

# **STRATEGIC PLANNING**

**A GUIDE FOR Credit Unions**



Association of Asian Confederation of Credit Unions

## SWOT Analysis

The analysis of the Strengths, Weaknesses, Threats and Opportunities set the direction to where the movement would be heading in the next three years. The consultation and interview with the management, Board of Directors and stakeholders of ABC CREDIT COOPERATIVE demonstrates the areas need to be addressed in the Strategic Plan:

### External Environment:

Opportunities	Threats ( <i>Changes in the environment</i> )
<ul style="list-style-type: none"> <li>▪ Because of unemployment, there is an increasing market for productive lending in rural savings and loans societies</li> <li>▪ S &amp; L could participate in the microfinance initiatives given the appropriate policy and methodology of delivering financial services</li> <li>▪ Co-operative 'brand' is credible worldwide</li> <li>▪ Mutuality principles</li> <li>▪ Member service philosophy</li> <li>▪ Personal relationships with members</li> <li>▪ Saving and loan societies bonds</li> <li>▪ Community involvement</li> <li>▪ Recognized by the government as part of the financial system that could deliver financial services to the where other formal financial institutions are not catering</li> <li>▪ Strong support from the Central Bank of Papua New Guinea, the regulatory body for savings and loans in the country</li> <li>▪ Reshaping consumer demands – older and younger members and potential members to expand membership base</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increasing rate of unemployment</li> <li>▪ Microfinance initiatives supported by ADB and other donors. These institutions are also catering to the same market as the rural based savings and loans societies</li> <li>▪ Fast changing technology that needs to be embraced to improve products and services</li> <li>▪ The changing social values of people that decreases the value on cooperation and volunteerism</li> <li>▪ Employee attitudes becoming career oriented which S &amp; L cannot offer at this time. There is a question of organizational loyalty</li> <li>▪ New product development speed</li> <li>▪ New players in financial markets</li> <li>▪ Diminishing personalised service because of the use of sophisticated technology that offers easy access and convenience in providing financial services</li> <li>▪ Middle-age bulge in the workforce and increase component of older workers</li> <li>▪ Young professionals are more inclined to sophistication of technology and there would be a difficulty for saving and loan societies to attract the young generation</li> </ul>

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▪ **ABC CREDIT COOPERATIVE** *(as the national federation of Savings and Loan Societies)*

<b>Strengths</b> <i>(Based on the achievement of the last three years)</i>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>▪ Drawn framework for the federation</li> <li>▪ Democracy process installed - General Assembly was conducted after 10 years</li> <li>▪ Financial reports presented to the General Assembly</li> <li>▪ The board was elected after ten years</li> <li>▪ FACTS (accounting package) introduced</li> <li>▪ Started to offer training programs to savings and loan societies, however it has to be done on need basis</li> <li>▪ Again connected to ACCU, an opportunity to have more options and be exposed to other country CU development</li> <li>▪ Confidence is building up from Savings and Loans Societies though needs to be improved in terms of services that have to be provided</li> <li>▪ Communicate again with savings and loan societies which was not happening before</li> <li>▪ Consolidating the movement would be an opportunity to share cost especially in adopting technology to improve operation</li> <li>▪ Code of conduct introduced to societies</li> <li>▪ Established close working partnership with Central Bank</li> </ul>	<ul style="list-style-type: none"> <li>▪ Lack of communication with members</li> <li>▪ Management Analysis of services</li> <li>▪ Lack of resources both human and financial</li> <li>▪ Failed to regain the public confidence on savings and loan societies because of the past experience</li> <li>▪ There was no structured training provided for the societies in the last three years.</li> <li>▪ The federation have less options in terms of seeking technical advise (only the Central Bank and CUFA)</li> <li>▪ Lack of information</li> <li>▪ Failed to sell the federation</li> <li>▪ No dialogue with the members</li> <li>▪ Lack of information on members need and training needs analysis was not systematic</li> <li>▪ Lack of commitment from the societies</li> <li>▪ No innovation and still very traditional on products and services</li> <li>▪ Services was focused on networking with members.</li> </ul>

## ▪ The Savings and Loan Societies

A Workshop on Strategic Planning was convened on January 20-21, 2001 participated by 30 Managers and Directors of 9 Savings and Loans Societies; the Board of Directors and Management of ABC CREDIT COOPERATIVE and officers from the Bank of Papua New Guinea. The workshop solicited inputs from the members to be able to come up with Strategic Plan that addresses operational issues that are obstacles to the sustained growth and viability of savings and loans society. The Federation could only be relevant to its members if it is delivering services that address recurring operational issues of its members.

