

CLIENT INTERVIEW TRANSCRIPTIONS

Interview 1

Researcher – How did you discover the Adelante Foundation?

1 – Through a friend who invited me to a meeting, and I went and liked it. So, for the first loan they gave me 2,500. And I've stayed with it since then, loaning up to 300.

Researcher – It seems like friends are important...

1 – Yes, of course one must have communication with other people or they will not be able to understand each other. One needs to see the other people to continue achieving more.

Researcher – How did you guys create the Solidarity Group?

1 – Through our friends. We were always meeting people and having confidence in each other...who could pay...who couldn't pay...We became friends, and we remained in a group together.

Researcher – What are the most important characteristics of the group, in your opinion?

1 – Well, to have confidence in each other and to achieve a sincere friendship. In order for someone to be in the group, she must communicate with the other members, it might happen...maybe I'm missing something...something that I can't understand well...my friends might think differently than I do...so that way we can help each other.

Researcher – And how do you communicate? By cellphone?

1 – Sometimes by cellphone or we might visit each other in someone's house.

Researcher – The majority are neighbors?

1 – Yes, neighbors.

Researcher – Have you used other microfinance organizations before Adelante?

1 – No.

Researcher – Do you know if others exist in this region?

1 – Others...like organizations that can loan money?

Yes. I was with another organization, but I didn't like it because the other women I worked with would receive money, but then their husbands would take it from them...so those that didn't like it left. So, two of us had to pay all the money because there were only three people left in the group. We had to make everyone else's payments. After that we wanted them to give us more loans because we had completed all of the payments, but then I didn't want to because I like the Adelante Foundation more.

Researcher – How do you think the Adelante Foundation could communicate with more people in this region?

1 – Well, between you and me, it could trust more people who might also be responsible people.

Researcher – Yeah. And do you think the church, artisan organizations, or schools provide important networks where people interact and speak with each other?

1 – Yeah...I think so.

Researcher – But it's more about friends...

1 – Yes, because let's say that we all meet in the Assembly of God. Then I bring my siblings, and we have more people.

Interview 2

Researcher – When and how did you discover the Adelante Foundation?

2 – About one year ago. About one year ago I discovered it through a friend. She was taking out loans from there, and at that time I was thinking of starting a business, so I was interested in pursuing a product.

Researcher – How big was the first loan?

2 – 4000 lempira.

Researcher – And have you always wanted to start this business? A convenience store?

2 – Yes. We started out selling plastics. Then when we started taking out loans we became interested in selling disposable plastics, and from there we continued growing.

Researcher – Do you work alone?

2 – With my husband.

Researcher – So, he supports you?

2 – Yes. He supports my business a lot.

Researcher – Are you part of a Solidarity Group?

2 – Yes...I am in a Solidarity Group...

Researcher – And how did you meet the group members?

2 – Here, we are a village. So, because it's so small, we already knew each other. I went to the meeting and became a part of the group. They are my neighbors. Only a few live further away.

Researcher – So, do you communicate and meet up a lot?

2 – Yes, we meet every 14 days.

Researcher – Do you use cell phones?

2 – Yes.

Researcher – But there's not much internet? It's mostly cell phones?

2 – Yeah, mostly cell phones.

Researcher – What are the most important group characteristics in your opinion?

2 – Well, the most important part of our group... in my group specifically...we get along well. We haven't had any problems with anyone's payments. We're friends.

Researcher – And is there a lot of trust?

2 – Yes. We trust each other. Really with the lady next door [clothing vendor next to the client's convenience store]...we get along really well, and we trust each other quite a bit.

Researcher – Is she in the group?

2 – Yeah, she's also in the group. The same one I am in.

Researcher – Okay. Does the group have any weaknesses?

2 –Yes, sometimes there are some...the group is slightly weaker when sales are down, so sometimes it's been hard to make payments or buy new products, so we're late with the payments.

But other than that...nothing else.

Researcher – Okay. What are your goals for the business?

2 – Hm... Make it bigger! Right now I want to grow and introduce another product.

Researcher – And any personal goals?

2 – Keep moving forward. I want to push forward! Climb higher.

Researcher – And do you think Adelante has helped you much?

2 – It has helped me because through loans I have been able to move forward here.

Researcher – So, do you have a good relationship with the foundation?

2 – I have always had a good relationship with the loan officers, like Carla.

Researcher – Have you used other microfinance organizations?

2 – Only Adelante.

Researcher – Because I know there are many [organizations] around here...

2 – I've heard there are a lot, and a lot of people have visited me from other organizations, but none have appealed to me like Adelante.

Researcher – Is it more personal...?

2 – More personal and...with regard to the money that they loan, they don't go around stealing like some other places. Some organizations take up to 1000 lempira. With Adelante it's all good.

Researcher – Yes, fair. Do you have children?

2 – Yes. One 17-year-old girl and a 6-year-old boy.

Researcher – Do they go to school?

2 – One is in high school and the other is in elementary school.

Researcher – Does this business help pay for school?

2 – Yes. This business helps with the elementary and high school a lot.

Researcher – Let's see...anything else? Oh, how do you think the Foundation can reach out to more people in the region? How can the Foundation recruit more clients?

2 – With Carla. Carla is a very kind person, and she talks with a lot of people.

Researcher – Yes.

2 – To me, Carla seems like a really nice person. And I think that the organization could grow through her. What happens is that, not everyone here is trustworthy. You have to pick people carefully.

