



**ALL SAINTS' CATHEDRAL**  
SACCO SOCIETY LTD



# STRATEGIC PLAN 2024-2028

**Empowering each other for Progress - Galatians 6:2**

**#PamojaTwaweza**

**[www.ascsacco.org](http://www.ascsacco.org)**

## ABBREVIATIONS

• <b>BoD</b>	Board of Directors
• <b>CBK</b>	Central Bank of Kenya
• <b>CBR</b>	Central Bank Rate
• <b>CSR</b>	Corporate Social Responsibility
• <b>GDP</b>	Gross Domestic Product
• <b>HR</b>	Human Resource
• <b>IAS</b>	International Accounting Standards
• <b>ICT</b>	Information and Communication Technology
• <b>IFRS</b>	International Financial Reporting Standards
• <b>KUSCCO</b>	Kenya Union of Savings and Credit Co-operatives
• <b>M&amp;E</b>	Monitoring and Evaluation
• <b>Ministry</b>	Ministry of Cooperatives, Micro Small & Medium Enterprise
• <b>NACOs</b>	National Co-operative Organizations
• <b>NPL</b>	Non-Performing Loan
• <b>NWDT</b>	Non-withdraw able Deposit Taking
• <b>PAR</b>	Portfolio at Risk
• <b>PESTEL</b>	Political, Economic, Social, Technological, Ecological & Legal Factors
• <b>SACCO</b>	Savings and Credit Co-operative
• <b>SASRA</b>	SACCO Societies Regulatory Authority
• <b>SWOT</b>	Strengths, Weaknesses, Opportunities and Threats

## **Board Adoption of Strategic Plan**

This document was discussed and approved for implementation as A.S.C SACCO Society Ltd.

Strategic Plan 2024 – 2028 with effect from 1st January 2024 and approved on 9th March 2024.

It was approved under Minute Number.....by the Board of Directors Meeting held on.....

### **APPROVED BY:**

Chairman..... Signature.....

Vice Chairman..... Signature.....

Hon. Secretary..... Signature.....

Treasurer..... Signature.....

SACCO Manager..... Signature.....

## Executive Summary

This strategic plan was developed over a series of engagements at The All Saints Cathedral Church, Nairobi. It was developed through a participatory process involving the board, supervisory committee and SACCO staff. Members were also involved through their participation in a customer satisfaction survey.

Development of this strategic plan has been necessitated not only by the need to address challenges emanating from the dynamic economic and operating conditions of the past, but also by the desire of the board to consolidate the gains made so far. The board has therefore reaffirmed its strategic direction and realigned its operations accordingly. This strategic plan document provides a roadmap, framework and an action plan that the SACCO will implement in the next five years.

In coming up with this strategy document, the Board of Directors undertook a comprehensive assessment of the direction the SACCO intends to take and reviewed the vision and mission statements. This was followed by a thorough analysis of the internal and external environments using SWOT/PESTEL tools as well as stakeholder and competitor analyses. These analyses enabled the Board to identify four strategic pillars, modelled on the Balanced Score Card.

## Strategic Pillars



For each of the pillars, objectives, strategies and an action plan were developed. During the implementation period, the board and staff will streamline operations by regular review of strategies, policies, and research on new products that meet members' needs. Operational effectiveness will be enhanced through capacity-building programs. Staff may be recruited gradually depending on expansion of operations. There will also be a key focus on compliance with the requirements of Co-operatives Act.

The society understands that developing a strategic plan is a good thing, but achieving the set goals comes with a consideration. Provision has thus been made to budget for planned activities on annual basis as a means of prioritization and optimal resource utilization. The board believes that it has the capacity to implement this strategic plan using internally- generated resources supplemented by external support whenever such may be required.

To help ensure successful implementation of the strategic plan a monitoring and evaluation framework will be followed. The SACCO Manager in consultation with the Board Chairperson will be responsible for M&E.

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**ALL SAINTS' CATHEDRAL**  
SACCO SOCIETY LTD

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## **PREAMBLE**

Strategic planning is an integral management process that opens opportunities for Institutions to envision and plan for a desired future. In pursuit of our collective vision to empower our members and communities through financial inclusion and prosperity, All Saints' Cathedral SACCO presents this Strategic Plan to serve as a roadmap to guide our actions and initiatives as we seek to fulfill our mission and create value for our stakeholders.

Developing this Strategic plan was necessitated not only by the need to address the challenges inherent in the current economic landscape characterized by volatility and numerous disruptions but also the need to consolidate the gains made so far by the SACCO while presenting strategies that should enable the SACCO to become a world leader empowering members for quality life.

Since inception in 2009, All Saints' Cathedral SACCO has realized growth and other achievements through concrete and consistent leadership buoyed by supportive members. This Strategic plan covers five years from 2024 to 2028 and will provide a framework and action plan that the SACCO will implement for the next five years.

Rooted in the principles of cooperation, inclusivity, integrity and service excellence, our SACCO is cognizant of the emerging needs and aspirations of our members in the ever changing socio-economic environment. This Strategic Plan seeks to solidify past gains and promote efficiency and effectiveness for sustainability and impact.

We now embark on this transformative journey with purpose and determination, anchored in our Christian faith as a Church SACCO and enduring desire for shared prosperity for our stakeholders.

Our clarion call is, ***"Building Prosperity Together"***.

God bless you.

**GEORGE MAINA**  
**CHAIRMAN EDUCATION COMMITTEE.**



## **ACKNOWLEDGEMENTS**

All Saints' Cathedral SACCO has achieved a significant milestone in the preparation and completion of this strategic plan. This Strategic Plan was developed over a series of engagements at the All Saints' Cathedral Nairobi over a period of six months. It was developed through a participatory process that involved the board, supervisory committee and the SACCO staff members. The lead consultant also conducted a Customer Satisfaction survey in order to obtain invaluable feedback from the SACCO members regarding the SACCO products and services.

We acknowledge efforts and contributions of the following members who played a pivotal role in the strategic planning committee; George Maina, Fridah Too, Dorcas Amolo (Education committee) Caroline Ombuna, Samwel Ngigi, Moses Odumbe, Rev. James Kimari, Rev. Jandson Njoroge, Margaret Njenga, Prince Andalya (board) Simon Kaki (supervisory) Cecilia Wavinya and Diana (staff).

Profound gratitude is extended to the lead consultant Salma Sheher who worked tirelessly and supported the team to ensure critical thinking took place leading to coherence of thoughts and articulation of strategies in the final document.

We also thank Jerry Finta of Mansion Arts Limited who designed and published this Strategic Plan. We appreciate everyone else who contributed in any manner in making this strategic plan a reality.

We now invite all stakeholders to join us in the implementation.

**ALL SAINTS' CATHEDRAL SACCO.  
2024**



# INTRODUCTION

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## 1. INTRODUCTION

All Saints' Cathedral Savings and Credit Society Limited was formed in 2009 by registered members of All Saints Cathedral Church and employees of the Society. Today, the SACCO has over 284 members, an Asset Base of over 50 million and has mobilized over 37 million in deposits.

A.S.C. Sacco is managed through the Board that are elected by the members at the Annual General Meeting (AGM) who oversee the day to day operations of the Sacco. There are two key committees that oversee SACCO operations; Board of Directors (BOD) and Supervisory Committee (SC).

### OUR STRATEGIC DIRECTION

- **Vision-Empower Christians towards Financial Freedom**
- **Mission-to uplift our members through Innovative Financial Services & Nurture a Culture of shared prosperity**
- **Core values - Professionalism, Integrity, Teamwork, Innovation, Accountability**
- **Corporate colours - Green & Gold**
- **Slogan - Building Prosperity Together**



## **1.2. Our Products and Services**

At A.S.C SACCO Society Ltd, we offer a wide variety of products and services suited to the needs of our members. These include;

- i. Savings Products: holiday savings, junior savings
- ii. Loan Products: Development Loans, School Fees Loan, Instant loans, mobile loans, chama loans, quick loans, LPO Financing & Jijenge loan.
- iii. Housing loans offered through the Housing Co-operative.

## **1.3. Our Achievements / Milestones**

Over the last five years, we have worked towards reaching a number of milestones worth noting. These include:

- i. The Sacco has managed to pay interest on deposits and plough back dividends to members for different financial years.
- ii. Intensification of marketing as a way of bringing more members to the Sacco as well as selling our products to the existing members.
- iii. The management has taken lead in implementation of policies and putting the right measures in place meant to grow the Sacco.
- iv. Introduction of a Housing project through the Housing Co-operative.
- v. Dedicated and visionary Committee Members.
- vi. Reduction of default on loans.
- vii. Portfolio diversification of Investments in money markets.
- viii. Capital base is relatively strong.
- ix. Product diversification.
- x. Opening up membership to include ACK faithfuls across board.
- xi. Regulatory Compliance: Adhering to local financial regulations and obtaining necessary licenses and approvals.
- xii. Financial Stability: Maintaining sound financial health, with a positive net worth and healthy liquidity ratios.
- xiii. Technology Adoption: Embracing modern banking technologies for efficient operations and member services.
- xiv. Enhanced Members' Education.

## **1.4. Challenges Faced**

Despite our achievements, the SACCO still faces a number of challenges that it needs to address. These include;

1. Brand visibility in other Anglican institutions
2. Dormancy from a portion of the membership
3. Moderate withdrawal rate
4. Low uptake of loans by members

## **1.5. Governance**

The apex decision making organ at the SACCO is the General Meeting. There is a Board of Directors led by a chairman and structured into various sub-committees. There is also an independent supervisory committee elected by members.