Strengths	Weaknesses
<b>Organizational Structure</b>	
<ul style="list-style-type: none"> <li>Appropriate legislation is in place</li> <li>Responsive members hip</li> </ul>	<ul style="list-style-type: none"> <li>No loans committee, inactive supervisory committee</li> <li>Lack of knowledge of understanding of rules and functions</li> <li>Abuse of powers I.e. 1:10 or 1:5 where policy is only 1:2</li> <li>Violation of policies and guidelines</li> <li>No proper training programme</li> <li>AGM not held within 3 months</li> <li>Statutory Financial Report not submitted on time</li> </ul>
<b>Leadership Representation</b>	
<ul style="list-style-type: none"> <li>Board are elected from the General Membership but need to have policy or system adopted within the organization to ensure that qualified people are elected to serve the savings and loan societies</li> </ul>	<ul style="list-style-type: none"> <li>No nomination committee re: Election of Board of Directors</li> <li>No terms of reference</li> <li>No standard voting system (I.e. secret balloting)</li> </ul>
<b>Human Resources</b>	
<ul style="list-style-type: none"> <li>The relatively large societies have paid management staff, however there is a great need to recruit the right staff to the right management position.</li> </ul>	<ul style="list-style-type: none"> <li>Inadequate skilled and qualified staff</li> <li>Rewards on terms and conditions</li> <li>No successive training programmes for management level</li> <li>People trained locally and abroad but not used to for training Board and staff</li> <li>Poor advise of management and the Board of Directors</li> <li>Board not fit person</li> </ul>

<b>Products and Services</b>	
<ul style="list-style-type: none"> <li>Introduced some sort of diversification on savings like Christmas savings club, however needs to emphasize more on savings campaign rather than credit driven services</li> </ul>	<ul style="list-style-type: none"> <li>Loan: Ratio of 1:1 cannot meet members needs</li> <li>Savings – not very encouraging, no proper member education</li> <li>Services – currently limited to school fees and Christmas club</li> <li>No organization of strategic planning/financial management and policy/product development</li> <li>No networking or sharing of service products among member societies</li> </ul>
<b>Institutional Capacity</b>	
<ul style="list-style-type: none"> <li>FACTS as a standard accounting package</li> <li>Code of conduct being promulgated by needs to be practiced</li> </ul>	<ul style="list-style-type: none"> <li>Lack of Skills – management / board – tailored training needs for staff and directors both in rural and urban based societies</li> <li>Procedures - Lack of procedure; lack of implementation; no review</li> <li>Policies – outdated policies; non compliance of policies; distribution of policies</li> <li>Information Technology – lack of training; not in place in some societies; cost reduction not achieved</li> </ul>
<b>Financial Strength</b>	
<ul style="list-style-type: none"> <li>Payroll deduction system that reduce collection cost</li> <li>Definite Cash Flow</li> </ul>	<ul style="list-style-type: none"> <li>Capital reserves – inadequate reserves; operating losses</li> <li>Liquidity- wrong investment decisions; inconsistent payroll deductions; lack of cash flow management; negative member attitude</li> <li>Quality Assets – investment in non-performing assets; high delinquency; lack of insurance cover</li> <li>Growth – over expenditure- societies have no budget; membership fluctuation;</li> <li>Risks – lending; investment; membership (breach of common bond); politics; competition with other financial institutions.</li> <li>Financial reporting- behind in reporting financial information</li> </ul>

## Recommendation of the National Workshop

The process by which recommendations solicited from the members reinforced the relevance of the services that ABC CREDIT COOPERATIVE to its members. The recommendations are divided into three levels according to organizational capacities and mandate. In reference to *Savings and Loans Societies*, the role assigned would serve as commitment on their part to upgrade its institutional capacity by adopting management tools, policies and reforms. On the other hand, the roles identified for **ABC CREDIT COOPERATIVE** serve as guidance to review its vision for the movement, its role and purpose of existence and the goals that would be carried out for the next three years. Since the *Bank of Papua New Guinea* represents the regulatory body on behalf of the government, ABC CREDIT COOPERATIVE would take a lead role on lobbying with the bank to obtain an enabling policy environment for the societies to develop a sustainable and viable operation that contributes to the economic development of the country.