Researcher – Is there much trust with strangers? Like when you meet someone for the first time, is there much confidence right away or do you need to build and cultivate a relationship?

2 – Yeah, I think you need to cultivate it a bit. I'm a little more trusting than most. I can quickly strike up a friendship with most people. But, yes, I believe that it's necessary to build a relationship.

Researcher – So, do you think that technique of cultivating a relationship is most effective...

2 – Yes, it's the most effective.

Researcher – Are there social networks between people in churches, schools, businesses, where everyone knows each other, so everyone talk to each other...

2 – Yes, because...a lot of people when I see them in those places, I tell them to pass by my shop. And after I talk with people, they come to my shop.

Interview 3

Researcher – When did you start working with Adelante?

3 – About one year ago.

Researcher – And were you nervous when you started?

3 – No. It didn't make me nervous because I know that it's an option if you want to work and change your way of life.

Researcher – And how did you discover Adelante?

3 – When I saw an Adelante representative here, and he introduced the foundation. We liked the explanation, so we formed a solidarity group in order to work with the foundation.

Researcher – Ah, so you saw an advertisement...a presentation...created by the Foundation?

3 – Yes.

Researcher – And it was good? It looks like it was!

3 – Yes. It was good. We liked it a lot.

Researcher – And how did you form the group?

3 – The first group to form was group number 1, then group number 2...group number 2 is our group...the group I am a part of. First we started with two groups. Then the other groups formed, and when they formed the other groups we stuck with the second. A few people formed the third group. Now people are forming a fourth group.

Researcher – How did you meet? Friends...neighbors...?

3 – We're neighbors. Since this is a small village, we all know each other here.

Researcher – So relationships are very important?

3 – Yes.

Researcher – What type of business do you have?

3 – In Nueva Armenia, we primarily live by the sea. The men fish, and we buy the seafood, so we can go out and sell it to other communities...like banana farms in the countryside. That's how we work.

Researcher – How big was your first loan?

3 – 1,500 lempira.

Researcher – And was it enough to start?

3 – It was little to start with because seafood is bit expensive!

Researcher – Yeah. What are the most important characteristics of the group?

3 – Well, the most important characteristic of the group is to be united because one person's problem is everybody's problem. We help each other out.

Researcher – And when there is a problem in the group, what do you do?

3 – What we do is meet up. We discuss the problem at the meetings, and we look for the best way to solve the group member's problem between us.

Researcher – So, you talk a lot?

3 – Yes.

Researcher – And do you use cell phones?

3 – Yeah, we use cell phones.

Researcher – And do you also meet at home?

3 – Yes.

Researcher – Have you used other organizations like Adelante?

3 – Well, yes, one time I worked wit another organization.

Researcher – And how was it?

3 – For me it was great. But you know very well, that sometimes...it depends...I left because I got sick. I had a pretty serious illness. I was ill for a month, so I left.

Researcher – And with that organization, did you take out a loan by yourself?

3 – No. I was with a group.

Researcher – How do you think the foundation could communicate with and recruit more clients in this region?

3 – Well, for me it's better that the foundation visits people region by region to explain the foundation's mission.

Researcher – So, are there groups here that talk more than others? Like a church group, or a dance group...

3 – Yes. Church groups.

Researcher – Do you have children?

3 – One daughter.

Researcher – And is she in school? How old is she?

3 – She's 21. She went to school. She completed through fourth grade. But she stopped.

Researcher – And why did she stop?

3 – Because she had kids and fell behind, haha.

Researcher – Ok. And do you like your solidarity group? They're your friends?

3 – Yeah, I like the group a lot. We understand each other well.

Researcher – And what do you do if someone can't make a payment on time?

3 – At least, as the group advisor, I've had to ask one or two people who aren't part of the group to help us make the payment. But, I've never fallen behind, so I might even go tomorrow to see if they'll help me out.

Interview 4

Researcher – My first question is: When did you discover the Adelante Foundation?

4 – No, this is my first loan.

Researcher – Ah, ok. So, how did you discover the Foundation?

4 – I heard from other friends.

Researcher – Did you ever see an advertisement?

4 – Um, no. People told me that there was a business opportunity.

Researcher – And how has the first loan been going?

4 – For me, it's been very successful!

Researcher – What size was the first loan?

4 – Mine was every 14 or 15 days...Or do you mean in money? Mine was small. About 3,000 lempira.

Researcher – And do you like the group?

4 – Yes...

Researcher – It looks like you have to say yes!

4 – Haha, yeah...

Researcher – How did you meet each other?

4 – We all live in this neighborhood community.

Researcher – What are the most important characteristics of the group?
Personality...communication...?

4 – Well, everything's great. The group's perfect!

Researcher – And is there a lot of confidence between group members?

4 – Well, yeah, yeah.

Researcher – And why is confidence important?

4 – Trust is important because we are a group. We have to trust each other.

Researcher – What are the group's weaknesses?

4 – The weaknesses...

Researcher – And have you received loans from other organizations?

4 – Yes.

Researcher – And how did that organization compare with Adelante?

4 – Well, I can't tell you too much about that because up until this loan I have been with Adelante...but, yeah, I think it's good. Although Adelante's interest rate is lower.

5 – The interest is lower.

4 – Yes, the interest is lower.

Researcher – How do the assembly meetings affect the group? Like in this meeting where you all chatted for a while...How does the meeting affect the group? Does it strengthen the group?

4 – Well, yeah. It strengthens the group.

Researcher – Why's that?

5 – If one person has a problem, it becomes everyone's problem.

