

Otiti, Naome; Andersson, Kjetil; Mersland, Roy

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Is Employee- Client Matching Good for Firms Targeting the Bottom of the Pyramid? A Study of Microfinance Institutions

Naome Otiti*, Kjetil Andersson & Roy Mersland

School of Business and Law, University of Agder

Gimlemoen 19, 4630, Kristiansand, Norway

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ORCID (Roy Mersland): 0000-0002-6683-2737

Abstract

Purpose: The purpose of the study is to determine whether there exists employee-client matching at the Bottom of the Pyramid (BOP) as well as the most favourable employee-client categorization in terms of employee productivity when serving the BOP market. This is important in a bid to determine how to effectively operate at the BOP given the market's unique characteristics.

Design/methodology/approach: This study uses two methods depending on the research question. Firstly, a one-way analysis of variance (ANOVA) is used to determine the different employee-client categories based on socio-economic status. Secondly, Fixed Effects analysis are performed based on these categories to determine the most suitable employee-client category.

Findings: The results show the existence of employee-client matching based on similar socio-economic status. However, multivariate testing reveals that the mismatch category, where employees are of higher socio-economic status than the clients, generates more favourable employee productivity. Moreover, this result may be contingent on the geographical location of the firm.

Practical implications: The findings are important for human resource management particularly, the employment strategy of BOP firms. It suggests the need to consider employee profiles as well as client profiles when deciding which new markets to target.

Originality/value: The paper uses a global database of microfinance institutions as a case of BOP firms to investigate employee-client matching at the bottom of the pyramid.

Key words: Employee-Client Matching, Socio-economic Status, Homophily, Bottom of the Pyramid, Employee Productivity, Microfinance

1. Introduction

Who should a firm hire when targeting clients at the bottom of the pyramid? Should it hire employees from the same social strata as its clients or would it be beneficial to have employees from higher or lower social strata than its clients? We address these questions in this paper.

Over the past couple of decades, the bottom of the pyramid (BOP) market has received significant recognition. It is the largest market in terms of number of potential clients consisting of the approximately 4 billion of the world population (Prahalad & Hart, 2002; Hammond et al., 2007; Schuster & Holtbrügge, 2012; Bocken, Fil & Prabhu, 2016). Within the BOP market, some clients are considered less poor than others thus, diversifying the clientele. Moreover, there are enormous opportunities for firms due to the aggregate demand embedded within this market (Prahalad, 2006). Despite this, a common challenge for firms targeting the BOP is how to effectively deliver products and services.

Firms operating in the BOP market include social enterprises and non-profits as well as regular for-profit corporations. Microfinance institutions (MFIs), which are the subject of this study, are social enterprises operating with both financial and social logics (Battilana & Dorado, 2010). Microfinance institutions started out in the 1980s as socially oriented institutions with the goal of lending to the unbanked (Morduch, 1999). Since then, the microfinance industry has grown tremendously and evolved to include institutions ranging from non-profit entities to commercial banks.

Hart & London (2005) suggest that in order to effectively serve the BOP market, firms should become ‘indigenous’ to the society. In other words, firms should become embedded within the market segment and ultimately gain client acceptability. This suggests that serving these markets is not merely about providing affordable low-cost products. A step in becoming indigenous may also involve hiring employees from the local target community as they are believed to have a better understanding of the clients’ beliefs and practices. They also have the added advantage of being able to communicate in the local language unlike employees hired from outside the market (Kennedy, 2012; Banthia et al., 2011).

Additionally, the social characteristics of employees and clients may influence operations at the BOP (Labie, Méon, Mersland & Szafarz, 2015). For instance, Ahmad (2002), in his study of non-

profit firms in Bangladesh, suggests that gender similarities between employees and clients facilitate the provision of non-financial and financial services to women. Beck, Behr & Madestam (2011) find that there is less likelihood that first-time clients will return for another loan when served by employees of the opposite gender. This preference for similar others may apply not only to clients but also to employees, who may prefer association with clients who are similar to them (Labie et al., 2015). Along these lines, international development organizations like the World Bank require their partners to hire local employees in a bid to establish strong internal ties with clients in the countries of operation (Kennedy, 2012). Overall, this literature indicates homophilic tendencies (McPherson, Smith-Lovin & Cook, 2001) at the BOP, suggesting the benefits of employee-client matching a concept that has been explored mainly in the upper levels of the economic pyramid (for example, Gonzalez, 2013; Avery et al., 2012).

In this paper, we seek to answer two research questions. The first is whether employees and clients of BOP firms are matched based on similar socio-economic status. The second is whether employee-client matching on socio-economic basis enhances employee productivity when firms target BOP markets. Our theoretical foundation is the similarity attractiveness paradigm (Byrne, 1971). It suggests that individuals tend to prefer association with those with whom they share similarities along certain social dimensions. Thus, in our study we assume that clients prefer employees similar to them and, vice versa, employees prefer clients similar to them.

Oakes & Rossi (2003) consider socio-economic status as a measure of differences in access to necessary resources. Other scholars refer to it as a measure of individual economic and social differences in terms of income, occupation, or education (Adler & Snibbe, 2003). Since some MFIs focus on the very poor whereas others focus on the less poor (Labie et al., 2015; Armendariz & Szafarz, 2011), the socio-economic status of employees and clients presents a potential dimension along which to investigate employee-client matching at the BOP. Additionally, the interpersonal nature of the employee-client relationship in MFIs (Siwale & Ritchie, 2012) presents a solid foundation for studying this matching concept.

Empirical evidence outside the BOP literature finds that matches between employees and clients are characterized by improved performance and productivity outcomes particularly in the sales field and more recently in banking (Gonzalez, 2013; Fisman, Paravisini & Vig, 2017). Nevertheless, some scholars suggest that although individuals may prefer association with others

that are similar to them, matching may not have a positive impact on performance. For instance, Dwyer, Orlando & Shepherd (1998) suggest that matching may demotivate employees and limit their sales potential since they are restricted to a particular clientele. These mixed findings on non-BOP markets make the logics behind matching employees and clients uncertain. In the middle ground, Joshi & Roh (2009) suggest that context is an important determinant of the outcomes of employee-client matching. The unique characteristics of the BOP relative to other market segments therefore make it an interesting case to study employee-client matching.