Weaknesses	Recommendation	Role of S &L	Role of ABC CREDIT COOPERATIVE	Central Bank
<b>Organizational Structure</b>				
<ul style="list-style-type: none"> <li>▪ No loans committee, inactive supervisory committee</li> <li>▪ Lack of knowledge of understanding of rules and functions</li> <li>▪ Abuse of powers I.e. 1:10 or 1:5 where policy is only 1:2</li> <li>▪ Violation of policies and guidelines</li> <li>▪ No proper training programme</li> <li>▪ AGM not held within 3 months</li> <li>▪ Statutory Financial Report not submitted on time</li> </ul>	<ol style="list-style-type: none"> <li>1. Training committee should be established perhaps within ABC CREDIT COOPERATIVE</li> <li>3. Development of training programmes including sourcing of technical and resource personnel should be encouraged.</li> <li>5. In close consultation with</li> </ol>	<ul style="list-style-type: none"> <li>• Identify areas of weaknesses</li> <li>• to identify and nominate suitable person for training</li> <li>• to consult ABC CREDIT COOPERATIVE on the type of training required</li> </ul>	<ul style="list-style-type: none"> <li>• Organize &amp; coordinate necessary training</li> <li>• assist regulators implementation of code of conduct</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure that directors and members comply with the code of conduct</li> <li>• Central bank can assist in resources – TA and financial</li> </ul>

	the Registrar of S & L enforce code of conduct on BOD of S & L			
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Leadership Representation				
<ul style="list-style-type: none"> <li>No nomination committee re: Election of Board of Directors</li> <li>No terms of reference for the nomination committee</li> <li>No standard voting system (I.e. secret balloting)</li> </ul>	<ol style="list-style-type: none"> <li>Nomination committee should be established in all societies.</li> <li>ABC CREDIT COOPERATIVE to draw TOR for nomination committee for submission to registrar of S &amp; L for approval</li> <li>Registrar of S &amp; L to direct all S &amp; L to form nomination committees for each society, etc.</li> <li>Nomination committee to operate within the TOR.</li> </ol>	<ul style="list-style-type: none"> <li>Establish nomination committees</li> </ul>	<ul style="list-style-type: none"> <li>Prepare and draft the relevant terms and reference</li> </ul>	<ul style="list-style-type: none"> <li>To consider and approve the establishment of nomination committee</li> </ul>
Human Resources				
<ul style="list-style-type: none"> <li>Inadequate skills of people we employ. How do we find the qualified person</li> </ul>	<ol style="list-style-type: none"> <li>Standardize recruitment process for CEOs and management staff</li> </ol>		X	



<ul style="list-style-type: none"> <li>▪ Rewards on terms and conditions</li> <li>▪ No successive training programmes for management level</li> <li>▪ Poor advise of management and the Board of Directors</li> <li>▪ Board not fit person</li> <li>▪ People trained locally and abroad but not used to training staff</li> </ul>	<ol style="list-style-type: none"> <li>2. Standardize terms and conditions and make it available to societies with other options open</li> <li>3. ABC CREDIT COOPERATIVE is addressing the training requirements. Identify young people within the movement and train to the need of societies.</li> <li>4. Develop a standard reporting system to the Board. Quality advises to the board. Sharing information</li> <li>5. Person must be fit</li> </ol>		<p>X</p> <p>X</p> <p>X</p>	<p>X</p> <p>X</p> <p>X</p>
<b>Products and Services</b>				
<ul style="list-style-type: none"> <li>▪ Loan: Ratio 1:1 cannot meet members needs</li> <li>▪ Savings – not very encouraging, no proper member education</li> <li>▪ Services – currently limited to school fees and Christmas club</li> </ul>	<ol style="list-style-type: none"> <li>1. ABC CREDIT COOPERATIVE facilitate an institution for loan protection for societies.</li> <li>2. Massive information campaign Program for savings to encourage and</li> </ol>	<p>X</p>	<p>X</p> <p>X</p>	<p>x</p>