We support each other. Together. When someone cannot make a payment, the group tries to cover for that person and pay for the friend.

4 – Uh huh.

Researcher – And what do you learn in these meetings?

4 – They help a lot. They help with sales. Whatever we don't know, we have to learn from the Foundation.

Researcher – So, the meetings are quite helpful?

4 – Oh, sure.

Researcher – And how do you solve problems between the group?

5 – Like I said, one supports the other. We support each other.

Researcher – Have you ever needed to cover a friend’s payment?

5 – Yeah.

4 – I haven’t had to...yet!

5 – But yeah, I’ve had to.

Researcher – Does that happen a lot?

4 – Yeah...

Researcher – So the friend...

4 – The friend covers for the other group members. And yeah, she’ll give her friend the money.

Researcher – And how do you think the Foundation could reach out to even more people in this region? How could it obtain more clients?

5 – Through us...through friends. We recommend the program to our friends and, then they recommend the program to their friends...That’s how it grows...Like a domino effect.

4 – Yes, through a domino effect.

5 – That’s how it grows, like a domino effect.

Researcher – What type of business do you own?

4 – I sell used American clothes and new clothes.

5 – I sell pork rinds and soy in bulk. And popcorn.

Researcher – Do you have any professional goals? Goals for the business?

5 – No, because this product, well, I don’t know...One sells this product in schools and little shops. You don’t have much time because the food spoils quickly. You have to sell it all.

Researcher – And do you have children?

5 – Yes. I have four kids.

Researcher – And are they in school?

5 – My son is in elementary school. The girl is in high school. And the other works with me, making pork rinds.

Researcher – Does he help you a lot?

5 – Yes, yes.

Researcher – Do you have a husband?

5 – Yes.

Researcher – Does he support you?

5 – Yes, yes. He helps me.

Researcher – What kinds of changes would you like to see happen?

5 – I want my business to grow a lot! I want it to be a big business!

Interview 5

Researcher – When did you discover the Adelante Foundation?

6 – About...three years ago...I started working with them.

Researcher – And how did you discover the Foundation?

6 – Like, did I go to the group and start make payments and all...?

Researcher – Yeah. Did you learn about it through friends?

6 – Yes, I Heard from Olivia. Thanks to her I started working with Adelante.

Researcher – And how was the first loan?

6 – Good. The first...I asked for a loan because I wanted to work and they told me that it was good...that I should try it...so I enrolled in the loan program, and they gave me 2,500 lempira.

Researcher – 2,500?

6 – Yes.

Researcher – And did you need a lot of time top pay back the loan? Were the payment deadlines difficult to meet?

6 – It's never been hard for me. Never...

Researcher – And how did you guys form the Solidarity Group?

6 – No, it came together well. It works well, thank God.

Researcher – And how did you meet each other?

6 – Like, the group?

Researcher – Yeah.

6 – No, we already knew each other. We're all neighbors.

Researcher – Do you like the group?

6 – Yes, of course.

Researcher – And why do you think you all work so well together?

6 – We work together. We get along well.

Researcher – And why is it important to work well together?

6 – Because that way, it's more enjoyable, and it's easier to make the payments on time.

Researcher – Yes. And what characteristics are most important to the group? Like...trust...friendship...honesty...?

What brings the group together? What unifies the group? Do you have to know each other well and be friends?

6 – Yes.

Researcher – Have you received loans from any other organizations?

6 – No. I don't work with any others.

Researcher – Are the Adelante presentations about sales useful?

6 – Yes, very.

Researcher – How? Can you give an example or think of something you learned from the Foundation?

6 – You mean the dynamic and the techniques that they use? Yeah, they're good. I like them.

Researcher – And how do you solve problems within the group? For example, if someone in the group can't pay, how do you respond to that?

6 – We always find some solution in the group. We get together and always look for an answer. We've never struggled...we've never fallen behind with the payments.

Researcher – And how do you think the Foundation can communicate with more people in this region and acquire more clients?

6 – Well, we need to help them...help them to find more clients. Let's say that I see a lady and I tell her, "Hey look, this is going on..." and I explain to her all that you can do with the program. Then I can take her to the group. Like a little while ago, I brought two new women to the meeting. Now they have joined my group, and if there are more they can start another group.

Researcher – So through friends?

6 – Yes.

Researcher – What are your goals for the business?

6 – Well...My goal is to fill this entire shop!

Researcher – And what are you doing to accomplish this goal?

6 – Trying not to eat so much! I'm trying not to waste so much...to keep pushing forward...to save.

Researcher – Do you have kids?

6 – I have two. Him and the other little boy.

Researcher – Are they going to school?

6 – He is in second grade, and the other is too young.

Researcher – Do you have a husband?

6 – Yes.

Researcher – Does he support you much?

6 – Yes.

Researcher – What changes would you like to see happen? Something with the business...with the foundation...in your life?

6 – Changes? No. I like it just like this.

Interview 6

Researcher – When did you discover the Adelante Foundation?

7 – I don't know...like four years ago...

Researcher – And how did you learn about it?

7 – I found out about it through some friends. I had some friends who were in Solidarity Group, and they invited me.

Researcher – And how was the first loan?

7 – My first loan was for 3,000 lempira.

Researcher – Was it hard to obtain?

7 – No, it was easy.

Researcher – And how were the payments?

7 – For me the payments were good. Because with the Foundation, one can save...with other banks, no.

Researcher – How did you form the Solidarity Group?