We use data from 474 MFIs operating in 87 countries. The employees and clients' socio-economic status are measured by average salary and average loan size respectively. Regarding the first research question, we find very strong support for the existence of matches between employees and clients based on similar socio-economic status. For the second research question the association between employee-client matching and employee productivity – the results do not support our assumption of a more favourable outcome in the presence of socio-economic similarity. We find that employee productivity is most favourable when employees are of higher socio-economic status than the clients. Our results also show that the least favourable employee-client category is that where lower socio-economic status employees serve higher socio-economic status clients. This seems to suggest that higher socio-economic status employees are more favourable regardless of whether they are matched with very poor or less poor clients. Thus, the beneficial effect of similarity matching on employee productivity is supported only for the high-status employee/high-status client category.

Our study responds to the call for more human resource research in BOP enterprises (Labie et al., 2015). One take-away from this study is that in terms of productivity, MFIs should not match low status employees with high status clients. Whether this result generalises to other BOP firms which depend on the employee-client relationship, is a topic for future research. Regarding the concept of local engagement with the community through hiring locals, our results suggests that this will not be beneficial in terms of productivity. Furthermore, our results hint that commercialization may lead to less engagement with the community in terms of hiring locals. Our results present a puzzle with regard to similarity-attractiveness hypothesis. We find that firms actually match employees and clients based on similarity, however, the rationale for this remains unclear.

Ultimately, it may be important to consider regional variations when establishing the employment strategy of such firms.

The paper proceeds as follows. In the next section, we present a background to the commercialization aspects in microfinance. In Section 3, we present our theoretical framework and develop testable hypotheses. In Section 4 we present the data and methods. In Section 5 we present the results. In Section 6 we discuss our results and Section 7 concludes.

2. Background: Aspects of Commercialization in Microfinance

Social enterprises like microfinance institutions are firms that combine a social and financial logic. Therefore, due to this dual logic, they can be described as hybrid firms (Doherty, Haugh & Lyon, 2014; Battilana & Dorado, 2010). These firms mainly seek to fulfill the needs of society that remain unmet by the public sector and private organizations. Thus, the social mission is considered as core and tends to vary among social enterprise types. Common examples of social missions include poverty alleviation, employment creation, inequality reduction and environmental protection (Doherty et al., 2014). As such, microfinance institutions like other social enterprises, can be viewed as firms that contribute to social change at the bottom of the pyramid markets (Goyal et al., 2014). To remain sustainable, it is important for such hybrid firms to balance the social and financial objectives.

However, balancing these objectives may be a challenge for such firms due to the competing nature of the institutional logics that they ascribe to. Indeed, there is vast discourse in social enterprise literature with terms such as ‘trade-offs’ and ‘tensions’ being used to reflect this complexity. For instance, Wry & Zhao (2018) find that microfinance institutions experience a trade-off when there is more focus on the social objective relative to the financial objective. Likewise, since these firms tend to have various stakeholders, pressures may arise from them due to their differing logics leading to tensions in the firm. Battilana & Dorado (2010) offer a good illustration of this in their study of a Latin American MFI, they found that there were intergroup tensions among the employees with different ideologies. Recent studies in other BOP markets also find that partnerships between different institutional types for example, between banks and MFIs, may result in conflicts due to their competing logics (Parekh & Ashta, 2018). These types of tensions

bear resemblance to Smith, Gonin & Besharov 's (2013) conceptualization of belonging tensions which raises questions about identity in the social enterprise. For instance, questions about “who we are” and “what do we do” are raised since employees may identify more with either social or financial logic. However, Battilana et al., (2015) suggest that a solution to this may involve the assignment of responsibility for the social or financial activities to different employee groups. This could also apply in microfinance institutions with their diverse client groups and equally diverse employees based on socio-economic status. Thus, it could be beneficial to match employees and clients based on socio-economic status.

Furthermore, the commercialization of microfinance characterized by investor take-over of the microfinance industry has led MFIs to behave as banks (Ledgerwood & White, 2006). It has led to the increased demand for financial returns as investors and shareholders become residual claimants on the profits. A popular case is the Mexican MFI Compartamos which transformed to a bank and by launching an IPO made its early investors very wealthy (Mersland & Strøm, 2010; Ledgerwood & White, 2006). However, this raised some criticism as it unveiled the atrocious interest rates of almost 100 percent charged to its poor clients (Cull, Demirgüç-Kunt & Morduch, 2009). Moreover, increased commercialization prompted some formal banks to downscale and include microfinance products and services (Bell, Harper & Mandivenga, 2002). In their study on the impact of commercialization on MFI operations, D’Espallier et al. (2017) found an increase in average loan size following transformation from NGO to bank. This therefore suggests an upscaling in the clientele from the very poor to less poor. Some might argue that this outcome of commercialization could negate the fact that all microfinance institutions are social enterprises.

Furthermore, the proliferation of commercialization in microfinance has influenced some firms to prefer the financial goal over the social goal suggesting mission drift (Mersland & Strøm, 2010; Copestake, 2007). This implies that some MFIs tend to favour richer clients as opposed to poorer clients. It has been the subject of much debate in microfinance since it implies deviation from microfinance’s social goal of extending loans to the unbanked poor (Hermes, Lensink & Meesters, 2011). Nevertheless, others argue that through serving rich clients, MFIs are able to provide loans to poorer clients (Mersland & Strøm, 2010), moreover, at lower interest rates. Additionally, mission drift may also result from employee activities in the field. Beisland, D’Espallier & Mersland (2019) find evidence of this where the employees are less likely to serve vulnerable,

hence poorer clients. This phenomenon referred to as personal mission drift (Beisland et al., 2019). Other studies rather suggest that there is a tendency for employees to favour clients with similar social aspects to them, suggesting a form of discriminatory behaviour in employee interactions with clients (Labie et al., 2015).

3. Theoretical Framework

Similarity Attractiveness Paradigm: Homophily Effect

According to Byrne (1971), similarity-attraction can be said to occur when individuals in society seek association with groups or individuals with whom they share similarities. A similarity is the extent to which members of a group share personal or other social characteristics (Smith, 1998). Also referred to as the homophily effect, similarity-attractiveness is based on different social dimensions, such as age, gender, socio-economic status, and religion (McPherson, Smith-Lovin & Cook, 2001). When noticeably different groups exist, individuals tend to perceive members of their in-group as being similar to them and members of the outgroup as being dissimilar. The fact that individuals belong to the same group can thus be viewed as creating a sense of belonging, which in turn encourages cooperation. Therefore, similarity attractiveness illustrates how different social factors influence the behaviour of individuals.

