

A JOURNEY FOR CHANGE IN INCLUSIVE FINANCE AND SOCIAL BUSINESS

Episode 4: Building Empires from Dreams – Dolores M. Torres' Blueprint for Poverty Eradication

Philippe Guichandut: Hello, I'm Philippe Guichandut, I'm the General Secretary at the Foundation Grameen Credit Agricole and I'm so happy to welcome you, Dory. You are from the Philippines, you are coming from quite far away, and you're working for CARD, which is one of the largest women-focused microfinance institutions, I think, even I would say in the world, because you are reaching more than 10 million people and you work in microfinance, insurance, education, healthcare, more than 3,700 offices, repayment rate of around 90, more than 90 percent. So, it's a real success and you're very well known in lots of, lot of places. So, what has driven this growth and make it so successful, according to you? What is the solution you had for that?

Dolores M. Torres: We've been working with social development, and we've seen how poor people are. So, our commitment to bring them out of poverty is the one driving us to really help them expand, build more institutions that they can own so that we can really bring them out of poverty. So that's, I think, a major factor that is driving every one of us at CARD, to ensure that clients are really brought out of poverty through owning what we are doing. So, in the institutions that we are building are mostly owned by the clients, especially the insurance companies that are serving or insuring more than 33 million Filipinos. This is 100 percent owned by the women members and the women members sits in the board. They design policies, they define strategies, of course, with the help of professional management staff. But these women are elected from the women membership of CARD, and they serve in the board for two years. Then another set of board will come in the next two years.

Philippe Guichandut: So, you really follow the Grameen model with Professor Muhammad Yunus because he has with the Grameen Bank the same willingness that it belongs to the women. Do you think it's really the key of success to make it that strong? Because you've been insisting a lot on this.

Dolores M. Torres: Yes, I think, and I believe because when we started hearing about Grameen Bank, we only have 89 women that we are assisting. Eighty-nine, okay. Eighty-nine in 1989.

Philippe Guichandut: Okay, very good.

Dolores M. Torres: These women, most of them are still with us. They are more than 90 years old but still with CARD and they are the ones who inspired us after hearing about the credit discipline that the Grameen Bank has been implementing with the poorest women in Bangladesh. So, in 1989, we replicated it and we started with 89 women who really repaid 100% for every loan they take. They attend weekly meetings just like the Grameen Bank and save and then do other activities that will improve themselves like leading a center, motivating their members to pay. So those are the inspirations that we got from Grameen, and that Grameen Bank scheme really scaled up in our operation.

Philippe Guichandut: And you said, how did you come into the story? I mean, what's inspiring you to do this?

Dolores M. Torres: I was a volunteer during my younger years when I was still a student. I volunteered as a community organization volunteer of the Philippine Business for Social Progress. It's a social development organization. As a volunteer, I don't receive anything, no money, no allowance, but I got trained. So, the PBSP trained me to become a community organization volunteer.

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Dolores M. Torres: That's how I learned how to deal with people and how to understand what they are experiencing as poor people. So that inspired me to work with PBSP as a professional worker. And later on, Dr. Alip invited me to join him in forming CARD. So, the inspiration really came from my personal desire to really help the poor people because I came from a poor family myself. So that also strengthened the desire to really help many, many people to come out from poverty.

Philippe Guichandut: And so, you are really a very, very large institution now. I mean, so what type of advice would you give to a smaller institution that would like to grow and to develop and to have better reach, and especially in terms of empowering women?

Dolores M. Torres: Just like what happened to CARD, we started small. We started as an NGO[PG1], but we dream big, just like Grameen Bank. So, we dream big. When we started CARD as an NGO, we dream of really establishing a bank that will be owned by the poor women. So, at that time, it looked like impossible. At that time, because imagine we're going to establish a bank and when we started CARD, we only had 20 pesos.

Philippe Guichandut: 20 pesos only? Oh my God!

Dolores M. Torres: Yes, 20 pesos. That 20 pesos was used to buy bound papers where we type the proposal. That proposal was sent to Japan, and it won 150,000 pesos. So that's how we started. So, we started very small, but the dream that we have in our hearts is so big for the poor. So, we imagine setting up the bank. So, after 10 years of Grameen Bank replication, we got 100,000 clients, women clients, and we said to ourselves, we can now start building the bank. So that on the 10th year of the celebration, the Central Bank of the Philippines announced that they are approving our replication. So, our women members who were there during the celebration really celebrated with us with joy because this is a dream come true for them. Because imagine we don't own anything. We have no assets, no cars, no nothing. Just the 20 pesos. But we promised them we will build a bank that you will own and get it realized

Philippe Guichandut: And now you have not only the bank, but you have also the insurance and then other services.

