GEST-D-603

Contracting and Microfinance Products
1st semester EMP 2013-14

Prof. Roy MERSLAND, Prof. Niels HERMES

Planning

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<tr>
<th>Date</th>
<th>Time</th>
<th>Lecturer</th>
<th>Guest speaker</th>
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<td>30/09/2013</td>
<td>6 pm – 9 pm</td>
<td>Prof. R. Mersland</td>
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<td>01/10/2013</td>
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<td>18/11/2013</td>
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<td>19/11/2013</td>
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<td>28/11/2013</td>
<td>6 pm – 9 pm</td>
<td>Prof. R. Mersland</td>
<td>Prof. A. Ashta</td>
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<td>02/12/2013</td>
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Part 1: Prof. R. MERSLAND

Objectives of the course

To introduce students to key concepts in the development of the microfinance industry, and to present recent research in combination with case experiences related to the topics covered.

Topics covered

1) Transformation of Microfinance Institutions

References:


2) Mission Drift in Microfinance?


3) The future of the microfinance product innovations and institutional designs

References:


4) Pro-poor microfinance products: The case of the disability market
• Pro-poor microfinance products: The case of the disability market

Guest speaker Prof Arvind Ashta (Thursday 28th November 2013)

Topics covered

1. Theoretical Introduction to technology, innovation, adoption (1 hour)
   Innovation models in the information age

   References
   (Rogers 2003)
   (Friedman 2006)
   (Shuen 2008)
   (Ashta and Assadi 2010a)
   (Ashta 2011), Introduction to the Book

2. Online Lending (2 hours)
   Different online lending models (commercial and microfinance)
   Governance, Strategy and Marketing of different online lending sites, commercial as well as microfinance base, direct as well as intermediary, profit as well as not-for-profits.

   References
   (Attali 2000)
   (McAfee 2006)
   (Kupp and Anderson 2007)
   (Robinson 2007)
   (Wolfe 2007)
   (Powers et al. 2008)
   (Assadi and Ashta 2009)
   (Flannery 2009)
   (Roodman 2009)
   (Johnson et al. 2010)
   (Ashta and Assadi 2010b)
   (Assadi and Hudson 2011)
   (Ashta and Assadi 2011)
Bibliography

• Ashta, A. & Assadi, D. 2010a. 'An analysis of European online micro-lending websites.' Innovative Marketing, 6:2, 7-17.
• Ashta, A. & Assadi, D. 2011. 'The use of Web 2.0 technologies in online lending and impact on different components of interest rates.' In A. Ashta (Ed.) Advanced Technologies for Microfinance: Solutions and Challenges. Hershey, PA: IGI Global.
• Flannery, M. 2009. 'Kiva at Four.' Innovations, 4:2, 31-49.
• Robinson, K. 2007. 'Peer-to-peer lending strives to break the banking mould.' Banker, 157:974, 110-11.
Part 2: Prof. N. Hermes

Objectives of the course

- Get an understanding of microfinance lending services
- Focus on the economics of group lending versus individual lending
- Get an understanding of microfinance savings and insurance services
- Discuss the interrelationship between microfinance services and remittances

Topics covered

1) Group lending
2) Beyond group lending
3) Savings and insurance
4) Remittances

Required (!) Readings

Group lending:


Beyond group lending:


- Field, E., R. Pande, J. Papp and N. Rigol (2012), *Does the Classic Microfinance Model Discourage Entrepreneurship Among the Poor? Experimental Evidence from India* Experimental Evidence from India, working paper

Savings, insurance and remittances


Both parts

Evaluation

Written exam