Day-to-day operations is led by the SACCO Manager and the management team.

## **1.6. Purpose of the Strategic Plan**

This strategic plan is yet another building block intended to consolidate on the gains thus far made by the society while presenting strategies that should help the Society become a world-leading Sacco in empowering members for quality life.

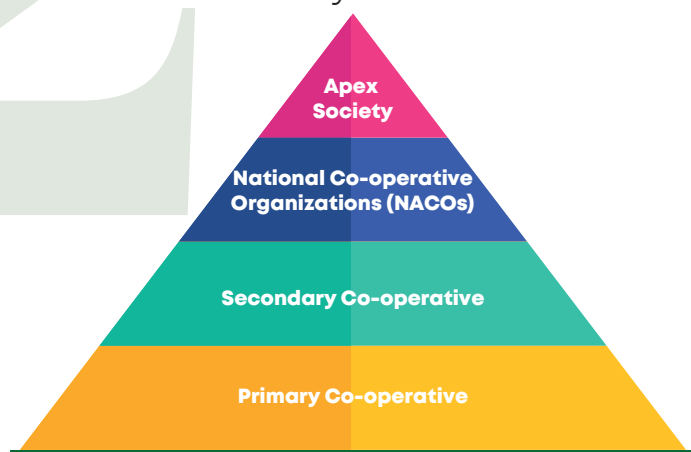
# SITUATIONAL ANALYSIS



## 2. SITUATIONAL ANALYSIS

### 2.1. Structural Framework of the Cooperative Movement in Kenya

The structure of the cooperative movement is a four-tier structure. The Cooperative Societies Act recognizes these four specific categories of society, namely:



A.S.C SACCO Society falls within the category of primary cooperative societies. The SACCO movement is regulated by the SACCO Societies Regulatory Authority (SASRA) whose main mandate is to license and regulate; Deposit Taking SACCOs, Non-Deposit Taking SACCOs with a savings portfolio of over Kshs. 100 million, Digital SACCOs and Diaspora SACCOs.

### 2.2. Developments in the Banking Sector

The year 2021 was a year of recovery for the Kenyan banking sector as it emerged from the social and economic disruptions of the COVID-19 pandemic. With the containment of the health crisis, the banking sector witnessed the mainstreaming of hybrid working models, unwinding of COVID-19 mitigating measures implemented in 2020, and a gradual restoration of pre-COVID-19 levels of service. The sector continued playing its supportive role in the economy as economic activity resumed and businesses reopened.

A key supervisory highlight of the year was the enhancement of the banking sector legal and regulatory framework through enactment of the Central Bank of Kenya (Amendment) Act, No 10 of 2021. The amendment, enacted on December 23, 2021, brought previously unregulated Digital Credit Providers under CBK's regulatory purview and thereby expanded CBK's regulatory perimeter.

In consultation with industry stakeholders, CBK continued coordinating technical leadership in emerging areas of supervisory significance to enable the banking sector meet emerging operational and strategic challenges. This includes provision of guidance in such areas as sustainability and climate risk assessment, digital innovations, development of Central Bank Digital Currency (CBDC), Decentralized Finance (DeFi) and Cloud Computing.<sup>1</sup>

<sup>1</sup>Central bank Supervisory Report 2021



### 2.3. SACCOs

The DT-SACCOs recorded an NPL ratio of 8.86% while the NWDT-SACCOs recorded an NPL ratio of 9.78%, compared to the NPL ratio recorded by commercial banks and Microfinance banks of 14.13% and 25.58% respectively. While the number of branches for commercial banks and Microfinance banks recorded marginal declines, the SACCOs recorded an increase in their branches with DT-SACCOs branches increasing from 537 branches in 2020 to 559 branches recorded in 2021. SACCOs should borrow a leaf from their banking counterparts and manage investments in physical branch networks which are capital intensive, and instead adopt the usage of ICT in provision of services and reaching of their members.

In terms of the SACCO sub sector's contribution to the national Gross Domestic Product (GDP), the DT-SACCOs assets accounted for 5.71% of the national GDP while the NWDT-SACCOs assets accounted for 0.96% of the national GDP. The cumulative contribution of the regulated SACCOs total assets to the national GDP for the period ended December 2021 was thus 6.67%. In comparison to the period ended December 2020 however, there was a decline in the proportion of the DT-SACCOs and NWDT-SACCOs total assets to the national GDP which was then recorded at 5.86% and 0.99% respectively with a cumulative subsector's contribution of 6.85%. Consequently, it can be stated that the SACCO subsector grew at a slower pace than the country's national GDP in 2021 compared to the period ended December 2020.<sup>2</sup>

### 2.4. Pension funds

Assets of pension funds increased by 10.6 per cent to Kshs. 1,547.4 billion in December 2021 from Kshs. 1,399.0 billion as at end of December 2020. Investments in government securities grew to Kshs. 707.0 billion, a growth of 8.4 per cent in 2021 compared to a growth of 4.2 per cent in 2020. Similarly, holdings of quoted equities increased by 14.5 per cent in 2021 as activity in capital markets recovered from the impact of COVID-19.<sup>3</sup>

### 2.5. Capital markets

Market capitalization and bonds turnover increased by 11.0 per cent and 38.3 per cent to Kshs. 2,592.9 billion and Kshs. 957.0 billion in 2021, respectively. The total number of shares traded decreased by 1,213.4 million in 2021 from 5,264.5 million in 2020. The total value of shares traded reduced by 7.6 per cent from Kshs. 148.7 billion in 2020 to Kshs. 137.4 billion in 2021. Total number of deals increased from 263,907 in 2020 to 277,611 in 2021 while the Nairobi Securities Exchange (NSE) 20 share index increased from 1,868 points in 2020 to 1,903 points in 2021. The number of licensed institutions increased to 161 in 2021 from 148 in 2020.<sup>4</sup>

