



## Position Specification

### **Microfinance Investment Advisor**

#### **Gray Ghost Microfinance Fund LLC**

Atlanta, Georgia

**The Client.** Gray Ghost Microfinance Fund has recently been created by Robert Pattillo, an entrepreneurial social investor living in Atlanta, to connect a relatively untapped population of private social investors with the emerging commercial microfinance industry, thereby helping to stabilize the industry's base, expand its reach, and enhance its impact.

As background, the generally accepted date for the beginning of microfinance is 1976, when Bangladesh's Grameen Bank began to promote financial access to the very poor by providing business training and tiny loans to individual would-be entrepreneurs. The typical investor is a poor woman borrowing as little as \$25 or \$100 to provide working capital for a small business endeavor. Although the cost of such loans is high by Western standards, the impact can be even greater, effectively breaking a family's cycle of poverty that may have existed for generations.

Not surprisingly, the microfinance movement has rapidly spread worldwide, particularly in developing countries. Repayment rates tend to be very high (~98% or better), making these loans relatively low in risk. Even after the extraordinary costs of servicing a large number of such retail loans, the social investor can expect positive returns with moderate levels of risk while helping make it possible for the very poor to build assets that otherwise would be unavailable or even inconceivable to them.

The founder of Gray Ghost has a special perspective on the societal benefits of microfinance investment. In his experience, there are social benefits at both ends of the investment chain: The would-be entrepreneur is starved for resources, often literally, and the social investor with resources and passion is hungry for a sense of purpose often missing from his or her own capital portfolio. Microfinance is unique in that it can feed both needs at the same time.

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Historically, microfinance has been funded largely by governments and philanthropic institutions. Gray Ghost intends to help diversify microfinance funding by attracting a broader pool of private social investors to the sector. It is hoped that while increasing the capital base, many in this new pool of investors will also invest their time and talents, adding wisdom and experience to the development of microfinance:

- Private investors bring a business perspective and governance experience that is often lacking on the part of traditional microfinance shareholders (i.e., philanthropic and government institutions).
- High-net-worth social investors, often entrepreneurs, bring energy and drive, require accountability and expect results, and yet they are often fundamentally more flexible in their investment approaches than institutional investors are.
- Established, successful entrepreneurs are quick to recognize the power of microfinance and how it can transform the lives of those entrepreneurs whose dreams they embrace.

Further information is available on the website of Robert Pattillo Properties at [www.pattillo.com](http://www.pattillo.com) and its philanthropic arm, the Rockdale Foundation, at [www.rockdalefdn.org](http://www.rockdalefdn.org). Other links of interest include MicroFinance Gateway ([www.MicroFinanceGateway.org](http://www.MicroFinanceGateway.org)), the Journal of Microfinance ([www.microjournal.com](http://www.microjournal.com)), and Microfinance Information eXchange ([www.theMIX.org](http://www.theMIX.org)), each of which offers many more sites to explore.

***The Opportunity.*** Working as one of a small group of peers leading Gray Ghost's efforts, the Microfinance Investment Advisor will develop and nurture long-term personal relationships between and among investors, financial managers and clients. While reporting to the Chair of Gray Ghost's Senior Management Group, the Microfinance Investment Advisor will work in a highly collaborative environment as one of several co-equal senior staff. The Microfinance Investment Advisor will be evaluated based on the level of success achieved in mobilizing social investors' involvement in microfinance, personally and financially.

Although Gray Ghost is structured as an investment portfolio, it does not currently seek third party investors for itself. Rather, it seeks to promote social investment in the microfinance industry. This could include funds

that Gray Ghost invests in as well as other microfinance vehicles. The management believes that for the industry to be healthy and for its own investments to prosper, a broader group of investors must be engaged. That engagement will extend well beyond the particular portfolio that Gray Ghost represents.

Gray Ghost plans to invest \$50 million of its own capital; as such it may be the largest private microfinance investor in the world. The founder's vision is that by 2008 the efforts of the Gray Ghost team will have generated an incremental \$200 million invested in the microfinance industry by members of the social investor community (or up to \$1 billion if commercial funds are included.) Expected investments will include both direct debt and equity instruments in microfinance enterprises, as well as a variety of other fund vehicles.

**The Location.** Gray Ghost shares offices with The Rockdale Foundation and Robert Pattillo Properties in Atlanta, Georgia. Significant domestic travel will be required. Some degree of international travel will be important as well, both to see microfinance investments first hand and to meet potential investors in Latin America and other areas of the world.

**The Responsibilities.** Principal responsibilities will be as follows:

1. *Relationship-building.* The Microfinance Investment Advisor will be expected to build trust relationships with investment professionals and investors who may find microfinance a good fit for their investment needs. Such partners will likely include investment managers, social investors, estate planning attorneys, portfolio planners, tax advisors, community foundations, and managers of pension funds and university endowments. A sound understanding of investments types and terminology will be essential.
2. *Business development.* Direct contact with potential investors resulting in coinvestments with Gray Ghost will be key to success in the role. Achieving the goal of attracting \$200 million from other investors by 2008 will require sustained attention to development of leads and follow-up with prospective investors and gatekeepers, as well as creative efforts to work in partnership with groups such as the Young President's Organization and the Society

of International Business Fellows. Success will require a diligent, disciplined approach to account management.