7 – We formed it in various groups. So we have four Solidarity Groups.

Researcher – And how did you meet each other?

7 – Well, the same way I mentioned before... We were pretty good friends, so we just got to know each other better, and we all formed great friendships.

Researcher – What are the most important characteristics of the group in your opinion?

7 – Well, the most important characteristics...I'm not quite sure...I'd say we work well in a group. We are very united. One person's trouble is everyone else's trouble.

Researcher – And when there is a problem in the group, what do you do?

7 – Solve the problem. If one person in the group can't pay, another person can. That's how we help each other.

Researcher – And do you have to use many of the Foundation's Resources?

7 – Well, when someone can't pay, we help her along.

Researcher – What are the group’s weaknesses?

7 – Hm...no, sometimes someone might say “I’m not coming...I’m leaving the group.” So others encourage her so that she pays her loan.

Researcher – Have you received loans from other organizations?

7 – Yeah. We were in another group, but then we left it and started to use Adelante. We decided to stay here.

Researcher – And why do you prefer Adelante?

7 – Because one can save money, and there are more benefits.

Researcher – Are there a lot of educational programs for Adelante’s clients?

7 – Yes. I like the lectures and everything that Adelante tells us. That’s why I like working with Adelante.

Researcher – What are some of the things you have learned from the lectures?

7 – At least for me, what I really like is that they give the women cervical exams and all that. I’ve heard a lot of women say that they really like that. Because they give lectures and sometimes even perform cervical exams.

Researcher – Sure. And have you had to make a payment for a friend who couldn’t pay?

7 – Yes. I’ve paid before.

Researcher – Does that happen often?

7 – Yes, it happens quite frequently.

Researcher – But is there always a way to deal with it?

7 – Yes. There is always a solution, yeah.

Researcher – How do you think the Foundation could communicate with more people in this town?

7 – Maybe through us...For example, I might talk with some people, and then they’ll come to the Foundation...it’s more personal.

Researcher – And how did you decide to start a piñata business?

7 – Well, my daughter is the one who makes the piñatas; I only dress them with papier-mâché. She's the professional one! She learned from a Mexican.

Researcher – Do you have any professional goals?

7 – Well, my only goals...I'd say...Well, I have my rooms, which provides some income, and I rent apartments.

Researcher – Have you been pretty successful with this business?

7 – Yes, thanks to the Adelante Foundation I've moved forward a bit.

Researcher – Yeah. Do you have any children?

7 – Yes, only one daughter, and the grandchildren. Yes, she's my only child.

Researcher – And is she in school?

7 – No, no. She's older.

Researcher – Do you have a husband?

7 – No, no. She lives here with us.

Researcher – What changes would you like to see in the future?

7 – Well...change...I'd say...to have a goal. I want to have another room. With the help of the Foundation, I'd like to build another room.

Interview 8

Researcher – When did you discover the Adelante Foundation?

8 – A while ago.

Researcher – What year was it? How long ago?

8 – I've been the Adelante Foundation three years now.

9 – 2008?

Researcher – 2008?

8 – 2008.

9 – 2008.

Researcher – How did you discover the Foundation?

8 – The first two women who were in the group are no longer here.

9 – Yeah, they were...

8 – Some friends told us about the Foundation, so we went about putting a group together...but the first woman is no longer here.

Researcher – Okay, so you learned through friends?

8 – Yes. I first heard from a friend. Then a woman came to interview us to see if we wanted to be a part of the group and receive loans...At first my sister, an older woman, told me "Join the group. Don't be scared." So then, thanks to God and thanks to her, I joined, and they gave me 2,000 lempiras for the very first loan. From there I continued saving and saving, so I could take out a 10,000 lempira loan. Now I only have 3,000 lempira left [to pay].

Researcher – So what was the first loan like?

8 – 2,000 lempiras.

Researcher – And was it easy to obtain?

8 – Yes, yes.

9 – The payments increase.

Researcher – And is it difficult to make the payments?

8 – No, no.

9 – Everyone has to do it.

10 – But you definitely have to buckle down in order to always pay on time.

Researcher – It seems like you guys always make the payments on time...

10 – We're always on time.

Researcher – Yeah, the loan officer told me that this group is very responsible and always pays on time...How do you guys manage to do that?

10 – Well, right now I'm selling sandals, sweets, and things like that...always advancing.

Researcher – And how do you all work together? Do you support each other?

8 – Yes.

Researcher – What are the most important group characteristics? What helps you to be punctual and responsible?

10 – I think that right now we're all keeping an eye on each other.

8 – We're all working because everyone is accountable for herself. Everyone is responsible for working hard and paying their part.

9 – It depends if we have a strong relationship. If someone misses a payment, I'll have to make up for it. Everyone is responsible for making her own payment. I might ask to borrow money from a friend, but I won't ask to borrow from someone I'm not very close with.

11 – But up until now, we've all been responsible. We pay every 14 days, so we're pretty rushed. The thing is that I don't sell clothes or cosmetics. I sell food: barbequed meat, fried chicken, potato bread, nuts, empanadas, cakes...everything. I'm very blessed because I don't need to go out into the street to sell things; rather, I receive orders and prepare the food in my house.

Researcher – What are the group's weaknesses?

10 – I don't really think there are any.

9 – This group is responsible.

11 – The loan comes with responsibility, right? From the start, I told everyone that they have to make a 50 lempira payment every 15 days. There is a difference between being sick and not wanting to pay. If someone is sick, we have a special fund, and we will cover her payments for her until she gets better. Then when she is better, she should pay us back. If someone doesn't want to work, I'm not going to lend money to her.