Studies in different fields have shown that individuals tend to be attracted to those who are similar to them. For instance, donors and lenders have been found to prefer funding individuals with whom they can relate (Loewenstein & Small, 2007; Galak, Small & Stephen, 2011). In the sales field, Dwyer et al. (1998) find that sales personnel tend to prefer potential clients with whom they share similarities in gender or age. It has been suggested that similarities influence trust, communication and satisfaction (Rai et al., 2009; Smith, 1998; Byrne, 1969). Therefore, in a firm setting, this preference for similar others may have an important influence on the relationship between employees and clients and, hence, on the performance of the firm.

In the BOP field, the tendency to prefer similar others has also been demonstrated. The unique characteristics of clients may require BOP firms to hire employees from the local community. For instance, in an initiative to extend financial services to people in rural areas of Uganda, local employees were found more suitable than non-locals due to their knowledge of the clients' beliefs and practices (Banthia et al., 2011). As part of this initiative, an employee-client gender pairing was proposed for activities that require face-to-face interaction. In another study, female clients in

South Asia were found to prefer fellow female employees when receiving non-financial services (Ahmad, 2002). In addition, van den Berg, Lensink & Servin (2015) in their study of a Mexican MFI, found that the employees hired were usually of the same Catholic religion as the majority of their potential clients. This similarity facilitated communication and commitment to the MFI.

BOP firms do not serve a uniform socio-economic segment. Some focus more on 'lower poor' clients whereas others target more 'upper poor' clients (Labie et al., 2015; Armendariz & Szafarz, 2011). Besides that, MFI employees also constitute different socio-economic statuses (Siwale, 2016). Thus, socio-economic status presents a potential social dimension that can also impact the employee-client relationship in the BOP market since it is not necessarily homogeneous. For instance, in microfinance, it is reported that some employees tend to look down on poorer customers and develop pretentious attitudes when dealing with them (Jacobs & Franceys, 2008). Other studies find that employees tend to favour urban clients, who are usually less poor than rural ones (Beisland et al., 2019; Labie et al., 2015).

More generally, the aspect of socio-economic status has been widely explored in literature, moreover from different perspectives. From a cultural perspective, it is viewed as an environment in which individuals are embedded which shapes how they perceive themselves as well as the nature of their relations with others (e.g., Stephens, Markus & Fryburg, 2012). Likewise, some studies focus on the consequences of belonging to a particular socio-economic group (Shah, Mullainathan & Shafir, 2012). Other scholars rather conceptualize socio-economic status as a rank-related construct (Kraus, Tan & Tannenbaum, 2013). Under this, comparisons of one's resources determine their rank in society relative to others. Thus, when individuals of different socio-economic status encounter each other, cross-class encounters are said to occur and individuals tend to respond to these differences in interpersonal and intrapersonal ways (Gray & Kish-Gephart, 2013).

Considering socio-economic similarities, the study of Byrne, Clore & Worchel (1966) was among the first, albeit in a student setting. Using one's likelihood of enjoying working with another as a measure of attraction, they found that individuals of similar socio-economic status were more attracted to each other than to dissimilar individuals. Related studies in the health sector also show that doctors prefer to treat high socio-economic status patients, who presumably are similar to them (Willems et al., 2005). This preference is attributed to the greater ease of communication that

facilitates information exchange. Although the study seems to characterize all employees (doctors) as being of higher socio-economic status, it is nevertheless relevant to our study as it illustrates individual preferences for others of similar socio-economic status.

Employee-Client Matching

Based on the above discussion, the homophily effect can arise for two (not mutually exclusive) reasons. First, it could be that employees seek clients that are similar to themselves. Secondly, it could be that clients seek firms with employees that are similar to themselves. In this study we cannot distinguish between who seeks whom or not.

Employees can be categorised into two types and clients into two types. A firm could hire employees with high socio-economic status or low socio-economic status¹. It could also serve clients with high socio-economic status or low socio-economic status. This therefore gives us four mutually exclusive employee-client categories, as shown in Table 1.

Regarding our categorization in Table 1, we cannot say in absolute terms, for instance, that in the HL category, employees are of higher status than clients. Rather, we mean that this is the case relative to the LL category. Put simply, this implies that the social distance between employees and clients is higher in HL category than in LL category. The same explanation applies for the LH category. Nevertheless, for the rest of the paper, we present as though the mismatch categories are in absolute terms.

[Insert Table 1 Here]

If the homophily effect is supported, we would expect to find more firms in quadrant (1) and quadrant (4). Thus, our first hypothesis is simply related to whether there is matching or not at the firm level.

Hypothesis 1: There is matching between employees and clients for MFIs based on similar socio-economic status.

We might also observe matching where firms instruct their employees to match with similar clients. Presumably, firms would do this if there were a beneficial effect of matching on performance outcomes, which brings us to our second hypothesis.

Employee-Client Matching and Its Impact on Performance

Employee-client matching is considered by some scholars to be a suitable management strategy for firms to achieve a competitive advantage (Morrison, 1992; Cox & Blake, 1991). The performance benefits of employee-client matching are mainly attributed to trust and more open communication between similar individuals (Avery et al., 2012). Most empirical studies on matching and performance have focused on demographic factors, like age (Dwyer et al., 1998), gender (Kochan et al., 2003; Dwyer et al., 1998), and race (Gonzalez, 2013; Avery et al., 2012; Kochan et al., 2003). We abstract from these studies and investigate the relationship between matching based on socio-economic status (as illustrated in Table 1), and employee productivity.

Empirical evidence shows that certain firms mainly in the sales and marketing field tend to incorporate a matching strategy. In a study on retail store productivity, Avery et al. (2012) find that racial-ethnic matches between employees and clients improve customer satisfaction and hence positively influence productivity. Another related study finds that employee-client matching based on race has a stronger influence on a firm's financial performance in culturally diverse communities compared to homogeneous ones (Gonzales, 2013).

In a study on gender and age matching, Dwyer et al. (1998) find that sales employees are attracted to clients that are similar to them. However, on closer analysis, it was found that age similarities have no significant impact on performance (productivity), whereas gender mismatches have a positive one (Dwyer et al., 1998). These mixed findings suggest that matches do not always have a positive influence on firm performance, that is, employee productivity.

Furthermore, aspects of employee-client matching also seem to be exhibited in areas dominated by strong cultural beliefs and practices. In a study of an Indian bank, Fisman et al. (2017) find that when a banking officer and a client belong to the same cultural group, there is increased credit access, repayment, and dispersion of loan size compared to when there are cultural differences. They attribute such performance outcomes to greater ease in communication as well as the banking officer's ability to issue social sanctions on a culturally similar client.

