

# The INVEST Toolkit Guide *For Banks*

November 2025



argidius






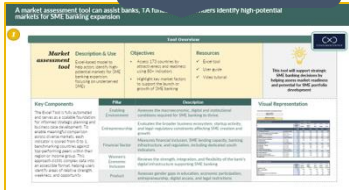
Dalberg



Note: This report was made possible through support from the Argidius Foundation on behalf of the Growth Firms Alliance. It does not necessarily reflect the views of other GFA sponsors, who did not participate in its development.

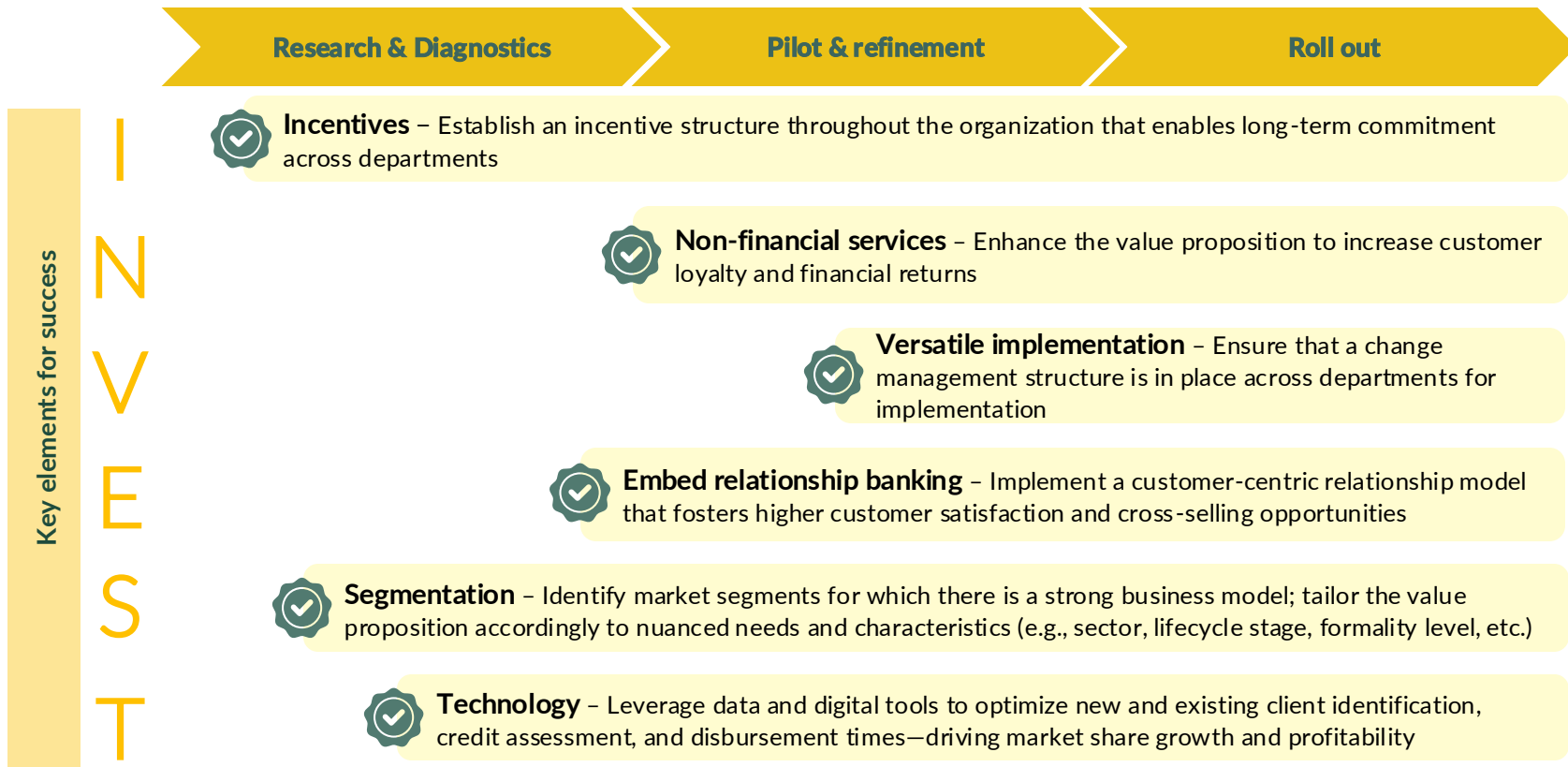
# The toolkit includes resources to help banks and other stakeholders apply the INVEST process effectively

