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# Creating financial inclusivity

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# Creating financial inclusivity

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## **Last time we spoke with Zambia National Bank, it was on the cusp of an accelerated digital transformation set for completion in 2020. Fresh into the new decade, CDO Wane Ng'ambi, details the bank's journey**

**T**he symbiosis between the telecommunications and finance industry is stronger than ever in Africa, and as technology evolves, many banks are being left behind as a result. One bank in the region that is staying ahead of the curve is Zambia National Commercial Bank (Zanaco), which in 2018, was on the cusp of an accelerated digital transformation set for completion in 2020. Sharing the bank's success since then is a Chief Digital Officer who understands the relationship between finance and telecommunications better than most, Wane Ng'ambi.

"I love a challenge!" exclaims Ng'ambi when asked what drew him to his current role. "I'm not a traditional banker. To me, one of the slowest-changing industries has been banking and financial services. With Zanaco, the whole agenda of taking a very mature, traditional industry and moulding it into a very tech-savvy future-focused one is a fantastic opportunity." When Ng'ambi joined Zanaco in 2018, he brought 15 years of experience in the









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—  
**Wane Ng’ambi,**  
CDO, Zambia National  
Commercial Bank (Zanaco)

telecommunications industry with him. Specialising in creating telecommunications and digital solutions from an IT engineering perspective, he previously looked after mobile financial services for MTN in Zambia. “There’s a big drive across Africa that is pivoting mobile telecommunication companies from predominantly providing voice and data services to providing financial services by using the existing technology infrastructure,” he says. “Mobile money is a big phenomena in regions like Kenya, Tanzania and Uganda. Zambia is the latest country to embark on this journey.” After a few years with MTN, Ng’ambi moved to Millicom International Cellular’s subsidiary, Tigo, in order to care for the company’s mobile financial services and customer distribution technology. After a year he returned to Zambia to work with Zanaco in order to serve its existing customers through new channels. “The heart of Zanaco’s strategy focuses around the use of technology in order to enable customer fulfillment for different products and services,” he summarises. Over the years, banking has evolved considerably,





but Ng'ambi reflects that telecommunications engineering has always remained embedded in the lives of customers. "This is the move banks need to make. They need to ask themselves: How do we migrate from the traditional branch servicing of customers and into the digital age?" He is cognizant that Africa comprises a largely young population that will pilot a remarkable technological shift in the continent in the next five to 20 years, and it is essential that banks like Zanaco keep the pace in order to remain relevant.

Zambia National Bank has met the challenges of this ever-shifting landscape head-on and has achieved an astonishing 115% growth across digital channels in the last 18 months, with defining weight placed on mobile channels. Other streams that have contributed to this exponential growth include QR Code, which has acted as a replacement channel to the original postal one and cost inhibitive POS channel, and the express "Agent Banking" channel. "We're at almost 110% growth year-on-year, effectively doubling our traffic through our digital





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channels.” This is the result of what Ng’ambi would describe as a very “aggressive” campaign: “Africa has a very interesting dynamic; the financial inclusion rate is relatively low, with the exception of some successful markets like Kenya, Tanzania and Uganda. Zambia sits at around 59% of the total financial inclusion. This inclusion includes regulated and non-regulated channels.” By non-regulated channels, Ng’ambi refers to the phenomena of ‘Chilimbos’ – village banking – where groups in rural communities invest

collectively. This forms up to 20% of the total financial inclusion and often goes missed by banks. “Now, this is not regulated formally in Zambia, so it’s unregulated financial inclusion, which is pretty much a conventional-type financial inclusion,” he explains. “But when you look at formal financial inclusion, through regulated entities such as Zanaco, we’re somewhere around 38-39%. That’s relatively low if you look at the population.” This totals to around 6-9mn individuals who are currently excluded from regulated



financial services. This makes Zanaco's growth all the more impressive, but it also creates a number of challenges to overcome.

"The challenges can be split in two," explains Ng'ambi: "Technology and culture. Naturally these factors both intertwine. While automation drives efficiency, which achieves our digital strategy, digital transformation impacts the lives of stakeholders within the

branches on a day-to-day basis, with a shift of customers moving from branch to digital marking a negative trajectory. However, we are close to gaining 40,000 customers every month who did not have access to financial services previously. We're somewhere in the space of maybe 200-300% new-to-bank acquisition growth between 2018 and 2019. That's a very, very strong growth for a traditional bank." To

## EXECUTIVE PROFILE

### Wane Ng'ambi

Wane Ng'ambi is a seasoned telecommunications and financial services executive with extensive skill sets in sales and distribution, financial services, project management, IT and telecommunications and FMCG experience spanning several African markets.

Ng'ambi has held several senior management and executive roles in the Telecommunications and Financial Services industry across Africa including his most recent role at Millicom Group (T/A TIGO) as Regional Director - Sales Distribution and Customer Operations - Africa Market. Prior to joining Millicom, Wane served five years with MTN Zambia as Executive Head, Mobile Financial Service (MFS). He holds a Graduate Diploma in Information Systems Management, BSc (Hons) Computer Science.





