



**A REPORT ON  
STUDENTS INDUSTRIES WORK EXPERIENCE SCHEME [SIWES]  
UNDERTAKEN AT**

**ILORIN MICROFINANCE BANK,  
OJA-TUN, ILORIN, KWARA STATE**

*BY*  
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**SUBMITTED TO  
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## **DEDICATION**

I dedicate this student industrial work experience scheme (SIWES) report to Almighty God for his power and grace towards the completion of the SIWES programme.

## **ACKNOWLEDGEMENT**

My acknowledgement goes to Almighty God, my parent, my friends, Kwara state polytechnic, Ilorin and my supervisor at ILORIN MICROFINANCE BANK

## **REPORT OVERVIEW**

This is an industrial attachment report for the students' industrial work experience (SIWES) programme carried out at Ilorin Microfinance Bank within the period of three months from August – December, 2024.

The report comprises the background of SIWES, the description of the organization, its aims and objectives, the experience gained as an industrial training student and the summary, conclusion and recommendations.

It has a total of 5 chapters with sub-chapter. It also has the preliminary pages, such as the title page, report overview and table of contents and recommendations on the improvement of scheme.

## **TABLE OF CONTENT**

Title page

Dedication

Acknowledgement

Report overview

Table of content

### **CHAPTER ONE**

1.1 INTRODUCTION

1.2 BACKGROUND OF SIWES

1.3 OBJECTIVES OF SIWES

### **CHAPTER TWO**

#### **DESCRIPTION OF WORKPLACE**

2.1 Brief History of Standard Microfinance

2.2 Mission, Vision and Core Values of Ilorin Microfinance Bank

2.3 Aims and Objectives of Ilorin Microfinance Bank

2.5 Department Attached

### **CHAPTER THREE**

#### **SIWES ACTIVITIES AND EXPERIENCE GAINED**

3.1 Experience Gained

### **CHAPTER FOUR**

4.1 Summary

4.2 Conclusion

4.3 Recommendation

4.4 REFERENCES

## **CHAPTER ONE**

### **1.1 INTRODUCTION**

Student Industrial Work Experience Scheme is a programme designed by many tertiary institutions to accustom students with the practical knowledge of their profession. It enhances the knowledge of students by giving the student an opportunity to witness practically what has been taught theoretically in the class. It also helps the student to acquire current knowledge of what the field is all about, getting familiar with newly invented technologies. The future aspect of it is the foreknowledge of what should be expected when he/she begins to practice the profession. The SIWES programme is very significant, going to the field brings to sight whose visualized machine part, tools etc. It makes real the processes involved in repair of various parts, maintenance and a lot more.

Also, it provides the students an opportunity to learn inter and intra-personal relationship, office organization and administration, identification of equipment and as well inculcate working discipline in students among other opportunities. This report encompasses some of the experience I was able to acquire in my period of attachment.

### **1.2 BACKGROUND OF SIWES**

The programme (SIWES) came to existence through establishment of the Industrial Training Fund (ITF) under degree 47 of 1971 in bid to boost professionalism in the construction industry. The fund in its policy statement No. 1 published in 1973 inserted a clause dealing with the issue of practical skill. The fund will seek to look out co-operative machinery with industry, where students in institutions of higher learning may rewrite industrial training or mid-career attachment by contribution to the allowance payable to the students.

SIWES is therefore a skill training programme designed to expose and prepare students of the universities, polytechnics and colleges of education to practical work on site, this scheme is for students of engineering and technology including environmental, technical and business studies. Of recent, students in the medical field are also made to undertake this programme for higher learning in Nigeria.

However, in 1979, ITF withdrew the funding enjoyed by polytechnics and colleges of education, technical and went ahead to notify all universities that it would withdraw the funding of SIWES as from January 1980. In view of this, the National University Commission took up the responsibility of funding the programme for engineering and

technology students in Nigeria Universities, while the National Board for Technical Education (NBTE) assumed financial responsibilities for the programmes in the Polytechnics and Colleges of Education.

The administration of the programme was still a Herculean task and was not without a myriad of operational problem so the Federal Government agreed on the funding of the scheme in 1985. In 1985, ITF assumed the administration of SIWES programme and these are some of the parastatals of government that are involved in the management of SIWES programme; the Federal Government, Industrial Training Fund (ITF), institutions of higher learning, employers of students and coordinating agencies, the National University Commission (NUC), the National Board of Technical Education (NBTE) and the National Council for Colleges of Education (NCCE).