## Toolkit

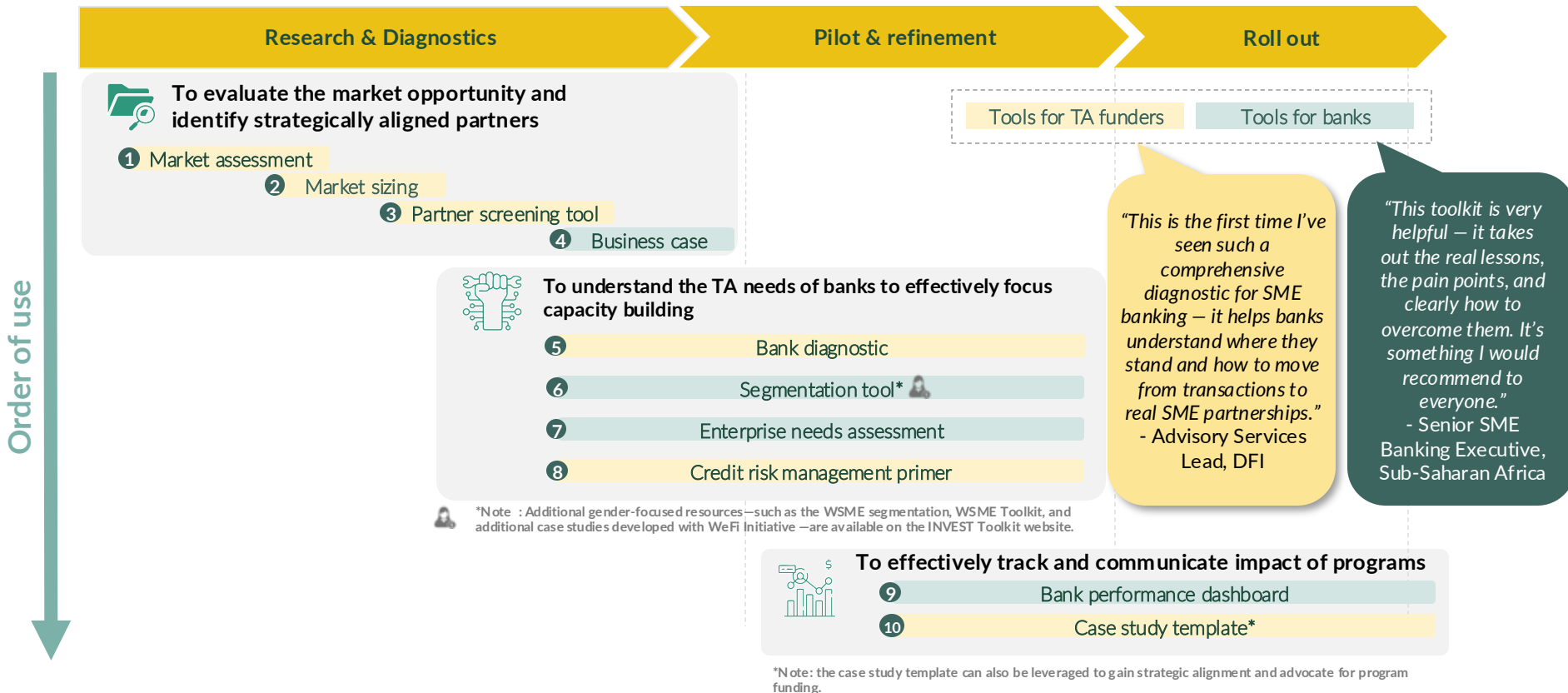
	Executive summary	Knowledge product	Toolkit	Toolkit guide
	A <b>high-level summary</b> designed to quickly convey the purpose of the Toolkit and the INVEST process	Document that provides the <b>rationale for the Toolkit</b> by highlighting the SME banking gap and introducing INVEST as an effective approach to address it	An open and public <b>digital platform</b> that provides both TA funders and banks with a suite of tools to support them through INVEST Process to unleash SME banking.	An <b>overview guide</b> that introduces the INVEST Toolkit and offers an overview of its contents through descriptive one-pagers for each tool
Banks				<div>Current piece</div> 
TA Funders and Providers	Find the TA funder and TA provider version <a href="#">here</a> .	Find the TA funder and TA provider version <a href="#">here</a> .		Find the TA funder and TA provider version <a href="#">here</a> .



# The INVEST approach highlights that effective SME banking is a process, not a product, built on key elements for success



# The INVEST Toolkit provides banks with tools to apply the INVEST process and strengthen SME banking practices across diverse contexts



The INVEST Toolkit [can be found here](#)



# Banks will have access to tools tailored to the key steps of the INVEST process

## 1. Market assessment tool

Analyze and compare potential markets across countries using key indicators to identify opportunities for SME banking expansion.

[Click here](#)

## 2. Market sizing tool

Quantify the size of the SME market and estimate the potential to serve MSMEs with formal financial services, including a gender-disaggregated view.

