

STRATEGIC PLAN 2024-2028



UBORA REGULATED
NON-WITHDRAWABLE
DEPOSIT TAKING
SACCO SOCIETY LTD

SAVE . BORROW . INVEST . PROSPER

FOREWORD



This Strategic Plan is intended to steer the Society's operations towards enhancing its financial sustainability as well as stimulating members' interest, contribution and ownership of the Society affairs. Saving is a pillar for the socio-economic development of any country/individual. Return on investment is also key in member retention and growth in membership of the SACCO. Ubora SACCO is committed to advancing a culture of saving and readily available credit through leveraging on technology and compliance to regulatory guidelines.

The Vision of the Ubora SACCO is to be a leader in SACCO solutions for sustainable socio-economic empowerment. It is in this context that the five-year Strategic Plan for the period 2024-2028 has been developed. The Plan outlines the SACCO vision, mission and strategic objectives that the SACCO has put in place to ensure leadership in savings, credit and other services that resonate with membership, financial sustainability, products and services. Our strategic focus is based on information and communications technology, human capital and corporate governance.

UBORA is committed to building a responsive management system that is complete with all the flexibilities and resources to attract and sustainably maintain a resourceful web of complementary products and policies that are of strategic value in creating impact on the direction, governance and long-term development of the sector.

The realization of the overall national strategic objective in the Kenya Vision 2030 will be determined by the new understanding of GDP growth, centred on sector-based assessments that link with the country's sustainable development agenda.

The resultant scenario, as depicted by the Strategic Plan, is expected to drive and maintain the momentum/culture of saving and credit into the future.

We thank the members for their continued support, Regulators, Strategic Partners and the Management Board for laying the policy framework and direction on which this Strategic Plan is based. We equally thank the Supervisory Committee for their continued oversight and participation during the planning process. Further, we acknowledge and appreciate the Ubora SACCO staff for the dedication in providing the relevant information through the planning process.

The Board of Directors will support and facilitate UBORA management to successfully implement this Strategic Plan.

CPA Lincoln Nyamai

Chairman – Ubora Regulated NON-WDT SACCO Society Ltd.

PREFACE



I wish to take this opportunity to emphasize the Ubora SACCO management and staff's commitment to ensure the goals of this Strategic Plan are realized.

I am convinced that with professionalism, teamwork, creativity, innovation and commitment during implementation and adequate support from all stakeholders, this 2024-2028 Strategic Plan will be fully implemented as it lays a strong foundation towards the realization of Ubora SACCO Mission and Vision.

I am certain that this Strategic Plan will propel Ubora SACCO to excellence and strength in the years to come.

In the spirit of our motto, let us continue to '**Save. Borrow. Invest. Prosper**' for better and greater lives ahead of us.

CPA Richard Mokaya
Chief Executive Officer

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ABBREVIATIONS AND ACRONYMS

AGM	Annual General Meeting
BOSA	Back Office Services Activities
BSC	Balanced Score Card
CEO	Chief Executive Officer
GDP	Gross Domestic Product
ICT	Information and Communications Technology
IESA	Interest Earning Savings Account
KEBS	Kenya Bureau of Standards
KPI	Key Performance Indicator
Ltd.	Limited
NON-WDT	Non-Withdrawable Deposit Taking SACCO
PAR	Portfolio at Risk
PESTEL	Political, Economic, Social, Technological, Environmental and Legal
RIP	Rolling Implementation Plan
SACCO	Savings and Credit Co-operative
SASRA	SACCO Societies Regulatory Authority
SP	Strategic Plan
SWOT	Strengths, Weaknesses, Opportunities and Threats
Ubora SACCO	Ubora Regulated Non-WDT Savings and Credit Co-operative Society Limited

EXECUTIVE SUMMARY

Since its inception in 1979, the Society has registered remarkable growth both in terms of assets, membership, share capital and deposits. As at 31st December 2023, the asset base stood at **KES 1,101,567,043**, membership stood at **1036**, share capital had built up to **KES 52,544,565**, deposits stood at **KES 832,908,611** and loans advanced to members were amounting to **KES 710,410,605**. The Board of Directors wishes to thank members for this achievement.

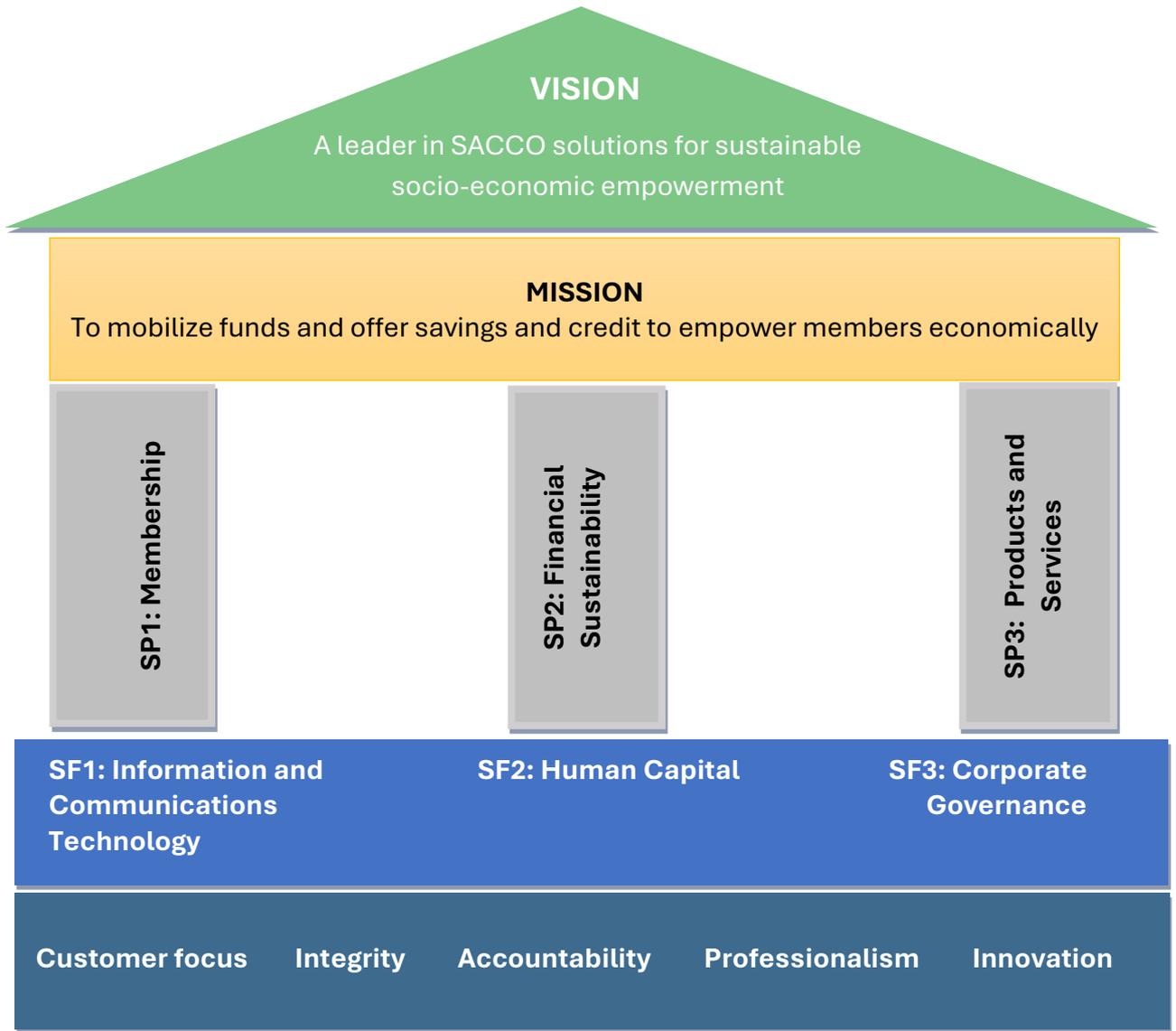
Within the strategic period 2019-2023, the Society achieved key milestones which include reengineering of Society products and services, aligned and complied to new legal and regulatory requirements, improved ICT infrastructure, office remodelling, branding and opening of the common bond.

The challenges encountered during the implementation of the 2019 - 2023 Strategic Plan include; regulatory changes, economic instability, effects of COVID-19 pandemic, rapid changes in technology and stiff competition. The Board of Directors and Management came up with strategies that ensured the Society remained resilient to mitigate the challenges.

Having re-examined its mandate and core functions, the Society has developed new vision, mission and core values, which will propel the Society into the future. The review formed the basis for the identification of strategic pillars, strategic focus areas and activities. Specifically, the 2024 – 2028 Strategic Plan focuses on membership growth, financial sustainability and quality products and services while leveraging on ICT, human capital and good corporate governance.

This Strategic Plan outlines key initiatives to re-engineer the Society and grow the asset base, deposits, loan portfolio, share capital and membership. The Board of Directors is determined to continually develop new and innovative solutions to address the ever-changing members' needs and expectations.

This Strategic Plan was developed by the Management Board with the support of the Supervisory Committee, Ubora SACCO Management and staff and invaluable contribution from members and other stakeholders.



CHAPTER 1: STRATEGIC DIRECTION 2024-2028

1.1 INTRODUCTION

This chapter contains the background and mandate of Ubora Regulated Non-WDT SACCO Society Ltd.

1.2 BACKGROUND OF UBORA SACCO

The Ubora Regulated Non-WDT SACCO Society Ltd. was registered on 4th April 1979 as a Savings and Credit Co-operative Society under Cap. 490 of the Laws of Kenya. The SACCO was registered as a non-withdrawable deposit taking SACCO with a change of name on 7th July 2021 and is currently regulated by SASRA. The Society is located in Langata Sub-county within the Nairobi City County.

Our membership consists of employees of KEBS, KENAS, former employees of KEBS and KENAS, employees of the Society, former employees of the Society, spouses and children of members and any other person who applies to join and meets the requirements of the by-laws.

1.3 MANDATE OF THE SOCIETY

The mandate of the Society is to provide a platform for members to consolidate part of their disposable income, access credit and get return on investment to drive wealth creation and improve their quality of life.