<sup>2</sup>SACCO Supervision Report 2021

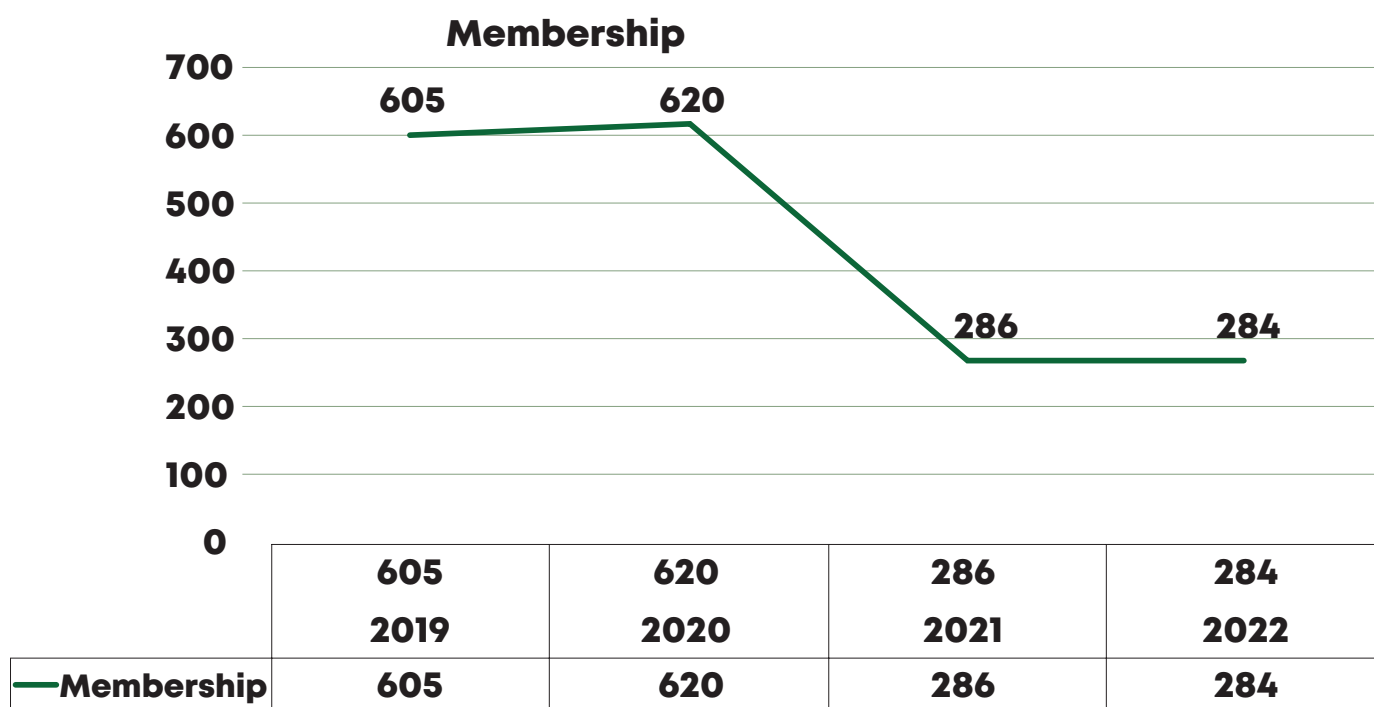
<sup>3</sup>Economic Survey 2022

<sup>4</sup>Economic Survey 2022

## 2.6. Performance

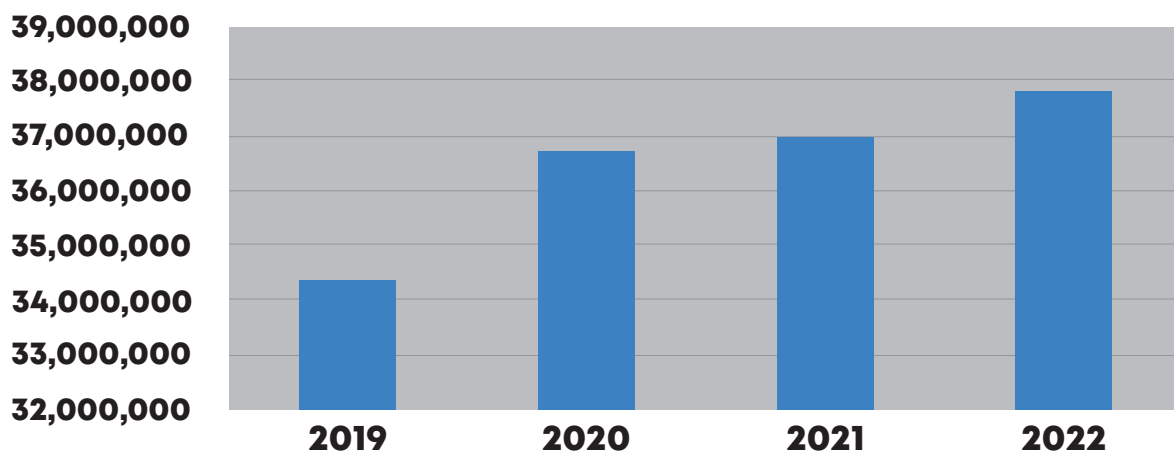
YEAR	2019	2020	2021	2022
Membership	605	620	286	284
Share Capital	1,222,800	1,639,772	1,705,172	2,539,645
Members' Deposits	34,337,491	36,703,881	37,014,924	37,868,714
Loans to Members	32,983,377	43,243,204	28,030,047	8,941,780
Turnover	3,248,562	2,525,099	4,240,923	3,555,105
Expenditure	1,667,105	1,249,051	1,209,158	1,421,709
Interest on Members' Deposits	2,000,000	2,700,000	3,700,000	4,700,000
Surplus	459,565	460,838	1,842,602	1,018,051
Dividends	300,000	300,000	300,000	300,000
Fixed Assets	33,219,455	41,539,238	44,179,103	27,992,194
Current Assets	5,831,285	1,703,966	2,960,068	22,019,441
Total Assets	39,050,740	43,243,204	47,139,171	50,011,635
Liabilities	31,595,532	37,314,421	43,391,830	44,282,062
Investments	2,172,873	10,412,080	16,028,418	18,913,554
Statutory Reserve	224,516	339,726	746,079	949,689

### Membership



The SACCO has seen a significant drop in active membership over the years, prior the SACCO would record total membership, from 2021 there was need to relook the membership in relation to the active members hence the significant decrease in the numbers.

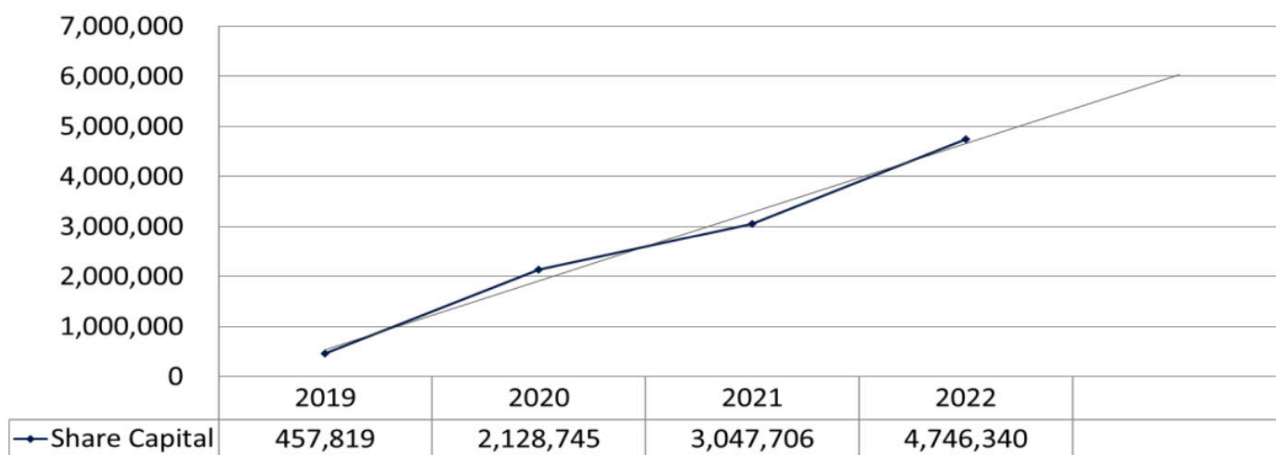
### Member's Deposits



■ Members' Deposits    **34,337,491**    **36,703,881**    **37,014,924**    **37,868,714**

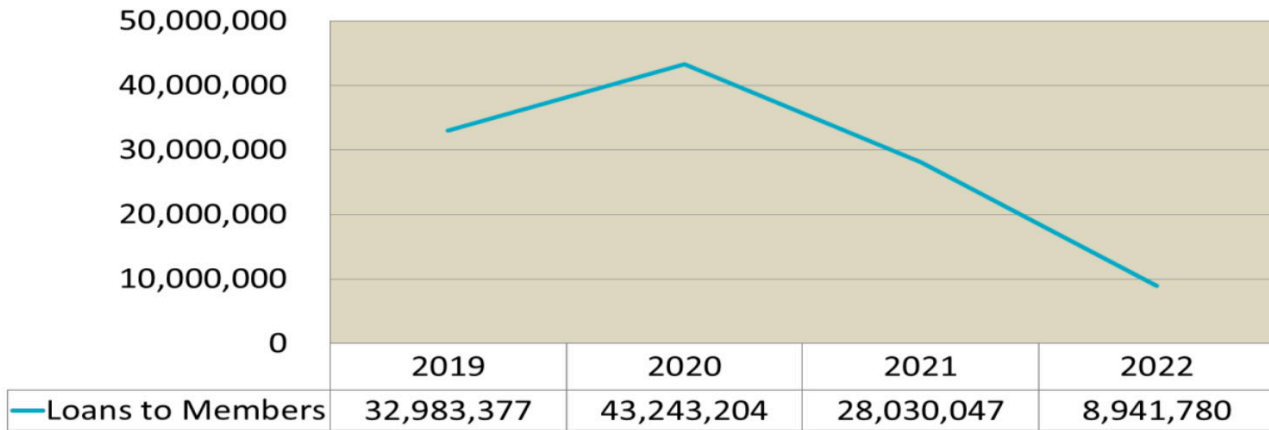
Member deposit has stagnated over the years and the SACCO will need to put in place strategies to mobilize savings from members.

### Share Capital



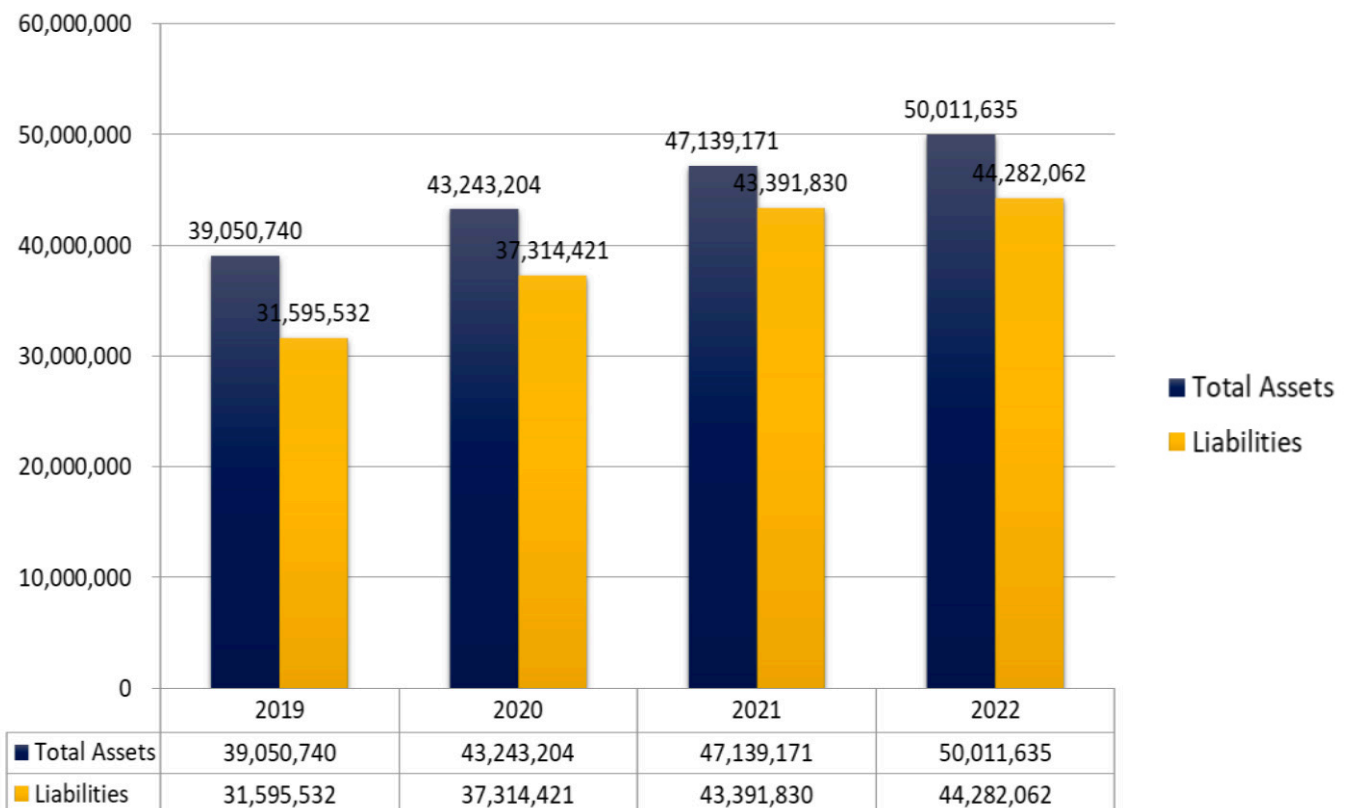
Share capital has been on an upward trajectory over the years, members should be encouraged to increase their shares beyond the minimum prescribed ratio.