[Click here](#)

## 3. Business case

Project SME finance profitability using tailored assumptions. Includes cost/revenue inputs, scenario analysis, and sample outputs.

[Click here](#)

## 4. Bank diagnostic tool

Assess the internal capabilities of partner banks to deliver SME banking and identify technical assistance needs to build capacity.

[Click here](#)

## 5. Segmentation tool

Segment SME clients to understand their growth potential, business needs, and required services.

[Click here](#)

## 6. Enterprise needs assessment

Support banks to identify SMEs' financial and non-financial needs in a given market.

[Click here](#)

## 7. Credit risk management primer

Support banks and funders in identifying key credit risks in SME lending and provide strategies to mitigate these risks through internal improvements and TA support.

[Click here](#)

## 8. Bank performance dashboard

Helps banks track SME banking performance across segments, regions, and roles. Includes KPIs on outreach, portfolio quality, profitability, and gender inclusion

[Click here](#)

*The process begins with **assessing the SME market landscape and identifying attractive opportunities for growth** (tools 1–3)*

*Banks can then **evaluate their internal capacity and segment their SME clients to tailor the value proposition** (tools 4–7)*

*The bank performance dashboard (tool 8) helps **track progress, measure results, and guide ongoing improvements***

*The tools can be applied sequentially or in a flexible manner, depending on each bank's starting point and strategic priorities*



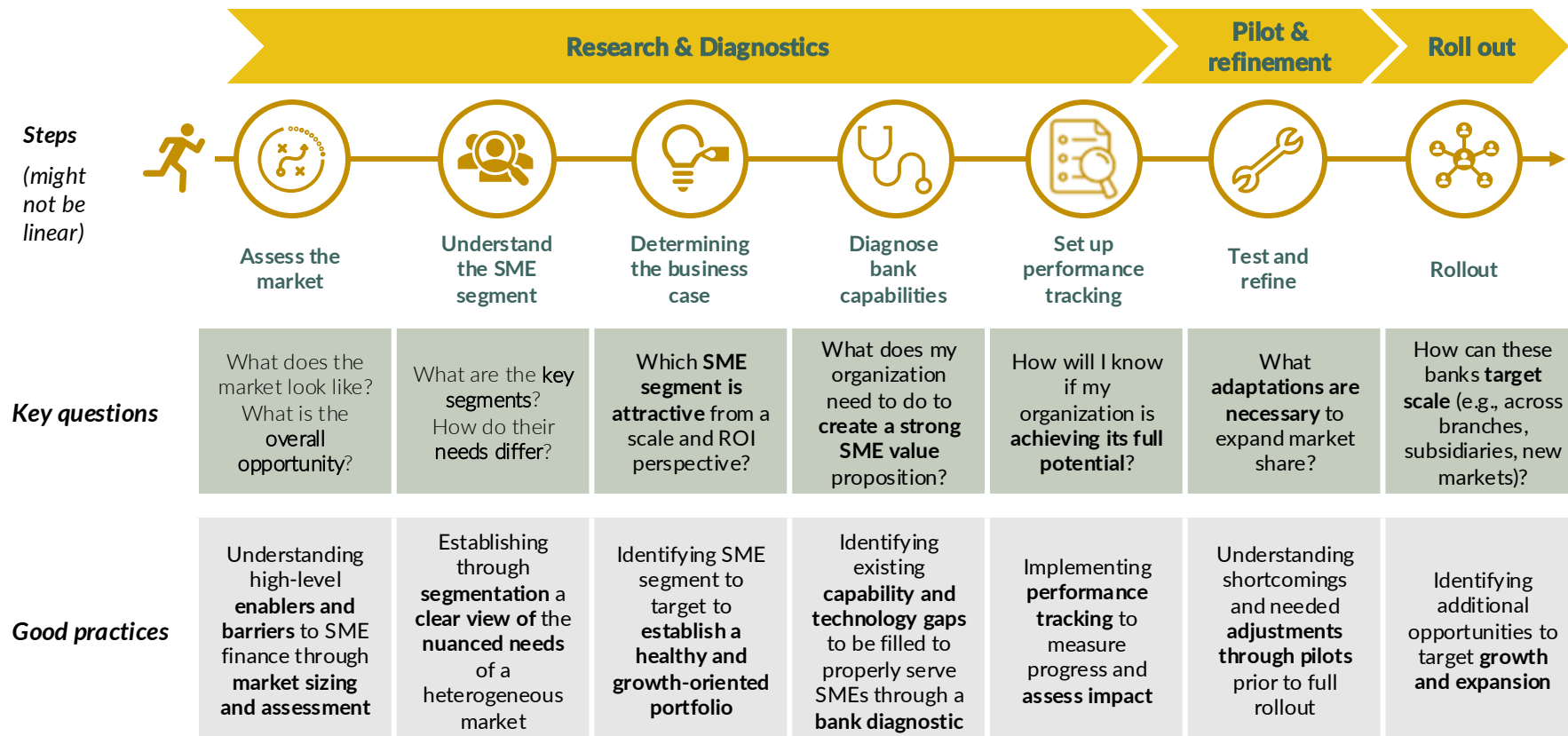
## The tools can be leveraged by different financial sector stakeholders including funders, TA providers and regulators