*3. Education and communication (two way).* Linking social investors and the microfinance industry, the Microfinance Investment Advisor will be in an informed position to facilitate the flow of information in both directions. For new social investors, there is a need for information about the microfinance industry. At the same time, the microfinance industry can benefit from the perspective of social investors. Microfinance is still developing as an asset class, and the unique needs and preferences of private social investors will play a vital role in its developmental process.

The Microfinance Investment Advisor will develop or assemble broad education and information tools for use by prospective investors. There is a decided need for standardized benchmarking measures, especially those measuring social impact. Basic communications tools such as a newsletter and a website also need to be developed.

*4. Design investment vehicles and enhancements.* The Microfinance Investment Advisor will serve as a key resource for the industry, using what is learned through input from fund managers and social investors to help shape microfinance investments and design pilot initiatives to meet engagement, return, risk and tax management needs of social investors.

There may be opportunities for board participation on some of the industry leading enterprises, such as TheMIX.org, ACCION International, Council of Microfinance Equity Investors (CME), and/or MicroVest.

*5. Investment Committee team member.* The Microfinance Investment Advisor will be an equal voting member of the three-person Investment Committee, collaborating with other senior staff to make sound investment decisions for Gray Ghost's own portfolio. (Bios of Bob Pattillo and Paul DiLeo, the two current Investment Committee members, are attached.)

**The Candidate.** Gray Ghost is an equal opportunity employer, and a diverse slate of candidates is assumed. Among the assets and attributes being sought are the following, with the first three being most important:



1. Proven ability to build trust relationships easily with both wealthy and mid-level private social investors and investment professionals, while dealing with complex financial investment opportunities.
2. A sense of calling about this work. Previous experience in microfinance per se is not required, but the ideal candidate will be a business professional who already embraces the importance and spirit of the work to be done.
3. Comfort with the start-up phase of a creative endeavor, and recognition that constant change is certain.
4. Persuasive and insightful writing, speaking and listening skills.
5. Fluency in Spanish a plus.
6. Flexible and tolerant of ambiguity, but able to set appropriate limits as necessary.
7. A personal spirit of entrepreneurship.
8. An ability to connect with investors receptive to a closer alignment of their own social goals and capital deployment.
9. An advanced degree in field relevant to Gray Ghost's mission, such as an MBA, balanced with a liberal arts background.
10. Global thinking and demonstrated comfort dealing in the international arena.
11. A knack for balancing individual initiative with a collaborative style and respect for peer leaders.
12. The ability to set priorities in the face of competing agendas and voice.
13. Confidence balanced with humility.
14. Passion for learning and continuing improvement, both personal and organizational.

*For potential consideration or for other information, please send an e-mail to [GrayGhost@boardwalkconsulting.com](mailto:GrayGhost@boardwalkconsulting.com) or call Margaret Dickson or Sam Pettway at 404-BoardWalk (404-262-7392).*

For further information on BoardWalk Consulting go to [www.BoardWalkConsulting.com](http://www.BoardWalkConsulting.com) where a downloadable version of this document is available under Our Clients: Current Assignments.

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## **Biographies of Investment Committee Members**

**Bob Pattillo** and his wife, Katy, established The Rockdale Foundation in 1995. There, he serves as Chair and Managing Director. The Rockdale Foundation is the founding institutional partner of the Microfinance Network in the Arab World. Bob is a graduate of Dartmouth College and the Harvard Owner/President Management Program; past participant in Leadership DeKalb, Leadership Georgia, and the Regional Leadership Institute. Bob is regarded as a visionary business and community leader with unique strengths in strategic thinking and planning, innovation, and entrepreneurship. These qualities, combined with a pioneering spirit and commitment to service, have led Bob into participation in the life of a wide variety of organizations and projects, including work in Cuba, microfinance, and the emerging field of social entrepreneurship.

Since late 2003, **Paul DiLeo** has been working with other members of the Gray Ghost team in crafting an overall strategy, and additionally as the Investment Manager assuming specific responsibility for analyzing and structuring its investments. Given Gray Ghost's focus on microfinance investment funds as the channel through which it invests in the industry, DiLeo has been exploring the rapidly growing array of such funds serving the industry and investors and is working to develop accessible ways of classifying funds along the dimensions of risk, return and social value. DiLeo will also work closely with Gray Ghost's new Microfinance Investment Advisor to develop information and vehicles to facilitate social investor engagement with microfinance.

Before joining the Gray Ghost team, DiLeo worked for two decades in international finance and development, first for the U.S. Treasury and Federal Reserve and subsequently for an investment fund in Russia. For the past 10 years, DiLeo has worked specifically in development finance, focusing on small business finance and microfinance, as director of ShoreBank Corporation's international activities and as an independent consultant to investors and international agencies.

Mr. DiLeo is married with two young daughters and lives and works in Western Massachusetts and Brooklyn, NY.