CHAPTER 2: TERMINAL REVIEW OF 2019 – 2023 STRATEGIC PLAN

The Society focused on the following core strategic objectives during the strategic period 2019 – 2023:

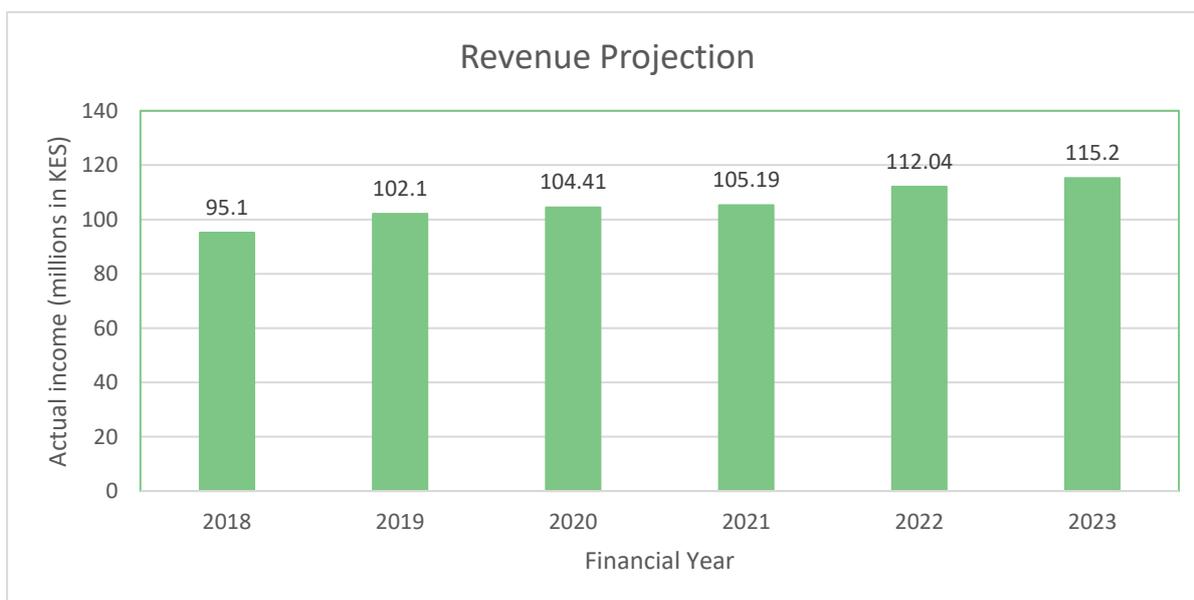
- Increase revenue by 12% annually;
- Increase deposit portfolio by 12% annually;
- Increase loan portfolio by 12% annually;
- Increase share capital by 10% annually;
- Maintain total operating cost at 20% of total revenue.

The final review covered the Implementation Status as at 31st December 2023, associated challenges, weaknesses, opportunities and lessons learnt.

2.1 IMPLEMENTATION STATUS AS AT 31ST DECEMBER 2023

a. Increase revenue by 12% Annually

Financial Year	2018	2019	2020	2021	2022	2023
Projected income (KES million)		106.50	119.30	133.60	149.70	167.60
Actual Income (KES million)	95.10	102.10	104.41	105.19	112.04	115.2
% Annual Growth		8%	2%	1%	7%	3%
% Overall Growth (2019-2023)						21%



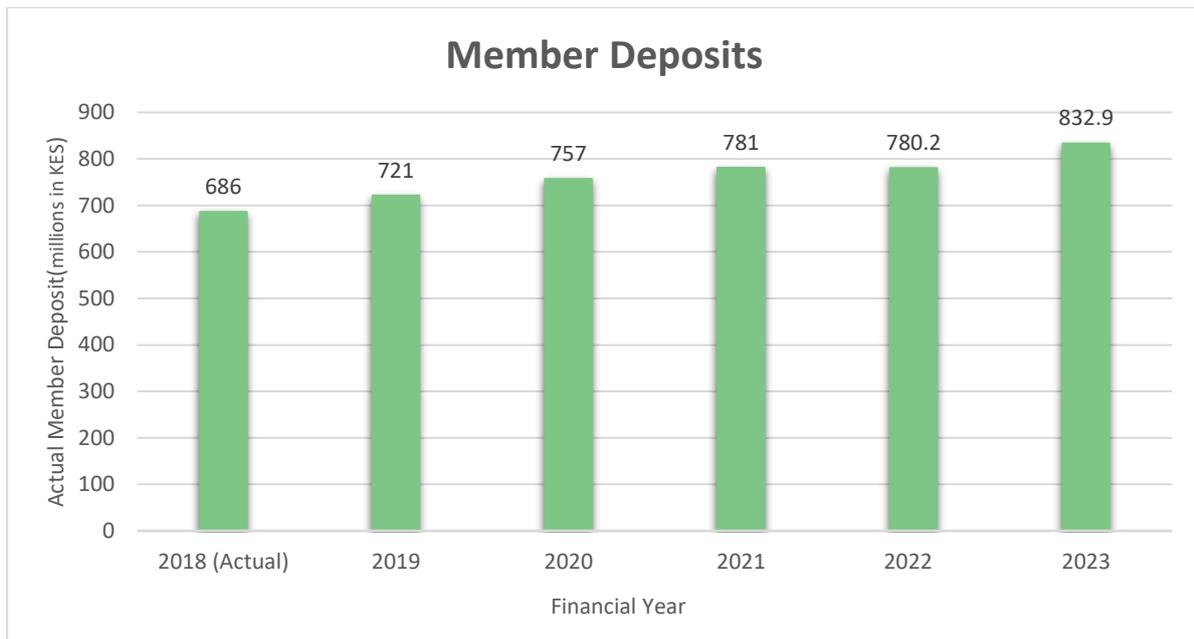
The actual revenue performance in 2023 was KES 115.2 million translating to 69% of the expected target of KES 167.6 million. The total revenue growth during the strategic period 2019 – 2023 as at 31st December 2023 was 21%.

The missed targets were due to challenges encountered during the implementation of the 2019 - 2023 Strategic Plan. These include regulatory changes, economic instability, effects of COVID-19 pandemic, rapid changes in technology and stiff competition. The Board of Directors and Management came up with the following initiatives to mitigate these challenges.

- i. Investment of surplus funds in high yield investment vehicles due to low loan uptake.
- ii. Loan classification and management of defaulters to reduce loan delinquency.
- iii. Introduction of new and review of existing loan products to meet member needs and expectations.
- iv. Compliance to new regulatory requirements to be licensed by SASRA.
- v. Upgrade of ICT infrastructure to enhance cyber security.

b. Increase deposit portfolio by 12% annually

Financial year	2018 (Actual)	2019	2020	2021	2022	2023
Projected Member Deposits (KES million)	686.00	768.30	860.50	963.80	1079.40	1209.00
Actual Member Deposit (KES million)	686.00	721.00	757.00	781.00	780.20	832.9
% Annual Growth		5.10%	4.99%	3.17%	-0.10%	7%
% Overall Growth (2019-2023)		21%				

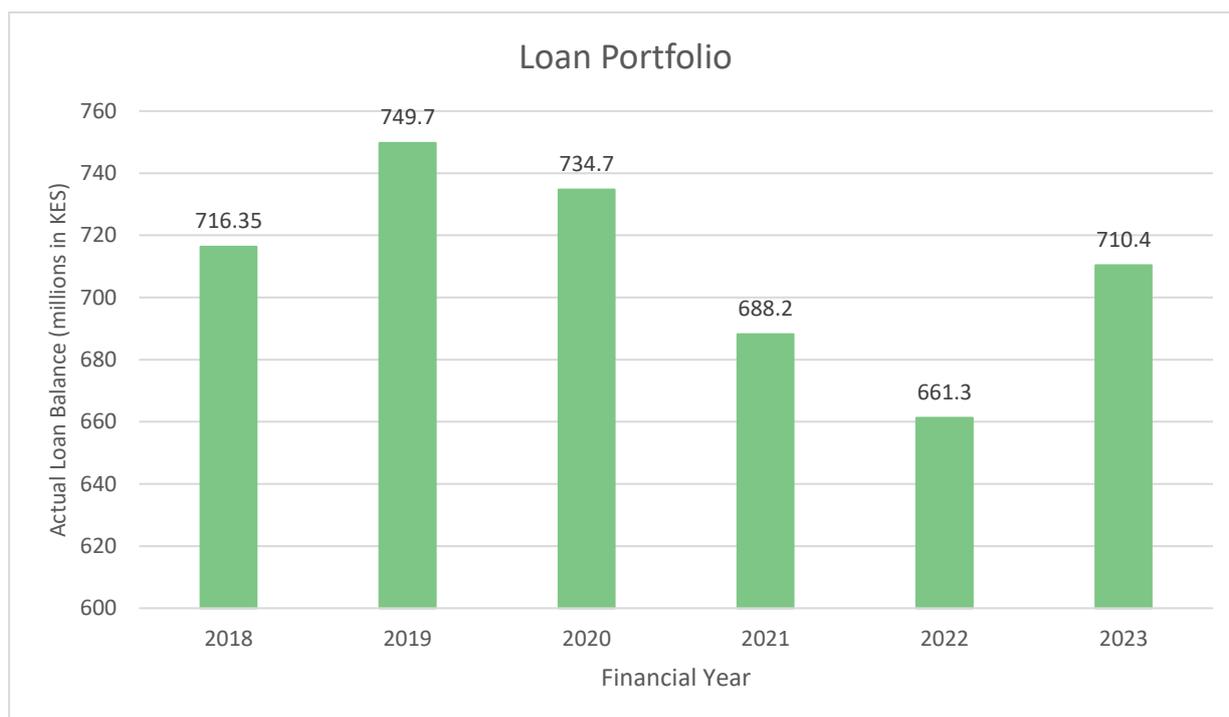


Cumulatively, the member deposits grew by 21.4% from KES 686 million to KES 832.9 million. To counter this slow member deposits growth, the Society came up with the following initiatives:

- i. Enhanced member education.
- ii. Implementation of policy on minimum deposit contribution.
- iii. Expand membership beyond the common bond.

c. Increase loan portfolio by 12% annually

Financial year	2018	2019	2020	2021	2022	2023
Projected Loan Portfolio (KES million)	716.35	802.30	898.58	1006.40	1127.20	1262.45
Actual Loan Portfolio (KES million)	716.35	749.70	734.70	688.20	661.30	710.4
% Annual Growth		4.66%	-2.00%	-6.33%	-3.91%	7.4%
% Overall Growth (2019-2023)						-0.83%



The SACCO loan portfolio reduced by 0.83% during the 2019 – 2023 strategic period from KES 716.35 million to KES 710.4 million. This was attributed to member resignations, low loan uptake, suspension of business loan product and stiff competition. However, the Board of Directors and Management came up with the following initiatives to mitigate these challenges:

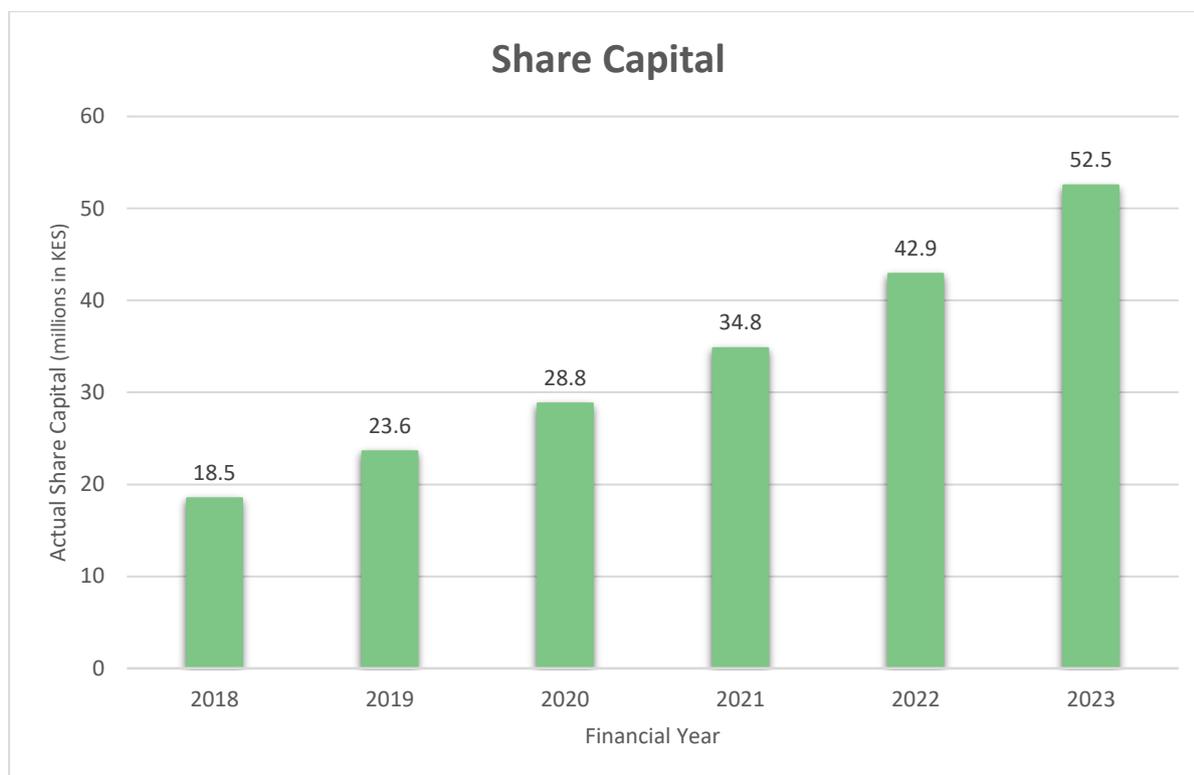
- i. Re-engineered existing SACCO products through increase of loan multiplier, increase of loan repayment period and implementation of waivers.
- ii. Introduced new loan products (Musharaka and Makaribisho).

d. Increase share capital by 10% annually

Financial year	2018	2019	2020	2021	2022	2023
Projected Share Capital (KES million)	18.50	20.40	22.40	24.60	27.10	29.70
Actual Share Capital (KES million)	18.50	23.60	28.80	34.80	42.90	52.50
% Annual Growth		27.6%	22%	21%	23.3%	22.4%

% Overall Growth (2019-2023)

183%

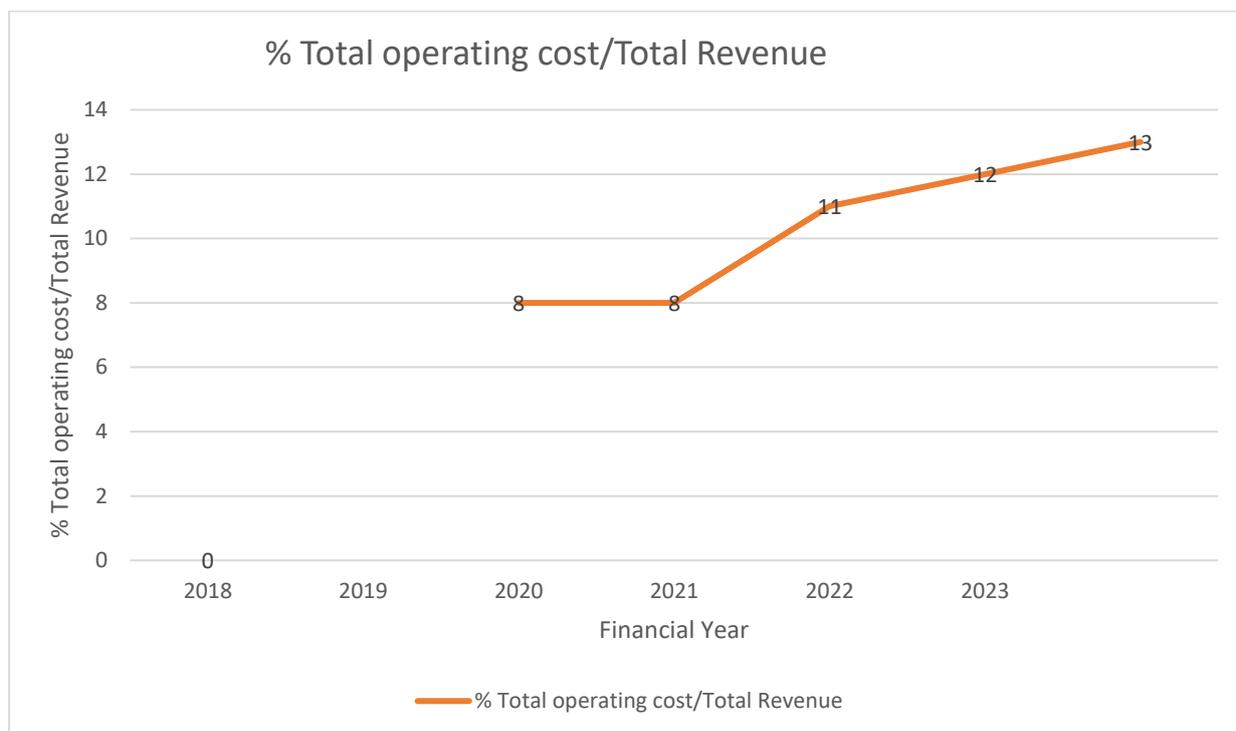


The overall growth in share capital was 183.78% within the strategic period. This remarkable growth was due to the following initiatives implemented:

- i. The Society continually declared a 10% dividend and ploughed it back.
- ii. Implemented the AGM resolution by members to increase share capital by **KES 5,000** from the year 2022 for the following 5 years.
- iii. Implemented cash dividend payout from the year 2022 for share capital of KES 50,000 and above.
- iv. Implement policy on minimum contribution of KES 10,000 for new members.

e) Maintain total operating cost at 20% of total revenue

Financial Year	2018	2019	2020	2021	2022	2023
Total Actual Revenue (KES million)	95.1	102.1	104.4	105.1	112.0	115.2
Total Actual operating cost (KES million)	8.7	8.34	7.99	11.4	13.3	15.3
% Total operating cost/Total Revenue		8%	8%	11%	12%	13%

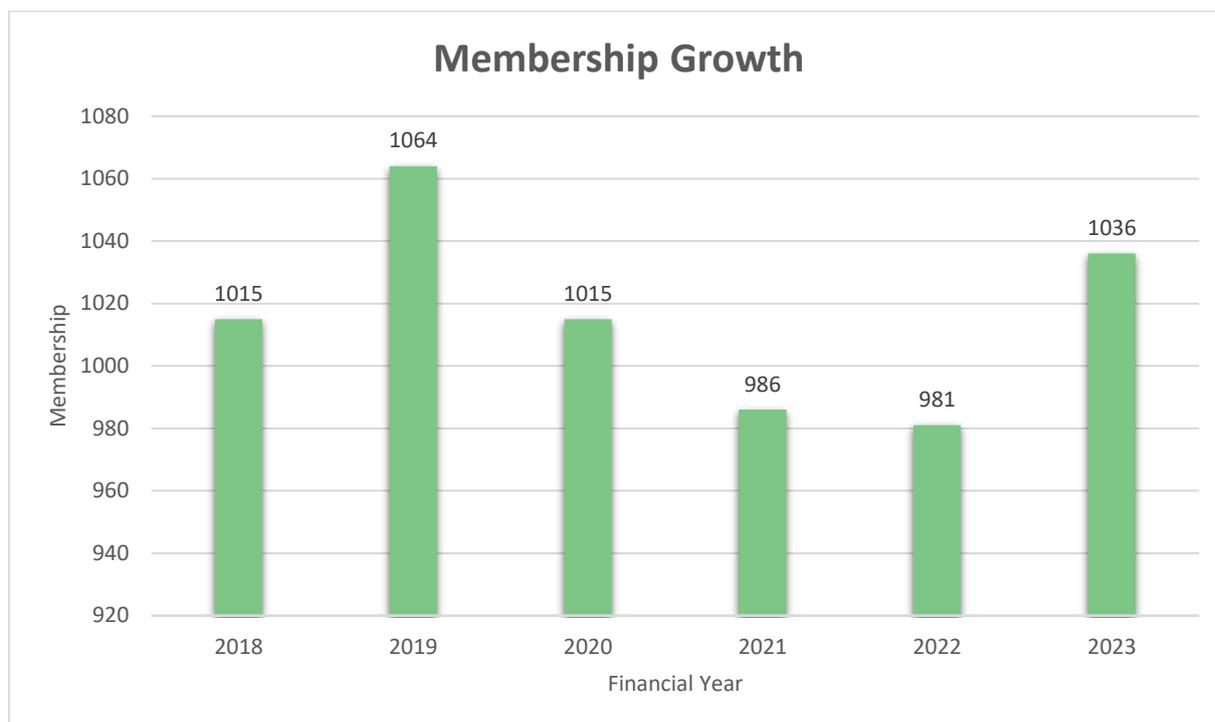


During the strategic period, the Society managed to maintain the total operating cost below 20% of total revenue realized. There was general growth in operating costs from 8% in 2019 to 13% in 2023 as a result of enhanced institutional capacity in staff establishment, ICT infrastructure, office remodelling and compliance to new regulatory framework.