✓ <i>Relevance of tool by audience</i>	Commercial banks	FSPs	Financial regulators
1. Market assessment tool	✓	✓	✓
2. Market sizing tool	✓	✓	
3. Business case tool	✓	✓	
4. Bank diagnostic tool	✓		
5. Segmentation tool	✓	✓	✓
6. Enterprise needs assessment tools	✓	✓	
7. Credit risk management primer	✓	✓	
8. Bank performance dashboard	✓		

- **Financial service providers (FSPs)** including non-bank financial institutions and risk capital providers

As you use this guide and its tools, we welcome you to submit feedback directly to **Dalberg** and **ConsumerCentriX**. The goal is for this toolkit to enhance how stakeholders develop and deliver SME banking initiatives. If you have ideas of how to improve the toolkit or questions, please [click here to submit](#).

# These tools guide banks through the critical questions at each stage of the SME banking journey



Note: The INVEST framework provides a simplified and generalized representation of elements of success applicable to the SME banking journey. It is intended for guiding purposes.



# Each tool supports banks across the INVEST process, reinforcing key drivers of SME banking success

	Tools	Description	Key questions answered	Success factors reinforced
Order of use ↓	1 Market assessment tool	Excel-based model to help actors identify high-potential markets for SME banking expansion, based on key enablers and constraints	What does the market look like?	INVEST
	2 Market sizing tool	Excel-based model to estimate MSME market size by firm type (e.g., micro, small, medium) and gender. Predicts headcount, financial needs, and revenue potential.	What is the overall opportunity?	INVEST
	3 Business case	Excel model projecting SME finance profitability using tailored assumptions. Includes cost/revenue inputs, scenario analysis, and sample outputs.	Which SME segment is attractive from a scale and ROI perspective?	INVEST
	4 Bank diagnostic tool	Excel-based template to help funders and banks assess existing capabilities and gaps that need to be addressed to deliver an SME-aligned value proposition.	What do these banks need to do to create a strong SME value proposition?	INVEST
	5 Segmentation tool	Two excel-based tools to segment SMEs into high, moderate, and low-growth groups based on business traits, challenges, and support needs.	What are the key segments? How do their needs differ?	INVEST
	6 Enterprise needs assessment tools	Two excel-based tools to segment SMEs into high-, moderate-, and low-growth groups based on business traits, challenges, and needs.	What are the key segments? How do their needs differ?	INVEST
	7 Credit risks management primer	PDF primer highlighting key internal credit risks banks face in SME banking, along with mitigation strategies and the potential role of TA, supported by real-world examples	What do these banks need to do to create a strong SME value proposition?	INVEST
	8 Bank performance dashboard	Tableau dashboard to track SME banking performance across segments, regions, and roles. Includes KPIs on outreach, portfolio quality, profitability, and gender inclusion	Is the organization achieving its full potential? What adaptations are necessary to expand market share?	INVEST



## While the toolkit includes eight standalone tools, many are interconnected and can be used in complementary ways to strengthen SME banking outcomes

### 1 Market assessment tool

*Helps stakeholders benchmark countries by relative attractiveness based on key enablers and constraints*

### 2 Market sizing tool

*Stakeholders can continue to evaluate a specific geography by estimating the overall market opportunity*

3

### Business case

*Helps banks project SME finance profitability using tailored assumptions. Includes cost/revenue inputs, scenario analysis, and sample outputs.*

8

### Bank performance dashboard

*Helps banks track SME banking performance across segments, regions, and roles. Includes KPIs on outreach, portfolio quality, profitability, and gender inclusion*

### 4 Bank diagnostic tool

*The WSME segmentation (5), enterprise needs assessment (6), credit risk management guide (7) can be referenced to determine the key capability gaps for banks to focus on*



### 5 Segmentation tool

*The challenges and needs identified for target WSME segments can **complement** the bank diagnostic (4), enterprise needs assessment (6), and credit risk management guide (7) to inform the optimized value proposition*

### 6 Enterprise needs assessment tools

*The segmentation tool (5) can serve to select the target segments that should be assessed using enterprise needs assessment tools*

### 7 Credit risk management primer

*To identify and select the most appropriate risk mitigation strategy the bank diagnostic process and product assessment areas (4) and the input regarding challenges and needs for specific WSME segments can be referenced (5)*