<ul style="list-style-type: none"> <li>▪ No organization of strategic planning/financial management and policy/product development</li> <li>▪ No networking or sharing of service products among member societies</li> </ul>	educate members to save			
	3. Societies to source people within the movement and use them to for training	X	X	
	4. Societies to share services and other information	X	X	
	5. Urban based societies to be able to excess rural base and vice versa	x	x	
	6. Adopt Marketing information system-profile of member			
<b>Institutional Capacity</b>				
<p>a) Skills – management / board – tailored training needs for staff and directors both in rural and urban based societies</p> <p>B. Procedures – lack of procedure; lack of implementation; no review</p> <p>C. Policies – outdated policies; non compliance of polices; distribution</p>	<p>1. Board</p> <ul style="list-style-type: none"> <li>•Induction – function, roles, acts and regulation compliance</li> <li>•General overview of society operation</li> </ul> <p>2.Management</p>	X	X	

of policies  D. Information Technology – lack of training; not in place in some societies; cost reduction not achieved	<ul style="list-style-type: none"> <li>•Specific training</li> <li>•Regular staff appraisal</li> <li>•Training policy</li> </ul>	X X x	X X x	
	3.Procedures  •Adopt procedures; implement them, regular review	X	X	X
	4.Policies •Update; effective supervisory committee	X	X	
	5.IT – provide regular training	X	X	
	6.Adequate support system – societies consider it as management tool	X	X	
<b>Financial Strength</b>				
Capital reserves – inadequate reserves; operating losses	1.Cut cost and make profit	X		
	2.Good investment policies	X		
Liquidity- wrong investment decisions; inconsistent payroll deductions; lack of cash flow	3.Maintaining constant relationship with payroll	X		

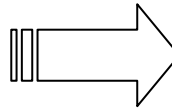
management; negative member attitude	section			
	4.Proper cash flow management	X		
Quality Assets – investment in non-performing assets; high delinquency; lack of insurance cover	5.Sound investment policies	X	X	X
	6.Consider CFF	X	X	X
Growth – over expenditure-societies have no budget; membership fluctuation;	7.Effective loan management	X	X	
	8.Insurance cover	X		
Risks – lending; investment; membership (breach of common bond); politics; competition with other financial institutions.	9.Budget to be in place	X	X	
	10.Marketing	X		
Financial reporting- behind in reporting financial information	11.Increasing common bond	x		
	12.Minimize risks	X x		x
	13.Regulate all lending institutions			x
	14.Timely reporting of financial information	x		x

## Vision Statement of ABC CREDIT COOPERATIVE

Based on the challenges posed by the changing market environment and the current situation of the savings and loans societies, the vision statement was revisited with the input of the members:

### Vision Statement developed in 1998

FESALOS aims to be the *Nationally Democratically* controlled membership organization *promoting, representing* and serving the number of strong viable growing and potential primary Savings and Loan Societies throughout the nation.



### The new Vision Statement ... revisited

***A National organization of viable and sustainable savings and loan societies that practice cooperative principles.***

***Components of the new Vision Statement of ABC CREDIT COOPERATIVE:***

- **National organization** – represents a democratically controlled membership organization that represents the interest of the member savings and loan societies
- **Viable** – defined as sustained growth, financially sound, competitive in the market because it is offering services based on member needs, covering its cost and generating profit for better service and portraying an image of safe institution to the public
- **Sustainable** – will be continuously serving the community
- **Cooperative principles** – the identity of savings and loans societies, the core foundation of its operation, a democratic organization and with the mission of improving the economic situation of its members

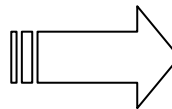
### Mission Statement of ABC CREDIT COOPERATIVE

The Mission is a statement that defines the role ABC CREDIT COOPERATIVE as the national federation of savings and loan societies in Papua New Guinea and what it believes can be accomplished in the future in relation to its vision statement.

#### Mission Statement developed in 1998

*Its mission is to develop and maintain a financially sound savings and loan movement to help meet the social and economic development needs of members through provision:*

- 1. Movement planning for growth, development & stability*
- 2. Technical and operational support*
- 3. Central Financial Facility*
- 4. Representation for the movement*
- 5. Protection of members' interests*
- 6. Training and education*



#### The new Mission Statement ... revisited

*To promote and strengthen savings and loans societies to enhance the social and economic development needs of its members.*

*Components of the new mission statement:*

- **Promote** – ABC CREDIT COOPERATIVE would promote the organization of new savings and loans society but it would always maintain the main goal of ensuring that those societies are viable and sustainable
- **Strengthen-** ABC CREDIT COOPERATIVE would provide technical assistance to ensure that the existing savings and loans societies are viable and sustainable to fulfill its mission
- **Enhance social and economic development needs of members** - the ultimate goal of savings and loans society is to improve the socioeconomic standards of the members it is serving by making financial services available for everyone.