### **1.3 OBJECTIVES OF SIWES**

- To bridge the identified gap in the practice of engineering and technology in tertiary institution.
- Prepare an avenue for students in institution of higher learning to acquire industrial skills and experience in their course of study.
- Prepare students for post-graduation work situation iv.Expose students to work method and techniques in handling equipment and machinery that may not be available in educational institution.
- v.Provide opportunity for student to apply their knowledge in real work situations thereby bridging the gap between theory and practice.

## **CHAPTER TWO**

### **DESCRIPTION OF WORKPLACE**

#### **2.1 Brief History of Standard Microfinance**

Ilorin Microfinance Bank Limited (the bank) obtained its operating license from CBN on August 4, 2009. However, the bank origination is dated back to March, 1993 when it began operation as a licensed community bank with the name ILORIN COMMUNITY BANK (NIG) LIMITED.

The bank total asset as at December 31, 2009 was N119.5million. The shareholders fund as at the date was N27.4million and total liabilities of N90.4million

Over the years, the bank had turned-in impressive performances with average of 20% annual growth in gross earnings for the past five (5) years and closed year 2023 with a gross earnings of 98million.

The total asset of the bank as at December 31, 2023 was N390.4million and shareholders fund of N206.2million. The total liabilities as at the date was 194.2million.

The bank is strategically locate at the exit gate of Baboko market, along Kuntu street in Ilorin. The bank currently serves over 20,000 clients across 13 major markets within Ilorin.

Our products range, excellence in service delivery and professionalism of Board, Management and Staff are our major assets which have given us competitive advantages in the industry.

The bank has been playing a leading role in the microfinancing sub-sector of Kwara State and with adoption of modern ways of doing business and technology, the bank assures its numerous customers of value-based services always.

#### **The Bank have the following department;**

- Credit Department
- Human Resource Department
- Operational Department
- Internal Control Department
- Mis Department

#### **Service and products available are;**



- Credit
- Deposit
- Savings account
- Current account
- Standard adashe
- Fixed deposit
- Other products

## **2.2 Mission, Vision and Core Values of Ilorin Microfinance Bank**

**Vision:** To help our customers meet their daily financial needs and create sustainable financial values for all stakeholders.

**Mission:** To be a foremost microfinance institution through adoption of modern-technological-based solutions and effective managerial skills towards solving financial problems.