Researcher – So if someone doesn't want to work, you guys discuss the issue and see how it is affecting the group and decide if you want to force her to leave the group?

9 – Up until now, we haven't had many problems. Very few.

11 – We always keep moving ahead.

Researcher – And how do you think the Foundation could communicate with even more people in this region and acquire more clients?

9 – It would have happen through current clients because if some random client comes, and we see that she is going to hurt the group, we get together and tell her that she can't join. We need to know that someone is responsible and that they will make their payments.

Researcher – And do the lectures help?

11 – We always learn a little more.

9 – I like the lectures. One learns about customer service, home improvement, and the lessons help us a lot.

Researcher – What changes would you like to see...generally speaking...Or any goals you have for the future?

8 – I would have liked—as they once told us—to receive 30,000 in utilities, so we might improve our condition. But that never happened. It was all talk.

10 – I don't have any goals. We get along well, and we live separately. We all love each other in the group, and the loan officer is great too.

9 – Very true.

10 – Also, we strengthen each other. It's great. Thank God we meet up every 14 days, so we can laugh and have a good time!

8 – And keep moving forward!

9 – Sometimes everyone comes to the meeting, but this is still a good turnout.

11 – Yeah, a lot of times people can't make it because of illness.

Interview 9

Researcher – When did you discover the Adelante Foundation?

12 – Ha! I've been with the Foundation so long, that I don't even remember. I think I started in 2008.

13 – Yeah, 2008.

Researcher – And how did you learn about the Foundation?

12 – Well, I found out through some friends who had already been working with the Foundation for some time. They invited me to a meeting. I looked at the group and saw that it was good. I liked it so...

13 – Yup!

Researcher – Have you taken loans from other organizations before Adelante?

12 – No, no.

13 – No.

14 – This is my first time.

Researcher – The loan officer told me that your group always makes payments on time and is very responsible, how do you manage that?

12 – Look, to be frank, everyone in sales who makes a profit uses some of it to make the payments. We are always depending on each other, and up to this point no one in the group has failed to make a payment. We've always had a punctual payment record. But let's say, come tomorrow, someone in the group has a problem, well we know that between all of us, we could help her.

Researcher – And how did you meet each other? Did you know each other before or did you all meet and get to know each other as you formed the group?

13 – Some of the women I knew before. But others I just met when they entered the group...

Researcher – Is the group dynamic very important?

12 – Well yeah...Personally, I really like the training lectures. They're very good. And the fact that we can always find each other here, so when there's a problem, we talk with each other...and no one falls behind.

Researcher – What are the most important group characteristics?

12 – Communication is one. Another has to do with the training lectures. Also, like I said before, the fact that this group always has unity, discipline, and all that. We all also share a lot of courage.

Researcher – Unity, discipline, hard work, and courage!

12 – Ha ha!

Researcher – How do you solve problems in the group?

12 – It's just like I said, up to this point, we haven't had any problems. But if come tomorrow, some problem was to arise, we would have to meet up, discuss the problem, and solve it. At least that's what I think...right? For now we haven't had any problems, thank God!

Researcher – How do you think the Foundation could reach out to more people in this region?

12 – Well, maybe we could get more people to join the group and make it bigger. But honestly, the Foundation hasn't asked us to do that. Also not everyone has courage, so maybe they're not used to this kind of thing...I don't know, maybe Adelante could admit more people to the program.

Researcher – What are your goals for the business?

12 – I want to keep investing in my home because you never know what will happen. There's always a chance that come tomorrow, you won't be able to take out any more loans, so it's important to have your own savings, so you could keep the business going.

Researcher – So what are you doing to accomplish that goal?

12 – Working hard because sometimes life is tough. It's hard to keep growing little by little.

Researcher – And do the lectures help?

12 – Well, I like them quite a bit because the lessons are important. Through the lectures we're able to get a better understanding of things. One can't only think about economics. One also has to think about personal things, their family, their way of life. So, the lectures help a lot.

Researcher – What changes would you like to see?

12 – The change that we would like to see...let's say to keep moving forward. We want to improve our lives in every way...our homes...improve our homes.

EMPLOYEE INTERVIEW TRANSCRIPTIONS

Director of Accounting

Researcher – What department do you work in?

1 – Accounting.

Researcher – Alright. What do you think is the greatest challenge for the Foundation?

1 – Well, right now, I think that our biggest challenge is...how do I put it? I think the greatest challenge is the need for funding. Because we already have a healthy portfolio, we have a good group of loan officers who do a good job, we have clients who really need our help, but we have the cash factor, that doesn't allow us to address all the needs of the countryside. So, I think for the Foundation right now...Because there is the possibility to grow from where we are right now, but we are proceeding carefully...because we need to take care of the cash because we still don't have much to build off of.

Researcher – Where do you acquire funding?

1 – Well, right now we are only working with subsidies from IAEF. Aside from that, we have to work with whatever capital our portfolio yields and reinvest whatever it produces. We work with whatever the Adelante Foundation produces.

Researcher – Yes. How do you see technology affect the Foundation?

1 – I don't think it really affects the Foundation much. I think that it hasn't really affected us, although it has allowed us a system that operates through the Internet. Before we had a system that only worked at Adelante's headquarters, so other branches couldn't see the portfolio or other numbers daily. They had to ask us to send the information by email.

