc National Nyungwe Forest* is the most extensive mountain rainforest in the region, and home to many primates. But it's not all monkey business – Kigali is safe and sophisticated.

Rwandan culture includes not only the population of Rwanda but people in neighbouring states, who speak the Kinyarwanda language. The important ethnic divisions within Rwandan culture between Hutu, Tutsi, and Twa are based on perceptions of historical group origins rather than on cultural differences. All three groups speak the same language, practice the same religions, and live interspersed throughout the same territory; they are thus widely considered to share a common culture, despite deep political divisions. The

Rwandans in the DRC and Uganda include both refugees, who generally maintain a strong identification with the Rwandan national state, and Kinyarwanda speakers who have lived outside Rwanda for generations and therefore have a distinct cultural identity within the wider national culture.

War and political turmoil have led to radical population shifts in Rwanda in the past decade. According to the 1991 census, the total population of Rwanda was 7.7 million, with 90 percent of the population in the Hutu ethnic group, nine percent Tutsi, and one percent Twa, though the actual percentage of Tutsi was probably higher. During the 1994 genocide, an estimated 80 percent of the Tutsi population living in Rwanda was killed, perhaps 600 000 people, but after a Tutsi-dominated government came to power in Rwanda in 1994, an estimated 700 000 Tutsi refugees returned from abroad. Meanwhile, several hundred thousand Hutu also died in the genocide and war, and from diseases like cholera that spread in refugee camps when, at the end of the war, several million Hutu fled to Tanzania and the DRC. Several million more were internally displaced within Rwanda. War that broke out in Congo in 1996 killed thousands more Hutu and drove most Hutu refugees back into Rwanda. As a result, the size and ethnic breakdown of the population are thought to be roughly comparable today to that before the 1994 war.

Rwanda is the most densely populated country in Africa. Prior to the 1994 war, Rwanda was among the most rural countries in the world, but the war precipitated rapid urbanisation.

What happened in Rwanda is beyond belief, but the country has taken giant strides towards recovery. Many visitors are unsure about

Rwanda quick facts

Population:	7 229 129
Capital:	Kigali
Area:	26 338 sq km
Major languages:	Kinyarwanda, French, English
Major religions:	Christian, Roman Catholic, Protestant
Monetary unit:	Rwanda Franc (RFR)
Main exports:	Coffee, tea, hides and skins, cassiterite, pyrethrum



travelling to Rwanda given its history. However, as long as security and stability persist, Rwanda is a refreshing country in which to travel, where tourists remain a relative novelty and the rewards of the present outweigh the risks of the past. ©

Sources: Wikipedia, Lonely Planet

Make an effort to acquire some local phrases:

muraho – hello; **murakoze** – thank you; **imbabazi** – excuse me; **amakuru?** - how are you?
mwiriwe – good evening; **yego** – yes; **oya** - no



Group collections executive, Andre de Jager, sets the collection trend by calling customers and following the key objectives of Project Triangle.

Project Triangle

Project Triangle is taking Blue by storm. It is the new Blue internal drive to delete the “non” from non-performing loans (NPLs) and show Blue the money that is owed to them. Every single Blue staff member forms part of the project team.

Blue’s internal relations and marketing manager, Jennifer van der Merwe, provides more insight into the project.

WHAT IS PROJECT TRIANGLE ALL ABOUT?

Due to the recession last year, many customers battled to pay their outstanding loans. Blue needs to decrease its non-performing loan book dramatically. As such, an internal project has been launched where every staff member will be getting involved in collections, that is, calling customers to make arrangements or deliver Letters of Demand.

WHY A TRIANGLE?

The triangle illustrates the fact that we will make contact with the customer in three different ways. One: Initiating contact with the customer by calling him/her. Two: Calling the next of kin if the customer can’t be reached. Three: Delivering Letters of Demand to the customer at his/her place of work.

WHO GETS INVOLVED?

All staff, in all countries of operation, are involved.

WHAT TRAINING IS AVAILABLE AND WHAT DO EMPLOYEES LEARN?

Head office staff not yet exposed to call centre or collections training, are trained to use our information technology system, FAME, and on how to make contact with customers to ensure that we have the correct contact details for each customer on the system. Employees also learn how to arrange payment with a customer encourage clients to visit a branch.

IS THERE ONGOING SUPPORT FOR STAFF?

Employees at head office have been invited to join the call centre after hours and make calls – here they receive support and guidance. Regular tips and educational information are distributed via e-mail.

HAVE BLUE EMPLOYEES EMBRACED THE INITIATIVE?

Blue employees have adopted this project in ‘true Blue’ fashion, taking it head on! There is an excitement at head office about the project and a healthy competitive spirit between departments. We are at war against NPLs and we will succeed!