**Strategic Plan 2024-2028**

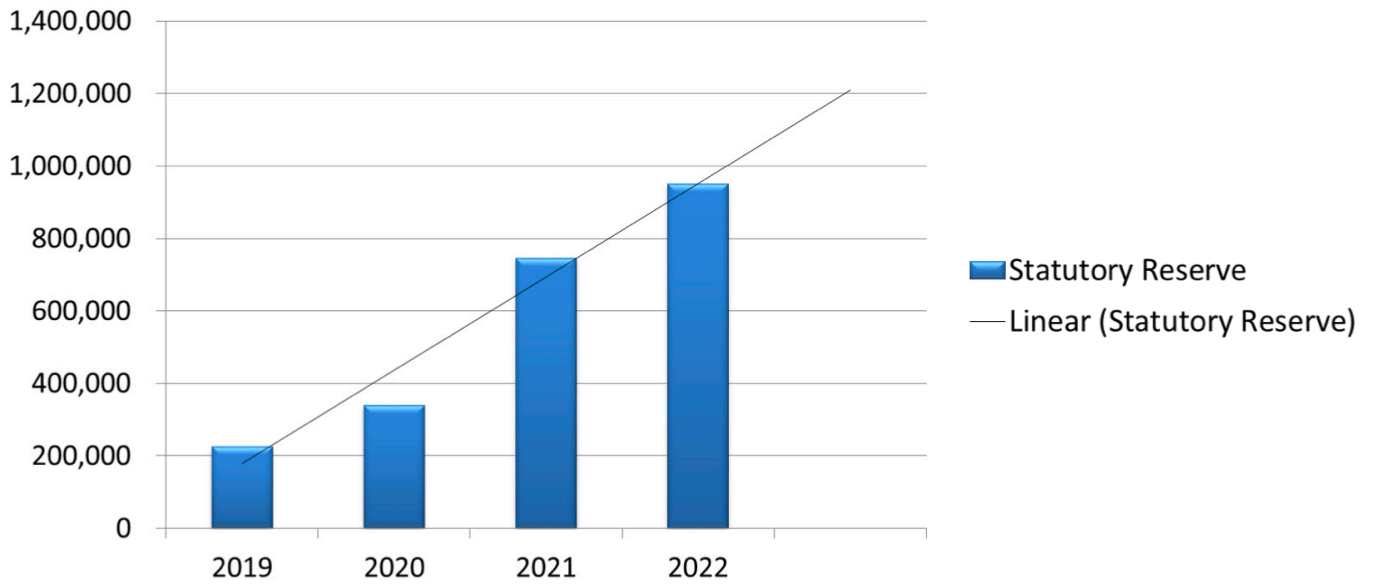


Loan Uptake has decreased significantly, there is need to re-engineer or develop products that address member’s needs and encourage loan uptake.

**Total Assets vs Total Liabilities**



## Loan to Members





# ENVIRONMENTAL ANALYSIS

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### 3. ENVIRONMENTAL ANALYSIS

Environmental scanning is the acquisition and use of information about events, trends, and relationships in an organization's external environment, the knowledge of which would assist management in planning the organization's future course of action. Organizations scan the environment in order to understand the external forces of change so that they may develop effective responses which secure or improve their position in the future. Environmental scanning enables a firm to avoid surprises, identify threats and opportunities, gain competitive advantage, and improve long-term and short-term planning and hence adapt to its operating environment by knowing and interpreting the external changes that are taking place around it.

The strategic planning team carried out the environmental scanning through the use of SWOT and PESTEL tools as well as Stakeholder Analysis, Competitor Analysis, Risk Analysis and Gap Analysis. A Member survey was also carried out.



#### 3.1. SWOT Analysis

The planning team undertook a SWOT analysis to aid in developing greater awareness of the situation.

A SWOT analysis focuses on Strengths, Weaknesses, Opportunities, and Threats.

The purpose of performing a SWOT is to reveal positive forces that work together and potential problems that need to be recognized and possibly addressed.



## SWOT Analysis



### STRENGTHS

- i. Favorable interest rate on loans.
- ii. Capable, diligent and dedicated employees and Board members.
- iii. Adequate liquidity,
- iv. Goodwill from All Saints' Cathedral leadership.
- v. Strong Capital base.
- vi. Member Owned.
- vii. The SACCO has invested in money markets that have given it good returns.
- viii. The SACCO has managed to give members good returns in form of interest on deposits and capitalization on dividends.



### WEAKNESSES

- i. Reduced deposit/savings mobilization.
- ii. Increased default rate.
- iii. Low loan uptake
- iv. Low brand visibility of the SACCO in other Anglican institutions.
- v. Inadequate training for staff, Board and members.
- vi. Lack of adequate risk management structures.
- vii. Slow adoption to technology.
- viii. Low product diversification.



### OPPORTUNITIES

- i. Marketing and Outreach.
- ii. Technological integration.
- iii. Member Education on financial literacy.
- iv. Investment channels for diversified portfolio.
- v. Availability of credit information sharing platforms that can be used to reduce credit risk exposure.
- vi. Opening the common bond to attract a larger pool of Anglican faithfuls.

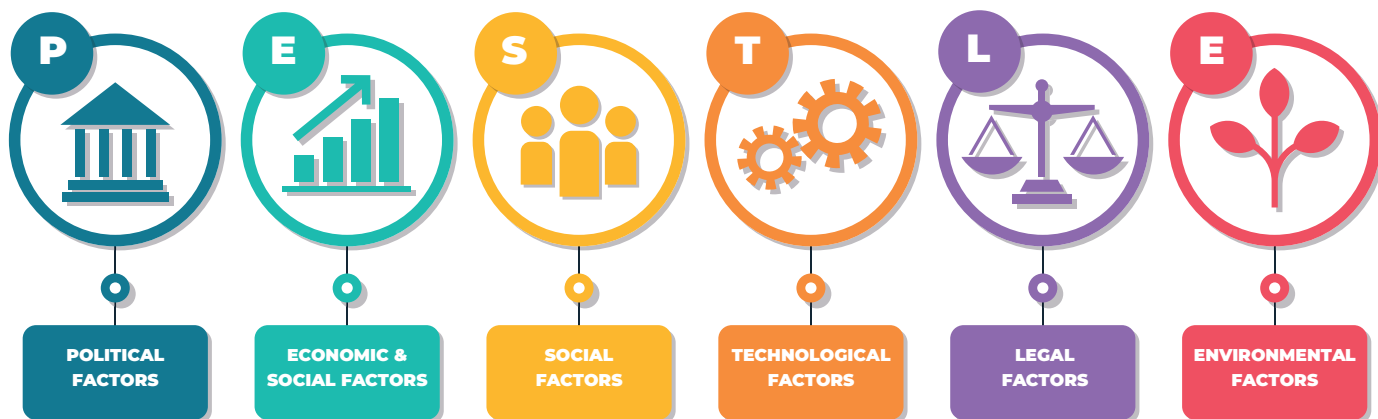


### THREATS

- i. Competition from other financial service providers, especially Micro finance institutions.
- ii. Cyber crime.
- iii. Changes in technology and the need to constantly update the same comes as great cost.
- iv. The Covid-19 pandemic caused loss of jobs, reduced saving and increased default.
- v. The high cost of living results in lower savings.
- vi. Stringent regulatory compliance that governs SACCO operations.