The BOP literature that suggests employee-client matching also hints at its potential benefits. For instance, van den Berg et al. (2015) find default rates in MFIs to be lower when an employee is of the same gender or religion as the client. Beck et al. (2011) find that there is less likelihood that

first-time clients will return for another loan when served by employees of the opposite gender. These studies suggest that matches based on other social dimensions such as socio-economic status are also likely to influence performance outcomes. Thus, focusing on employee productivity as our performance outcome of interest, we propose the second hypothesis of our study.

Hypothesis 2: MFIs with similar employee-client socio-economic matching have higher employee productivity than MFIs with dissimilar employee-client matching.

Put differently, firms in quadrants (1) and (4) in Table 1 are predicted to have more favourable employee productivity because of the similar socio-economic match between employees and clients.

4. Data and Methods

Data and Sample

We use data from a secondary dataset extracted from compilations of risk assessment reports of five specialized microfinance rating agencies namely, Microfinanza, MicroRate, Planet Rating, CRISIL and M-CRIL. These rating agencies are internationally recognized and originally approved by the Consultative Group to Assist the Poor (CGAP), the microfinance branch of the World Bank. The rating reports consist of information about the MFI's governance, management, and financial and social operations. Appendix 1 shows the distribution of MFIs by country and region in our dataset. The final unbalanced panel sample consists of 474 MFIs for the period 1998 - 2015 with data on 1923 observations per variable used. Rated data is not randomly drawn from the population of MFIs, therefore there is a risk of sample selection bias. Nevertheless, rated data and the current dataset have been used in many influential MFI studies. For example, Garmaise & Natividad (2010) use it to examine the influence of asymmetric information on the financial and operating activities of MFIs, Gutiérrez-Nieto & Serrano-Cinca (2007) use it to determine the factors affecting the rating of MFIs, whereas Randøy, Strøm & Mersland (2015) use it to show how entrepreneur CEOs affect MFIs. Moreover, increasing access to external funding is one of the motivations to attain a microfinance rating (Mersland & Strøm, 2010). This exposes rated MFIs to investors with either social or financial orientation. Therefore, our dataset includes MFIs with both very poor and less poor clients, this diversity in clientele being relevant for our study. Additionally,

compared to other data sources which are self-reported, rated data is reported by a third party representing its authenticity².

Matching Variables

To answer research question one, we need to create a set of variables that measure whether a firm belongs to quadrant (1), (2), (3) or (4) in Table 1. Also, these variables will enter as independent variables for research question two.

We use average loan size per client to proxy for the socio-economic status of the clients. This proxy is commonly applied in microfinance research to indicate the socio-economic segment that an MFI targets (Cull, Demirguz-Kunt & Morduch, 2007; Schreiner, 2002; Mersland & Strøm, 2010). Similarly, we use average salary per employee to proxy for the socio-economic status of the employees. As in other studies (for example, Abate, Borzaga & Getnet, 2014; Périlleux, Hudon & Bloy, 2012), this proxy is obtained by dividing personnel costs by the number of employees.

The firm has the following employee-client choices. It can hire employees of high socio-economic status or low socio-economic status, that is, high or low salary employees respectively. The assumption is that employees in the first group receive a higher salary than employees in the second group simply because of their higher socio-economic status or because they have higher education and/or experience. Additionally, the firm can choose to serve clients of high socio-economic status, or low socio-economic status, that is, high or low average loan size clients, respectively. The assumption is that clients in the first group receive a higher average loan size than clients in the second group (Cull et al., 2007; Schreiner, 2002).

The firms can now be classified into four mutually exclusive employee-client categories as indicated in Table 1: high-status match, low-status match, employees serving downwards and employees serving upwards. In our analysis, these are denoted by *HH*, *LL*, *HL*, and *LH* respectively³. To distinguish between high and low socio-economic status we apply yearly country median values of loan size and salary, that is, median values for each year per country where the MFI operates. Similar research by Beck et al. (2011) also uses median values to distinguish between high and low social distance between MFI employees and clients.

Thus, let $salary_{ijt}$ ($loansize_{ijt}$) denote average salary (average loan size) of employees (clients) from MFI i in country j in year t , and let $salary_{jt}^M$ ($loansize_{jt}^M$) denote the median value of these variables in country j in year t . The following dummy variables define the 4 categories:

$$\left. \begin{aligned} HH_{ijt} &= 1 \text{ if } salary_{ijt} > salary_{jt}^M \text{ and } loansize_{ijt} > loansize_{jt}^M, \text{ 0 else,} \\ LL_{ijt} &= 1 \text{ if } salary_{ijt} < salary_{jt}^M \text{ and } loansize_{ijt} < loansize_{jt}^M, \text{ 0 else,} \\ HL_{ijt} &= 1 \text{ if } salary_{ijt} > salary_{jt}^M \text{ and } loansize_{ijt} < loansize_{jt}^M, \text{ 0 else} \\ LH_{ijt} &= 1 \text{ if } salary_{ijt} < salary_{jt}^M \text{ and } loansize_{ijt} > loansize_{jt}^M, \text{ 0 else} \end{aligned} \right\} \quad (1)$$

A firm is categorized as *HH* (high-status match) in year t if its employees' salary in year t is higher than the median salary of employees from the MFIs in the country in year t , and its clients' loan size in year t is higher than the median loan size of MFI clients in the country in year t , and so forth.

The Impact of Matching on Employee Productivity

To answer research question two on whether employee-client matching has an influence on MFI employee productivity, we use the variables defined above in the following fixed effects regressions:

$$employee\ productivity_{ijt} = \alpha_i + \beta_1 HH_{ijt} + \beta_2 LL_{ijt} + \beta_3 HL_{ijt} + controls + \varepsilon_{ijt} \quad (2)$$

Greek letters denote coefficients to be estimated, *controls* are different control variables (see Table 2 below), and ε_{ijt} is an error term assumed to be independent and identically distributed (*iid*). The matching coefficients of *HH*, *LL*, and *HL* are included; hence, the β 's are the marginal effects relative to the left-out category, *LH*, that is, employees serving upwards.

In the above regression, our performance measure is *employee productivity* defined as the number of clients served per MFI employee (MicroRate, 2014; Hudon & Traca, 2011). According to the MicroRate (2014) report, employee productivity is viewed as providing an institution-wide perspective on an MFI's performance as it considers all the MFI employees. Furthermore, since MFIs seek to expand their client base, employee productivity uniquely distinguishes MFIs from traditional banks, which aim to increase their portfolio size (MicroRate, 2014).

