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**VIETNAM**

# SUCCESS STORY

## New Training Model Improves Banks

### **Banks build capacity through innovative training model**

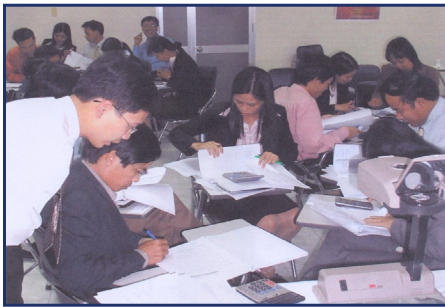


Photo: USAID

Nguyen Dzung of Techcombank trains bank staff in Hanoi after successfully completing a USAID-designed training course.

***Nguyen Dzung, Vice Director of Techcombank, says that the USAID training model has given his bank the capacity to continue training staff to better serve the small- and medium-sized enterprise lending market.***

Vietnamese financial institutions have recognized a need to upgrade their products and services to maintain a competitive edge. This need is particularly evident in the small- and medium-sized enterprise lending market. Many banks would like to train their staff in order to support product and service upgrades, but they have trouble finding trainers with appropriate knowledge of the country's banking sector and the ability to tailor their training program for individual financial institutions.

In response, USAID developed a training model that incorporates both local needs and international expertise. Under this model, a team of experts first surveys local training needs and then partners with a bank to develop pilot courses. The pilot courses are taught by international trainers and designed to address the bank's top training priorities. Under this model, after each course is successfully piloted, it becomes part of the bank's training curriculum — the goal is to ensure that the partner bank continues to offer the course by hiring either its own training staff or international trainers.

Vietnam's Techcombank was selected to participate in this model. With help from USAID, the bank developed and piloted its first training course, Small-Medium Enterprise Lending Risk Management. After the pilot course was completed, the bank purchased three more training sessions at market rates. This series of trainings reached 100 bank employees in Hanoi, Ho Chi Minh City, and Da Nang. Another 100 have signed up to be trained by bank staff who participated in the initial courses. The impact for Techcombank has been significant — course participants showed improved understanding of lending, financial ratios, and cash flow. Managers saw the difference immediately. According to Nguyen Dzung, Vice Director of Credit Management, "employees who have taken the course seem more knowledgeable, organized and confident."

This USAID training model is both effective and sustainable, and it is being used to develop more training courses. Recognizing the value of customized training, other local banks have expressed interest in developing courses in a similar way.

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