### 3.2. PESTLE Analysis

The planning team carried out a PESTLE analysis, focusing on the external environment. The PESTLE analysis was guided by the following broad definitions:



<b>Political</b>	<ul style="list-style-type: none"> <li>Laws, global issues, legislation and regulations that may have an effect on your business either immediately or in the future.</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>Taxes, interest rates, inflation, the stock markets and consumer confidence all need to be taken into account.</li> </ul>
<b>Social</b>	<ul style="list-style-type: none"> <li>The changes in lifestyle and buying trends, media, major events, ethics, advertising, and publicity factors.</li> </ul>
<b>Technological</b>	<ul style="list-style-type: none"> <li>Innovations, access to technology, licensing &amp; patents, manufacturing, research funding and global communication.</li> </ul>
<b>Legal</b>	<ul style="list-style-type: none"> <li>Legislation that has been proposed and may come into effect and any passed legislations.</li> </ul>
<b>Environmental</b>	<ul style="list-style-type: none"> <li>Environmental issues either locally or globally and their social and political factors.</li> </ul>

Factor	Indicators	Implications
<b>Political</b>	Government support in policy formulation and technical assistance from the State Department of Co-operatives in the Ministry of Trade, Industry and Co-operatives	<ul style="list-style-type: none"> <li>Strong regulations and clear policies enable stability in the Sacco sector.</li> <li>With proper regulatory framework and policies and procedures, Sacco's have to strengthen their governance processes to comply</li> </ul>

Factor	Indicators	Implications
	Political stability and Goodwill	<ul style="list-style-type: none"> <li>• Political stability creates a conducive environment for Sacco and members to do more business. There is also room for Collaboration with stakeholders and international partners</li> <li>• However, any form of instability is likely to affect Sacco's negatively. Such instability may lead to destruction of property, relocation of people, and reduced economic activities</li> </ul>
	Devolution of the Cooperative Function	<ul style="list-style-type: none"> <li>• More business potential to be realized from devolved resources at the county levels and this is a good opportunity for the Sacco to capitalize on</li> </ul>
<b>Economic</b>	Interest rates	<ul style="list-style-type: none"> <li>• With reduced bank interest rates, Sacco's have to review their pricing to remain competitive.</li> <li>• Reduced interest rates also enable Sacco's to obtain bank loans at manageable rates</li> <li>• Fluctuating interest rates from financial institutions make it a challenge for Societies in loan pricing since their product prices are usually fixed. This may force Societies to mobilize their own internal funds through deposits mobilization and better retention strategies</li> </ul>
	Inflation	<ul style="list-style-type: none"> <li>• With high inflation rates, the propensity to save is likely to decrease as essential products become more expensive</li> <li>• Decreased disposable income with increasing inflation is likely to hamper Sacco businesses</li> </ul>
	Competition	<ul style="list-style-type: none"> <li>• Sacco's are opening their common bonds thus increased competition for members</li> <li>• Banks and mobile phone companies are coming up with products targeting the same clientele of Sacco's</li> </ul>
	Increased taxes	High taxes kill the business incentive

<b>Factor</b>	<b>Indicators</b>	<b>Implications</b>
<b>Social</b>	Diversified tastes and preferences	Different age groups have different tastes and preferences thus products development is essential to accommodate them.
	Literacy levels	As the population gets more educated and aware, they stand a better chance of choosing and deciding from the options available to them. The customers have become more demanding and are causing organizations to constantly improve their competitiveness.
	Improved health care with the current devolution	This means an active membership and less resources are spent on the sick.
	Savings culture	This makes groups pull resources together and hence the belief in spirit of co-operating among individuals.
	High poverty levels	Low savings culture accompanied with a high cost of living creates the need for cyclical loans among members
	Chronic Diseases like HIV/ AIDs, Cancer etc.	Cost of Sickness/treatment can be high burdening the members
	Trends and fashions	Urbanization comes with trends and fashions that affect the needs of people. Product diversification is essential
<b>Technology</b>	ICT advancement	<ul style="list-style-type: none"> <li>• Reduced work processes through automation, operational costs and time</li> <li>• Timely decision making</li> <li>• Enhanced service delivery</li> </ul>
	Negative effects of ICT	<ul style="list-style-type: none"> <li>• High cost of technology e.g. on automation</li> <li>• Inadequate knowledge on ideal ICT systems among</li> <li>• Societies</li> <li>• Crime acts and frauds by fraudsters</li> <li>• Technology changes very fast calling for frequent adjustments</li> <li>• Skill gaps in technology especially among staff members</li> </ul>

Factor	Indicators	Implications
Legal	Improved regulatory framework	Conducive for doing business and instill better confidence among Co-operative Societies members
	Compliance to various legal provisions, e.g. Public Ethics Act, Data Protection Act 2019, Anti-Money Laundering Act, Employment Act 2007.	<ul style="list-style-type: none"> <li>• This ensures good ethical practice among the Board on management of the Co-operative Societies</li> <li>• Non-compliance is likely to have consequences for the Societies</li> </ul>
Environmental/ Ecological	Climate changes / Global warming	Change in weather patterns leading to droughts, rising temperatures and flooding. These affect the work environment and food supply and ultimately affects the savings and borrowing patterns among members

### 3.3. Stakeholder Analysis

A stakeholder is an organization, authority or person that relates or governs directly or indirectly to functions of A.S.C SACCO. The stakeholder analysis is summarized below;



Stakeholder	Stakeholder Expectations	A.S.C SACCO's Expectations
<b>Members</b>	<ul style="list-style-type: none"> <li>• Fast loan processing</li> <li>• High return on investment</li> <li>• A product range that suits member needs</li> <li>• Easy access of information</li> <li>• Ease access of funds/loans</li> </ul>	<ul style="list-style-type: none"> <li>• prompt loan repayments</li> <li>• increased product patronage</li> <li>• member loyalty</li> <li>• high Net promoter score</li> </ul>
<b>Board of Directors</b>	<ul style="list-style-type: none"> <li>• Compliance with statutory and regulatory requirements</li> <li>• Adherence to policies and procedures, including the Society's By-Laws.</li> <li>• Prompt implementation of Board decisions and policies</li> <li>• Capacity building -Protection of the interest of all stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Commitment to the Sacco</li> <li>• Clear policy and strategy direction</li> <li>• Adherence to good corporate governance practices.</li> <li>• Adherence to regulator's requirement</li> <li>• Provide oversight and accountability</li> </ul>
<b>Supervisory Committee</b>	<p>Compliance with statutory and regulatory requirements:</p> <ul style="list-style-type: none"> <li>• Adherence to policies and procedures, including By- Laws.</li> <li>• Prompt implementation of Board decisions and policies</li> <li>• Capacity building</li> <li>• Protection of the interest of all stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Commitment to the Sacco</li> <li>• Clear policy and strategy direction</li> <li>• Adherence to good corporate governance practices.</li> <li>• Adherence to regulator's requirement</li> <li>• Provide oversight and accountability</li> <li>• Feedback on continuous improvement</li> </ul>
<b>Staff</b>	<ul style="list-style-type: none"> <li>• Sustainability of the Sacco</li> <li>• Career Progression</li> </ul>	<ul style="list-style-type: none"> <li>• Commitment to the SACCO</li> <li>• Effective and efficient service delivery</li> </ul>
	<ul style="list-style-type: none"> <li>• Training &amp; Development opportunities.</li> <li>• Fair labor practices - Competitive Remuneration</li> </ul>	<ul style="list-style-type: none"> <li>• adherence to the Sacco policies, procedures and By-Laws.</li> <li>• Dedicated Customer Service</li> </ul>
<b>Government</b>	<ul style="list-style-type: none"> <li>• Compliance with policies, legislation and guidelines - Accountability and integrity</li> </ul>	<ul style="list-style-type: none"> <li>• Legislation – for Sacco movement</li> <li>• Provide oversight and accountability</li> <li>• Government financial support disbursing Hustler's fund</li> <li>• Sacco - government partnership affordable housing scheme</li> </ul>
<b>Employer institution</b>	<ul style="list-style-type: none"> <li>• Timely reporting &amp; submission of data</li> <li>• Adhere to payroll instructions.</li> <li>• Priority on Sacco deductions</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic partnership alliance.</li> <li>• Timely reports</li> <li>• Feedback on services</li> <li>• Adherence to MOU - deductions from members.</li> </ul>

Stakeholder	Stakeholder Expectations	A.S.C SACCO's Expectations
<b>Suppliers / Service Providers</b>	<ul style="list-style-type: none"> <li>• Clear specification and fair treatment</li> <li>• Prompt payments upon service / product delivery</li> </ul>	<ul style="list-style-type: none"> <li>• delivery of Quality product / services</li> <li>• delivery of services / products within the specified time agreed</li> </ul>
<b>Bankers</b>	<ul style="list-style-type: none"> <li>• Partnerships in doing business in provision of financial services/ product</li> </ul>	<ul style="list-style-type: none"> <li>• Financial support whenever needed</li> </ul>
<b>National Cooperative Organizations / Advocacy Bodies</b>	<ul style="list-style-type: none"> <li>• Strong business partnerships in provision service/ product</li> </ul>	<ul style="list-style-type: none"> <li>• prompt information sharing / update on matters / trend in the industry</li> <li>• strong partnerships that lead to the growth of institutions</li> </ul>
<b>Community</b>	Support in building strong community through CSR	Good relationship that accords a conducive business environment

### 3.4. Risk Analysis and Mitigation Measures

The planning team also carried out a risk analysis. This was to help in clarifying internal and external risks associated with the strategy development exercise and identify actions that could help mitigate the risks. They were guided by the following;

<b>Strategic Risks</b>	<ul style="list-style-type: none"> <li>• The prospective adverse impacts on the business arising from poor strategic decisions, improper implementation of decisions; or lack of responsiveness to changes in the operational environment;</li> </ul>
<b>Organizational Risks</b>	<ul style="list-style-type: none"> <li>• Those that threaten the implementation of the Strategic Plan due to internal capacity or structural issues</li> </ul>
<b>Operational Risks</b>	<ul style="list-style-type: none"> <li>• Arise from capacity inadequacies in the course of implementation of planned programs and activities;</li> </ul>
<b>Financial Risks</b>	<ul style="list-style-type: none"> <li>• Emanate from failure to either mobilize adequate funds or lack of prudence in financial resource utilization; and</li> </ul>
<b>Technological Risks</b>	<ul style="list-style-type: none"> <li>• Associated with deficiencies in Information and Communication Technology, or related thereto</li> </ul>

Risk management encompasses the identification, analysis, and responding to risk factors. Effective risk management means attempting to control, as much as possible, future outcomes by acting proactively rather than reactively. This calls for putting in place strategic mitigation measures that offers the potential to reduce both the possibility of a risk occurring, its potential impact and severity.

