

## **FUNDESER STRENGTHENS HR POLICIES**

Many Nicaraguan institutions—FUNDESER included— were accused of being out of touch with clients, so the FSP decided to look at how they could improve staff-client relations through their HR policies. Examining current HR policies, FUNDESER noticed that little emphasis was placed on cultivating employee talent and that staff incentives did not emphasize strong staff-client relationships. Led by management and the board, FUNDESER overhauled its HR policies, putting in place a new manual that emphasized three institutional priorities:

- Skills development. The FSP now offers increased training and skill-building opportunities, aimed at customer service.
- Loyalty to institutional values. The FSP now recruits, hires, and evaluates employees based on the values outlined in the Code of Conduct.
- Fair remuneration. The FSP eliminated pay that was heavily based on performance incentives that promoted overselling products or abusing clients who were late on their payments. New salaries are not based on bonuses, are competitive in the market, and allow staff to negotiate their salaries.

In addition to this new manual, FUNDESER created clear job descriptions for each position, developing them with input from employees. These descriptions were aimed at helping staff understand how their work contributed to the FSP's social and financial goals. Additionally, clear descriptions allowed staff to set skill-building goals and evaluate their own work performance more easily.

FUNDESER management introduced the new policy slowly and thoroughly, conducting in-person workshops at all branch offices over two months. Though it took several more months for employees to fully understand and buy-in to the new policies, FUNDESER management believes that these policies have contributed to portfolio growth and decreased PAR.