# PARTNERSHIP FOR SUCCESS

Wane Ng'ambi, Chief Digital Banking Officer at Zanaco understands the importance of the best strategic partnerships.

We are proud to be partners with you and your team. Together we have driven unprecedented month on month digital growth through the bank's V-Suite infrastructure.



ensure that the implementation of these new technologies is smooth, Ng'ambi explains that the bank has traveled around the country to a number of town halls in order to engage with staff as to identify any pain-points in relation to the changes occurring, as well as how to mitigate them within new strategies. "We are very conscious that digitisation can lead to redundancy and so we take a very active role in the reskilling of our staff and honing new skills as the company transforms," he says.

The benefits of this digitisation greatly outweigh the challenges and





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in addition to the increase in financial inclusion across the nation, there have been other benefits. “We’re now able to proposition customers more effectively; I can look into a customer’s habits over the course of six months and track his experiences to identify individual or economic changes,” he says. In terms of UX, Zambia’s online banking platform was originally very traditional in terms of UX, but it has since been upgraded to provide a more seamless and accessible experience for customers. “We created the new platform from a number of focus groups around customer behavior and now it is intuitive, fresh. But this will not be enough,” asserts Ng’ambi. “The platform will continuously develop to ensure that it meets the changing demands of the customer.”

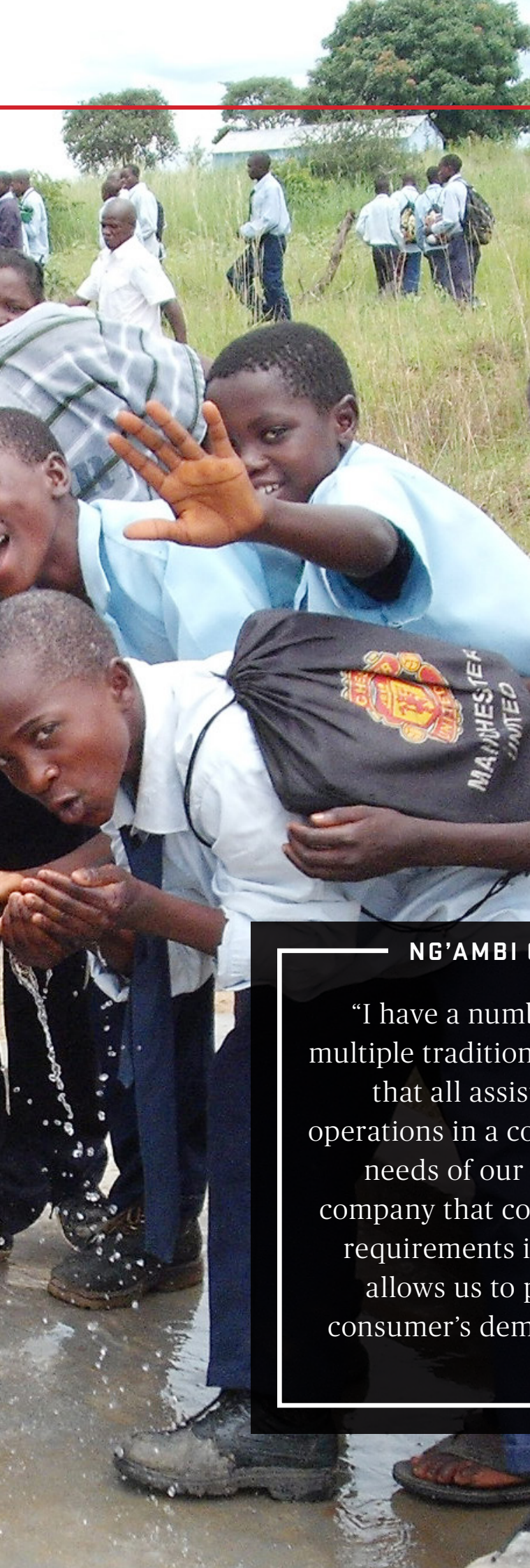
As the bank progresses with its digital transformation, Ng’ambi enthuses that the bank’s focus is now on data-centricity. “I am predominantly a telco player and telcos have also shifted focus on to data. When you cross-pollinate the experiences from different industries, you begin to understand the depth and the wealth of what data can











actually mean. One of the things that I have understood from my time in both the telecommunications and banking industry is that the tracking of the behavioral patterns of customers is not a strong suit of the latter.” He goes on, “banks almost solely examine assets, liabilities and the revenue aspect, but behavior is what results in assets and liabilities and revenue.”

