

Quarterly SME Newsletter

Issue 1/2021



From the CEO's Desk

Dear Customer,

With fewer face-to-face interaction these days, out of sight does not mean out of mind at Steward Bank. To ensure you remain apprised of any developments at Steward Bank and within the industry at large, we will be sharing business updates and newsletter publications with you on a monthly and quarterly basis, respectively.

It has been a busy first half of the year here at Steward Bank. We hope you have noticed some of the work we have put into creating the best banking experience for you. Key to note is our brand-new Core Banking System, the Purple Ark. We have upgraded our system to the latest version offered. This is an extensive project, the biggest of its kind for the Bank and we are delighted that even at this early stage, you as the end-user, can enjoy the benefits.

As a result of the significantly increased capacity of our system, the processing time of your financial transactions is now faster. We appreciate the time-sensitive nature of your transactions as a business and would like you to know that you can rely on us to deliver on your commitments.

Our upgraded Online Banking platform now allows you to generate account statements and proof of payment documents without having to get in touch with the customer service team or relationship officers.

We are also pleased to advise that Steward Bank iSave accounts can now be registered on the Online Banking platform. This means that business account signatories do not need to visit the branch for transfers into individual accounts as was the case before. Making transfers into iSave accounts can now be done easily and quickly from your business account Online Banking profile. This is possible even if the iSave account is not registered for online banking.

You can look forward to more updates on the work and innovations that we will be working on throughout the year. We want to ensure that Steward Bank remains on your mind but out of sight as you build your business. Thank you for your continued support. Our commitment remains to serve you and bring you convenience and playing our part in ensuring you are safe through innovative products and world-class service. #DoYourPart, remember to Mask Up, wash your hands, practice social distancing and stay safe!

ZamaZama Accounts

A good bank can be an invaluable partner to a small business. When deciding which bank to use, it is important to consider not only your business' current needs but, its future aspirations as well.

A key task for every small business owner is overseeing the details of money; budgeting, managing cash flow, and controlling access to it and at Steward Bank, we have a suite of products and services that cater to small and medium enterprises under the ZamaZama portfolio.

Our goal is to integrate the informal sector into the mainstream economy. We offer two types of accounts under this portfolio, the ZamaZama Business Account, and the ZamaZama Sole Trader Account.

ZamaZama Business Account

This account is perfectly suited to address the needs of small to medium enterprises from managing your transactions online to business loans. The ZamaZama Business Account has the advantage of low service fees and a secure business debit card. When you open the account, we give you access to a dedicated relationship manager who will work closely with you to create and enforce business plans that meet your needs as a client. Your relationship manager is available to assist you with any queries you may have concerning your account.

The ZamaZama Sole Trader Account

If everything in your business starts and ends with you, then this account is just what you need as it is specifically designed for micro-enterprises. As an entrepreneur, you know how critical it is to keep personal and business funds separate. With KYC requirements for this account being limited to a copy of your ID, proof of residence, and your trading license, and with access to mobile banking and Ecocash Banking Services, this is an account that gives you the flexibility of a personal account and the trading convenience offered by a business account. As your business grows, this account grows with you and can be upgraded to a ZamaZama Business Account.

Both types of ZamaZama accounts give you access to the time-saving convenience via our Online Banking platform like:

- 1 adding beneficiaries for regular payments,
- 2 making bulk payments like salaries for your team,
- 3 accessing the Query Management system,
- 4 downloading statements and proof of payment documents.

Business comes with a lot of unforeseen events that might leave you with temporary shortfalls in working capital. Whether it is taking advantage from a supplier or covering the time delay between collection of funds from clients, and the need to cover bills, as a ZamaZama account holder, you will have access to facilities that offer working capital.

Intent on improving the dynamics of the SME sector, with the ZamaZama accounts, we are with you from trial and error to success. What kind of business banking support do you need? Email us at SMEBanking@stewardbank.co.zw to find out how we can partner with you.



Placing the *Future* in your hands.