Dolores M. Torres: Yes, yes. Because we continuously listen from them.

Philippe Guichandut: Okay, listen to the people.

Dolores M. Torres: Listen to the members. Every time we go to the field, we listen to them. What else do they need? What else can we do? So, the 34 institutions that we have now.

Philippe Guichandut: 34?

Dolores M. Torres: 34. Are products of listening to the clients. We were conducting training under mango trees. So, they said, "How about we have a small structure where we can enter there and be trained there". It's like a training institute. So, we build that. Gradually we build. Now that institute is a microfinance school.

Philippe Guichandut: Oh my God.

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Dolores M. Torres: Authorized by the government.

Philippe Guichandut: Recognized education place.

Dolores M. Torres: So, we start with senior high school because we believe that for them to love microfinance, they need to be trained by people who are passionate in doing microfinance.

Philippe Guichandut: And you are passionate.

Dolores M. Torres: I believe so.

Philippe Guichandut: Yes, yes, yes. You are for sure. And so, in all this history, what has been the key partnership? Because we strongly believe at the Foundation Grameen Crédit Agricole that we cannot do things alone, whatever the dreams we have. And we need for that to be partnering with key players. So, in your story, who have been the key player, aside maybe from the client themselves, the women, of course, but I mean, who has been helping you to partner and be strong?

Dolores M. Torres: So. In every partnership, we partner with the people who share the same inspiration. So, for example, the staff. In getting the staff, those who would fall in, fell in love with microfinance are the ones staying with us. So, like the first account officer that we have is now the managing director of the 34 institutions. Because we retire. We retire at 60. So, the younger generations are taking over. So, the first account officer that we have, his name is Boyet, is now the managing director of the group, the 34. The CARD Bank, where I used to be the president and CEO, is now managed by the first bookkeeper of CARD Bank. So, they are homegrown. So that's the first principle is when you are passionate with work, you fall in love with microfinance, you love what you do, you are happy when you are able to help, they stay with us. So, we have a very, very high retention of staff. With our almost 20,000 staff, the retention is very high. In partnerships with institutions, we also partner very, very comfortably with people who would believe in what we have done already or what we are going to do. And for those who would like to share our inspiration and support us in going there, not this is the money you go to Mindanao, this is the money you go there, you help there. No. We partner with those who say, please use the money the way you will attain the objective or the mission of poverty eradication.

Philippe Guichandut: Okay it works.

Dolores M. Torres: Yes, it works.

Philippe Guichandut: Okay, perfect.

Dolores M. Torres: It works.

Philippe Guichandut: So, I mean, we can still talk quite a lot, but maybe a last question, I mean, what would be your personal message to the next generation of women leaders? Because at the Grameen Credit Foundation, I mean, we strongly believe in the power of women, I mean, the capacity to make changes. So, what will be, I mean, your message?

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Dolores M. Torres: My personal message?

Philippe Guichandut: Yes.

Dolores M. Torres: Just like what I've said yesterday. In working with microfinance, it is far better to consider it as a vocation rather than a job. If it is a vocation, you are ready to face all the challenges, you're ready to face the demands of the work, the fieldwork that you have to do early morning until night to really reach the poor and help them. So, if you consider this as a vocation, you don't worry about salary is low, benefit is low, for example, because you feel you are doing what you love.

Philippe Guichandut: But do you think that this message is still clear nowadays in the context that is changing so much? Do you think it still makes sense?

Dolores M. Torres: I believe so. And we are, you know, we're doing everything so that the younger generations, the Gen Z's the forthcoming Alphas would love the work by, of course, including digital transformation in what we're doing. If we all these are used to the manual operation, of course now everything is computerized. They use gadgets in the provision of loans. We were trying AI also in order to encourage younger people and we are actually encouraging younger people to join us because they say, oh, this is digital, there's AI. But in the process, we try them to understand that microfinance is not an ordinary work. It is a vocation. I'm happy to share that in some of the interns that we are training at CARD, when they see how poor women's lives have been changed by CARD, they become emotional. They become emotional and they begin to really love the work that they are doing, although it is IT, it is, for example, in health. But when they, their heart is being touched by what they are seeing, what CARD has done.

Philippe Guichandut: Okay, so I hope that the people who are listening to us will be also touched by what you have shared with us in order to do better for the world. Thanks a lot Dory, it has been a real pleasure being with you and I wish you a safe trip back to the Philippines. And for the listeners, I wish them also to see each other soon.

Dolores M. Torres: Thank you, Philippe, thanks