# A market assessment tool can assist banks, TA funders and providers identify high-potential markets for SME banking expansion

1

## Tool Overview



### Market assessment tool

#### Description & Use

Excel-based model to help actors identify high-potential markets for SME banking expansion, focusing on underserved SMEs, by leveraging existing data

#### Objectives

- Assess 173 countries by attractiveness and readiness using 80+ indicators
- Highlight key market factors to support the launch or growth of SME banking

#### Resources

- ✓ Excel tool
- ✓ User guide
- ✓ Video tutorial



This tool will support strategic SME banking decisions by helping assess market readiness and potential for SME portfolio development

## Key Components

The Excel Tool is fully automated and serves as a scalable foundation for informed strategic planning and business case development. To enable meaningful comparison across diverse markets, each indicator is scored from 0 to 1, benchmarking countries against top-performing peers within their region or income group. This approach distills pre-existing datasets into an accessible format, helping users identify areas of relative strength, weakness, and opportunity.

Pillar	Description
Enabling Environment	Assesses the macroeconomic, digital and institutional conditions required for SME banking to thrive.
Entrepreneurship	Evaluates the broader business ecosystem, startup activity, and legal-regulatory constraints affecting SME creation and growth
Financial Sector	Measures financial inclusion, SME lending capacity, banking infrastructure, and regulation, including dedicated youth indicators.
Women's Economic Inclusion	Reviews the strength, integration, and flexibility of the bank's digital infrastructure supporting SME banking
Product	Assesses gender gaps in education, economic participation, entrepreneurship, digital access, and legal restrictions

## Visual Representation

Overview of Market Assessment Score

Market Assessment Scores	Country	Score by 100 per capita				
		Part 1: Policy	Part 2: Market	Part 3: Digital	Part 4: Gender	Part 5: Youth
Overall Score		0.00	0.00	0.00	0.00	0.00
A. Enabling Environment	Emerging Potential	0.00	0.00	0.00	0.00	0.00
At Economic Development and Sustainability	Score range	0.00	0.00	0.00	0.00	0.00
At Legal and Institutional Framework	Score range	0.00	0.00	0.00	0.00	0.00
At Digital	Score range	0.00	0.00	0.00	0.00	0.00
B. Financial Sector	Strong Foundation	0.00	0.00	0.00	0.00	0.00
At Financial Inclusion for Business	Score range	0.00	0.00	0.00	0.00	0.00
At Legal and Institutional Framework	Score range	0.00	0.00	0.00	0.00	0.00
At Digital	Score range	0.00	0.00	0.00	0.00	0.00
C. Women's Economic Inclusion	Strong Foundation	0.00	0.00	0.00	0.00	0.00
At Economic Development and Sustainability	Score range	0.00	0.00	0.00	0.00	0.00
At Legal and Institutional Framework	Score range	0.00	0.00	0.00	0.00	0.00
At Digital	Score range	0.00	0.00	0.00	0.00	0.00
D. Youth	Strong Foundation	0.00	0.00	0.00	0.00	0.00
At Economic Development and Sustainability	Score range	0.00	0.00	0.00	0.00	0.00
At Legal and Institutional Framework	Score range	0.00	0.00	0.00	0.00	0.00
At Digital	Score range	0.00	0.00	0.00	0.00	0.00

Key Market-level Indicators	Country	Score by 100 per capita				
		Part 1: Policy	Part 2: Market	Part 3: Digital	Part 4: Gender	Part 5: Youth
Population, total	17.000.000	0.00	0.00	0.00	0.00	0.00
GDP per capita (PPP)	0.00	0.00	0.00	0.00	0.00	0.00
Urban population (% of total population)	50%	0.00	0.00	0.00	0.00	0.00
Life expectancy	55.00	0.00	0.00	0.00	0.00	0.00



# A market sizing tool for banks to gain a sense of the overall size of the market for serving MSMEs with a full set of formal financial services

2

## Tool Overview



### Market sizing tool

#### Description & Use

Excel-based model to quantify the market size and opportunity to serve MSMEs

#### Objectives

- Estimate the market size of a given country, split by enterprise size and sex
- Estimate the opportunity to meet unmet demand with financial services

#### Resources

- ✓ Excel tool
- ✓ User guide
- ✓ Video tutorial



This tool will enable stakeholders to quantify the size of the market and opportunity for targeting MSMEs (split by size and gender) with formal financial services

## Key Components

The results of the model are predicted in three main dimensions, shown on the accordingly named sheets:

- Headcount:** the number of entrepreneurs and businesses in the market - with split by size and gender, using the IFC definition of women-owned/led businesses
- Volumes:** the amount of financial needs served currently and in a projected scenario as per the perimeters of the model.
- Revenue:** the likely (after risk) revenue from serving the estimated volume of financial services under current market conditions – shown in the principal categories of financial needs. Includes interest and other fee revenues from transactions, deposits, loans and insurance.

