

**John Hatch, FINCA**  
**Syllabus for Weekend Microfinance Course**  
**Presented by: The Hope Alliance, Westminster College, and Key Bank**  
**April 9-10, 2010**

Founder, Foundation for International Community Assistance (FINCA)  
 Recipient of the 2009 Sargent Shriver Award for Distinguished Humanitarian Service

**Recommended Reading**

1. Sam Daley-Harris, Editor, *Pathways Out Of Poverty: Innovations in Microfinance for the Poorest Families*, Kumarian Press, 2002.
2. Candace Nelson, et al, *Village Banking: The State of the Practice*, UNIFEM and the Small Enterprise Education and Promotion Network, New York, 1966.
3. Jonathan Morduch, et.al, *The Economics of Microfinance*, MIT Press, Cambridge, 2005.
4. Hand-outs to be provided by the instructor

**Day 1- Friday, 1:30 PM to 5:30 PM—4 hours**

**A. Introduction**

1. Overview of the course
2. Presentation of students, majors, expectations
3. What is *microfinance*, *microcredit*, *microentrepreneur*, *microfranchising*?

**B. The Need for Microfinance**

1. World poverty and its human costs
2. Definitions of poverty
3. The microfinance ladder
4. The genesis of village banking
5. FINCA today—global, regional, country-specific statistics
6. The Village banking movement
7. The global microfinance movement

**C. Village Banking Described**

1. What is a village bank
2. The golden rule
3. Program design (principles 1-7)
4. Products and services (principles 8-13)
5. How village banking works—Maria's business
6. Discussion: Key variables that impact business profitability

**Day 2- Saturday, 8 AM to 5 PM—8 hours**  
**Networking Luncheon, 12 PM to 1 PM**

**D. Organizing A Village Banking Program**

1. Program administration (principles 14-17)
2. Program financing (principles 18-20)
3. Discussion: How to finance the program start-up subsidy?

**E. Program Governance and Control Environments**

1. Internal audit (principle 21)
2. Board of directors (principle 22)
3. Host-country agency (principle 23)
4. Credit officers (principle 24)
5. Village bank treasurer (principle 25)
6. Individual clients (principle 26)

**F. Protecting the Program from Disasters**

1. Common types of man-made disaster
2. Acts of God
3. Case study: Hurricane Mitch in Honduras

**G. Evaluating the Impact of a Microcredit Program**

1. New versus current clients (principle 27)
2. Poverty versus severe poverty (principle 28)
3. Family income versus expenditures (principle 29)
4. Other impact variables (principle 30)
5. Sample interviewing versus panel data (principle 31)
6. Calculating net profit of client's business
7. Discussion: Rosa Melgar—Victor or Victim?

**H. Microfinance and Ending Global Poverty by 2025**

1. Village Banking 2
2. Funding Requirements
3. Strategic Partnerships