So maybe now with the new Blackberry technology and things like that, one might be able to work better...But I don't think it has that big of an effect. At the office, anything on the Internet that isn't beneficial to work is blocked. So, yeah, I don't think there is a big effect.

Researcher – And how do you think the Foundation could use its resources more efficiently?

1 – Resources?

Researcher – Yeah, like generally speaking...Financial resources, human resources...to operate more efficiently and sustainably...

1 – Well...It's difficult because there is a daily challenge to see what new things...well, there are many things...like it would be great to have a strong technology that would allow the people in the countryside to submit their applications from the countryside in order to accelerate the credit paperwork. But I think that although other microfinance organization already work with that technology, the Foundation is not at that point yet.

But other than that, I wouldn't know what to say at this point...

Researcher – You mentioned other organizations...how do the organizations work together or how do they affect each other? Is there competition?

1 – Yes, it's competition. There's competition with that type of technology that other organization use because right now there were some people working here in the Foundation who came from other microfinance organizations. Right now we have a boss who had worked at another microfinance institution, so we hear what there is in the competition. Obviously, there are other organizations that are a lot bigger than us...so they might have resources that...how do I put this? Other organizations like...I forget their name...Let's say businesses or organizations like World Vision. They might have the support of technologies that don't necessarily come out of their private resources. In order for us to be able to invest in that kind of technology right now...We don't have any other support from other subsidies. In order to finance that kind of technology, we would impact our portfolio.

Researcher – If the Group Lending Model works so well, how does the Star Program work?

1 – Individual credit? Are you asking how it works?

Researcher – Yeah. If usually you use the group dynamic and group responsibility, how can you give a loan to only one person?

1 – Yes, but it's a long process because we begin with a group of clients. The thing is that they work together, and we work with their word and with the guarantee that they are going to pay back the loan. If a client is going to receive individual credit, the client has to have had passed through a process that involves a lot of loans and Solidarity Groups. We call it, like, the graduation of the client...it's after the client has succeeded with many of our tasks, so we are able to check and confirm that she is a faithful client, who pays well. Then we can trust her and give her individual credit.

General Manager

Researcher – What do you think is the biggest challenge for Adelante?

2 – The biggest challenge...good question. One thing that's sort of inherent in what we do is...the population that we work with, I mean it is a big challenge especially in areas like Intibuca where the population is extremely, extremely poor... You know, we give them loans, we give them education, but there are a lot of cases where we don't see a lot of change, and it's just a huge challenge to try to help those clients better their lives...

They buy stuff for their business, but like if it's pulperia... For example, I saw a lady the last time—I don't know if she was on her second or third loan cycle—she was like “This is my pulperia!” And there was almost nothing there. How can a person possibly have a real...make a real living on that kind of small business?

So I would just that it's not as easy as it seems or as idyllic as it sometime sounds to improve the life of an extremely poor person because you have so many factors going against you: Their lives are very vulnerable; they don't have any kind of insurance... if somebody gets sick, if somebody dies, if there's a natural disaster, which can just be a lot of rain, they can lose half their house. You know, there is just a lot of risk involved with the money that we loan. That makes it hard, makes our risk high in terms of our loan portfolio, and then it's a challenge for our clients to better their lives...to improve their business and to grow their businesses... So I would say that's the biggest challenge.

Another big challenge is the whole security issue in the country right now. It's just getting worse every day. We're having to close assemblies because they're in areas where it's not safe for our credit officers to go. We've had one of a credit officer robbed of his motorcycle at gunpoint... We've had other credit officers robbed of their materials, like their backpack that had checks and the educational materials and things like that. You know, more and more we're just concerned about the safety of our personnel... That when they're out on their own in the rural areas on a motorcycle, they're just also very vulnerable to whatever could happen. And so that's another pretty big challenge I would say.

Researcher – When there was that orientation thing on Monday and how you opened, I was like *what have I gotten myself into?* But that's the reality, but again using common sense as a traveler, it's manageable.

I guess, even just from that it sounds pretty resource intensive, like the personal connection, like the maintenance of the relationship, and checking up on the pulperia or businesses or whatever. Do you have any ideas of how Adelante could use its resources more efficiently?

2 – Well we've been working on improving efficiency a lot over the last two years. We have improved our self-sufficiency enormously in the last basically two years. Some of the things that we've done are... Just like trying to have an incentive for the clients to try to grow their assemblies. So some of our... for example we had assemblies where maybe the credit officer had an assembly here and maybe a mile down the road he had another assembly. So by combining those two assemblies, the total assembly has more people... the credit officer only has to make one visit instead of two, and that cuts down gas and all the different kinds of costs associated with visiting clients. We offer our clients a reduced interest rate for having an assembly of larger sizes, with that in mind. Trying to maximize the number of clients that a credit officer sees in any given assembly.

Another thing that we've done is we have... we're working with two banks: Banco Atlantidan and Banco de Occidente to have our deposits identifiable so that when the clients... the client goes with a little ID card when she goes to pay at the bank and with that ID card the bank teller identifies the deposit... but before we had... the way it worked was the client went to make the deposit, the credit officer picked up the deposit slip, and then we had to wait until that deposit slip got sent back to the main office here for that information to get entered into the system. So, there were sometimes two to three weeks from when a deposit was made till when it was actually entered into the system. Now it happens within 24 hours. So that's huge... so that means that the credit officers don't have to go back to the... We're not dependent on that slip to be able to identify the deposit. They used to go back out to their clients if they didn't have the slip on the day of the assembly. They had to go back out to get it. Now they know they can just get it at the next assembly because the deposit has already been entered into the system.