Control Variables

To control for macroeconomic institutional variables, the socio-economic statuses of the employees and clients are scaled by PPP-adjusted gross domestic product per capita (GDP per capita, PPP \$).

Controls for MFI-specific variables are also considered. We control for MFI size and MFI age since bigger and older firms are expected to perform better than smaller and younger firms. Bigger firms perform better because of economies of scale, as has been confirmed in the microfinance industry (Hartarska, Shen & Mersland, 2013). Older firms perform better because of learning effects (Zamore, 2018). Size is proxied by the natural logarithm of a firm's total assets and age is the number of years that the firm has been in operation. Furthermore, the market of operation has the potential to influence employee productivity since rural clients are generally more dispersed and poorer than urban clients (Cull et al., 2009). Thus, a dummy variable indicating whether or not the MFI has some operations in urban markets is included. The credit methodology of an MFI is likely to impact productivity and is denoted by a dummy variable indicating whether the main lending method is individual lending or group lending. We also control for the credit risk of the MFI. It is represented by a combined measure of PaR30 (likelihood of loss in the future) and a write-off ratio (unrecoverable loans written off), since these two variables together reflect a truer credit risk of an MFI than either of the two variables alone (Lensink, Mersland, Vu & Zamore, 2018). Finally, since the type of ownership of MFIs is not universal, we control for whether the MFI is incorporated as a shareholder or non-shareholder- owned firm. Consistent with other studies, we include this variable based on the fact that the type of ownership may account for variations in performance across firms (Williams & Nguyen, 2005).

A summary of the variables described above is presented in Table 2.

[Insert Table 2 Here]

Table 2 presents means, standard deviations and the description of variables used to answer the two research questions. All monetary variables are dollarized and real in the sense that they are deflated by nominal GDP per capita and PPP-adjusted. Thus, for example, the mean value of salary reflects that the average annual salary of an employee in our sample is 13 per cent higher than the

PPP-adjusted GDP per capita in the country. On the other hand, the mean value of loan size is 17 per cent of the GDP per capita PPP-adjusted in the country. The descriptive statistics on the original data showed some unreasonable figures, therefore, the data has been winsorized at the 1 per cent and 99 per cent cut-off levels. Using the original data does not change the qualitative results.

5. Results

Research Question 1: Existence of Socio-economic Matching

To determine whether MFIs match their employees and clients (research question 1), we performed a one-way analysis of variance. Table 3 below displays the result of the test. For reference we also repeated the means of the matching variables from Table 2. Specifically, we let these means (frequencies) be denoted by μ . In the case of no matching of employees and client of similar socio-economic status, we expect the distribution of HH , LL , HL , LH to be random, with $\mu = 0.25$ for each category. In the presence of such matching, however, we expect the frequency of HH and LL to be significantly higher than 0.25.

[Insert Table 3 Here]

From the table, we see that about 58 per cent of the sample is a similar socio-economic match, that is, HH or LL . Moreover, we find that the frequency μ is significantly different from 0.25 at every conventional significance level. We conclude that the data support Hypothesis 1, that there is matching of employees and clients based on similar socio-economic status. This result is very robust to alternative classifications. For instance, if the categories comparing *salary* and *loansize* were instead defined relative to their yearly world medians, that is, the median values in each year based on all countries in the dataset, then the sorting according to similar socio-economic status result would remain intact. Therefore, the data strongly corroborates that there is similar socio-economic employee-client matching in MFIs.

Research Question 2: Socio-economic Matching and Its Impact on Employee Productivity

Having established that there is a clear tendency for employee-client matching based on similar socio-economic status, we turn to the immediate question of how it impacts employee productivity. Columns (1) and (2) of Table 4 report the fixed-effect results for equation (2) using employee productivity as the dependent variable⁴. As can be seen, column (1) shows the results without the control variables, while column (2) shows the results with control variables. We include a country-specific time trend in all regressions. Initial regressions show that error terms are heteroskedastic; therefore, cluster-robust standard errors are reported, as per Arellano (1987).

[Insert Table 4 Here]

Comparing the models with and without control variables, we see that the qualitative results are the same with respect to our variables of interest, that is, the category dummies. We observe that loan size, urban market, MFI size and risk are significant and the R-squared is higher in the regression with controls. Interestingly, salary (the control variable) is not significantly associated with productivity.

Regarding our variables of interest, that is, HH, LL and HL, recall that all coefficients must be interpreted in relation to the left-out category, that is, LH: employees serving upwards. Regarding regressions (1) and (2), recall that if Hypotheses 2 is to be supported then the coefficients on HH and LL must be positive, and each must be larger than HL. In regressions (1) and (2) we see that the coefficients on HH and LL are significantly larger than the coefficient on LH; however, the coefficient on HL is significantly larger than the coefficients on LL and HH. Thus, we do not find support for the hypothesis that similar employee-client matching based on socio-economic status is associated with higher performance. On the contrary, dissimilar matching of the HL type, where high-status employees are matched to low-status clients, is the best type of match in terms of employee productivity. Put differently, having low-status employees serve high-status clients is the least favourable match for employee productivity whereas having high-status employees serve low-status clients is the most favourable match.

Robustness Checks

The different employee-client classifications may have different meanings in different geographical locations due to culture differences in dimensions like power distance and socio-

economic differences. Power distance measures individual behaviour and regard for those in positions of authority (Hofstede, Hofstede & Minkov, 2005; Hofstede, 2001). High power distance suggests that inequalities are more normalized in these societies such that individuals at lower levels of the hierarchy tend to look up to those in higher levels (Hofstede et al., 2005; Hofstede, 2001). This suggests that our matching variables may have different meaning in different cultural settings. We expect the cultural differences to be much less within more narrowly defined regions compared to the whole sample. Moreover, differences across regions are of interest in itself. Thus, we split our sample into 5 regions based on the World bank's categorization, that is, Latin America and the Caribbean (LAC) , Sub-Saharan Africa (SSA), Europe & Central Asia (ECA), South-East Asia & the Pacific and Middle East (SEAP) and North Africa (MENA). Table 5 reports the results of separate regional productivity regression analyses.

[Insert Table 5 Here]

From our robustness checks in Table 5, we find that in Latin America & Caribbean as well as South East Asia & Pacific regions, qualitatively, our results from the full sample in Table 4 are maintained. However, we observe that coefficients of the categorical variables are higher in the South East Asia & Pacific region. Specifically, we find that in these regions relative to our reference category (LH), the best performing category variable is HL. For Europe & Central Asia, Sub-Saharan Africa and Middle East and North Africa, no category variables are significant at the 5% significance level.