Additional performance information

a) Growth in membership 12% Annually

Financial year	2018	2019	2020	2021	2022	2023
Projected membership		1137	1273	1426	1597	1788
Actual Membership (No.)	1015	1064	1015	986	981	1036
Actual % GROWTH		4.83%	-4.61%	-2.86%	-0.51%	5.3%
Overall Growth (2019-2023)						20.7%

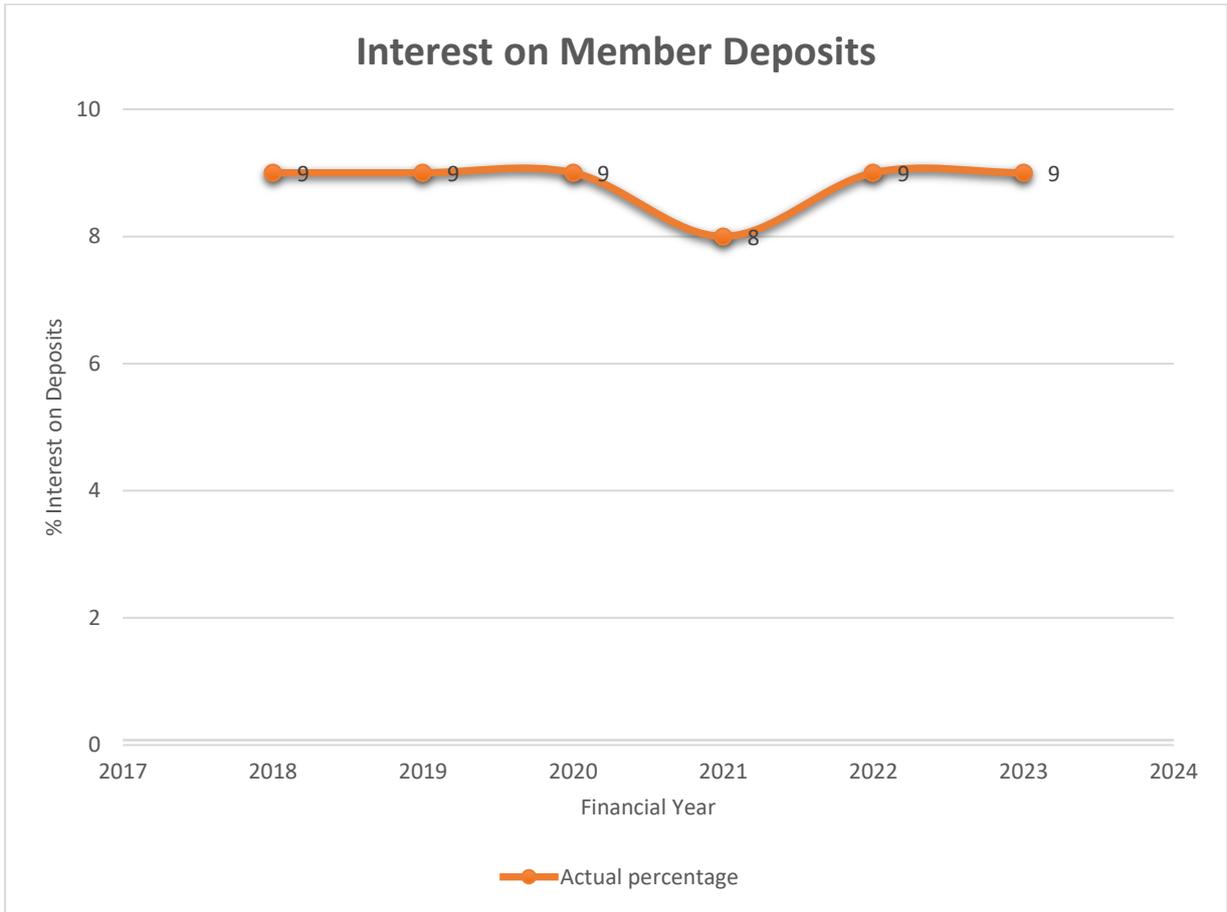


The SACCO membership increased by approximately **20.7%** during the strategic period to hit 1036 in 2023 compared to 1015 in 2018. These were attributed to the opening of the common bond to immediate family members and group membership, Review of SACCO loan products to make it more attractive.

In addition, carry out membership drives, especially on new KEBS and KENAS staff in liaison with their respective HR Department while allowing self-guarantee loans for senior members.

b) Interests on deposits

Financial year	2018	2019	2020	2021	2022	2023
Interest on member deposits (KES millions)	55	60.5	66.5	73.2	80.5	88.8
<i>Interest as a % of member deposit-projected</i>	10%	10%	10%	10%	10%	10%
<i>Actual percentage paid</i>	9%	9%	8.50%	8%	9%	9%
<i>Actual interest paid (KES millions)</i>	55	58.4	58.2	59.5	58.6	66.2
<i>% Actual Growth</i>						20.3%



The Interest on member deposits increased from 8% to a high of 9% in the year 2023.

2.2 CHALLENGES

Some of the notable challenges encountered during the implementation of the current 2018-2023 SP were as follows:

No.	Challenge	Observation
1.	Regulatory changes	<p>The regulatory requirement to be licenced by SASRA during the strategic period led to:</p> <ul style="list-style-type: none"> • Increased operating costs as a result of enhancement of ICT infrastructure, SACCO personnel and other regulatory and compliance associated costs e.g. 18 SACCO policies and the need for an Internal Auditor • IESA was categorized as a savings product with member withdrawals limited to once in three months • Temporal suspension of business loan product which reduced SACCO loan portfolio and revenue • Prohibition of partial BOSA member deposit withdrawal which affected membership and deposit contribution • Reduced rate of returns due to loan provisioning requirements and interest on member deposit payout guidelines by SASRA
2.	Economic instability	<ul style="list-style-type: none"> • Economic fluctuations and uncertainties impacted SACCO's financial performance negatively due to declined members' ability to save more, borrow or even repay loans • High Inflation rates, global security challenges, the COVID-19 pandemic and climate changes all had a cumulative negative impact on our members' purchasing power and uptake of SACCO products • Limited sources of income for our members since most of them are salaried thus affecting their borrowing power • Increased loan defaulting rates as indicated by increased PAR ratio especially due to business loan product
3.	Slow adoption of technology	<ul style="list-style-type: none"> • Increased operational cost and capital outlay to ensure that members SACCO financial ecosystem and core banking system are fully secured • Incomplete member portal aimed at automating key SACCO services to members • Cybersecurity challenges that led to the suspension of the Uborapesa digital loan product launched during the strategic period • Inadequate capacity in ICT personnel and ICT infrastructure. • Inadequate periodic system audits and effective system integration

4.	Competition	<p>The SACCO faced challenges in attracting and retaining members amidst stiff competition from banks, SACCOs and other financial institutions:</p> <ul style="list-style-type: none"> • Introduction of KEBS staff Mortgage led to some SACCO membership and deposit withdrawals including early loan settlement • High rate of dividend and interest on deposits paid by other SACCOs in the industry posed a threat to SACCO business and realization of its strategic objectives • Increased loan multiplier on deposits and repayment period in some SACCOs thus creating stiff competition and making SACCO unable to attract and retain its members • Increased repayment periods to 108 months on personal unsecured bank loans and lowering interest rates to 13%, posed a serious threat to SACCO's business performance
5.	Member engagement	<ul style="list-style-type: none"> • Low turn-out during member education days thus not able to optimize the knowledge and information shared. • Limited regular customer engagements through avenues such as tent pitching at KEBS/KENAS Premises, periodic bulletins and staff regional visits to create and enhance SACCO visibility. This also helps have one-on-one interaction with our members and appraise them with SACCO matters • Inadequate marketing strategies including sensitization and follow-up of new staff to ensure 100% recruitment to SACCO membership

2.3 WEAKNESSES

The following weaknesses were identified:

No	Weakness	Observation
1.	Excess liquidity	<ul style="list-style-type: none"> • Incurring opportunity cost of being unable to lend out 100% of available funds which led to excess liquidity • Reduced rate of returns owing to investment in money markets, which are affected by inflation and taxes
2.	Over reliance on the KEBS ICT ecosystem	<ul style="list-style-type: none"> • During the strategic period, the SACCO was entirely dependent on KEBS ICT infrastructure in terms of Internet, servers, emailing addresses and even preventive maintenance. This posed significant business risks on SACCO operations in the event of system failure from KEBS • Underutilization of Ubora SACCO ICT- Core banking system capabilities
3.	Lack of diversification	<ul style="list-style-type: none"> • The SACCO was limited in terms of regulations on the available investment vehicles in the event of any Excessive liquidity

		<ul style="list-style-type: none"> Lack of diversification in membership - currently the SACCO draws its membership from KEBS and KENAS employees, retirees and their immediate family members. Disruption of business in these two entities would affect the SACCO performance The SACCO has experienced low recruitment of members of immediate family members
4.	Human resource capacity	<ul style="list-style-type: none"> Inadequate staffing levels leading to low levels of segregation of duties Low level of competency diversification, hence, need for continual training

2.4 OPPORTUNITIES

The following opportunities were identified that Ubora SACCO can leverage on in the 2024-2028 strategic period:

NO.	Opportunity	Observations
1.	Improved governance	<p>The new changes by the regulatory authority created an opportunity to enhance SACCO governance and improved confidence through:</p> <ul style="list-style-type: none"> Preparation and submission of periodic compliance reports necessary to evaluate the financial soundness of the SACCO Introduction of vetting of SACCO directors, administration of Board of Director's indemnity and signing of Code of Conduct The creation of SACCO CEO position and recruitment and placement of qualified staff with clear segregation of duties Establishment of the Internal Audit function thus strengthening the oversight role by the Supervisory Committee
2.	Technology	<ul style="list-style-type: none"> The adoption of modern technology has led to the activation of business continuity which is technology-based Virtual Board of Directors meetings thus effectively and efficiently transacting SACCO business including conducting AGM and member education Improved customer experience through roll-out of member portal and real-time feedback from members

		<ul style="list-style-type: none"> • Digital loan products in the SACCO thus growing revenues • Web-based loan application and processing
3.	Stiff competition	<ul style="list-style-type: none"> • Reviewed and re-engineered the SACCO loan products and services • Introduction of new savings and insurance products, among others • Enhanced customer service experience

2.5 KEY LESSONS LEARNT

No.	Lesson Learnt	Importance
1.	Linkage between strategic initiatives and performance indicators	For ease of performance measurement, monitoring, analysis and evaluation of strategic objectives
2.	Strengthening capabilities in measurement and analysis	To enhance decision making
3.	Alignment of annual budget estimates and SP targets	Achievement of the SP targets
4.	Aligning SP performance indicators and targets with the regulatory/statutory requirements	Monitoring of compliance to statutory and regulatory requirements
5.	Rolling implementation plans to operationalize the strategic objectives	To operationalize strategic objectives
6.	Implement and monitor all strategic initiatives in the SP through BSC methodology	To enhance performance monitoring and evaluation
7.	Mid-term review of the SP performance	To review and realign performance initiatives directed towards achievement of SP objectives

CHAPTER 3: SITUATIONAL ANALYSIS

The Situational Analysis was done using PESTEL and SWOT analysis in which Ubora SACCO operates.