We're also having the credit information... the loan applications... and the deposits being entered at the branch office level. We have office assistants in each branch office now when all that used to happen here at the main office. By having it happen at the level of the branch office, again, it just cuts down on time wasted, and paperwork being sent. You know, once the loan applications have been entered into the system, they just scan all the paperwork and send it by email to the main office. That's another way we've made our operations more efficient.

Another thing that we've done is we're encouraging our credit officers to buy their own motorcycles, and then we pay them a rental fee for their motorcycle. But it's a fixed fee per month, and so that way they're in charge of all the maintenance and repairs of their motorcycles, and we just pay them that flat fee. That encourages them to take better care of their motorcycles because it's their own motorcycle. It's actually a really great plan for them because if they take good care of their motorcycle, in three years they've paid it off 100% with funds they've received from us, and then they get to keep the motorcycle. It's their motorcycle. And then they get to keep receiving that rental, but they're done paying it. So, it's good for them. It's good for us. So that way we know how much money we're spending on... it used to be that our vehicle maintenance and repair was the second largest item in our budget after salaries. I'm not sure... it may still

be the second largest...I haven't compared...but it's way less than it used to be. And it's simply because people take better care of their motorcycles if they know that they're their own. And it used to be that they didn't get the oil changed...we had two overhauls on motors...It was a mess. It wasn't being well monitored. It wasn't being well administrated. So that's another way that we've improved efficiency.

Another thing that we've done is to have the...It used to be that an assembly had to be in a given community. And so, for example, if there were not enough people in this community, a minimum of ten, to have an assembly, then they couldn't open an assembly until they had at least 10 people. But now, if there's a community here and there's a community here, we can have a group from here and a group from there join to become one assembly. The group forms at the solidarity group level. They still have to be from the same community, but two solidarity groups can join into one assembly. And that way our growth can be more organic. The credit officers are better able to grow their client numbers by taking advantage of smaller communities that might be en route from one to another, and so that kind of thing has also helped us to grow in a way that's more efficient.

Researcher – And then, lastly, and kind of along those lines, could you explain how Adelante takes advantage of social networks and lets the client basically do the recruiting?

2 – Ok, yeah. I mean, one of the things, I don't know if you caught when we were in that...no that was actually the day that you weren't there. The next day when we were talking about credit...The second day was management of loan pools...was the training topic. One of the things that he said was that word of mouth was by far the best marketing device. That you can use radio adds, you can use television ads, you can use flyers, but by far word of mouth is the most effective. So our structure is conducive to advertising by word of mouth because it's like I explained...It's advantageous for them to increase the number of their assembly and people in their assembly. And so they want to do that because if they get at least 20 people they get a half a percent interest reduction in their interest rate. And if they have at least 25 people they get a whole percent reduction in their interest rate. So it goes from 3.5 per month to 2.5 per month. And then of course because of the group pressure...because of the social guarantee, even though there's pressure on them to grow the size of the assembly, they're not going to do it at the expense of getting reliable people because they know that their still going to have to vouch for each others loans. And so for that reason the methodology is conducive to people using word of mouth to try to get their neighbors, their cousins, their friends involved.

And also we've done a lot of things to try to increase our customer satisfaction, like the incentive is a big one. We started more or less with kind of life insurance. It's not called life insurance, but it used to be that if a client died, the group was still responsible for paying her loan. And starting in 2010 we just started cancelling the loan if a client dies. If a client dies, then her loan is forgiven. And so that's another thing that is a big...not

that a lot of clients die...but just knowing that for them...a lot of other organizations don't do that...so it's a thing that builds their loyalty.

We've increased our loan ceilings so that clients that otherwise, in the past, may have...once they reach a certain point they want a 40,000 lempira loan or something...they may have gone to another institution. But now they can get it from us, so that would encourage them to stay with us.

We're working on promoting the home improvement loan, which is another reason why if you have a good credit history then you can stay with us, and you can qualify for a home improvement loan, which has a long term and very low interest rate. So basically they can combine that with a business loan and still be able to pay both at the same time.

So basically, I would say through trying to increase customer satisfaction and then just word of mouth.

Director of Operations

Researcher – What department do you work in?

3 – Operations. Credit Operations.

Researcher – What do you think is the biggest challenge for the Adelante Foundation?

3 – Having enough cash for deposits and investments.

Researcher – Could you explain?

3 – You want to hear about other challenges? Alright. Well, apart from the cash problem, there are challenges with hiring loan officers. Loan officers need to have a personal connection with their job and not merely see it as a source of employment and income. They also need to recognize the social factor in order to be the right person for the job.

Researcher – I don't know if this has much to do with your position specifically, but do you know if the Foundation uses social networks to recruit more clients? That is to say, does the Foundation work with particular church groups or other organizations to take advantage of those relationships?

3 – Alright. Well, we use a variety of social tools...like neighborhood councils.

A neighborhood council is a community organization made up of community members elected by a board, and they watch over the well-being of the town. So, yeah, we use neighborhood councils.

We also use church networks. Not all the time, but we've had some interactions with churches. And other groups that are focused on women's issues.

Researcher – Like you just said, it is important to remember that this is a social project, not just "work." There is a lot of significance behind the work that you do because it has to do with human well-being.

So, could you tell me a little more about that personal connection? Like the connection between loan officers, the business lectures, and the Solidarity Groups. Why is that personal connection so important?