We suggest possible reasons for our results in the next section.

6. Discussion

The results of the study provide strong support for Hypothesis 1, which predicts that socio-economic similarity matches between employees and clients of MFIs are more likely to occur in BOP markets. In line with the homophily effect, our results can be attributed to the behavioural tendency of individuals to prefer others that are similar to them (Byrne, 1971; McPherson et al., 2001). Previous studies suggest that it is easier for individuals to relate to similar others since it facilitates communication and the development of trust (Rai et al., 2009; Jones, Moore, Stanaland

& Wyatt, 1998). Thus, similarities between individuals can be considered important in establishing an employee-client relationship.

In this study, the basis for our argument is an individual-level theory with the expectation that benefits associated with employee-client similarities will be reflected in employee productivity. However, our results are puzzling as the matching categories do not provide support for higher productivity outcomes where there are employee-client similarities relative to dissimilarities. The results seem to suggest that the firm has no strong incentive to engage in similarity matching particularly if it can choose its clients and employees freely. If an MFI targets poorer clients, employee productivity will be higher if the firm hires high-status employees. For high-status clients, employees of similar high status are preferable. Thus, high-status employees appear to be the most preferable regardless of the clients' status.

Employees of higher status tend to be more educated (Siwale, 2016; Adler & Snibbe, 2003) and hence more skilled in problem solving, communication, and interpersonal relations (Bruns, Holland, Shepherd & Wiklund, 2008). These skills are likely to facilitate employees' interactions with potential clients and hence increase productivity. Moreover, it is generally accepted that individuals from low income segments tend to have less education levels and fewer skills than individuals from higher income segments (SadreGhazi & Duysters, 2009; Chhibber & Nayyar, 2008; Prahalad & Hart, 2002). This may explain why the match categories with high-status employees (that is, HL and HH) were seen to outperform those with low-status employees (that is, LL and LH). Moreover, irrespective of the client type that the MFI is targeting, in terms of productivity, our results suggest that it is better to have high status employees. For example, this implies that even MFIs required to meet a predetermined number of clients or serve as many poor clients as possible in a financially sustainable way, should choose high status employees.

Furthermore, an important control variable in our study is salary. After all, higher salary levels should, at least in theory, boost productivity (Akerlof & Yellen, 1986). Thus, it can be argued that the significantly positive productivity effects found for the HH and HL matches are driven by higher salaries. Including the salary control variable enabled us to better interpret the results on the matching variables. Yet, despite the theoretical assumption, the salary variable was insignificant in our full sample as well as in the regional regression analysis. Paying higher salaries in MFIs seems not to enhance productivity, all else equal.

From the productivity/economics perspective, our finding on the second research question that high status employees are more productive than low status employees irrespective of client type, may seem close to a tautology- ‘more productive employees are more productive’. However, referring to the homophily effect and similarity attractiveness paradigm, it is not obvious that high status employees would be the most productive irrespective of the clients served. Indeed, as we argue in the theoretical framework, if similarity attractiveness effects are strong, low status employees may be more productive in serving low status clients. An interpretation of our findings is that the productivity effect dwarfs the similarity effect. Nevertheless, based on results of the second research question, one may question why MFIs then match on the LL category? After all, we find that productivity would have been high if the MFI had selected high-status staff. This suggests that there are other benefits (not captured in the labour productivity measure) to having a low status similarity match.

Our finding that firms serving BOP markets, in our case MFIs, will benefit from hiring people from a high socio-economic status regardless of their clients’ status is somewhat worrying. It suggests that these firms are less likely to recruit from the poorer communities. Although offering employment is secondary to microfinance’s social goal, ignoring it, may reinforce labour market inequalities in these BOP markets. To cope with this, such firms could benefit from adopting status enhancing mechanisms for potential local staff. This could be done through appropriate training, salary, and other status-enhancing mechanisms. Moreover, the reader should keep in mind that the microlending business involves complex operations including calculation of risk. In less competence-demanding BOP markets, the importance of hiring high-status employees may be lower.

Our results from robustness checks allude to potential regional differences on the impact of the employee-client socio-economic categories. In Latin America & the Caribbean and South East Asia & Pacific regions, our results are the same as in the full sample with the HL category (i.e., employees of higher status than clients) being the best performing in terms of productivity. Several reasons could explain this. Firstly, these regions tend to be characterised by a high-power distance culture (Sweetman, 2012; Gomez & Sanchez, 2005). This implies that vast inequalities among individuals are considered normal in the society such that lower status individuals look up to higher status individuals. Secondly, the regions tend to be characterized by high income disparities

relative to others (Wu & Chang, 2019; Amarante, Galván & Mancero, 2016). Such income disparities imply differences in accessibility to health services and education opportunities, hence reinforcing socio-economic differentials (Kraus et al., 2013). Therefore, these reasons may explain why high-status staff are likely to perform better regardless of the client's socio-economic status.

On the contrary, findings from Sub-Saharan Africa, Europe & Central Asia and the Middle East & North Africa suggest that employee-client socio-economic matching does not matter for productivity. These regions tend to have lower power distance in comparison to Latin America & the Caribbean and South-East Asia & Pacific. This suggests that there is less inequality among individuals and may therefore explain why socio-economic status similarities or the lack thereof do not seem to matter for performance. Additionally, differences in levels of institutional development may offer some explanation, for instance, there is less dependence on relationship-based interactions in relatively strong institutional environments (Boehe & Cruz, 2013). This suggests that individual outcomes may be less influenced by status similarities or the lack thereof in more developed regions like Europe and Central Asia. Furthermore, the high degree of diversity between and within countries in some regions like Sub-Saharan Africa and Middle East & North Africa (Green, 2013; Alesina et al., 2003) suggests that other status related aspects may be at play such as tribe, clan or religion.

Finally, aspects of commercialization of microfinance may be informative to the overall discussion. Studies show that the commercialization of microfinance firms has led to operational changes such as shifts in lending methods from group to individual lending (de Quidt, Fetzer & Ghatak, 2018) and increase in average loan sizes disbursed to clients (D'Espallier et al., 2017). This begs the question as to whether organizations change their employees when they commercialize. Also, do they then match employees to meet their new target clients? If so, this may reinforce the need for high status employees. Although a few scholars have suggested that commercialization may lead to human resource changes (Ledgerwood & White, 2006), the extent to which commercialization is related to employment practices and who to hire is intriguing. In our study, we do not distinguish between employee-client categories before and after commercialization. Extending our analysis in this direction is an interesting topic for future research.