3.1 INTERNAL ISSUES

This section outlines issues within the SACCO that can positively or negatively affect its performance. A good strategy builds on its strengths, deals with its weaknesses and takes advantage of its opportunities that arise and tries to minimize its threats. Identifying and analysing these internal factors ensures that the SACCO is well prepared to tackle challenges as they arise, while at the same time take advantage of factors that will impact on the SACCO positively.

No.	Category	Internal Issue	Impact
1.	ICT	Technological risks e.g. inadequate internal controls, competence, training	<ul style="list-style-type: none"> Exposure to cyber-crime System malfunction
		Inadequate automation, Ubora SACCO has not adopted many forms of information technology such as e-banking, m-banking and member portal	<ul style="list-style-type: none"> A dissatisfied clientele/membership due to longer service delivery. Bureaucracies in operations. Human interface could lead to errors. Reduced user friendliness
2.	Staff	Staffing levels	<ul style="list-style-type: none"> Inefficiency in service delivery Negative impact on health
		Competence	<ul style="list-style-type: none"> Improved Job performance
		Financial risks	<ul style="list-style-type: none"> Loss of funds
		HR instruments	<ul style="list-style-type: none"> Decreased staff morale. Poor decision making, hence direct impact on productivity
		Customer relationship management	<ul style="list-style-type: none"> Loss of new and old members Effect on business brand of the SACCO

3.	Governance	Relationship with stakeholders e.g. suppliers, members, staff	<ul style="list-style-type: none"> • Enables identification of stakeholder needs, interests and requirements • Build strong stakeholder relationships • Facilitates objectives alignment • Improved outcomes
		Inadequate risk management framework	Threat to stability and success due to failure to identify, analyse, treat, monitor and reassess risks
		Adherence to Board of Directors calendar	Delayed policy and direction if the Board of Directors calendar is not observed
		Periodic update of bylaws and policies	<ul style="list-style-type: none"> • Compliance to internal governance practices • Compliance with applicable laws
		Strategic office location	<ul style="list-style-type: none"> • Easy accessibility of services • Maximizing opportunity while minimizing costs and risks.
		Competent and diverse Board of Directors experience	<ul style="list-style-type: none"> • High quality corporate performance
4.	Products	Competitive interest rates	<ul style="list-style-type: none"> • Member Retention • Improved financial performance of the SACCO
		Limited product and service innovation	<ul style="list-style-type: none"> • Decreased revenues. • Loss of members.
5.	Services	Loan disbursement and management	Turn-around-times reduced or increased depending on the systems in place.

	Late remittances of member contributions by employers	Liquidity position affected
	Inadequate marketing strategies	<ul style="list-style-type: none"> • Business Loss by not attracting potential members. • Competitive edge is not achieved
	Check off system	<ul style="list-style-type: none"> • Assured regular payments to the SACCO

3.2 EXTERNAL ISSUES

External factors that may affect Ubora SACCO Strategic Plan.

PESTEL ANALYSIS

Summary of External Factors (PESTEL Analysis)

PESTEL	Factor	Impact
Political	<ul style="list-style-type: none"> • General elections and byelections • Referendum • Internal insecurity and terrorism 	Political environment and insecurity have the potential of bringing instability which could disrupt the SACCO operations, such as slow loan uptake and repayment
	Devolution	Devolution has the potential of introducing County Government regulations that may impact on SACCO operations e.g., taxation, local government levies etc
	Government directives	Government directives issued from time to time guide on how certain processes, procedures and compliances have to be complied with and may have impact on our operations.
	Re-arrangement of government functions	Government re-organization may impact our operations and government reporting structure.

Economic	Inflation	High inflation decreases disposable income hence less mobilization of savings and decreased loan uptake Increased operational costs
	Interest rates	Regulation of interest rates for other financial institutions e.g. banks can result to less borrowing and loan buyoffs
	Economic growth rate	Economic growth rate may impact the micro and macro economy, hence affecting Uhora SACCO business.
	Monetary and fiscal policies	Mobile loan products fund may compete directly with SACCO products
	Unemployment rate	High unemployment rate may lead to overreliance on members and thereby causing reduced savings and loan uptake
	Globalization	International economic outlook projections may affect the local financial economy which may in turn have an effect on the SACCO
Social & Cultural	High economic dependency ratio	High economic dependency leads to decreased cash flows, therefore, low level of investments including deposits
	Demographics	The changing demographics of Uhora SACCO may affect deposit mobilization and product patronage
	Beliefs, values and attitudes	Members have diverse saving culture
	Education (financial illiteracy)	Financial illiteracy may cause members to make wrong financial decisions that will affect patronage of SACCO products and services
	Money laundering	Money laundering may expose the SACCO to legal and reputational risk

	Pandemics	Pandemics have an impact on the economy thereby affecting disposable incomes and loan repayments
Technology	Technological advancements – automation, data protection	Automation enhances productivity and efficiency High initial investment cost
	Social media presence	Social media creates new opportunities for the SACCO to promote its products and services, reach potential members, and connect with the target audience
	Accessibility to services (mobile/web)	Ubora should leverage on technological advancements/ automation to give the SACCO a competitive edge and market leadership
	Cyber attacks	Cyber-attacks may cause disruptions and exposure to fraudulent activities
Ecological & Environment	Hosting by KEBS	Changes in KEBS management and operations may affect Ubora operations
	Climate change and global warming	Climate change and global warming is creating adverse weather patterns, which may result in financial pressure on members with the potential of affecting cash-flows due to losses of investments and disposable incomes
Legal	Government regulations	Ubora operates within a legal framework and any changes in the operational legislations will affect its operations. Some of the government regulations guiding the SACCO include. <ul style="list-style-type: none"> • The Constitution of Kenya, 2010 • SASRA rules compliance • Cooperatives Act

		<ul style="list-style-type: none"> • Unclaimed Financial Assets Authority • Occupational Health and Safety Act • PPAD Act • Public Participation Act • Statutory deductions • Data Protection Act • WIBA • Proceeds of Crime and Money Laundering Act • Proceeds of Terrorism Act • Fair Administrative Actions Act • Executive Orders • Labour Relations Act • County Government bylaws
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3.3 SWOT ANALYSIS

Summary of Internal Factors (SWOT Analysis)

No.	Strength	Impact
1.	Good governance	Increase in business sustainability and profitability
2.	Strong asset base	Ability to meet financial obligations
3.	High liquidity	Readily available cash for members loan applications and withdrawal
4.	Loyal membership	Confidence that the SACCO will remain a going concern
5.	Committed and competent Board of Directors	Effective governance and internal controls
6.	Loyal and competent staff	Professionalism and commitment to Ubora SACCO objectives
7.	Shareholding	Evidence of SACCO perpetuity
8.	Competitive interest rates	Retention and attraction of new members
9.	Well documented processes, policies and procedures	Effective internal controls
10.	Adherence to regulatory requirements	Compliance and governance
11.	Strategic office location	Easy access of the SACCO business services
12.	Good rapport with employers	Timely and consistent remittance of member contributions and deductions
13.	Young membership	<ul style="list-style-type: none"> • Continuity of the SACCO into the future • Assured continuity of the SACCO
14.	Sound financial management and accounting system	Effective internal checks and balances
No.	Weakness	Impact
1.	Lack of diversified membership	Restricted membership which limits its expansion
2.	Geographical location of the offices	Limited access of services
3.	Inadequate marketing strategies	Slow onboarding of new members Low patronage of SACCO products
4.	Inadequate risk management framework documentation	Unsystematic risk management
5.	Limited automated processes	Reduced efficiency
6.	Over guarantor ship	Loss of revenue due to loan delinquency

No.	Opportunity	Impact
1.	Expand the common bond	<ul style="list-style-type: none"> Increased membership Increased deposits, loans uptake Increased revenue Better interest on dividend and interest on share capital
2.	Enhanced marketing of the SACCO products and services	<ul style="list-style-type: none"> Increased revenue Increased membership
3.	Introduction of new and innovative products and services	<ul style="list-style-type: none"> A wide product portfolio Increased customer satisfaction Increased revenue
4.	Rebranding	<ul style="list-style-type: none"> Increased visibility Increased customer loyalty Enhanced reputation
5.	Utilize available market for lending excess liquidity	<ul style="list-style-type: none"> Increased revenue generation Increased return on investments Availability of working capital
6.	Mobilizing more deposits from existing members	Enhanced liquidity
7.	Retention of members	<ul style="list-style-type: none"> Satisfied members Utilization of SACCO products Increased revenue
8.	Automation of processes e.g. loan application, appraisal, cheque signing and disbursement of funds and notifications to members, bulk messaging to members	Increased efficiency in service delivery
9.	Invest excess liquidity in higher returns portfolio	Improved revenue
10.	Fully implement Credit Policy	Effective credit management
No.	Threat	Impact
1.	Competition from other SACCOs, financial institutions and KEBS benefits (mortgages, car loans, education loan) and fintech's,	<ul style="list-style-type: none"> Membership withdrawals to join competitors Reduced loan uptake and revenue

	insurance companies and other informal lenders	
2.	Socio-cultural shift	<ul style="list-style-type: none">• Reduced membership• Reduced revenues
3.	Cyber attack	<ul style="list-style-type: none">• Exposure to cyber crime• System malfunction

3.4 COMPETITOR ANALYSIS

Summary of Competitor Analysis

	Categories of Competitive Areas	Ubora SACCO	Other SACCOs	Banks	Fintech/ Informal Lenders	Impact
1	Membership	Majority from common bond	Open	Open	Open	Limited market share
2	Products	Limited products Secured loans - Guarantors	Diversified products Other security titles, logbooks	Diversified products Other security e.g. titles, logbooks No need for guarantors	No need for security No need for guarantors	Reduced market share
3	Loan application/loan multiplier	Manual application process multiplier x3 times deposits	Manual/ Online loan multiplier up to x4 times	Manual/online No deposits	Online No deposits	Reduced loan uptake and patronage of SACCO products and services Withdrawal of members deposits Reduced market share
4	Repayment period	84 months	Repayment period-up to 96 months	Extended	1 month	Fairly competitive
5	Interest on Deposits	9%	11%	None	None	Fairly competitive

	Categories of Competitive Areas	Ubora SACCO	Other SACCOs	Banks	Fintech/ Informal Lenders	Impact
6	Dividend on share capital	10	15	None	None	Fairly competitive
7	Accessibility	One centralised location	Wide branch network	Wide branch network	Use technology, thus available anywhere any time	Low market penetration
8	Technology uptake	23%	75%	90%	100%	Reduced market share
9	Capital structure	Internally generated	Diversified	Diversified	Diversified	Financially sustainable
10	Marketing	SACCO staff	Dedicated marketing team	Dedicated marketing team	Dedicated marketing team (online)	Reduced visibility leading to market share
11	Governance	Good	Good	Good	Good	Competitive

3.5 STAKEHOLDER ANALYSIS

A stakeholder is an organization, authority or person that relates or governs directly or indirectly to the functions of Ubora SACCO.