### Goals and Strategies of the Strategic Plan

Goals	Strategies
<p>1. To professionalize the operation of 18 existing savings and loan societies by the end of 2003.</p> <p><i>Professionalize the operation means adoption and strict implementation of the required management tools for prudent management which include:</i></p> <p><i>a. Human Resource Development Policy</i>  <i>b. Standardization of Recruitment policy for S&amp;L Managers &amp; staff</i>  <i>c. Policies on Operation – products &amp; services, membership recruitment</i>  <i>d. Board of Directors and Sub-Committee Policy – terms and reference, code of conduct etc.</i>  <i>e. Standard Financial Disciplines and Controls</i>  <i>f. Standard Accounting and Reporting System</i>  <i>g. Prudential Standards</i>  <i>h. Strategic Planning or Operational Planning System</i></p>	<p>1. Appointment of Nomination Committee in the society that would screen qualified Board of Directors and Sub-committees.</p> <p>2. Professionalization of Board of Directors and Management Staff</p> <p>3. Standardization of the recruitment of Managers and staff of savings and loans societies</p> <p>4. Standardization of Operational policies</p> <p>5. Standardization of Chart of Accounts and Reporting System</p> <p>6. Introduction of Prudential Standards</p> <p>7. Establishing rating performance to check the compliance of the savings and loan society.</p>

<p>2. To reach financial sustainability of the federation covering 100% of its core cost from core services by 2003.</p>	<ol style="list-style-type: none"> <li>1. Develop training services for savings and loan societies on a fee basis.</li> <li>2. Developing national marketing program for savings and loan societies.</li> <li>3. Developing “technical assistance” packages such as: Strategic Planning; Management Advisory Services; Accounting Service, Institutional Analysis and developing Strategic Marketing Plan on a fee basis.</li> <li>4. To establish Central Financial Facility mobilizing excess liquidity to get better return and bargaining power for the movement</li> <li>5. To establish Mutual Aid Fund that will protect members’ loan in case an individual member dies.</li> <li>6. To operate central computing system for the savings and loans societies.</li> </ol>
<p>3. To establish 5 new provincial savings and loan societies by 2003.</p>	<ol style="list-style-type: none"> <li>1. Obtain working arrangement with the Bank of Papua New Guinea on the promotion and organization of new saving and loan societies in the province.</li> </ol>



## Tactical Plan

**Goal 1:** To professionalize the operation of existing 18 savings and loan societies by the end of 2003.

Strategies	Activities	Time Frame	Responsible	Indicators
1. Appointment of Nomination Committee in the society that would screen qualified Board of Directors and Sub-committees.	1. Developing the TOR of the Technical Committee at the national federation	By March 2001	General Manager	Draft of the TOR
	2. Approval of the TOR by the Board of Directors	By March 2001	General Manager / Technical committee	
	3. Appointment of the committee		General Manager	
	4. Preparation of the TOR for the Nomination Committee that would include: compulsory training for the Board of Directors, supervisory and loan committee after being elected to the position plus the minimum qualification to run for the position.	By March 2001	General Manager	Approved TOR  Application by societies
	5. Presentation of the TOR to the Registrar of Savings and Loan Societies	By September 2001	General Manager	
	6. Dissemination of the TOR to the primary societies	By December 2001	Training and Marketing	

Strategies	Activities	Time Frame	Responsible	Indicators
Professionalization of Board of Directors, Supervisory Committee, Loans Committee and Management staff				
Board of Directors, Supervisory Committee and Loans Committee	1. Conduct the induction courses: Structure and Operation; Financial Management; Legislation – Implementation and Compliance Monitoring	By December 2001	Training & Marketing	Trained Board of Directors and installed Sub-committees all 18 members
	2. Conduct refreshment course and continuing education program for Board of Directors, Supervisory and Loans Committee	Yearly basis	Training & Marketing	Receiving regular & accurate reports from the 18 societies
Management Staff	<ul style="list-style-type: none"> <li>Adaptation of the Human Resource Policy Manual: recruitment, professional qualification, promotion, compensation, performance appraisal, termination, rewards etc.</li> </ul>	Before June 30 2001	General Manager with external consultant or ACCU	Draft Policy Manual
	<ul style="list-style-type: none"> <li>Review by Technical Committee of ABC CREDIT COOPERATIVE</li> </ul>	Before Sept. 2001	General Manager/training committee	Approved
	<ul style="list-style-type: none"> <li>Get approval from the Central Bank of Papua New Guinea</li> </ul>	September 2001		Trained Managers
	<ul style="list-style-type: none"> <li>Conduct workshop on the adoption of the human resource policy in participation of saving and loan societies</li> </ul>	November 2001	Training and Marketing Training and	Receiving regular reports from the 21 societies