WHAT HAS THE FEEDBACK FROM EMPLOYEES BEEN LIKE?

At first, employees were nervous of entering the un-chartered collections waters, but more are now at ease after the training. The spot-prizes and cash incentives are paid into employees’ accounts on a weekly basis, which makes this a very exciting project to work on!

WHAT METHODS ARE USED TO HIGHLIGHT THE CAMPAIGN?

SMSs, daily emails, MMSs, posters, the intranet, the Blue Bulletin, t-shirts and badges are used to highlight the importance of the project within Blue.

WHAT HAS THE SUCCESS RATE BEEN LIKE TO DATE?

In 10 days, we managed to achieve the following;
Letters of Demand delivered: 2 055
Total clients phoned: 18 946

WHAT IS THE TIMELINE OF THE PROJECT?

It started at the beginning of March this year and ends on 30 April 2010.

AND FINALLY, LET’S TALK REWARDS...

Huge cash rewards are made for the most LODs delivered, most payroll cheques banked, most phone calls made, and most cash banked. ☺

Country	Total	Success Rate	Letters of Demand	Payroll Cheques	Phone Calls	Cash Banked
South Africa	4 025	52%	1 000	150	1 500	1 500
Botswana	1 200	35%	300	50	400	400
Lesotho	1 000	40%	250	40	300	300
Swaziland	800	30%	200	30	250	250
Zimbabwe	600	25%	150	20	200	200
Mozambique	400	20%	100	15	150	150
Malawi	300	15%	75	10	100	100
Zambia	200	10%	50	5	75	75
Namibia	100	5%	25	2	30	30
TOTAL	10 000	30%	2 500	400	3 000	3 000



Vanderbijlpark's star is shining bright

Employees working at Blue South Africa's Vanderbijlpark branch, are extremely motivated and always ready to tackle their Mobile and cashXpress targets.

"Employees started the year very excited to assist clients with cashXpress funds in just 20 minutes, and to help them with their cellular needs. To market and showcase our products, we have, since the start of 2010, placed a table outside our branch twice a week. Employees take turns handing out flyers and also speak to potential clients walking past the branch. Our efforts have drawn much interest and the necessary business to our branch. In addition, we took all our old lead lists, and have been calling these referrals to come into the branch," says Vanderbijlpark branch manager, Zita Retief.

She says that in January 2010, they had assisted 18 clients with cashXpress, and although this is not as high as they had wanted, employees were able to cross-sell the

Mobile products. "This meant that although our target for January was only five Mobile approvals, we ended up with 19 approvals – furthermore, we did this within the payout constraints experienced last year. At Vanderbijlpark, we are proud of the fact, that we achieved the highest approvals of Mobile in the South African branch network," says Zita.

Vanderbijlpark employee, Dudu Mohapi, won a prize twice in a row last year with the Mobile incentives. She won R325 airtime in total as well as two mobile cellphones.

"Our branch is also doing well on the insurance side, and although we did not reach our year to date target, we are the highest in the region having sold 76 policies. Once more, Dudu Mohapi won the lucky draw twice, receiving a total of R750," says Zita.

She concludes that "it is only with teamwork and dedication on the part of the employees that we are able to maintain such high sales standards and we will endeavour to exceed expectations in the future. We are living the Blue motto!" ©



Clients at the Blue Rustenburg Boom Street branch in South Africa are enthusiastic about Blue's Mobile products.



Happy Blue consultants promoting Mobile products in Rustenburg, South Africa.



Blue training manager, Wade Martin (left), presented a two-days customer service training to the Blue North West employees in Rustenburg, South Africa.

Blue Paarl holds out a helping hand



Following the call to become good corporate citizens at Blue, the Blue Paarl branch in South Africa decided to make a difference in the lives of less fortunate children – every month.

"Each month we donate bread and juice to various needy schools. We have teamed up with Sasko bakeries to assist with the donation of bread," says branch manager, Madelein Adams. ©



Good vibes at Protea Gardens

According to Joseph Mothupi, branch manager of the Blue Protea Gardens branch in Soweto, South Africa, the 10 sales agents recently trained to sell the Mobile product are vibrant and energetic. "We had an exciting and lively training session where I was able to answer all the questions posed by the new sales agents. They are looking forward to selling the product, earning commission and making a mark for themselves," says Joseph, who also conducted the training session. ©



Namibia celebrates diversity



Wedged between the Kalahari and the South Atlantic, amidst wild seascapes, rugged mountains, lonely deserts, stunning wildlife and colonial cities, Namibia hosts a striking diversity of cultures and national origins.