**Strategic Plan 2024-2028**

ASC shall pursue a strategy of continuous and regular risk-assessment of potential risk and instituting corrective mitigation measures. In so doing ASC will explore how to achieve an explicit and balanced risk profile in the strategic programmes/projects it will undertake, including high-risk programming with the potential for transformative impact.

ASC shall develop a risk register that can allow to identify and mitigate against risks. The table below shows a list of risks that are likely to be experienced by the ASC.

**Risk Management Framework**

Risk Categories	Risks	Overall Rating	Mitigation Strategies	Owner of the Risk
<p><b>Strategic Risks</b></p>	<ul style="list-style-type: none"> <li>• Poor investment plans</li> <li>• Lack of cooperation and support from key stakeholders</li> <li>• Poor performance &amp; strategic decisions</li> <li>• Lack of commitment to drive the implementation plan</li> <li>• Delayed development of the SOPs, internal policies, guidelines</li> </ul>	<p>High</p>	<ul style="list-style-type: none"> <li>• Inclusivity in decision making &amp; consultation with stakeholders</li> <li>• Proper consultations should be done before decisions are made</li> <li>• Ensure the board, management and staff fully understand the strategies and know the roles they need to play</li> <li>• Come up with the right up- front strategy,</li> <li>• Enhance coordination between the Sacco and stakeholders</li> <li>• Mid- term review of the strategic plan</li> <li>• Monitoring and evaluation of the strategic plan</li> </ul>	<p>BOD &amp; SACCO Manager</p>



Risk Categories	Risks	Overall Rating	Mitigation Strategies	Owner of the Risk
<b>Operational Risks</b>	<ul style="list-style-type: none"> <li>• Inadequate staffing and human capacity development to implement the strategic plan</li> <li>• Limited internal control</li> <li>• High operational costs</li> <li>• Inadequate policies in place to enable implementation</li> </ul>	Medium	<ul style="list-style-type: none"> <li>• Capacity enhancement programmes</li> <li>• Develop, review and updating of policies &amp; manuals</li> <li>• Adherence to the budgetary allocation</li> <li>• Align operational processes to the services offered by the SACCO</li> <li>• Ensure right and adequate staffing</li> <li>• Have proper internal controls within the Sacco</li> <li>• Identify and manage loss events proactively with timely operational risk intelligence</li> <li>• Develop second-line oversight</li> <li>• to ensure operational excellence and business- process resiliency (relevant committees) Map processes, risks, and controls</li> <li>• Develop comprehensive policies and procedures in relation to the operations such as procurement, Human Resource, IT policies and procedures</li> </ul>	BOD & SACCO Manager

**Strategic Plan 2024-2028**

Risk Categories	Risks	Overall Rating	Mitigation Strategies	Owner of the Risk
<b>Financial Risks</b>	<ul style="list-style-type: none"> <li>• Poor savings culture to help internal funding</li> <li>• Unable to meet demand in terms of loans</li> <li>• High cost of external borrowing</li> <li>• Financial resources may limit implementation.</li> </ul>		<ul style="list-style-type: none"> <li>• Continuous member education</li> <li>• Ensure sound loaning practices</li> <li>• Have a strong foundation for your HR practices</li> <li>• Plan to cover for a loss and managers to get creative at preventing a loss of vital services</li> <li>• Put in place a strong and working internal control system</li> <li>• Monitor the internal control system on a regular basis</li> <li>• Ensure monthly management reports are done and completed within the stipulated timeline submitted to the management board</li> <li>• Ensure annual external audits are carried out timely</li> </ul>	BOD & SACCO Manager

Risk Categories	Risks	Overall Rating	Mitigation Strategies	Owner of the Risk
<b>Technological Risks</b>	<ul style="list-style-type: none"> <li>• High cost of implementing IT solutions</li> <li>• Rapid change and advancements of IT</li> <li>• Overreliance on vendors</li> <li>• Malfunctioning of IT systems and equipment</li> <li>• Increased demand for digital services</li> <li>• Limited capability on IT</li> <li>• Cyber attack and vulnerabilities</li> </ul>	High	<ul style="list-style-type: none"> <li>• Have proper system controls</li> <li>• Have built-in security as a part of the design process</li> <li>• Have multiple layers of protection against a single risk</li> <li>• Have a better access control for users</li> <li>• Regular monitoring and patching of security</li> <li>• Clear communication to consumers regarding data streams &amp; information use</li> <li>• Setting protocol that can prevent illegal sharing of data.</li> <li>• Developing clear policies about using personal devices on organization's secure network.</li> <li>• Encourage a culture of upholding ethical values</li> <li>• Regularly update software to the latest versions</li> <li>• Train staff in IT policies and procedures</li> <li>• Use data backups that include off-site or remote storage</li> <li>• Secure computers, servers and wireless networks</li> </ul>	BOD & SACCO Manager

**Strategic Plan 2024-2028**

Risk Categories	Risks	Overall Rating	Mitigation Strategies	Owner of the Risk
<b>Political Risk</b>	<ul style="list-style-type: none"> <li>• Divergent view of political future</li> <li>• Uncertain political goodwill to support SACCOs</li> <li>• Change in government</li> </ul>	Low	<ul style="list-style-type: none"> <li>• Establish consultations and regular engagements with political leaders</li> <li>• Have consultations with department of cooperative</li> <li>• Regularly monitor the political climate of the country</li> </ul>	BOD & SACCO Manager

# STRATEGIC PILLARS



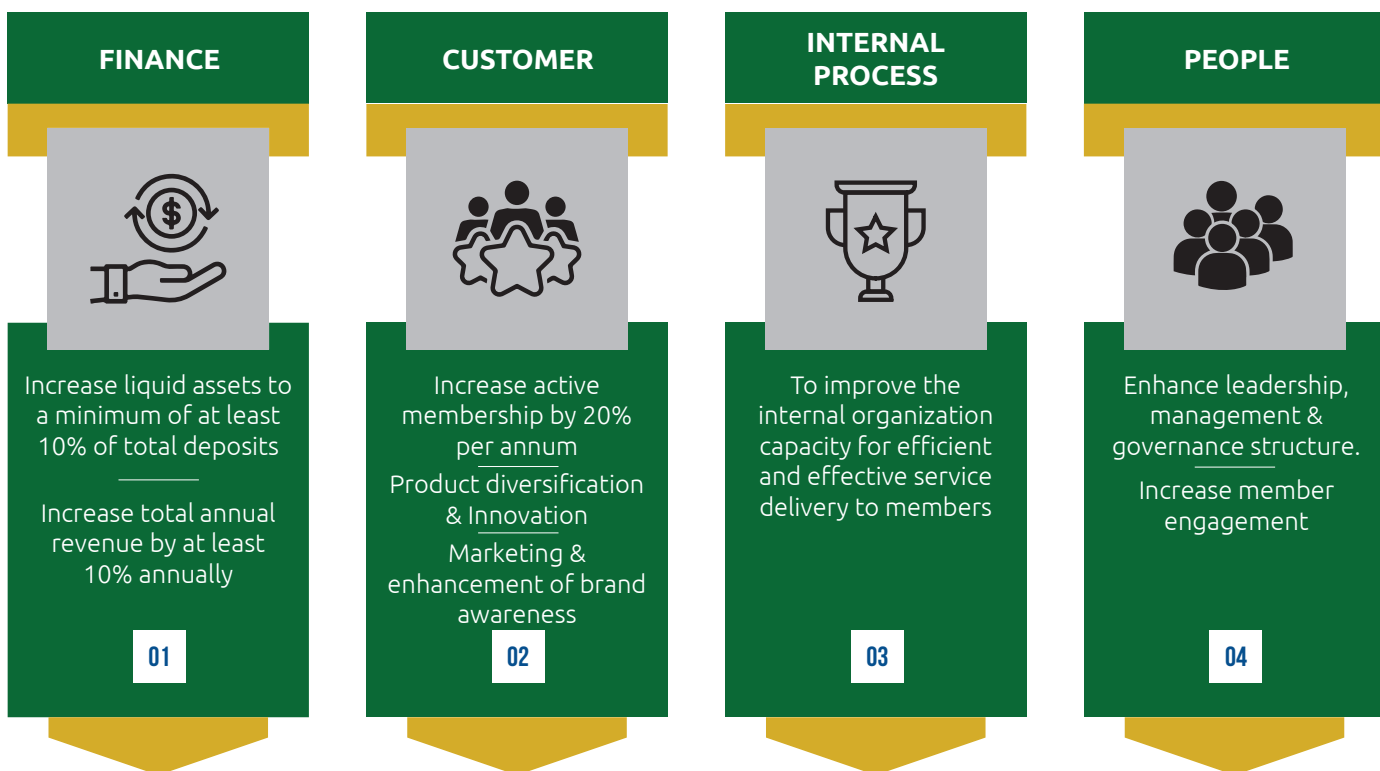
## 4. STRATEGIC PILLARS

### 4.1. Key Result Areas

Given the strategic direction, past performance and the environmental analysis carried out by the planning team, four areas were identified as being key to A.S.C SACCO Society Ltd over the next 5 years.