Stakeholder Analysis was carried out considering the interested parties and what they contribute to Ubora SACCO.

STAKEHOLDER	Interest (High - H or Low - L) / Expectations from SACCO	Power (High - H or Low - L)	What do they Contribute to SACCO	Potential risks	Approach /communication
Employees (Staff)	Interest – High Expectations from SACCO: <ul style="list-style-type: none"> • Career growth and progression • Competitive remuneration • Training and development • Cooperation from members • Staff evaluation • Good working conditions 	High	<ul style="list-style-type: none"> • Savings culture • Integrity • Innovation • Proactivity • Timely preparation of reports • Meet set targets • Safeguarding the SACCO assets • Adherence to by-laws, regulations and procedures • Safeguarding the SACCO brand • Continuous professional development • Professionalism 	Staff exit Failure to meet set targets	Manage closely
Customers (Members)	Interest – High Expectations from SACCO: <ul style="list-style-type: none"> • High return on investments • Affordable loans 	High	<ul style="list-style-type: none"> • Timely loan repayments. • Timely deposit remittances. 	<ul style="list-style-type: none"> • Mass withdrawals • Loan default 	Manage closely

	<ul style="list-style-type: none"> • SACCO stability assurance • Timely and effective communication • Good corporate governance • Superior services and products • Timely refunds • Timely loan disbursement 		<ul style="list-style-type: none"> • Compliance with by-laws, resolutions and regulations. 		
Bankers	Interest – Low Expectations from SACCO: <ul style="list-style-type: none"> • Investments by the SACCO • Financial services • Compliance with laws 	Low	<ul style="list-style-type: none"> • Availability of funds • Advisory role • Timely remittance of funds • Bank statements • Timely resolution of queries 	Bankruptcy, insolvency.	Diversification of bank accounts Timely information, education and communication
Other Lenders	Interest – Low Expectations from SACCO: <ul style="list-style-type: none"> • Prompt debt repayment 	Low	Offer loans	Fluctuating interest rates	Diversification of lenders Timely information, education and communication
Regulators	Interest – High Expectations from SACCO: <ul style="list-style-type: none"> • Transparency and Accountability • Compliance to set laws and regulations • Educate members 	High	<ul style="list-style-type: none"> • Fair legislative framework • Favourable regulatory environment • Enforcement of regulations 	Penalties	Compliance Timely information, education and communication
Management Board	Interest – High Expectations from SACCO:	High	<ul style="list-style-type: none"> • Formulation of policies 	<ul style="list-style-type: none"> • Conflict of interest 	Manage closely

	<ul style="list-style-type: none"> • Timely and accurate reports • Member support • Business performance • Training 		<ul style="list-style-type: none"> • Good corporate governance • Oversight • Steering strategic direction of the SACCO • Prompt decision-making • Commitment to members' interests 	<ul style="list-style-type: none"> • Governance risks • Related party risks 	
Supervisory Committee	<p>Interest – High</p> <p>Expectations from SACCO:</p> <ul style="list-style-type: none"> • Provision of information • Feedback and clarifications • Timely execution of recommendations • Compliance with laws, regulations, policies, and procedures • Training 	High	Oversight roles in the SACCO	<ul style="list-style-type: none"> • Governance risks • Conflict of interest 	Manage closely
Community	<p>Interest – Low</p> <p>Expectations from SACCO:</p> <ul style="list-style-type: none"> • Improved livelihoods • Employment • Good relations • CSR activities 	High	Good ambassadors	Hostility	Keep community satisfied
Suppliers/ Creditors	<p>Interest – High</p> <p>Expectations from SACCO:</p> <ul style="list-style-type: none"> • Clear supply specifications 	Low	<ul style="list-style-type: none"> • Competitive pricing • Feedback • Integrity • Quantity, quality and timely deliveries 	<ul style="list-style-type: none"> • Defaults in payment • Litigations 	Manage closely

	<ul style="list-style-type: none"> • Timely payment for goods and services • Feedback • Integrity 		<ul style="list-style-type: none"> • Confidentiality 		
External Auditor	Interest – High Expectations from SACCO: <ul style="list-style-type: none"> • Timely provision of information • Effective and efficient internal control system • Payment for services 	High	<ul style="list-style-type: none"> • Professional ethics • Timely and fair reporting 	<ul style="list-style-type: none"> • Non-compliance • Penalties • Litigations 	Manage closely
Apex Bodies (KUSCCO, CIC Insurance, CAK, Cooperative Bank, KERUSO)	Interest – High Expectations from SACCO: <ul style="list-style-type: none"> • Collaboration • Member patriotism 	High	<ul style="list-style-type: none"> • Provision of training, advocacy and lobbying • Banking, investment and insurance services 	<ul style="list-style-type: none"> • Lagged development • Loss of funds 	Manage closely

Power interest Grid

HIGH INTEREST - HIGH POWER - Manage closely.

HIGH INTEREST - LOW POWER - Manage closely.

LOW INTEREST - HIGH POWER - Keep satisfied.

LOW INTEREST - LOW POWER - Monitor.

CHAPTER 4: UBORA SACCO 2024-2028 STRATEGIC DIRECTION AND STRATEGIES



4.1 VISION

A leader in SACCO solutions for sustainable socio-economic empowerment.

4.2 MISSION

To mobilize funds and offer savings and credit services to economically empower members.

4.3 CORE VALUES

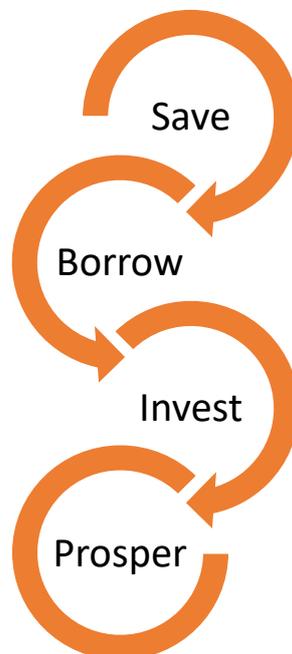


Our operations will be centred on the following core values:

- ❖ **Customer focus:** We value our customers and we are committed to providing services that meet their needs and exceed expectations.
- ❖ **Integrity:** We are transparent, impartial, honest ethical, fair and free of discrimination or preferential treatment.
- ❖ **Accountability:** We are accountable to our members and stakeholders, exercise prudence in managing resources entrusted to us, and act in a transparent manner.
- ❖ **Professionalism:** We take pride and value in our services, deliver as a team, and act in a reliable manner that depicts the co-operative principles and mandate.
- ❖ **Innovation:** We promote a transformational culture and attitude in solutions to our customers.

ACRONYM – CIAPI

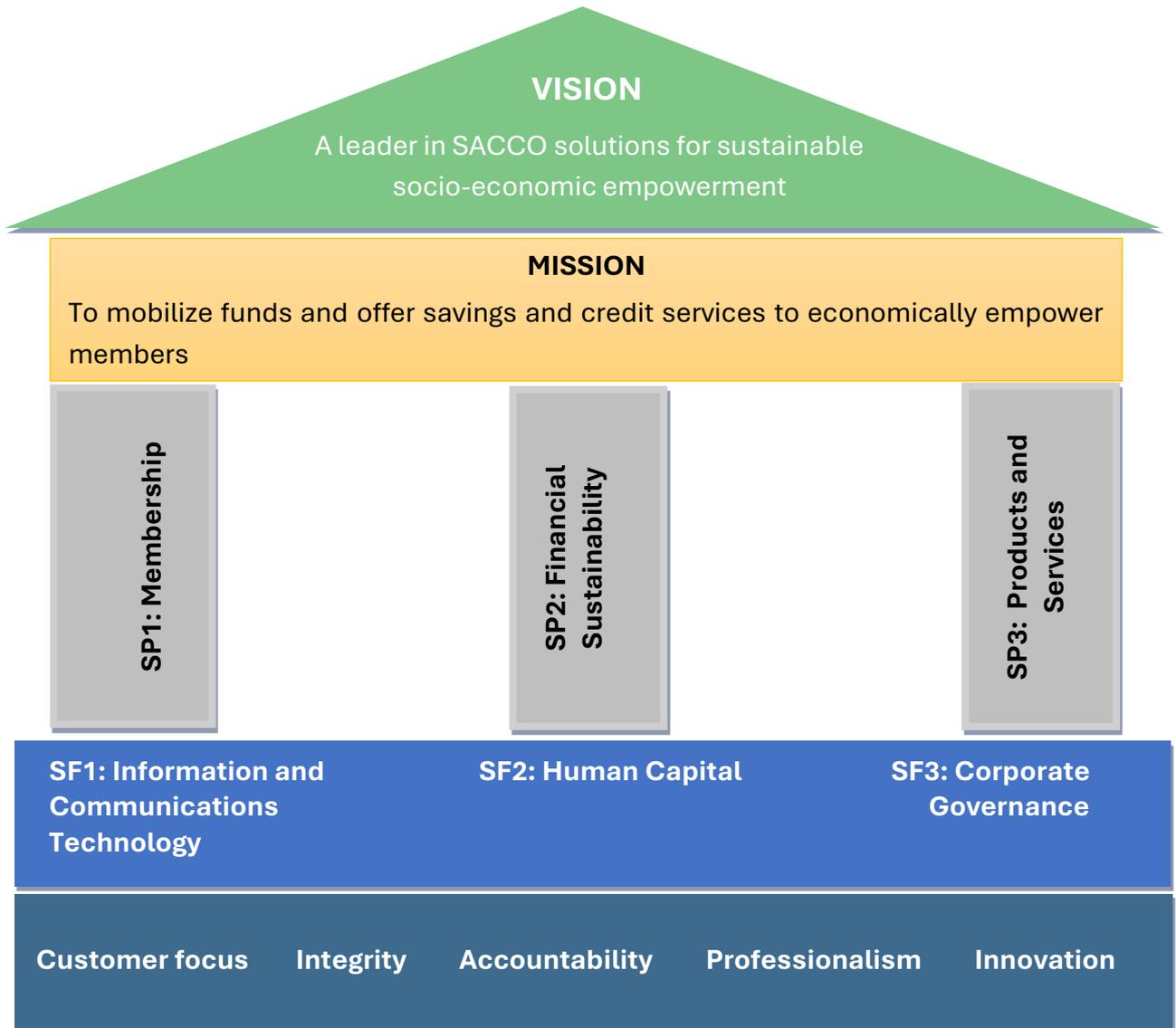
4.5 MOTTO



4.7 STRATEGIC PILLARS, STRATEGIC FOUNDATIONS, STRATEGIC FOCUS AREAS AND ACTIVITIES

To deliver the Ubora SACCO mission and achieve the vision, the following strategic foundations, strategic pillars, strategic focus areas, and activities will be implemented in the strategic period 2024 - 2028.