The emergence of young agricultural entrepreneurs in Zimbabwe has introduced a fresh outlook for the industry. Agriculture is an industry that employs and provides income for up to 70 percent of the country's population and its development is crucial.

According to an article titled, "Ten priorities for getting agriculture moving in Zimbabwe"¹, in The Conversation, finances, partnerships, and smart support systems are some of the things that need to be prioritised if farming is to take centre stage once more in Zimbabwe's economy.

In light of this, we recognise the important role played by financial institutions in supporting and developing small to medium enterprises.

We are delighted to extend this assistance to agriculture entrepreneurs. By leveraging our partnerships with several EcoCash Holdings entities such as EcoFarmer, Vaya Africa, EcoSure, Distributed Power Africa (DPA), and Moovah, we are able to offer a suite of agribusiness solutions under the name AgroFuture.

AgroFuture provides accessible technological advancements that will benefit commercial farmers, communal farmers, agro-dealers, agro-processors, retailers, and wholesalers in the agricultural value chain with a wide range of suitable solutions like loans and other products and services.

AgroFuture Loan Facilities

We offer the below solutions for your farming needs:

- **Working Capital Facilities** - for financing production or seasonal financial assistance with a tenure of up to 12 months.
- **Capital Expenditure** - for purchasing equipment, irrigation infrastructure, farm infrastructure, motor vehicles, trucks, and any other movable and identifiable assets. The tenure is a maximum of 24 months.
- **Overdraft Facilities** - short-term financing through overdrafts to clients whose cash flows can support this type of product. The overdraft helps clients bridge cash flow gaps and provides the flexibility to manage interest costs and repayments.
- **Invoice Discounting** - Steward Bank discounts payments to suppliers upon delivery of goods and services. Payment of the face value will be channelled to the Bank on the agreed dates. This assists customers with managing cash flows and creditors.
- **Bank Guarantees** - the Bank offers various letters of guarantees such as supplier guarantees, bid bonds, performance guarantees, etc.
- **Structured Commodity Finance** - this includes Collateral Management Agreement (CMA), Warehouse Financing, and Stock Monitoring Arrangements (SMA). Financing under Special Purpose Vehicles and Partnership Arrangements.
- **Smart Energy Finance** - Renewable energy financing solutions for solar photovoltaic system equipment, storage, irrigation/pumping, cooling, and drying systems. Financing for investment in plant energy efficiency, including carbon finance and tailored concessional funding.
- **Reimagine Rural Finance** - provision of innovative funding models targeting smallholder farmers' strategic partnerships with value chain players.
- **Order Financing Loans.**
- **Project Financing Loans.**

Steward Bank
AgroFuture



Other AgroFuture Products & Services

- **Smart Sure** - Insurance covers against any loss or damage to crops, livestock, and equipment. This will be offered through bundled services in partnership with entities within EcoCash Holdings.
- **Agriculture Advisory Services** - Corporate finance solutions for agriculture sector capital raising, mergers & acquisitions, valuations, and due diligence services. Provision of advisory services for agriculture sector joint venture/partnerships.
- **Agriculture Mobile E-transact** - Instant account opening plus Instant mobile credit. Bill payments and digital financial services through mobile money, mobile app, POS Merchant, and internet banking platforms. Steward Bank offers both current and savings accounts which can be utilised using our digital banking platforms, branches, and Steward Bank agents nationwide.
- **Point of Sale (POS)** - the Bank's Point of Sale terminals operate on an integrated solution covering every aspect of electronic payments processing. The terminals are ZimSwitch compliant and can operate on either a 3G network or fibre optic integration.
- **EcoFarmer**
- **Moovah**
- **Ecocash**
- **Vaya** - tractors for tillage and transportation services of your produce to the market.
- **Electronic Banking** - the facility will allow you to effect various transactions on your account from the comfort of your home or office. The platform enables you to carry any of the following transactions:
 - 1 Statement request and balance enquiries,
 - 2 Transfers (inter-account, inter-bank transfers and RTGS),
 - 3 Bill payments to creditors,
 - 4 Airtime top-up.