7. Conclusion

The objectives of this study were twofold. One was to determine whether there are employee-client matches based on socio-economic status in BOP firms. The other was to determine whether similar socio-economic matching yields favourable employee productivity.

The results show that microfinance institutions tend to match their employees and clients based on socio-economic status. 58 per cent of the employee- client categorizations were based on similarity whereas 42 per cent were based on dissimilarity. High socio-economic status employees were found more suitable for employee productivity both when targeting high and low socio-economic status clients. The least favourable category was employees of low socio-economic status serving clients of high socio-economic status. Nevertheless, additional results suggest the impact of the socio-economic matching categories on productivity is dependent on the region.

One of microfinance's specificities includes the important role that employees play as mediators in achieving firm objectives (Siwale & Ritchie, 2012). Yet, the underlying factors within loan officer- client categorizations remain scarcely explored. Our study attempts to contribute to this by exploring the compatibility of loan officers and clients based on their socio-economic status and how this impacts productivity. This study suggests that focus should not merely be on the establishment of the relationship but also, on understanding how social aspects between loan officers and clients that influence the development of such relationships hence, performance.

Although the BOP market has garnered a lot of attention, there is still scarcity of human resource related research. Our study attempts to fill this gap in mainly two ways. First, it contributes to matching-related studies in general human resource literature by exploring the concept in the BOP context. Secondly, our study may have implications for the employment strategy of microfinance institutions. Particularly, since high-status employees appear to be in high demand, managers have to think strategically about the matching of clients and employees as its impact may vary by geographical location. Due to cultural and institutional differences in the regions, it is necessary for each MFI to carefully consider the that type of employees that they need in order to be effective in their context. In some contexts, they may perform better by hiring higher status staff whereas in

other contexts the employees' status may not matter. This may be relevant especially for firms participating in local engagement through hiring locals among their staff.

Moreover, microfinance institutions represent just one example of social enterprise thus, the employment strategy among different social enterprises may differ. For example, some social enterprises tend to have both volunteers and paid employees among their staff (Doherty et al., 2014). A question may therefore be raised as to whether a selection criterion for each employee type should be in place? Also, in other BOP enterprises, whether it matters what type of clients the firm is targeting, i.e., paying clients or beneficiaries. Our study therefore opens the avenue for future research that seeks to explain such human resource related nuances in social enterprises. Moreover, it also raises questions as to whether upcoming issues in social entrepreneurship such as commercialization may influence the firms' employment strategy

Future studies can also consider specific individual-level socio-economic information on the employees and clients to establish whether their findings differ from those of our study which employs firm level data. Other related aspects of socio-economic status for example, the education level, tribe, clan of the employees and clients, can also be investigated in future BOP employee-client matching-related studies. Likewise, investigating other mechanisms inherent in employee-client interactions beyond socio-economic status and across different regions based on cultural dimensions like power distance could be informative.

Notes

1. Microfinance practitioners inform that MFIs for instance those in Latin America often disburse large average loan sizes per client of \$5000 or more, making clients likely to be wealthier than employees.
2. Although rated data is generally considered to be authentic, it tends to lack small saccos as well as bigger microfinance banks. It is also over-represented in the Latin American region. Ultimately, no dataset is a perfect representation of the population and the rating dataset is no exception to this.

3. For each category, the letter in the first position represents the employee's socio-economic status and the letter in second position represents the client's status. For example, in the HL category the employee is of high socio-economic status and the client is of low socio-economic status.
4. We also ran similar regressions on other MFI performance variables such as profit, financial revenue and portfolio yield and did not find any significant effects (results are available upon request). Therefore, we consider productivity the most relevant in this study since matching is most likely to influence it and to a lesser extent profit, financial revenue and portfolio yield which are more dependent on other market factors.

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Tables

Table 1. Summary of BOP Firm Employee-Client Matches

	High Socio-economic Status Clients	Low Socio-economic Status Clients
High Socio-economic Status Employees	High-Status Match (HH) (1)	Employees Serving Downwards (HL) (2)
Low Socio-economic Status Employees	Employees Serving Upwards (LH) (3)	Low-Status Match (LL) (4)

Notes: For the abbreviations HH, LH, HL and LL, the letter in the first position represents the employees' status, whereas the letter in the second position represents the clients' status

Table 2. Descriptive Statistics

Variables	Description	Mean	Std. Dev	Min	Max
Matching Variables: Equation (1)					
<i>HH</i>	High-status match	0.30	0.46	0	1
<i>LL</i>	Low-status match	0.28	0.45	0	1
<i>HL</i>	Employees serving downwards	0.21	0.41	0	1
<i>LH</i>	Employees serving upwards	0.21	0.40	0	1
Dependent Variable: Equation (2)					
<i>Employee Productivity</i>	Number of credit clients per MFI employee	118.24	74.91	9	396
Control Variables: Equation (2)					
<i>Salary</i>	Average salary: Total employee costs divided by number of MFI employees	1.13	1.46	0.04	8.92

<i>Loansize</i>	Average loan size: Total loan portfolio divided by number of credit clients	0.17	0.37	0.00	2.57
<i>Risk</i>	Total risk of the MFI (par30+writeoff)	0.08	0.10	0	0.60
<i>MFI-size</i>	Natural Logarithm of Total assets from the balance sheet	2309.77	5631.14	7.84	37640.87
<i>MFI-age</i>	Years since establishment of the MFI	12.61	8.94	1	45
<i>Urban market</i>	1 = MFI has some operations in urban market, 0 = otherwise	0.88	0.31	0	1
<i>Shareholder</i>	1= shareholder owned, 0 = otherwise	0.37	0.48	0	1
<i>Creditmethod</i>	1= individual lending as main method, 0= otherwise	0.57	0.50	0	1

Note: All monetary variables are deflated by GDP per capita, PPP \$

Table 3. Socio-economic Matching Frequencies

	HH	LL	HL	LH
μ	0.30*** (0.01)	0.28*** (0.01)	0.21*** (0.01)	0.21*** (0.01)
$H_0: \mu=0.25$	0.000001	0.002	0.00003	0.000002
Observations	1923	1923	1923	1923

Notes: HH represents high-status match; LL, is the low-status match; HL, is employees serving downwards; and LH, is employees serving upwards. The figures of μ show probability values of the test $\mu = 0.25$. Standard errors are in parentheses. *, ** and *** denote statistical significance at the 10%, 5% and 1% level respectively.