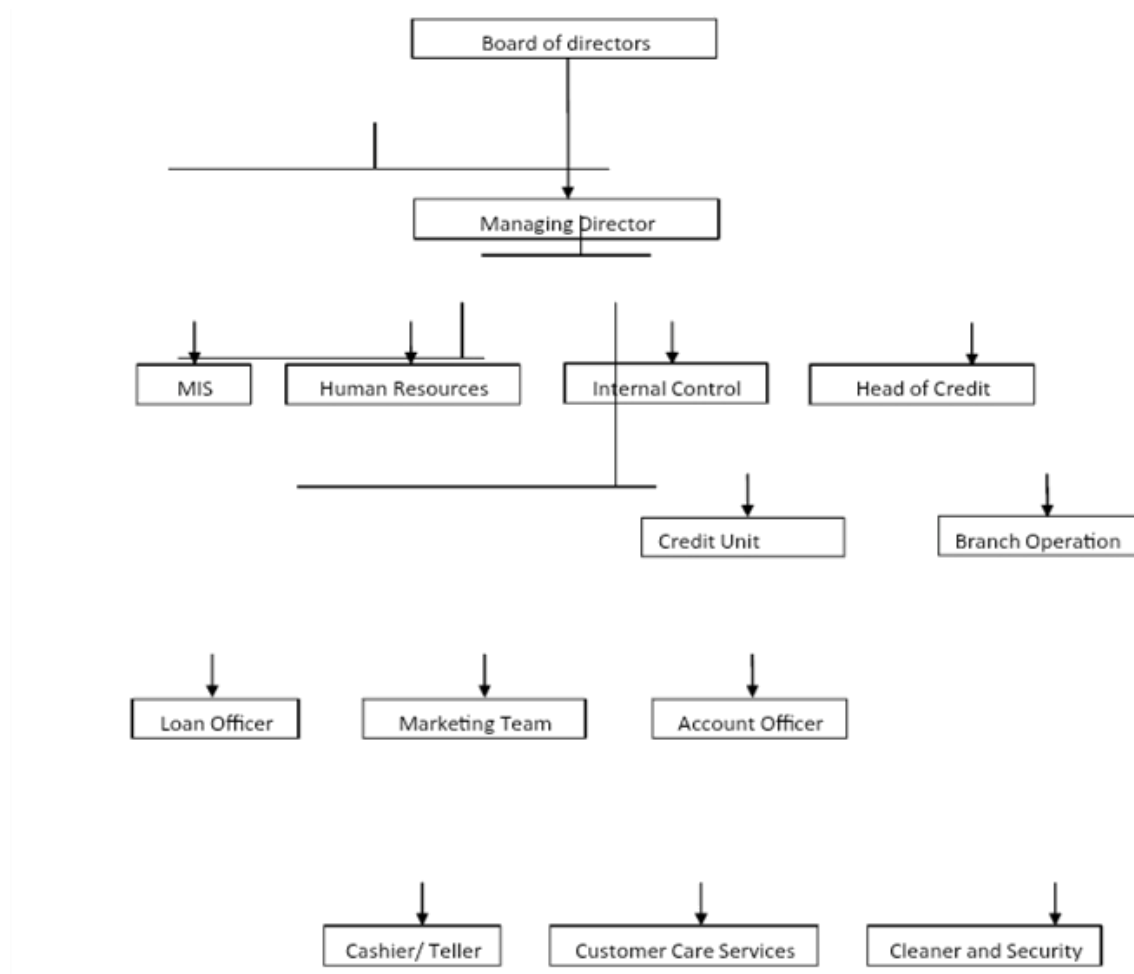
### **Our Core Values**

Punctuality:	Respect for time
Courtesy:	Respect for individual
Honesty & Integrity:	Keeping to our promises
Passion for Excellence:	Striving to exceed expectations.
Creativity:	Seeking better ways of doing business
Team Spirit:	Working together

## **2.3 Aims and Objectives of Ilorin Microfinance Bank**

- To serve as an organization of implementing national policies on Microfinance and related issues
- To provide financial services to stakeholders
- To provide employment opportunities and serve as a platform for capacity building in financial management
- To serve a retail outlet for bigger conventional Banks and other credit schemes.

## 2.4 Organizational Chart of Ilorin Microfinance Bank



## 2.5 Department Attached

Credit Department is the largest department in Ilorin Microfinance Bank. it handles the credit activity, which is the major activity in bank. It has three different teams (account officers, marketing team and loan officers).

The credit department has four (4) types of loan product, Salary loan, Agric loan, business loan and fattening loan.

**1. Salary loan:** this is a loan giving to the salary earners working across the state with salary account at Ilorin Microfinance Bank, this is the simplest and fastest loan that is being Process within a short time and less restriction, maximum duration of salary loan is twelve (12) months.

**2. Agric loan:** this is a bank loan product which is granted to farmers. Agric loan is giving to farmers inform of group). Each group contains a minimum of five (5) people and maximum of nine (9) people respectively.

Agric loan is classified into three (3). These are;

- Raining season
- Dry season
- Yam farming

Loan process in rainy season with interest of farming any crop during rainy season is consider as raining loan, loan process in dry season with purpose of drainage farming is called dry season loan and loan processed with purpose of yam farming is considered as yam farming loan.

**Agric loan duration:**

1. Raining season farming loan duration is nine (9) months Le combination of grace period and repayment period. Grace period is four (4) month while repayment period is five (5) month.
2. Dry season farming loan duration is six (6) months both grace period and repayment period, grace period is three (3) month and repayment period is three (3) month.
3. Yam farming loan duration is twelve months (12) nine (9) months grace period and three months (3) repayment period.
3. Fattening loan: is loan given to a client for the purpose of rearing, it's to a customer at customer request regardless of rainy or dry season.

**Fattening loan duration:**

Fattening loan duration is six (6) months three (3) months grace period and three (3) months repayment period.

**4. Business loan:** this is a loan that is being process to either individual or group of people men/women in the same type of business.