Strategic temple



4.8 STRATEGIC PILLARS AND FOUNDATIONS:

Strategic Pillars:

SP1: Membership

Objective: To grow, empower and retain SACCO membership.

Ubora SACCO draws membership from KEBS, KENAS, chamas, immediate family members and retirees of the two institutions (KEBS and KENAS).

Strategic Focus areas:

SP1:1 Grow SACCO Membership

SP1:2 Empowerment of SACCO Members

SP1:3 Retention of SACCO Membership

SP2: Financial Sustainability

Objective: To strengthen Ubora SACCO financial capacity to enhance operational efficiency and empowerment of members.

Strategic Focus areas:

SP2:1 Revenue generation

SP2: 2 Asset quality

SP2: 3 Capital adequacy

SP2:4 Liquidity

SP2:5 Dividends on share capital

SP2:6 Cost management

SP2:7 Internal control systems

SP3: Products and Services

Objective: To provide competitive SACCO products and services.

Strategic Focus areas:

SP3:1 SACCO Loan Products

SP3:2 Savings Products

SP3:3 Insurance Products

Strategic Foundations

SF1: Information Communication Technology

Objective: *To enhance efficiency and accessibility of systems, products and services through technology and innovation.*

Strategic Focus areas:

SF1:1 Automation of Ubora SACCO processes

SF1:2 Integration of Ubora SACCO services

SF1:3 Software and hardware upgrade

SF2: Human Capital

Objective: *Strengthen human capacity to enhance productivity and service delivery.*

Strategic Focus areas

SF2:1 Competency development

SF2:2 Optimal staffing level

SF2:3 Enhance Staff welfare

SF3: Corporate Governance

Objective: *Enhance best practices in corporate governance for efficient service delivery.*

Strategic Focus areas:

SF3:1 Compliance to regulatory requirements

SF3:2 Enhance risk management framework

SF3:3 Establish relevant management policies and procedures

Ubona SACCO Strategic Pillars and Foundations, Strategic Focus Areas, and Activities

Strategic Focus Area	KPIs	Activities
SP1: Membership		
SP1:1 Grow SACCO Membership	SP1.1.1 Increase membership by 20% by end of 2028	SP1.1.1.1 Enhanced data analysis and measurement capabilities on current membership portfolio.
		SP1.1.1.2 Enhanced visibility of the SACCO through appropriate and aggressive marketing strategies through rebranding, and exhibitions.
		SP1.1.1.3 Hold awareness sessions with the potential members and deliberate follow-ups on new KEBS and KENAS employees.
		SP1.1.1.4 Digitization of SACCO on-boarding process.
		SP1.1.1.5 Expand the common bond especially to include other government agencies. Commission- based recruitment.
SP1:2 Empowerment of SACCO Members	SP1:2:1: Undertake two (2) empowerment programs per year	SP1:2:1:1 Undertake regular member education on thematic areas on emerging financial issues.
		SP1:2:1:2 Undertake a webinar annually on emerging issues relevant to the SACCO membership.
		SP1:2:1:3 Enhanced regular digital messages and bulk sms.
SP1:3 Retain SACCO Membership	SP1.3.1 100% retention of the SACCO Membership	SP1.3.2.1 Develop tailor made SACCO products.
		SP1.3.2.2 Review existing SACCO products and features.
		SP1.3.2.3 Enhance customer loyalty programs.
		SP1.3.2.4 Implementation of the member portal.
		SP1.3.2.5 Undertake annual member surveys.
		SP1.3.2.6 Implement Service Charter.

Strategic Focus Area	KPIs	Activities
SP2: Financial Sustainability		
SP2:1 Revenue Generation	SP2.1.1 Increase annual turnover by 7%	SP2.1.1.1 Enhance the loan portfolio by issuing quality loans.
		SP2.1.1.2 Review current loan products to determine the competitiveness.
		SP2.1.1.3 Enhanced marketing strategies.
		SP2.1.1.4 Diversify short term investment avenues of excess liquidity.
SP2:2 Asset Quality	SP2:2.1 Maintain portfolio at risk below 5%	SP2:2.1.1 Implement the credit and risk policy provisions on management of delinquent loans.
		SP2:2.1.2 Implement the credit risk management framework.
SP2:3 Capital adequacy	SP2:3.1 Maintain core capital to asset ratio of above 20%	SP2:3.1.1 Encourage all members to capitalize dividends.
	SP2:3.2 Maintain Retained Earnings and disclosed reserves to core capital at 75%	SP2:3.1.2 Pay higher dividends on share capital.
	SP2:3.3 Maintain Minimum Core Capital to Member deposits 30%	SP2:3.1.3 Retain earnings on core capital.
SP2:4 Liquidity	SP2:4:1 Maintain a current ratio of at least 1:2	<p>SP2:4:1.1 Encourage members to save more through deposits mobilization strategies.</p> <p>SP2:4:1.2 Develop and diversify saving products.</p> <p>SP2:4:1.3 Leading and lagging receivables and payables respectively.</p> <p>SP2:4:1.4 Implementation of liquid and asset liability policy.</p>
SP2:5 Dividends on Share Capital	SP2:5:1 Maintain a dividend rate of at least 12% p.a	SP2:5:1.1 Effective management of delinquent loans maintain loan provisioning at minimum.

Strategic Focus Area	KPIs	Activities
SP2: Financial Sustainability		
SP2:6 Cost Management	SP2:6:1 Maintain operational cost below 20% of the total revenue	SP2:6:1:1 Comply with the approved budget. SP2:6:1:2 Introduce and implement budgetary controls. SP2:6:1:3 Negotiate on procurement of products and services. SP2:6:1:4 Process improvement e.g. use of the member portal.
SP2:7 Internal control systems	SP2:7:1 Compliance 100% with Internal Control systems	SP2:7:1:1 Implementation of Financial and Accounting.

Strategic Focus Area	KPIs	Activities
SP3: Products and Services		
SP3.1 SACCO Loan Products	SP3.1.1 To enhance SACCO loan book by 10% by the end of the strategic period	SP3:1:1:1 Diversify the current loan products. SP3:1:1:2 Market the loan products SP3:1:1:3 Enhance efficiency in loan processing.
SP3:2 Savings Products	SP3:2:1 To increase member deposits by 20% by 2028	SP3:2:1:1 Implement the minimum deposit contribution. SP3:2:1:2 Encourage plough back of interest on member deposits.
	SP3:2:2 Maintain the interest on deposits by at least 10%	SP3:2:2:1 Develop and implement deposit mobilization strategies.
SP3:3 Insurance Products	SP3:3:1 On-board 100% of SACCO membership to Burial and Benevolent Fund (BBF)	SP3:3:1:1 Enhance the benefits for BBF insurance product. SP3:3:1:2 Hasten the settlement of claims through advance payment. SP3:3:1:3 Create continuous awareness to SACCO membership.

Strategic Foundations:

SF1: Information Communication Technology		
Strategic Focus Area	KPIs	Activities
SF1:1: Automation of Ubora SACCO processes	SF1.1.1 Increase the level of automation from 23% to 50%	SF1:1:1.1 Loan application, loan processing, loan disbursement, leave management, payroll management, bank reconciliation, e-board services, time and attendance.
		SF1:1:1.2 Roll out member portal.
		SF1:1:1.3 Implementation and maintenance of Electronic Document and Records Management System (EDRMS).
		SF1:1:1.4 Implementation and maintenance of storage backup system and infrastructure to enhance business continuity and information security.
		SF1:1:1.5 Receipting and automated member statement.
		SF1:1:1.6 Procure and maintain mobile banking platform (UBORAPESA).
SF1:2: Integration of Ubora SACCO services	SF1.2.1 Integrate with 2 financial service providers	SF1:2:1.1 Integration with Co-operative bank and MPESA Paybill.
	SF1.2.2 Integrate 4 internal processes	SF1:2:2.1 Integration of leave management system, performance management system, time and attendance, and staff database.
	SF1.2.3 Integration with two (2) check-off systems	SF1:2:3.1 Integration with KEBS and KENAS.
SF1:3: Software and hardware installations and upgrades	SF1.3.1 Upgrade and maintain two (2) software systems.	SF1:3:1.1 Upgrade Navision 2018 to Dynamics 365 and maintain.
		SF1.3.1.2 Maintain member portal.
	SF1.3.2 100% upgrade and maintenance of server and computers.	SF1.3.2.1 Upgrade server in terms of speed, storage, and memory allocation.
		SF1.3.2.2 Replace obsolete computers. SF1.3.2.3 Purchase computers based on staff needs.
SF 1.3.3 Install uninterrupted power	SF 1.3.3.1 Procure and install power back up for server, computers, printers, networking devices and CCTV.	

SF1: Information Communication Technology		
Strategic Focus Area	KPIs	Activities
	supply that can last for 12 hours	
	SF 1.3.3 100% upgrade network and cyber security infrastructure	SF 1.3.3.2 Network cables to CATEGORY 6A, cable management, continuous upgrade firewall systems, upgrade and maintain end point security, upgrade, and maintain cloud security.
	SF 1.3.4 100% Installation of 4 - channel CCTV system	SF 1.3.4.1 Procure and install CCTV system.

SF2: Human Capital		
Strategic Focus Area	KPIs	Activities
SF2:1 Competency development	SF2.1.1 Increase competency level to 80%	SF2.1.1.1 Conduct skills gap analysis. SF2.1.1.2 Identify skills needs. SF2.1.1.3 Develop a skills inventory. SF2.1.1.4 Develop and implement annual training plan. SF2.1.1.5 Develop staff training and development procedure. SF2.1.1.5 Knowledge management. SF2.1.1.6 Succession management.
SF2.2: Optimal staffing level	SF2.2.1 increase staff level from seven to ten	SF2.2.1.1 Undertake workload analysis. SF2.2.1.2 Develop staff establishment. SF2.2.1.3 Develop and implement recruitment plan.
SF2.3: Enhance staff welfare	SF2.3.1 Increase employee satisfaction by 25%	SF2.3.1.1 Conduct employee satisfaction survey. SF2.3.1.2 Review and implement HR instruments.