Table 4. Performance Regressions

	Employee Productivity	
	(1)	(2)
<i>HH</i>	10.35*** (2.94)	11.16*** (2.80)
<i>LL</i>	11.60*** (3.73)	7.263** (3.31)
<i>HL</i>	24.27*** (4.30)	21.12*** (4.16)
<i>Salary</i>		-3.47 (4.26)
<i>Loansize</i>		-64.73*** (10.45)
<i>MFI Size</i>		11.35*** (3.15)
<i>MFI Age</i>		-5.649 (3.72)
<i>Urban market</i>		-14.54* (8.47)
<i>Risk</i>		-59.95*** (15.87)
<i>Shareholder-owned</i>		-2.296 (15.87)
<i>Creditmethod</i>		-4.39 (5.20)
<i>Country specific</i>		
<i>time trend</i>	Yes	Yes
R ²	0.18	0.25
Observations	1923	1923
MFIs	474	474
H ₀ : LL=HL	0.0008	0.0002
H ₀ : HH=HL	0.0006	0.009

Notes: Standard errors in parentheses. *, ** and *** denote statistical significance at the 10%, 5% and 1% level respectively. H₀: LL=HL indicates values of the probability that the coefficient of LL is not different from HL. H₀: HH=HL indicates values of the probability that the coefficient of HH is not different from HL.

Table 5: Regional Performance Regressions

VARIABLES	(1) LAC	(2) SSA	(3) ECA	(4) MENA	(5) SEAP
<i>HH</i>	11.94*** (4.132)	3.703 (7.333)	-0.379 (4.723)	10.07 (15.95)	35.69** (17.09)
<i>LL</i>	10.41** (4.545)	0.214 (12.46)	-8.462* (4.839)	-11.41 (14.15)	47.61* (25.27)
<i>HWLL</i>	21.70*** (5.613)	-9.212 (14.87)	10.60* (5.517)	23.72 (15.05)	57.24*** (16.64)
<i>Salary</i>	-4.755 (5.689)	1.387 (5.785)	5.389 (3.795)	-7.582 (15.94)	10.05* (5.106)
<i>loansize</i>	-122.7*** (31.17)	-22.72** (9.421)	-38.61*** (12.07)	-542.7** (245.5)	-68.55 (48.31)
<i>MFI Size</i>	17.10*** (4.820)	23.54*** (8.656)	3.417 (3.011)	8.660 (17.64)	-0.561 (7.838)
<i>MFI Age</i>	-6.825** (2.968)	-20.50 (22.13)	-8.495 (11.35)	5.112 (4.533)	-3.439 (3.266)
<i>Urban market</i>	-5.938 (9.183)	-28.02** (12.45)	-1.529 (9.527)		-43.01 (47.04)
<i>Risk</i>	-28.58 (23.49)	-33.04 (22.25)	-41.87 (38.67)	-124.7*** (34.69)	-308.0 (224.6)
<i>Shareholder-owned</i>	11.19 (24.81)	-13.11 (16.25)	2.381 (14.45)	-33.95 (22.89)	-59.16** (21.44)
<i>Creditmethod</i>	1.839 (5.155)	-35.70** (15.29)	-3.641 (10.30)		3.464 (9.106)
Constant	108.2*** (35.36)	151.8 (111.6)	44.12* (24.71)	42.71 (62.20)	253.6*** (47.72)
Year dummies	Yes	Yes	Yes	Yes	Yes
R ²	0.157	0.308	0.374	0.700	0.535
Observations	1,053	378	305	94	93
MFIs	225	119	82	22	26

Notes: Standard errors in parentheses. *, ** and *** denote statistical significance at the 10%, 5% and 1% level respectively. LAC represents Latin America & the Caribbean, SSA represents Sub-Saharan Africa. ECA represents Europe & Central Asia, MENA represents the Middle East & North Africa and SEAP represents South East Asia & Pacific.

Appendix 1: Distribution of MFIs by Country and Region

SSA			LAC			ECA		
#	Country	No. of MFIs	#	Country	No. of MFIs	#	Country	No. of MFIs
1	Angola	1	37	Argentina	2	69	Albania	3
2	Benin	8	38	Bolivia	18	70	Armenia	6
3	Burkina Faso	9	39	Brazil	25	71	Azerbaijan	9
4	Burundi	6	40	Chile	2	72	Bosnia and Herzegovina	12
5	Cameroon	6	41	Colombia	14	73	Bulgaria	3
6	Chad	2	42	Costa Rica	3	74	Croatia	1
7	Comoros	1	43	Dominican Republic	8	75	Georgia	8
8	Congo Dem Rep	1	44	Ecuador	24	76	Italy	3
9	Congo	2	45	El Salvador	8	77	Kazakhstan	8
10	Ethiopia	10	46	Guatemala	10	78	Kyrgyzstan	9
11	Gambia	1	47	Haiti	3	79	Moldova	2
12	Ghana	6	48	Honduras	18	80	Montenegro	2
13	Guinea	3	49	Jamaica	1	81	North Macedonia	1
14	Kenya	18	50	Mexico	32	82	Romania	7
15	Madagascar	4	51	Nicaragua	19	83	Russia	17
16	Malawi	3	52	Paraguay	2	84	Serbia	2
17	Mali	11	53	Peru	47	85	Tajikistan	11
18	Mozambique	1	54	Trinidad & Tobago	1	86	Turkey	1
19	Niger	9	SEAP			87	United Kingdom	1
20	Nigeria	7	55	Afghanistan	2	Total MFIs 650		
21	Rwanda	13	56	Bangladesh	2			
22	Senegal	12	57	Cambodia	14			
23	Sierra Leone	2	58	China	5			
24	South Africa	4	59	India	32			
25	South Sudan	1	60	Indonesia	4			
26	Tanzania	9	61	Mongolia	4			
27	Togo	5	62	Nepal	5			
28	Uganda	25	63	Pakistan	2			
29	Zambia	3	64	Philippines	22			
MENA			65	Samoa	1			
30	Egypt	6	66	Sri Lanka	2			
31	Jordan	3	67	Timor-Leste	1			
32	Lebanon	2	68	Viet Nam	4			
33	Morocco	8						
34	Palestine	3						
35	Tunisia	1						
36	Yemen	1						

Notes: LAC represents Latin America & the Caribbean, SSA represents Sub-Saharan Africa. ECA represents Europe and Central Africa, MENA represents the Middle East & North Africa and SEAP represents South East Asia & Pacific.