Moving forward, the goal of Zambia Bank is the culmination of effective data in order to drive assets and liabilities in a more effective way while using AI to better understand this data. “Things are looking very, very exciting

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#### NG'AMBI ON THE BANK'S PARTNERS

“I have a number of fintechs, aggregators and multiple traditional core banking solution providers that all assist with different aspects of our operations in a cost effective manner that meets the needs of our end customers efficiently. One company that covers a very notable amount of our requirements is Devshack International, which allows us to pivot quickly to respond to the consumer's demands as the market starts to shift and change.”



for us in the future. We are continuing to drive toward mobile interoperability.” Ng’ambi shares that they are also looking to move towards the creation of an open digital product marketplace via Open API integrations to their digital platforms. “We’re looking to build a whole ecosystem by adding everyone into one interoperable environment where everyone can play and trade with everyone. From a traditional banking perspective, I think this is relatively strong because all banks are already playing with everybody, but from a mobile perspective, mobile acquirers, mobile issuers, are not doing very

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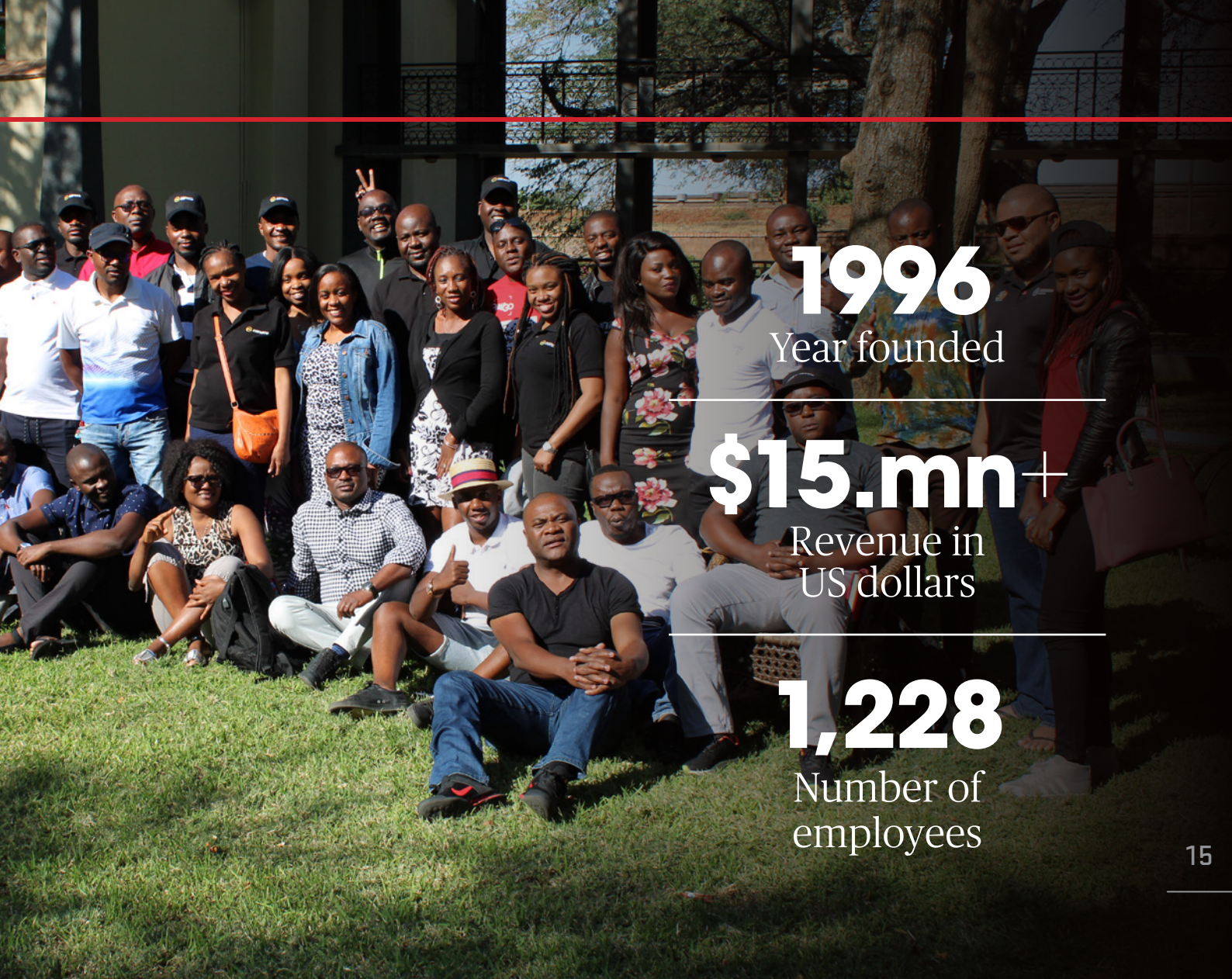


**“Things are looking very, very exciting for us in the future. We are continuing to drive toward mobile interoperability”**

Wane Ng’ambi,  
CDO, Zambia National  
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# 1996

Year founded

# \$15.mn+

Revenue in  
US dollars

# 1,228

Number of  
employees

15



well, so this is an area where we're trying to create an environment that allows everyone to play with everyone. Mobile is continuing its strong growth and we're trying to now bridge that gap with banking, so that for us is one key area that we're going to keep focusing on." As technology evolves, one thing is for certain: customer-centricity will remain at the epicentre of all of Zanaco's operations. ■







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