**Business loan duration:**

Business loan duration is six (6) months and there is no grace period, repayment start immediate after one month of collection.

## **2.6 Functions of Credit Department**

It is the largest department in Ilorin Microfinance Bank. It handles the credit activity, which is the major activity in SMFB. It has three different teams (account officers, marketing team and loan officers).

- i. Credit processing and procedure
- ii. Minimizing bad debt losses
- iii. Maintaining each customer information in the credit file (record keeping).
- iv. Loan recovery
- v. Marketing
- vi. Business projections.

Bank equipment refers to the various tools, machines, and technology used by financial institutions to facilitate banking operations, improve efficiency, and enhance security. These can be categorized into different types based on their functions.

### **1. Transaction Processing Equipment**

Automated Teller Machines (ATMs): Allow customers to withdraw cash, deposit funds, check balances, and perform other transactions without visiting a bank branch.

Cash Deposit Machines (CDMs): Enable customers to deposit cash directly into their accounts without the assistance of a teller.

Point of Sale (POS) Terminals: Used by merchants to process card payments for goods and services.

Cheque Scanners and Readers: Automate the process of clearing cheques by scanning and verifying their authenticity.

### **2. Security and Surveillance Equipment**

Vaults and Safes: Used to securely store cash, important documents, and valuables.

CCTV Cameras: Monitor bank premises to enhance security and prevent fraud.

Biometric Authentication Systems: Use fingerprint or facial recognition to enhance security in banking transactions and ATM access.

Alarm Systems: Installed to alert security personnel in case of unauthorized access or robbery attempts.

### **3. Communication and IT Equipment**

Computers and Workstations: Used by bank employees to manage accounts, process transactions, and store customer data.

Servers and Data Centers: Securely store and process banking data, ensuring smooth digital banking operations.

Networking Equipment (Routers & Switches): Facilitate secure internet and intranet connections within bank branches.

Telecommunication Systems (IP Phones & Call Centers): Enable customer service operations and internal communication among staff.

### **4. Cash Handling Equipment**

Currency Counting Machines: Automate the counting of cash, improving accuracy and efficiency.

Currency Sorting Machines: Separate and sort banknotes based on denomination and authenticity.

Coin Counters and Sorters: Count and arrange coins efficiently for deposit and withdrawal.

### **5. Customer Service Equipment**

Queue Management Systems: Help organize customer flow and reduce waiting times in bank branches.

Self-Service Kiosks: Allow customers to perform simple banking tasks such as account inquiries and printing statements.

Signature Pads: Capture electronic signatures for authentication of transactions.

### **6. Office Equipment**

Printers and Scanners: Used for printing account statements, transaction receipts, and scanning documents.

Photocopiers and Fax Machines: Assist in document duplication and transmission.

Office Furniture (Desks, Chairs, Filing Cabinets): Provide a functional work environment for bank employees.

Modern banks rely on a combination of these equipment types to ensure smooth operations, enhance customer experience, and maintain security in financial transactions.

## CHAPTER THREE

### SIWES ACTIVITIES AND EXPERIENCE GAINED

This chapter consists of the experience gained from the training.

#### 3.1 Experience Gained

During my six months Student industrial work experiences scheme (SIWES) at the Ilorin Microfinance Bank, the practical knowledge gained includes:

- Customer verification
- Credit Appraisal
- Loan Booking
- Loan Disbursement
- Loan Monitoring
- File Tracing
- Loan Recovery

**Customer verification:** is the process of verifying customer physical basic information, i.e. (KYC), the importance of verifying customer basic information is to enable a loan officer lending and full assurance of recover facilities granted. These information includes:

- Identity proof: is the proof of I. D Card, voters card, national I. D card, driving licenses etc.
- Address proof: is a proof of residence and business place.
- Asset proof: is a proof of customer assets such as house, land, vehicles, animals etc.

**Credit appraisal:** this is the key activity in lending, it's the character assessment and recommendation of loan to the customer. It's carried out upon receipt of customer request for credit and all necessary document/information for such credit. The appraisal is done in line with the bank policy.

**Character assessment:** this are the personal information about the customer business and family such as honesty and integrity, ability to manage a business and make a smooth repayment, business asset, personal and group guarantee.