Talk to us about energy financing, smart tooling support, insurance and any of your farming needs. We have a solution for every one of your farming needs including advisory services, weather indexing, crop, livestock, and equipment insurance, and sustainable energy solutions. Farming just became smarter with AgroFuture!

¹Sibeko, S. (2018, January 22). Ten priorities for getting agriculture moving in Zimbabwe. The Conversation. <https://theconversation.com/ten-priorities-for-getting-agriculture-moving-in-zimbabwe-90180>



ADJUSTING YOUR BUSINESS PLAN DURING CRISES

Brian Zungu, Head: SME Banking.

“The stiffest tree is most easily cracked, while the bamboo or willow survives by bending with the wind.” - Bruce Lee

Although this was said several decades ago, this is a beautiful summary of how flexibility is critical for survival during a global crisis like the Coronavirus pandemic. The world of today is unrecognizable from that of two years ago. In the past months, survival for businesses has depended on recognizing this fact and adapting the way things are done. As we move into the second year of the pandemic, businesses may need to start looking into implementing some of the immediate and short-term business resilience responses as long-term strategies.

A delicate balance has to be struck between maintaining core competencies and adjusting to the changing needs of the marketplace. By now, business leaders should have a sense of the areas that are most affected by the pandemic. Review the changes you have made to determine what has been most impactful for your business over the past year and amplify your efforts in that area. COVID-19 social distancing measures have interfered with business activities. Technology has proven to be an effective tool to combat the resultant lag in business.

Working from home has become a viable option for some companies and permanent remote working seems to be the future for many. Employees whose positions allow them to work from home can enjoy flexible hours that will likely increase productivity based on differing energy levels, task durations, and personal schedule needs. Remote work allows for more efficient communication through the use of tools such as Microsoft Teams and Zoom. With the elimination of the need for office space and everyday commuting, this model will also contribute towards cost-cutting. The final step in adopting this model is setting up an effective system for monitoring productivity, ensuring employees feel visible, and can communicate and collaborate with the rest of the team.

Perspective is often a decider for success or failure. Your perspective is shaped by your attitudes, experiences, and personality. As you look at the current environment, think more of what you can do with it.

Continue innovating, especially looking at how you can digitally enhance your products and services. The face of customer and supply chain interactions has changed during the pandemic; consumers have leapt towards online channels. Investing in your capacity for eCommerce will give you an edge for competitiveness in this new economic environment. For goods and services that must be traded physically, work around allowing consumers to place orders digitally. Now is a good time to begin improving your infrastructure, information services, and business portals and making sure your electronic payment systems are reliable. In this regard, reskilling your workforce may become not only necessary but crucial to better place your business to benefit from global markets.

Instead of worrying about the more-than-likely temporary closure of your business, due to social distancing mandates, look at it as an opportunity to plan and use the time to think big for the future. If you have been planning a special event, take this as an opportunity to renegotiate your agreements with your vendors in light of the sudden drop in demand. This could result in you getting cheaper prices if you agree now to hold your event several months from now. If your business deals in luxury items or products or services that are not critical to survival, take a step back and look for opportunities in other market segments. It is possible to take a portion of your business and focus on using that to make something that is of interest to people right now.

The pandemic has created some gaps in the marketplace and these opportunities to pivot may be realised by shifting our perspective on the situation. With so much of what we thought we knew about how business works in flux, we need to make a mindset realignment too. If we hold on tightly to our old business models, we might survive. However, pivoting in light of current realities, may position us to both survive and thrive.

If you are still to find your footing or seeking to expand, get in touch with your relationship manager for support with the right solution on how to meet your business goals. Whether you need financing, networking opportunities, or advice, we are ready to assist you in attaining your goals.

For feedback, please email us at SMEBanking@stewardbank.co.zw. For any queries, you can contact us on any of the below social media handles or through your relationship manager.