In each of the identified areas, an objective was formulated. Strategies were put down around each objective. The strategies were further broken down into activities, with each activity having a time frame and a responsible party to ensure implementation of the same.

The strategic pillars and their respective objectives are;



## 4.2. Action Plan Customer Pillar

Objective	Strategy	Activity / Initiative	Performance Indicator	Timeline	Responsible person	Budget (per annum)	
Increase active membership by 20% per annum	Reactivate Dormant Accounts	Regular communication /updates.	Reactivate Accounts	Monthly	Chairperson/ SACCO Manager	50,000/=	
		Segmented & targeted marketing		Q1 2024			
		Product diversification to address their needs.		Annually			
		Revision of stringent policies and procedures		Bi-annually			
		Automation of products & services for ease of accessibility		Q2 2024			
	Engage Direct Sales Executives	Recruit DSE on commission basis to recruit & reactivate dormant members	Number of new members.	Decrease in withdrawals	Every Q1	Chairperson/ SACCO Manager	240,000/=
		Identify Target members			Every Q2		
		Prospecting			Quarterly		
		Report & review			Quarterly		
	Review Bylaws to expand common bond	Review of Bylaws	Number of new members.	Decrease in withdrawals	Every Q1	Chairperson/ SACCO Manager	50,000/=
		Resolution passed at AGM and registration on new bylaws by the commissioner.			Quarterly		
		Targeted marketing			Quarterly		
	Target Exiting members	Carry out an exit interview	Decrease in withdrawals	Decrease in withdrawals	Every Q1	SACCO Manager	10,000/=
		Consider revision of terms to ensure retention			Quarterly		
		Report and review			Quarterly		
Retain retiring members	Customize a retiree product to address partial withdrawal	Reduction in withdrawal of retirees	Reduction in withdrawal of retirees	Q2 2024	Credit Committee	30,000/=	

**Strategic Plan 2024-2028**

Objective	Strategy	Activity / Initiative	Performance Indicator	Timeline	Responsible person	Budget (per annum)
Product diversification & innovation	Implement bench marking reports.	Review benchmarking report and implement	Implementation status report	Q2 2024	SACCO Manager/ Chairperson	30,000/=
	Design and implement alternative products & services	1 product per annum	Products launched	Annually	Credit Committee/ SACCO Manager	10,000/=
	Review pricing strategy	Conduct market analysis and implement the findings	Report on reviewed prices	Every Q2	Credit Committee	50,000/=
	Maintain overall customer satisfaction level of at least 80%	Carry out customer satisfaction survey annually	Customer survey report	Every Q1 & Q3	SACCO Manager	
		Implement feedback from the report		Every Q2 & Q4	SACCO Manager	
Marketing and enhancement of brand awareness	Develop communication policy/ Manual.	Benchmark & report	Communication policy in place Adherence/ service report	Q2 2024	Board Chairperson	20,000/=
		Develop draft		Q3 2024	SACCO Manager	
		Monitor implementation status		Every Q4	SACCO Manager	
	Maintain regular & value adding communication with all customers.	Review adherence to service charter	Policies in place	Monthly	SACCO Manager	10,000/=
		Develop & implement and implement Complains and complement manual.		Q2 2024	SACCO Manager	
	Improve corporate image	Carry out Corporate Social Value programs	CSR activity report	Every Q3	Board Chairperson/ SACCO Manager	10,000/=
		Carry out and review corporate awareness campaigns on social / mainstream media		Annually	Board Chairperson/ SACCO Manager	
	Brand visibility	Content marketing.	Marketing report	Quarterly	Chair Education Committee	100,000/=
		Blogging		Quarterly		
		Social media marketing.		Quarterly		
		Email marketing		Quarterly		
		Distribute marketing merchandise		Quarterly		
Website launch		Website launched		Q1 2024		
Product awareness	Offer freebies / Promotions	Promotion Report	At least 1 promotion per annum	Chair Education Committee	50,000/=	



#### 4.4. People Pillar

Objective	Strategy	Activity / Initiative	Performance Indicator	Timeline	Responsible person	Budget (per annum)
Enhance leadership, management & governance structure	Strengthen HR Management Planning	Review & implement Organization structure	HR review report	Q1 2024	Board Chairperson and SACCO Manager	1,000,000/=
		Carry out recruitment & placement of qualified staff	Staff recruitment report	Q1 2024	Board Chairperson and SACCO Manager	
		Develop / review the Succession plan	Succession plan report	Every Q4	Board Chairperson and SACCO Manager	
		Training needs assessment	Training report	Every Q2	Board Chairperson / SACCO Manager	
		Staff Training & development (orientation, induction on the job training, rotation, change management etc)		As per training schedule		
		Benchmarking	Benchmarking reports	Annually	Board Chairperson/ SACCO Manager	
Strengthen Performance Management systems	Develop & Implement a PMS		PMS in place	Q2 2024	Board Chairperson	200,000/=
	Implement Performance Contracting and management system			Q2 2024	Board Chairperson / SACCO Manager	
	Introduce Commendations program for good performance		Commendations given	Q2 2024	Board Chairperson	
	Performance appraisals		Appraisal reports	Quarterly	Board Chairperson / SACCO Manager	
Improve employee welfare	Develop a competitive compensation structure		Reviewed structure in place	Q2 2024	Board Chairperson	50,000/=
	Carry out annual work environment survey & implement findings		Work environment report	Every Q4	SACCO Manager	

**Strategic Plan 2024-2028**

Objective	Strategy	Activity / Initiative	Performance Indicator	Timeline	Responsible person	Budget (per annum)
	Strengthen co-operate governance	Board evaluation	Evaluation reports	Annually	Board Chairperson	1,000,000/=
		Capacity Building	Training reports	As per training Schedule	Chair Education Committee	
		Review board welfare	Welfare review reports	Annually	Board Chairperson	
		Corporate governance course	Training reports	Every Q2	Education Committee	
		Develop and implement Board work plans	Board work plans in place	Annual	Board Chairperson	
		Ensure continued compliance with the Constitution, the Act and other laws	Compliance status reports	Quarterly	Supervisory Committee	
		Develop and implement Board charter	Board charter in place	Q1 2024	Board Chairperson	
		Develop / review board remuneration policy for fair remuneration based on performance.	Report on review of board remuneration	Annual	Board Chairperson	
		Benchmarking for networking purposes	Benchmarking reports	Annually	Board Chairperson	
Enhance member Engagement	Enhance member engagement and awareness on the SACCO	Webinars	Webinars conducted	Quarterly	Education Committee	1,000,000/=
		Physical member education	Physical trainings conducted	Bi-annually	Education Committee	
		SACCO internal magazine	Magazine in place	Yearly	Education Committee	
		Newsletter	Newsletter in place	Quarterly	Education Committee	
		Youtube Channel for member education and brand visibility	Youtube channel launched	Q1-2024	Education Committee	
	product and services.	Revamp social media pages (facebook and twitter) to enhance brand visibility and encourage member engagement	Active social media accounts	Q1-2024	Education Committee	
	Member satisfaction surveys	Net promoter index	Annually	Education Committee		

## 4.5. Finance Pillar

Objective	Strategy	Activity / Initiative	Performance Indicator	Timeline	Responsible person	Budget (per annum)	
Increase liquid Assets to a minimum of at least 10% of total deposits.	Grow deposit by 15% annually	Encourage members to increase their savings	Growth in savings	Q2 2024	Board Chairperson	300,000/=	
		Enhance collection on minimum monthly contribution		Monthly	Chair Credit Committee and SACCO Manager		
		Encourage members to reinvest interest on deposit		Annually	SACCO Manager / Treasurer		
		Tailored product for retirees to encourage retention	Retiree product in place	Q2 2024	SACCO Manager/ Chair Credit Committee		
		Increase interest on deposit by 1% annually	1% Increased declaration on interest on deposits annually	By 2028	Chairperson		
		Introduce incentive to high savers	Incentive scheme in place	Q4 2024	Board Chairperson		200,000/=
	Increase in core capital by 10% annually.	Increase in core capital by 10% annually.	Recruitment of new members	Growth in membership	Monthly	SACCO Manager	
			Ensure all members have accrued minimum share capital	Growth in share capital	Monthly	SACCO Manager	
			Retain at least 50% of core capital to institutional capital	Growth in reserves	Annually	Treasurer	
			Enhance recovery from current members to meet the minimum share capital	Growth in share capital	Monthly	SACCO Manager	
			Encourage dividend capitalization	Capitalization report	Annually	Treasurer	
			Offer dividends at 20%	20% declaration	Annually	Treasurer	