3 – Yeah, it's important. One of the biggest issues is finding people who can truly relate to the position that the clients are in and help them. All of our loan officers come from entrepreneurial families, so they know that their families worked to give them opportunity, and now they are doing that for the women.

Most loan officers, including ours, have always come from the countryside from hardworking families. They know what it is like to work hard and fight. It's hard for someone who has not lived in the countryside to understand this because the countryside fosters a special sense of community.

Researcher – This question has to do with the group dynamic in each Solidarity Group. If the group lending model works so well, why are larger loans only available to individuals through the Star Lending Program?

3 – Are you asking why we don't treat everyone the same and give everyone individual loans if we're truly working to support women? Well, there are various reasons.

It depends on the client behavior: her payment and attendance record. Those two aspects of her behavior are very important. It also depends whether or not the client's business has evolved. So, if a client wants to receive individual credit, she has to develop her business. If she doesn't develop her business, she's probably not going to have the ability to deal with a large loan, will go into debt, and there will be a bunch of problems. Because we don't work with any kind of guarantee or collateral, if a client doesn't have a stable business she can't really guarantee the large loan except by a verbal agreement. We want individuals to be a perfect fit for business growth and development.

Researcher – And how do you see technology affecting the Foundation?

3 – I think more than giving us benefits, it provides us with better communication, agility, fluidity, a faster service... So, I don't know if technology really affects us all that much.

Researcher – How do you think the Foundation could use its resources more efficiently and achieve more sustainability?

3 – More efficiently... Well there are several options. We could cut costs in order to be more efficient and achieve better sustainability, but then we would be neglecting the social aspect and our closeness with the clients.

So, I think the investment is worth it. We would have to cut back on client visits to only one per month, and visits are important. I think that the connection with the clients, the constant visits, and the meetings where we motivate clients, offer orientations, and teach them new things... So reduce costs? Right now... No. We would have to look into the details.

We already made a ton of changes always without neglecting the clients, and that has benefited logistics, movements, the strategy for the loan officers, the routes... We have improved a lot since last year. We still need to work on a few things like cutting down on paper use, which looks like a small cost, but in the end adds up to be a significant cost.

Aside from that...anything else...Well, the personnel...well, we don't have any lazy employees. I think everyone is productive.

Director of Marketing

Researcher – What department do you work in?

4 – I work in the marketing department.

Researcher – What do you think is the greatest challenge for the Foundation?

4 – I think it has been self-sufficiency. But I think that they are already improving that...

Researcher – Really? How are they improving that?

4 – Well, with client training and support...Client retention...Keep them from leaving the Foundation...Always keep the clients...

Researcher – And in order to maintain that relationship with the clients, does the Foundation use social networks? Like does the Foundation take advantage of pre-existing communities and networks between churches, families, friends, etc.?

4 – Mostly relationships between friends. The client can bring one or two friends to a meeting. What they do, is host assemblies where the groups of clients meet up. After those meetings, clients can tell other people to come to the next meeting. Because they don't have much access to technology, it has to be word of mouth.

Researcher – How do you think technology affects the Foundation?

4 – Well, because of the type of clientele we serve, maybe we haven't experienced much of an effect from technology. It doesn't affect us too much because we know our clientele. So, we look for another way to reach out to them...like via flyer.

Flyers and word of mouth. Client to client.

Researcher – And were you just working on a radio add?

4 – Yeah. We advertise by radio because it has a greater reach than television. For example, there are some clients who are able to afford a radio, but they can't afford a television.

Researcher – And could talk about the importance of the group dynamic in each Solidarity Group? Why are larger loans only available to individual clients if the group lending model works so well?

4 –Right. Well in the beginning all clients need to work in groups. They need to be in a group, and as they continue making payments over time we see if they are good clients. If we see that they are, then we can give them individual credit...kind of like a

graduation. But in the beginning, they need to work as a group, all clients need to start with a group. They need to have trust in each other. They are the ones who choose the group they will be working with.

Researcher – So, does that make it easier for the Foundation? If they clients are responsible for their own group members and they are the ones checking up on each other, I would think that means less work for the loan officers.

4 – Yes. It's their [the clients'] responsibility. Each one has to vouch for the other. So, they form guarantees between themselves. That's why we don't have any guarantee or ask for any guarantee of any kind. We trust the word of the clients.

Researcher – Ok. How do you think the Foundation could use its resources more effectively? I mean human resources...financial resources...

4 – Well, I don't know. I think maybe the Foundation could look for new products. Although they are already trying some new products like the Home Improvement Plan. They are trying to introduce this product to clients right now, but it has been a little difficult because there aren't enough funds to offer the plan to everyone. So for now they are choosing the best clients, so that they can be the first to receive that product.

Researcher – Is the marketing position a recent development?

4 – Yes, it's new. We're trying it out right now. I've only been working in marketing for a few months. Before, I worked in design. Then they put me in this position. I think I'm the only person here working in marketing, ha ha!

Researcher – And is the objective of this new position more about acquiring funding or recruiting new clients?

4 – Recruiting new clients. We're trying to get to areas where we don't already have a presence. And more than anything, we're just trying to create an image for ourselves. We're trying to achieve a special image in the eyes of the clients through advertising. My position involves more than advertising, but for now that's what we're working on.

Researcher – So you're trying to create an image of the Foundation and then advertise that image throughout the client communities?

4 – Yeah, we want clients to really know us. That's what we're trying to achieve. We want clients to recognize us.