Orenburg state institute of management

**Organization structure of Visa**

Mede by: student of MO – 24 group

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# Corporate profile

Visa connects cardholders, merchants and financial institutions through the world’s largest electronic payments network. Visa products allow buyers and sellers to conduct commerce with ease and confidence in both the physical and virtual worlds. As an association owned by 21,000 member financial institutions, Visa is committed to the sustained growth of electronic payment systems to support the needs of all stakeholders and to drive economic growth. There are 1.3 billion Visa cards in circulation, which are accepted at approximately 24 million locations, generating more than $3 trillion in annual card sales volume.

Wide spectrum of Visa’s products and services include credit, debit, and prepaid payment solutions, as well as programs and initiatives designed specifically for commercial and government enterprises. We also develop common standards and specifications to facilitate commerce and provide our member financial institutions with global payment platform development, 24/7 operation of the world’s largest and most sophisticated payment processing system, and management of the Visa brand.

# Executive Management

Each member of Visa's Executive Management team brings a wealth of experience in financial services and payment systems management. They share a vision of empowering people and institutions to more efficiently and conveniently conduct commerce.

Christopher Rodrigues

President and Chief Executive Officer, Visa International

Rupert G. Keeley

President, Visa Asia Pacific

Derek A. Fry

President, Visa Canada

Anne L. Cobb

President, Visa Central & Eastern Europe, Middle East & Africa

Johannes (Hans) I. van der Velde

President, Visa Europe

Eduardo Eraña

Group Executive, Visa Latin America & Carribbean

John Philip Coghlan

President and Chief Executive Officer, Visa USA

# Organization

The cornerstone of Visa's success is a unique organizational structure. Partnerships with 21,000 financial institutions enable Visa to meet the needs of local markets and to balance various financial, regulatory and legal factors. All participants benefit from economies of scale. Visa provides a robust payment platform on which our members compete vigorously.

This strategy of "localization" is supported by a highly decentralized organization. Most resources and decision-making are pushed out to the regional and country operations which adapt Visa products and services to the culture and customs, thereby meeting the unique needs of buyers and sellers in each market.

In short, Visa is not a traditional multi-national corporation. By empowering staff that understand the banks, consumers and merchants in their markets, Visa has grown its business 22% for the past 25 years—a track record matched by few other global businesses.

Operationally, Visa is divided into six regional entities and a corporate headquarters. The Visa regions are:

* Visa Asia Pacific Region
* Visa Canada
* Visa Central & Eastern Europe, Middle East & Africa Region
* Visa Europe
* Visa Latin America & Caribbean Region
* Visa USA

The activities of all Visa members are governed by a set of global operating regulations. The interoperability, stability and growth of the worldwide enterprise is facilitated by a core group of centralized functions which develop product platforms, manage the Visa brand, monitor global risks and ensure implementation of technical standards.

The Visa organization derives its strength from this dynamic balance between local and global—for none of the parties involved would be as effective without the others. This highly elastic, distributed regional structure has been a key element of Visa's growth and will continue to deliver the flexibility and responsiveness that the highly competitive market demands.

# Governance

Openness, responsibility and effective oversight are the foundation of Visa's commitment to good corporate governance. These principals are critical to obtaining and retaining the trust of our members, merchants and cardholders. They are also vital to secure the respect and trust from other key stakeholders and interested parties—including employees, customers, suppliers, government officials and the public at large.

### Openness

Visa is committed to increase understanding among all stakeholders about the role Visa plays in the electronic payments industry, our goals and what we do. Although it is a non-stock membership organization, initiatives like the first Worldwide Association report, are a demonstration of our commitment to increased transparency. Moreover, our governance and financial management practices are generally aligned with the best business practices of publicly traded organizations.

### Responsibility

Beyond our responsibilities to our members and to our employees, Visa recognizes that it can play a constructive role in the broader global community. As the use of electronic payments expands, Visa is committed to both developing products and services for underserved segments in society and working to ensure that consumers in all markets know how to use Visa products responsibly. For example, "Practical Money Skills," a financial literacy program, operates in the United States, Canada, Asia and Latin America.

### Effective Oversight

The activities of all Visa members are governed by a set of global operating regulations. Although the "Visa" name is the property of Visa International Service Association, the global Visa organization is actually a collection of legal entities. Three regions (Visa U.S.A., Inc, Visa Canada Association and Visa Europe Ltd.) are separately incorporated group members of Visa International Service Association, whereas the remaining three regions (Visa Asia Pacific, Visa LAC and Visa CEMEA) are unincorporated divisions of Visa International Service Association. To enable efficient day-to-day management, these six regions (and Visa International Service Association itself) each have a president, an executive team and a Board of Directors.

Each region's representation on the Visa International board is based in large part on its share of Visa's worldwide sales volume. Regions nominate individuals from their regional boards, and these regional directors, plus the Visa International CEO, comprise the Visa International Board. The Visa International board is responsible for the oversight of the worldwide interests of the association and ensuring it operates to the highest ethical standards.

# The History of Visa

The history of Visa is the history of the electronic payments industry itself. Led by people of vision and determination, Visa has long recognized that electronic payments have had a profound and positive effect on individuals, businesses, and economies.

Like other powerful ideas of the past 100 years—the airplane, television, computers—Visa has changed the way we live our lives.

### From Inspiration to Organization: The beginnings of Visa

When Bank of America launched its pioneering BankAmericard program in Fresno, California, in 1958, the modern payment era was born.

A decade later, the program took a major step forward when Dee Hock, then one of the leaders of a group of BankAmericard licensee banks, proposed that the banks form an association; a joint venture that would allow Members to enjoy the benefits of a centralized payments system, while competing fairly for their own interests. Dee Hock became the new group's first president.

By the time Bank of America transferred control and ownership of BankAmericard to the newly incorporated NBI (National BankAmericard, Inc.) in 1970, credit card use was beginning to have a significant impact on how people bought and sold services.

In 1976, NBI changed the BankAmericard name to Visa, a simple, memorable name that is pronounced the same way in every language.

**Years of Change: Shaping the industry**

The point-of-sale model—using a physical card at a physical merchant in a face-to-face transaction—began to change in the 1980s with the rise of mail and telephone order transactions, where the merchant didn't have to see the actual card.

In 1986, Visa began an affiliation with the PLUS ATM network, opening the way for cardholders to get easy access to cash. As the decade closed, more and more banks had started to issue debit cards, providing bank account holders with direct access to their money.

The 1990s were characterized by the technological revolution, which dramatically changed the direction of the payments industry. As technology and the Internet evolved, so did the thinking of the traditional financial institution.

During this time, Visa recognized the potential for technology to connect every consumer, merchant, service provider, and financial institution in the world so that payments could truly be made anywhere, anytime and through any device.

### Today and Tomorrow: Growth and technology

At the dawn of the new century, still new technologies are emerging—such as contactless chip and proximity payments, which enable yet another means of value exchange. These technologies open up a huge number of potential access points for payment cards.

With these new payment options for individuals, businesses, and government organizations, commerce truly becomes ubiquitous. Now, a consumer or businessperson can buy goods or services at a moment's notice through any device, and is not limited by geographic boundaries.

As we move forward in the new century, Visa is committed to developing solutions that meet specific market demands, seize opportunities in high growth areas such as debit, prepaid, and commercial, and work collaboratively with a variety of technology, business, and industry partners to build a globally secure and connected infrastructure.