All output is shown as a split by sex (women versus men –owned/led) and size categories of the business:

- self-employed and micro = <5 employees
- Very small = 5 to 10 employees
- Small = 10 to 50 employees
- medium = 50+ employees

The model will be shown in dollars and in local currency.

## Visual Representation

**Key Outputs:** Overview of the principal results of the Market Sizing Tool

Country:   
 Date to be used:

Report Base Case Data

	Market Results (in local currency)		
	Women	Men	Total
<b>BUSINESS DEMOGRAPHICS</b>			
Number of entrepreneurs / businesses	811,100	888,777	1,699,877
(Share based on account), %	25.2%	25.7%	25.5%
(Share based on account), %	100.0%	100.0%	100.0%
<b>BUSINESS FINANCE VOLUMES</b>			
Total facilities enabled from segment, \$	117,235,000	12,526,000	129,761,000
Total facilities enabled from segment, \$	117,235,000	12,526,000	129,761,000
Implied upsize potential above baseline, \$	117,235,000	12,526,000	129,761,000
Total assets outstanding from segment, \$	8,174,224,206	2,181,211,600	10,355,435,806
Total assets outstanding from segment, \$	8,174,224,206	2,181,211,600	10,355,435,806
Implied upsize potential above baseline, \$	8,174,224,206	2,181,211,600	10,355,435,806
<b>Components of business finance</b>			
Short-term loans (interest & working capital), \$	18,636,100	5,280,200	23,916,300
Short-term loans (interest & working capital), \$	18,636,100	5,280,200	23,916,300
Implied upsize potential above baseline, \$	18,636,100	5,280,200	23,916,300
Mid/long-term loans (CapEx), \$	966,072	686,912	1,652,984
Mid/long-term loans (CapEx), \$	966,072	686,912	1,652,984
Implied upsize potential above baseline, \$	966,072	686,912	1,652,984
<b>BUSINESS FINANCE REVENUES</b>			
Total revenue per segment, \$	258,351,000	68,711,000	327,062,000
Total revenue per segment, \$	258,351,000	68,711,000	327,062,000
Implied upsize potential above baseline, \$	258,351,000	68,711,000	327,062,000
Net interest income from business loans per segment, \$	4,867,200	200,000	5,067,200
Net interest income from business loans per segment, \$	4,867,200	200,000	5,067,200
Implied upsize potential above baseline, \$	4,867,200	200,000	5,067,200
Net from business loans after risk cost per segment, \$	1,201,000	100,000	1,301,000
Net from business loans after risk cost per segment, \$	1,201,000	100,000	1,301,000
Implied upsize potential above baseline, \$	1,201,000	100,000	1,301,000



# A business case tool enabling banks to quantify the profitability timeline of providing a suite of financial services to MSME markets

3

## Tool Overview



### Business case tool

#### Description & Use

Excel-based model to allow banks to quantify the business case for targeting MSMEs

#### Objectives

- Assess breakeven and profitability over time to identify a bank's priority markets
- Guide banks on market-entry or scale-up decisions

#### Resources

- ✓ Excel template
- ✓ PDF user guide
- ✓ Video tutorial



This tool will enable banks to quantify and assess the business case for targeting priority MSME markets with specific financial and non-financial services

## Key Components

The model is designed to reflect the operational reality of the financial institution, by inputting:

- The institution's own revenue assumptions:** through expected interest rates, fees charged, etc. depending on products available to MSMEs
- The institution's own operational costs:** reflecting various distribution channels, banking models, non-financial services and more.

Embedded assumptions will be described, and the model will have sensitivity analysis built in.

The model will illustrate an example with dummy data and will enable the use of dollars and local currency.

## Visual Representation

The screenshot displays a complex Excel spreadsheet with multiple tabs. The visible tabs include 'Assumptions', 'Revenue', 'Costs', 'Profitability', 'Sensitivity', and 'Summary'. The 'Summary' tab is currently active, showing a detailed financial overview with columns for 'Year', 'Revenue', 'Costs', 'Profit', and 'Breakeven'. The data is organized into rows representing different market segments and time periods. The spreadsheet uses color-coding to distinguish between different sections: blue for assumptions, green for revenue, red for costs, and yellow for profitability. The 'Summary' tab provides a high-level view of the financial performance, including a 'Total Profit' and 'Breakeven Point'.