**Strategic Plan 2024-2028**

Objective	Strategy	Activity / Initiative	Performance Indicator	Timeline	Responsible person	Budget (per annum)	
Increase total annual revenue by at least 10% annually	Diversification of investment	Identification of optimal investment (Treasury bills and bonds, money markets, infrastructure bonds)	Investment report	Quarterly	Treasurer and SACCO Manager	10,000/=	
		Reviewing performance of investment		Quarterly	Treasurer and SACCO Manager		
	Maintain optimal liquidity	Reviewing cash requirements	Liquidity report	Monthly	Treasurer and SACCO Manager	NONE	
	Increase patronage of SACCO products	Aggressive marketing	Marketing report	Monthly	SACCO Manager		
	Operational efficiency	Retire unnecessary processes	Process review report	Annually	Board Chairperson		
		Proper budgeting	Budget report	Annual	Treasurer	NONE	
		Ensure adherence to budgets	Variance report	Quarterly	Treasurer	NONE	
		Enhance revenue collection to ensure full recovery and minimize revenue leakages	Collection report	Monthly	SACCO Manager	100,000/=	
	Growth and management of the loan book	Review income streams	Report on income streams	Annually	Chairperson	Chair Credit committee	NONE
		Rescheduling of defaulted loans	Rescheduled loans report	Monthly	Chairperson		
Prompt recovery of loans		Recovery report	Monthly	Chair Credit Committee	100,000/=		
Product re-engineering (restructure on pricing and branding)		Reengineered products	Annual	Chair Credit Committee	NONE		
Product diversification (introduction of new loans- mobile loan, instant loan, chama loans, quick loans, LPO Financing, Long-term loans, Jijenge loan, housing loan)		New products launched	On need basis	Chair Credit Committee	NONE		
Identify Strategic partnerships.		Contracts signed	At least 2 strategic partners per annum	Chairperson	NONE		
Continuous member sensitization on SACCO products		Marketing reports	Monthly	Chair Education Committee	300,000/=		
Promotional campaigns (bulk sms, merchandising –t-shirts, banners, umbrellas)			Annual	Chair Education Committee	300,000/=		
Targeted top-up		Growth in loans	Annually	Chair Education Committee	NONE		

Objective	Strategy	Activity / Initiative	Performance Indicator	Timeline	Responsible person	Budget (per annum)
		Review of the credit policy to capture (loan recovery, insurance on disbursed loan, loan restructuring, penalty charges on defaulted loans, initiate a debt collector and legal advisor), introduce group cluster guarantor mechanism, proper record keeping and reconciliation of accounts)	Reduction in PAR	Q1-2024	Chair Credit Committee	30,000/=

**Strategic Plan 2024-2028****4.6. Internal Process**

Objective	Strategy	Activity / Initiative	Performance Indicator	Timeline	Responsibility	Budget
Improving internal organizational capacity for efficient and effective service delivery to members	Enhance operations and internal controls	Develop policies (Communication, grievance handling, complaints handling, Board Charter, HR, Procurement, Finance and Accounting, Savings mobilization)	Policies in place	Q2 2024	Board Chairperson	100,000/=
		Review current policies	Policies review report	Annually	SACCO Manager	
		Implementation status review	Implementation status report	Quarterly	SACCO Manager	
	Develop Risk management framework	Develop a risk register	Risk register in place	Q2 2024	Chair Supervisory Committee	NONE
		Review risk management policy	Policy review report	Q2 2024	Board Chairperson	
	Automate Society processes	Procure an ERP system	ERP system in place	Q3 2024	Board Chairperson	100,000/=
		Implement CRM	CRM in place	Q2 2026	Board Chairperson	
		Implement Call Center	Operational call center	Q2 2026	Board Chairperson	
		Actualize Disaster Recovery Site	Operational DR site	Q1 2026	Board Chairperson	
Compliance	Ensure compliance with the various regulations and policies	Report on compliance status	Quarterly	SACCO Manager/ Chair Supervisory Committee	100,000/=	
Review loan turnaround time to 48hrs Adherence to service level agreement both internal and external	Review approval levels and limits	Reviewed approval limits	Monthly	Chair Credit Committee	30,000/=	
	Develop a service charter	SLA reports	Monthly	SACCO Manager		

# **OPERATIONAL STRATEGIES**

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## 5. OPERATIONAL STRATEGIES

In order to effectively fulfill its mandate, the SACCO needs to undertake the following in its daily operations;

- i. There is a need for growth in active membership. Under the SACCO model, members are the primary customers and source of both capital and deposits. The SACCO must aggressively recruit new members. This may also be aided by broadening the catchment area as defined in the SACCO by-laws.
- ii. The loan portfolio is the main earning asset of the SACCO; its quality is of paramount importance. Lending is the society's core business, and any non-repayment may increase SACCO's expenses through engagement of recovery actions and provisions of loan loss that may eventually cause

liquidity problems. The SACCO also can reduce loan delinquency and enhance the quality of its loan portfolio by performing credit worthiness checks before lending. The loan policy may also need to be reviewed to ensure that loopholes that have so far been detected within the credit administration process are sealed.

- iii. There is a need to maintain growth in reserves and retained earnings. The main challenge here lies in members' preference for cash today than wealth tomorrow. The surplus retention strategy will have to go hand in hand with education to members on the benefits of retention of the profits for future growth.
- iv. Risk management; this is a complex task for all SACCOs and increasingly important in an environment where economic events and financial systems are linked. The society will need to put in place a good risk management system which integrates in the Society's operations a set of systematic processes for identifying, measuring, and monitoring with other existing systems in internal control, management information and communication, accounting, and finance systems among others operative systems.

The risk management will also have to handle aspects of;

- a. Information;** where the society will collect as much information about the borrowers as it can so as to overcome information asymmetry at the point of lending.
  - b. Mitigation;** the SACCO will have to proactively put in place safeguards that will protect funds that have been lent.
  - c. Incentive;** there will be a need to have a 'carrot and stick' approach where good borrowers are rewarded and defaulters are penalized.
  - d. Enforcement;** there will be a need to not only put in place clear actions that will be taken against defaulters, but also the actions must be implemented so as to avoid moral hazard among borrowers.
- v. Regular review of products and services to ensure that the SACCO offers financial services which are responsive to the members' needs. To this end, the SACCO will continuously collect feedback to develop or refine appropriate financial services and products that address the changing needs and wants of the current and potential members.



- vi. The SACCO must ensure good service delivery by addressing members needs such as availing credit and/ or refunds when needed. Improvement in service delivery can further be enhanced by improving on membership records, proper accounting, and deployment of a working management information system as well as by enhancing customer care through training, establishment of a customer feedback mechanism and making use of the SACCO's website to disseminate information to members.
- vii. There is need for the society to provide training that promotes service delivery. Each year's Training needs will be identified, and in-house training programs shall be arranged to satisfy the same.
- viii. There is a need for the society to institute a proper internal control system. Such systems can only be effective and can operate efficiently if:
  - a. There is a well-planned organizational structure with well-defined lines of responsibilities, authority and communication.
  - b. There is proper segregation of duties and responsibilities.
  - c. Authorization and approval of actions are delegated to specific levels.
  - d. There is adequate supervision of all activities taking place in the Society.
- ix. The Society must employ competent and qualified personnel as and when required.



# MONITORING & EVALUATION

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## 6. MONITORING & EVALUATION

With regard to this Strategic Plan, the purpose for Monitoring and Evaluation is to ensure that the Strategic Plan implementation is done according to schedule and if there is any deviation, it will ensure that appropriate and timely action is taken.

The Monitoring and Evaluation process will be undertaken at both the Board level through among others the following mechanisms:

- i. The Strategic Plan will be reviewed annually, and a progress report made to the Board through a Strategic Plan implementation, Monitoring & Evaluation Committee.
- ii. All projects prioritized will be resourced and reviewed annually during the budgeting process.
- iii. The implementation of the Strategic Plan will be closely monitored by sub-committees who will be given specific oversight roles of specific projects of the plan.
- iv. A specific monitoring process will be established to ensure that critical aspects of the implementation are not ignored and progress reports for each objective shall be made on a regular basis, preferably at least once a quarter
- v. Monitoring and control systems will be established at all levels. These will include review meetings, budgets and budgeting control systems and progress reports from the organization's Monitoring and Evaluation Committee.
- vi. Quarterly review meetings will be held by the Board. During these meetings, the Board will receive and review progress reports from the sub-committees indicating overall progress made on key strategic objectives.
- vii. The nature and scope of reporting will include a summary of
  - a. Progress made against Plan
  - b. Causes of deviation from Plan if any
  - c. Challenges and proposed solutions to issues that adversely affect implementation
  - d. Corrective measures

### 6.1. The evaluation of the strategic impacts

The Strategies in this Strategic plan will be tested regularly, at least once a year for continued relevance, efficiency, effectiveness and sustainability. A Midterm review of the plan will also be carried out.

### 6.2. The Framework

The monitoring framework will contain the results to be monitored, the key indicators selected to track performance and the baseline data which describes the current status of each indicator. The monitoring plan will establish the means of providing critical information around the key indicators selected. It is expected that staff will provide periodic monitoring reports that will be used for decision making and to steer the implementation of the Strategic Plan. The Plan is, therefore, a management tool for systematically reviewing progress and trouble -shooting problems during

implementation.

Activity	Performance indicator	Status (Done/ Not done/ Results)	Corrective Action Required

### 6.3. The Process

Under this Strategic Plan, quarterly meetings will be held to monitor implementation process. To facilitate the process, the sub-committees will have responsibility to prepare quarterly progress reports of the Strategic Plan. The reports will be tabled and discussed by the Board.

In addition, all reporting will be done according to the pillars. Subsequently, these reports will be discussed exclusively at least once a year. Other key areas of reporting include the mandatory annual general meetings of the SACCO. This will include narrative and financial reports and routine audit. The reports will form the basis for both mid-term and summative evaluation of the Strategic Plan.

In order to strengthen the quality of results being tracked, the Monitoring framework will be reviewed periodically. This will enable the SACCO to adjust interventions where need be and communicate effectively with relevant stakeholders.



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**Empowering each Other for Progress**

**Galatians 6:2**