SF3: Corporate Governance		
Strategic Focus Area	KPIs	Activities
SF3:1 Compliance to legal and contractual requirements	SF3:1:1: 100% compliance to legal and contractual requirements	SF3:1:1.1 Timely submission of statutory returns and remittances to KRA, SASRA, ministry, AML, Data Protection Act 2019, UFAA, OSHA, Finance Act, NHIF, NSSF, Proceeds of Terrorism Act, WIBA, Public Participation Act, PPAD Act, NITA, Fair Administrative Act, Constitution of Kenya 2010, Employment Act, KUSCCO, Coop Bank, CIC.
		Carry out annual compliance audits.
SF3:2: Enhance risk management framework	SF3:2:1 100% implementation and maintenance of risk management framework	SF3:2:1:1 Maintain and update risk management policy.
		SF3:2:1:2 Develop and implement a risk management framework.
SF3:3 Establish relevant management policies and procedures	SF3:3:1 Maintain and update 100% of the relevant policies and procedures	SF3:3:1:1 Develop, review, and update the new and existing policies and procedures.
		Implement ISMS, BCMS.
		SF3:3:1:2 Carry out bi-annual audit for continual improvement.

CHAPTER 5: STRATEGY IMPLEMENTATION PLAN

5.1 ROLLING IMPLEMENTATION FRAMEWORK

The Rolling Implementation Plan (RIP) provides annual outcomes for each strategic pillar, foundation, and strategy focus area for the period 2024 – 2028. To increase accountability, track progress, and inspire staff as well as partners to achieve the Ubora SACCO strategic objectives for the 2024 - 2028 period, specific and tangible measures have been set based on the prioritized activities. The progress will be monitored quarterly, evaluated annually, and adjustments made as needed. The rolling implementation plan is as shown in Annex 1.

5.1.1 ANNUAL WORKPLAN AND BUDGET

Income and expenditure estimates for operationalization of the Ubora SACCO Strategic Plan for the strategic period 2024 - 2028 have been determined.

CHAPTER 6: MONITORING AND EVALUATION

6.1 MONITORING AND EVALUATION FRAMEWORK

Monitoring and evaluation of this Strategic Plan will be achieved using a Corporate Balanced Score Card. The annual Corporate Balanced Scorecard will be developed considering the Strategic Plan indicators.

The Balanced Score Card is as shown in Annex 2.

6.2 RISK MANAGEMENT FRAMEWORK

Ubona SACCO has established a Risk Management Policy which provides a risk management framework based on ISO 31000, principles, governance structure, monitoring and reporting framework and tools. Risks related to strategy have been determined and are managed as per the risk management framework. The inherent risks, levels and existing controls are reviewed on quarterly basis. Implementation of the policy guides Ubona SACCO in managing risks.

The risks are summarized in the table below.

SN	CONTEXT	RISK	EXISTING CONTROLS	INHERENT RISK ASSESSMENT				RISK TREATMENT OPTION	RISK OWNER
				Likelihood (1-4)	Consequence (1-4)	RISK SCORE	RISK LEVEL		
1	Strategic	Failure to achieve 100%	1. Strategic Plan rolling implementation 2. Budgets 3. Balance scorecard	2	3	6	MEDIUM	REDUCE	BOARD/CEO
2	Strategic	Failure to Increase membership by 20% by end of 2028	1. Targeted marketing to potential members 2. Expanded common bond. 3. Product diversification 4. Reviewed credit policy	2	3	6	MEDIUM	REDUCE	CEO/MANAGEMENT
		Failure to undertake two (2) empowerment programs per year							CEO/MANAGEMENT

		Failure to retain 100% of the Sacco membership							CEO/MANAGEMENT
3	Financial	Failure to increase annual turnover by 7%	1. Invested surplus funds in high yield investment 2. Technological services in place 3. Mechanisms in place to reduce loan default rate 4. Compliance with budget provisions 5. Effective and operational internal control system 6. Policy on minimum contribution	2	4	8	HIGH	ACCEPT	CEO/FM
		Failure to maintain portfolio at risk below 5%							CEO/FM
		Failure to maintain core capital to asset ratio of above 20%							CEO/FM
		Failure to maintain retained earnings and disclosed reserves to core capital at 75%							CEO/FM
		Failure to maintain Minimum Core Capital to member deposits 30%							CEO/FM
		Failure to maintain a current ratio of at least 1:2							CEO/FM
		Failure to maintain a dividend rate of at least 12% p.a							CEO/FM

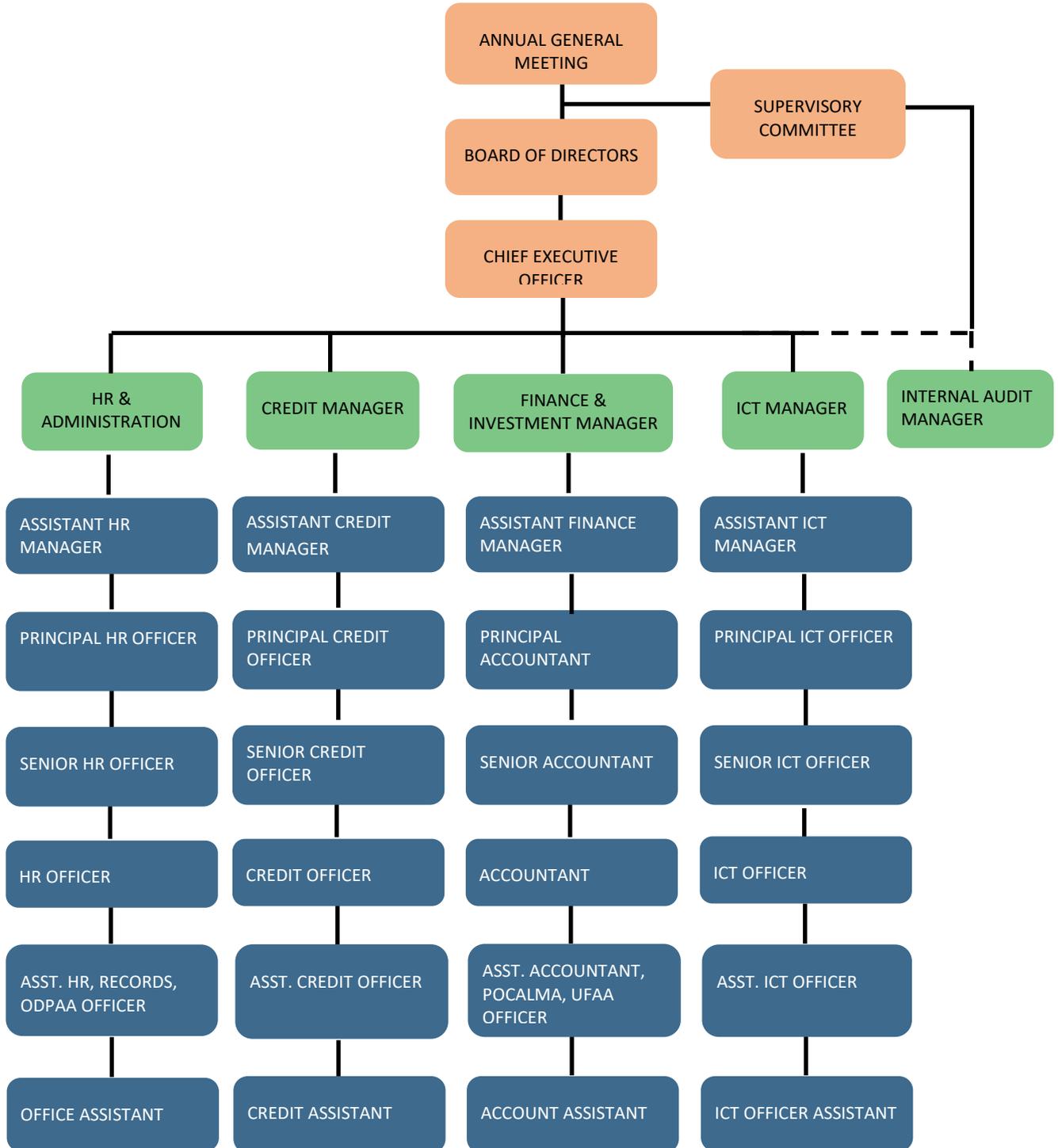
		Failure to maintain operational cost below 20% of the total revenue							CEO/FM
		Failure to comply 100% with internal control systems							CEO/FM
4	Strategic	Failure to enhance Sacco loan book by 10% by the end of the strategic period	<ol style="list-style-type: none"> 1. Attractive borrowing products 2. A market to market the existing products 3. Measures to reduce loan default rate 	3	3	9	HIGH	REDUCE	CEO/MANAGEMENT
		Failure to increase member deposits by 20% by 2028							CEO/MANAGEMENT
		Failure to maintain the interest on deposits by at least 10%							CEO/MANAGEMENT
		Failure to on-board 100% of Sacco membership to Burial and Benevolent Fund (BBF)							CEO/MANAGEMENT
5	Operational	Failure to increase the level of automation from 23% to 50%	<ol style="list-style-type: none"> 1. Automated member statements 2. Navision 2018 system 3. Social media presence 	3	4	12	HIGH	REDUCE	CEO/ICT

	Failure to integrate with 2 financial service providers (MPESA & COOP BANK)	i.e. Facebook, Twitter 4. Use of software which reduce paper usage 5. ICT policy 6. Use of bulk SMS alerts on products and deposits 7. Installed CCTV system				CEO/ICT
	Failure to integrate 4 internal processes		CEO/ICT			
	Failure to integrate with two (2) check-off systems		CEO/ICT			
	Failure to upgrade and maintain two (2) software systems		CEO/ICT			
	Failure to upgrade and maintain server and computers 100%		CEO/ICT			
	Failure to install uninterrupted power supply that can last at least 8 h		CEO/ICT			
	Failure to fully upgrade network and cyber security infrastructure		CEO/ICT			
	Failure to install 4-channel CCTV system		CEO/ICT			

6	Operational	Failure increase competency level to 80%	<ol style="list-style-type: none"> Optimal staffing level Developed skills matrix Training plan Staff performance management tool Health work environment HR Policies 	2	3	6	MEDIUM	ACCEPT	BOARD/CEO/FM
		Failure to increase staff level from seven to ten							BOARD/CEO/FM
		Failure to Increase employee satisfaction by 25%							BOARD/CEO/FM
7	Compliance	Failure to comply 100% to legal and contractual requirements	<ol style="list-style-type: none"> Compliance to statutory and regulatory requirements Board training 	1	2	2	LOW	ACCEPT	BOARD/CEO
		Failure to implement and maintain risk management framework 100%							BOARD/CEO
		Failure to maintain and update 100% of the relevant policies and procedures							BOARD/CEO

CHAPTER 7: ORGANIZATIONAL STRUCTURE

Organizational Structure will ensure the successful execution of the strategies laid down in this Strategic Plan, Uboru SACCO shall review the organizational structure in line with SASRA Regulations and SACCO by Laws



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