**Loan recommendation:** recommendation of loan is based on category of the loan salary, business and farming loan

Things to consider in recommending are:

- Cash flow with the bank.
- Duration/Retirement of the customer.
- Salary amount.

The above mentions will determine the amount that customer due for recommendation.

Loan Booking is the process of creating a customer loan account and generating repayment plan for the duration of the loan as approved by the MCC e.g. monthly instalment or weekly installment, this is done immediately after approval.

Steps involved in loan booking are as follows:

- Log into bank platform (cute banker lite)
- Open account setup and enter customer account
- Click on create related account and select loan account. Note the loan account will automatically be generated with a unique code 03010 follow by the last five (5) digit of the customers account number.
- Save and wait for approval from manager.
- After approval then you now open the loan account and generate the approved installment.

**Loan disbursement:** this is the process of reserving or making loan (cash) available to the customer, in loan disbursement the main key activities are:

- Provide Bank contract/agreement letter to the customer, stating amount approved.
- Total interest charges, bank processing fee, repayment starting date, total repayment amount, monthly installment and some other bank policy and customer hereby sign and receive a copy of the letter.
- Make the loan available to the customer by debit the customer loan account and credit his service account.

**Loan monitoring:** is the supervision of the facility granted, monitoring of loans commence immediately after facility is granted to the customer to determine early sign of a potential defaulting, during monitoring some useful information regarding the customer business performance could be received which will impact on their repayment.

The purpose of loan monitoring is to ensure that;



- The loan is being utilize for it's intended purpose and confirm the condition on ground before disbursement has not materially change.
- Impressing upon borrower seriousness of his loan commitment
- Noting any change in business location
- Observing any lapses in good management practice

**Tracing of costumer file:** is the process of finding customer file using costumer given file number as a referral number, the costumers files are kept in shelves.

In Ilorin Microfinance Bank customer record keeping is consider as a major job that cannot be overlooked due to it legal and strategic implication, they are considered as the backbones of the bank it is absolutely necessary to store, preserve and manage them so that they can be use for feature flow of financial activities.

Why Tracing Customers Files?

- **Monitoring and Recovery:** recovery officer use customer file for frequent monitoring and study of the repayment process.
- **Communication:** loan officer use customer file in loan recycling process.
- **Administration:** auditors use customer record for decision making process in the credit department.

Loan recovery: is the process of collecting facility granted back after a duration of agreement reach, recovery start by notifying the client before the repayment date commence. This will be by giving a customer Formal letter with heading "REPAYMENT REMINDER" and the body will carry appropriate communication on repayment starting date, monthly/weekly instalment and total repayment amount. carrying manager, head of credit and loan officer sign.

In recovery, we classified the following stages.

➤0 days	performing
➤1-30 days	pass and watch
➤31-60 days	Sub-standard
➤61-90 days	Doubtful
➤91 or more days	Loss

### **3.2 Challenges Encountered**

- i. The credit department face the challenge of inadequate staff to handle all activities in the department so as a result of that, IT student work throughout and close like normal staff in the organization.
- ii. The organization is operating half way online and therefore paper work is much and the work is stressful.

## **CHAPTER FOUR**

### **4.1 Summary**

During my six-month student industrial work experience scheme (SIWES), I acquired a lot and get to know much about credit activity (loan) and other financial activities.

### **4.2 Conclusion**

The student industrial work Experience Scheme (SIWES) has broadened my knowledge and shown nice in to future possibilities and a lot of opportunity that lied around the corner for becoming a Credit/loan officer in future. Credit appraisal, call over report and tracing of customers files for loan monitoring have been the daily activity in credit department. These activities are of great importance and will reduce too much defaulting.

### **4.3 Recommendation**

Considering the significance of ITF which aims to expose students to industry-based skills necessary for a smooth transition for the classroom to the work which also offer the students of tertiary institutions the opportunity of being familiarized and exposed to the needed experience in handling machinery and equipment which a usually not available in the educational institutions. I thereby state the following recommendation to enables the sustainability of the training:

- The school should make sure that the students attach his/herself to the right industry or organization for proper and adequate training.
- The school should send lecturer from students' department to monitor and supervise their students by visiting them in their place of attachment to really see what they are into for proper assessment.

### **4.4 References**

KWARAPOLY logbook.

My personal experience.

My SIWES organizational IT supervisor in people of Benjamin Sado