

# CARING FOR MINeworkERS

# AND THEIR COMMUNITIES



MARK WILLIAMS, TEBA BANK CHIEF EXECUTIVE

Teba Bank has a rich history of providing basic financial services to mineworkers and their families for over 30 years. In 1976 when other financial institutions largely ignored this sector of the market, Teba Cash Financial Services was formed to provide mineworkers with basic financial services. This included facilitating the remittance of funds to families and dependants in the rural areas using a linked account facility.

In the early nineties, South Africa was undergoing fundamental change as a country and the time was ripe to transition the savings fund into a commercial bank.

## THE ORIGINS AND PHILOSOPHY OF TEBA BANK

In June 2000, Teba Bank was granted a banking licence. Teba Bank sees itself as a truly representative black-owned bank as it is wholly owned by the Teba Fund Trust, managed jointly by the National Union of Mineworkers and the Chamber of Mines. The beneficiaries of the Trust are the Bank's customers. An overwhelming majority of the Bank's customers are black mineworkers, their families and communities, many whom live in under developed rural areas. Teba Bank is one of the few choices for customers who want to bank with an institution that has been serving this market profile since its inception.

Teba Bank offers paymaster functions for the gold and platinum mines, savings accounts including linked accounts for workers' spouses, fixed deposits, microloans,

provident backed housing loans, ATM cards and funeral insurance. Teba Bank is increasing its distribution channels to ensure accessibility for its target communities. Teba Bank is driven by a social consciousness that underpins all we do – our customers are our owners and we exist to serve them through the provision of financial services that meet their needs and improve their lives.

Teba Bank is focused on participating meaningfully in communities where customers live and work through providing access to affordable financial services, treating people with dignity and respect and educating them to manage their finances.

A survey designed to assess the impact Teba Bank has on the lives of its customers indicated that the Bank has indeed made a positive contribution. While both customers and non-customers had similar income sources, income levels and food security, significant differences did exist. Compared to the control group, Teba Bank customers had:

- Double the average per capita value of assets
- Higher proportion of scholars in the household
- More likely to save and managed to save double the amount on average
- More likely to budget their expenditure
- 85% believed that their bank account contributed to their financial situation.

Our customers see Teba Bank as being different from other banks, and they characterise the Bank as:

- Speaking our language
- Offering affordable products
- Understanding our needs
- Helping me manage my money
- Helping customers who are in financial difficulty
- Having friendly and helpful staff.

It is of the utmost importance to the Bank to ensure that it builds on these perceptions and continues to improve the customer's experience each time they interact with the Bank. Therefore, the Bank has embarked on a brand revitalisation programme, upgrading the look and feel of its branches and enhancing the customers' experience within the branch network. Customer service is one of the Bank's prime movers and – within the branch network – Teba Bank assists illiterate customers to fill out deposit and withdrawal slips and communicates with customers in their own language.

## A SURVEY DESIGNED TO ASSESS THE IMPACT TEBA BANK HAS ON THE LIVES OF ITS CUSTOMERS INDICATED THAT THE BANK HAS INDEED MADE A POSITIVE CONTRIBUTION.

### Promoting a financially literate market

The market that Teba Bank serves has high levels of illiteracy, particularly financial illiteracy. Therefore, the Bank has developed a financial literacy programme that is addressing this need and has found that the programme has proven life changing for participants.

The programme contains a number of modules addressing a broad range of financial issues including topical issues such as: Income and Expenses; Debt and Credit; Interest; Hire Purchase; Insurance; ATM and debit cards, etc.

The seminars are interactive, facilitated by trainers who can explain concepts in the local languages and who are trained to ensure that the participants leave the seminars with a substantial understanding of the modules covered.

### Working with the community

The Bank is deeply committed to the communities it serves and is active in the community through a robust volunteer programme that allows each staff member time to actively contribute to the community. In the past six months Teba Bank staff members have assisted in the development of rural schools, through upgrading school property, contributing to libraries and ensuring that learners have an environment conducive to learning.

This is in addition to social upliftment projects undertaken on request by stakeholders and customers such as the building of a community hall in Dutywa and the building of additional classrooms at a community-built school in Hluhluwe.

### Preparing for the future

Teba Bank is using its experience with mineworkers to cater for all workers, their families and broader communities through branches on mine premises, in mining towns and rural areas. Teba Bank is focused on increasing its distribution channels to ensure accessibility for its target communities. Teba Bank has received tremendous support from the NUM, and with this support is gearing up to expand and grow its business in line with its mandate and is already one of South Africa's top ten registered banks in terms of asset value and is the 8th most recognised banking brand as per the *Markinor/Sunday Times* Top Brands Survey.

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