# The bank diagnostic tool helps banks assess their existing capability gaps to inform an optimized SME banking value proposition to maximize scale and profitability

4

## Tool Overview

**Dalberg**

### Bank diagnostic tool

#### Description & Use

Excel-based template to help banks assess capabilities (including digital) and potential gaps that should be addressed to deliver a scalable and provitable SME banking value proposition

#### Objectives

- Assess banks' capacity and internal readiness to deliver SME banking
- Identify capacity-building opportunities to strengthen the business model

#### Resources

- ✓ Excel tool
- ✓ Illustrative examples
- ✓ PDF user guide



This tool helps banks identify capability gaps to be filled to optimize the SME banking value proposition

### Key Components

An Excel-based tool with dynamic indicators and scores to identify a bank's SME maturity level and potential areas for TA support. Assessment categories would include:

#### Assessment Area

#### Description

##### Strategy

Assesses banks' current SME strategy, including relevant KPIs and institutional commitment

##### Talent and org. structure

Identifies banks' organizational capacity to deliver SME banking offerings at scale

##### Competitive positioning

Evaluates banks' understanding of their competitive positioning as well as their key business priorities based on growth opportunities

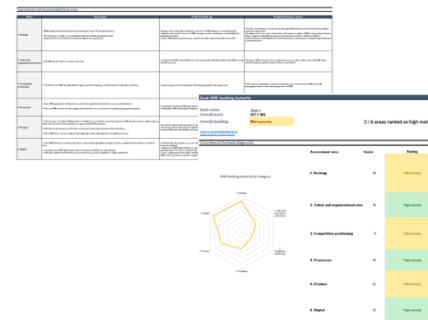
##### Processes

Captures banks' operational practices and procedures towards SME banking, including the use of digital tools and data analytics

##### Product

Assesses banks' financial and non-financial offerings and the financial performance of their SME portfolios

### Visual Representation



# Segmentation tools enable banks to understand the financial and business support needs of various segments of SMEs

5

## Tool Overview

### Segmentation tool

#### Description & Use

Two Excel-based tools to allow stakeholders to apply a new growth-based segmentation to SME customers and identify needs and opportunities

#### Objectives

- Identify the distribution of MSMEs across growth segments
- Understand the characteristics, needs, and entrepreneur profile of WSMEs

#### Resources

- ✓ Excel tools
- ✓ PDF User guide



This tool provides banks and TA funders with a data-driven segmentation framework to better target financial and business support for SMEs

## Key Components

For wider sampling, download the tool and input questions into an online survey tools (ex. Survey Monkey). The first five questions of the screener classify respondents into a growth category (high, moderate, low). The subsequent questions enable the tool to assign respondents to their respective segments – using weighted scores.

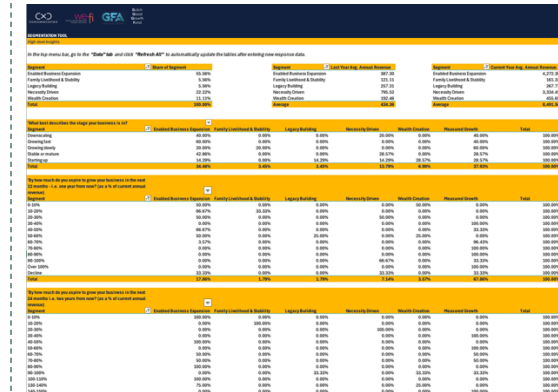
Enter the collected responses in the 'input response sheet' - being careful to leave corresponding cells blank for any omitted questions. The tool will automatically assign each survey response to a segment, in column A. Review segmentation classification - on the "high-level insights" sheet - the share of customers across each segment and the growth plan data.

For individual screening, a separate tool can be used as a questionnaire. Populate responses to questions. The segment and profile will be determined based on responses. Review insights on the profile.

## The SME Segmentation Framework, with Growth Segments and Entrepreneur Profiles by Driving Force



## Visual Representation



# Enterprise needs assessment tools enable banks to determine SMEs needs, both financial and non-financial, and identify opportunities to target SME segments

6

## Tool Overview



These tools and guidance will support banks to conduct primary research with SMEs to understand financial and non-financial needs and opportunities

### Enterprise needs assessment

#### Description & Use

Quantitative tool (survey) and qualitative tools (focus groups or individual interviews) to support banks to assess the demand among SMEs in a specific market

#### Objectives

- Enable banks to understand the demand and needs of SMEs
- Enable banks to determine the opportunities to serve SMEs

#### Resources

- ✓ TOR template
- ✓ Interview guides
- ✓ Analysis excel sheet

## Key Components

Tools to support qualitative research, including interview guide and focus group guide and tools to support quantitative research, including questionnaire/survey.

User manual including tips on recruiting SME samples, data collection and analysis, and more.