The Blue Namibia office held a Culture Day during March to honour their cultural diversity such as Himba, Herero and German, in the country and at Blue. ©



Winners of collection award in Nigeria



Ahmed Temitope: Apata Branch, Oyo State



Alhassan Aishatu: Lekki 1 Branch – Lagos



Helen Ijoma: UCH Branch, Oyo

Following the drive to improve collections at the Blue Intercontinental Microfinance Bank (BIMFB) in Nigeria, the three top branches and respective top employees in Nigeria have been recognised as:

1. Apata Branch, Oyo State. Top employee: Ahmed Yetunde Temitope (overall winner)
2. UCH Branch, Oyo State. Top employees: Ijoma Helen and Balogun Bukola
3. Lekki 1 Branch, Lagos State. Top employee Alhassan Aishatu

Blue Stars

Best service	-	B
Teamwork	-	T
Sales support	-	S
Initiative/innovation	-	I
Persistence/positivity	-	P

COUNTRY	EMPLOYEE	BRANCH	STARS	CATEGORY
Kenya	Janet Nzilani Malinda	Machakos	★★★	B,S
RSA NO	Sylvester King	CRM Department	★★★	B,P
	Violet Mathe	CRM Department	★★★	B,P
BFS HO	Ina van Staden	Office Maintenance	★★★	B,T,I
	Adri Venter	IT Department	★★★	B,T,I
Uganda	Michael Mudidi Musasizi	National Office		B,T,S,I
	Robert Birungi	Hoima	★★	T
	Alba Ajula	Masindi	★★★	B,T,I
	Coutts Muhenda	Jinja	★★	B,T

Valentine's Day @ Blue South Africa: The gift of love


Blue South Africa's training manager and peer educator, Tinus Coetzee, coordinated and hosted a Valentine's Day event to create awareness of HIV and AIDS. (Tinus is too humble to admit it, but the editorial team would like to mention that Tinus has a big heart as he sponsored the event out of his own pocket.) Here is his account of the event:

"With the most recent HIV and AIDS projections released for 2010, and a promising budget review from the Minister of Finance, we entered 2010 with hope in our hearts that this year would not only focus on the greatest sporting event ever to be held in South Africa, but that our approach towards HIV and AIDS awareness, as a nation, would far stretch the corners of our infected Southern Africa. The bottom line is that South Africa has been identified as the country with the highest infection rate, and is thus experiencing the worst epidemic of its time.

At Blue, we celebrated Valentine's Day in our own unique way. Establishing what the greatest gift this year would be for your Valentine was obvious, so we immediately distributed

condoms to all of our employees in South Africa. The message was clear: "Condomise this Valentine's Day and turn the tide against the spread of HIV and AIDS."

In addition, we also screened employees' favourite romantic movies during the month of February 2010 and spoil them with a box of popcorn. HIV and AIDS statistics were discussed with employees who attended the movie screenings. They were also presented with information on the facts about HIV and AIDS. We would like to thank those who took the time out of their busy schedules to attend the information sessions.

It is no secret; here at Blue we value each and every staff member dearly. Our gift to employees this Valentine's Day is the hope that you will realise the important part you play in making South Africa healthier, and that you become aware of the epidemic we all face. Blue presented you with the gift of love." 



How do I safely use a condom and prevent contracting HIV?



How to use a condom properly: How to Rip 'n Roll.

1. Don't store condoms in a glove box or in your wallet, condoms hate heat! Also, don't use condoms past the expiration date and don't open condoms with your teeth.
2. If you're using a latex condom, **don't** use oil based lubrication such as skin lotions, baby oil, Vaseline or cold cream, as the oil in these products weakens the latex. Always use water-based or latex compatible lubricants with Latex condoms. If you must use oil based lubricants use polyurethane condoms, these are safe to use with oil.
3. Rip - open the package

When the time has come to cover your Captain (erect penis). "RIP" open your favourite condom package, being careful not

to use your teeth place a few drops of your favourite water-based lubricant inside the tip of the condom. Never let your Captain touch your partner before he is securely covered.

Roll - on the protection.

When you put on the condom, hold the condom by the tip to squeeze out any air. Leave some space at the tip to hold any and all fluids and "ROLL" the rest down to your Captain's base.

- If your Captain is intact (has a foreskin), put the condom on with the foreskin pushed back. After you have Rolled and are covered, push the foreskin forward (toward the tip). This lets the foreskin move without breaking the condom.
- (Optional but recommended) Place more water-based lubricant on the outside of

the condom. Remember, "Wetter is Better".

- If at any time during battle your Captain is ambushed (the condom breaks or comes off), stop immediately and pull out. Wash your Captain and put on a new condom.

After intercourse, you should hold the condom at the base and pull out slowly. This should be done while your Captain is still at attention.

- Throw away the used condom in the trash, not the toilet. If you choose the toilet they will come back to haunt you some day. Trust me, the last thing you want blocking your plumbing is used condoms!
- Never reuse condoms, use a new condom every time you have contact.