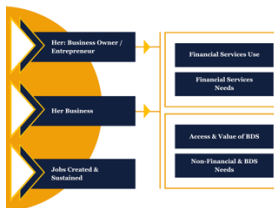
### Topics covered include:

- Business owner's personal traits and skills
- Business traits including size, industry, collateral, technology, etc.
- Challenges and barriers to business growth
- Jobs created and sustained
- Use of financial products and services and needs
- access to business development services
- Business support needs.

## Visual Representation

### ASSESS THE DEMAND

#### Step 1: Download and review the survey provided



### ASSESS THE DEMAND

#### Step 2: Input the survey into an online survey tool

There are many different online survey platforms, including Google Forms, Kobo Toolbox, SurveyMonkey and others.

Each offer pros and cons. For example, Kobo Toolbox can be completed offline, while many others require stable internet connections.

#### THINGS TO CONSIDER:

- Who will be completing the survey?  
Will it be sent out to WSHs, for them to complete on their own or will a researcher complete the responses while interviewing the WSHs? We recommend the latter option for highest quality data. If the former, the survey functionality especially matters to avoid user error.
- Functionality is key to quality data.  
Question and answer logic should be set to eliminate room for error. The survey should be tested by multiple people and tested by following different responses (i.e. conditionally) to ensure proper functionality.
- What survey tool are the researchers most comfortable with?
- Ensure quality control by reviewing the first batch closely.

Pause survey collection after 10 or 15 surveys have been completed. Download and closely review each data point / survey response to check that responses are completed accurately and the data is legible. Go back to surveyors to communicate any necessary changes or adjustments in how questions are collected or input.



# The credit risk management primer can help banks identify, select, and implement risk mitigation strategies to strengthen the SME value proposition

7

## Tool Overview

**Dalberg**

### ***Credit risk management primer***

#### **Description & Use**

Overview of key internal credit risks banks face in SME banking, along with mitigation strategies and the potential role of TA

#### **Objectives**

- Identify key credit risks that limit SME lending
- Showcase how banks have addressed these risks through real world examples
- Outline risk-mitigation TA opportunities

#### **Resources**

- ✓ PDF Credit risk management guide
- ✓ PDF User guide



**This tool assists banks identify and select internal credit risk management practices that strengthen the SME value proposition**

#### **Key Components**

Practical guide with actionable insights on key SME credit risks, mitigation strategies, and TA approaches based on real world examples

#### **Key SME banking risks**

Difficulty assessing SME credit-worthiness

Lack of collateral or enforceable security

Delivering credit efficiently due to capacity constraints

#### **Risk management practices**

Developing and deploying SME credit scoring and rating models, use alternative and non-traditional credit scoring models, and adopting cash-flow based lending techniques

Accepting movable assets (e.g., equipment, inventory, receivables), using alternative data sources, and deploying supply chain and hybrid financing structures

Establishing dedicated SME units, training credit and relationship staff, and digitizing and streamlining credit workflows to avoid delays and reduce costs

#### **TA support strategies (illustrative)**

Support the design and integration of SME-specific scoring tools and provide analytics support/training

Assisting in the design and expansion of collateral registries, providing guarantee schemes, and supporting non-traditional collateral reforms

Facilitating staff training programs, SME tool development, and peer learning across banks

#### **Visual Representation**



# A bank performance dashboard that compiles SME Banking key performance indicators (KPIs), enabling banks to monitor and track performance with visual illustration

8

## Tool Overview

### Bank performance dashboard

#### Description & Use

Excel-based sample dashboard and visual illustration of KPIs in Tableau to allow measurement of SME banking performance

#### Objectives

- Provide recommended KPIs to track SME banking performance
- Help banks build dashboards with multiple views (e.g., geography, gender)

#### Resources

- ✓ Tableau dashboard
- ✓ User guide
- ✓ Excel analysis sheet



This tool will enable banks to track and monitor performance and progress in its SME Banking strategy, with metrics visually illustrated



## Key Components

The sample dashboard included in the tool will illustrate through graphics progress across all KPIs to be able to assess the financial institution's SME banking performance, including five areas:

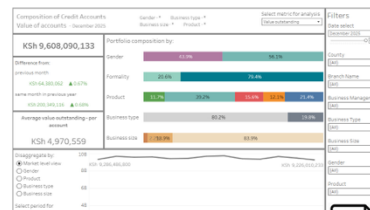
1. Business banker
2. Regional manager
3. Credit manager
4. Marketing manager
5. Executive

Visual representation in Tableau will illustrate 4-5 views of data – including by geography, product, gender.

Tool will include best practices in data management and ongoing use. Training materials provided will include a combination of written how-to guide and videos with voice over.

## Visual Representation

### Portfolio Analysis - Credit



### Applications Efficiency - Credit



*For more  
information visit*



*Thank you!*

**Dalberg**