	<ul style="list-style-type: none"> <li>Review and include HRM aspect in the present monthly reporting format.</li> </ul>	Monthly starting 2002	Marketing	
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Strategies	Activities	Time Frame	Responsible	Indicators
Standardization of Operational Policies	1. Review and update standardize policies – savings, collection, Board of Directors, Supervisory Committee, Loans Committee; investment policy, credit administration, local and overseas training etc. in consultation with Central Bank of Papua New Guinea.	By October 2001	Accountant	Operational Policy Manual
	2. Review draft document by Technical Committee of ABC CREDIT COOPERATIVE	By October 2001	General Manager	
	3. Organize national workshop to introduce the standard operational policy.	November 2001	Training & Marketing	
	4. Implementation and monitoring	2002	Accountant	
Standardize Chart of Accounts and Reporting System	1. Review and update present Chart of Accounts and Reporting System in consultation with Central Bank of Papua New Guinea & Institute of Accountants.	By June 2001	Accountant	Standard Chart of Accounts & Reporting System
	2. Review draft document by Training or Technical Committee of ABC CREDIT COOPERATIVE	To be conducted in conjunction with the HRD workshop	Training and Marketing	Adopted by 21S & L
	3. Organize national workshop to introduce the standard operational policy.	2002	Accountant	Reports submitted on time

	4. Implementation and monitoring			
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Strategies	Activities	Time Frame	Responsible	Indicators
Introduction of Prudential Standards	1. Review existing KPI and PEARLS to develop the appropriate prudential standards for saving and loan societies in consultation with the Central Bank of Papua New Guinea.	By June 2001	Accountant	Policy Document  Monthly report
	2. Prepare the policy document on prudential standards	By August 2001	Accountant	
	3. Conduct the training on prudential standards.	By September 2001	Training & Marketing	
	4. Implementation and monitoring	Starting 2002	Accountant	
Establishing rating performance to check the compliance of the savings and loan society.	1. Developing Rating Performance guidelines for savings and loan societies based on prudential standards in consultation with the Central Bank of Papua New Guinea.	February 2002	General Manager	Rating Performance
	2. Diagnosis of the 18 savings and loan societies and evaluation of the compliance on the basic operational framework of the saving and loan societies.	March 2002	Accountant	Reports of Diagnosis
	3. Accreditation of savings and loans societies according to the rating	Annually starting 2002	General Manager	Accreditation

	guidelines.			
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**Goal 2:** To reach financial sustainability of the federation covering 100% of its core cost from core services by 2003.

Strategies	Activities	Time Frame	Responsible	Indicators
1. Developing training services for savings and loan societies on a fee basis.	1. Prepare training curriculum base on out put for the induction courses: Structure and Operation; Financial Management; Legislation – Implementation and Compliance Monitoring and plus costing for each program i.e. national training program, in-house training or localize training program.	By end April 2001	Training and Marketing	Training packages
	2. Prepare an annual training calendar.	By end of April 2001	-do-	Disseminated to the societies
	3. Set up HRD bank in ABC CREDIT COOPERATIVE	By December 2001	-do-	List of HR in S & L

Strategies	Activities	Time Frame	Responsible	Indicators
2. Develop national marketing program for savings and loan society	1. Design promotional materials: poster, brochures, souvenir items etc. 2. Production of media and TV promotion launching corporate identity for saving and loan societies and market positioning campaign. 3. Design one unique logo that will be used by all the saving and loan societies in the country.	By September 2001  International Day 2002  -do-	Training and Marketing  -do-  -do-	Printed materials  Aired on TV and newspaper  Use of same logo for the entire movement
1. Developing “technical assistance” packages such as: Strategic Planning; Management Advisory Services; Accounting Service, Institutional Analysis and developing Strategic Marketing Plan.	1. Prepare scope of work on the TA program with consultation with consultant 2. Market the program and prepare an annual calendar.	By end of September 2001  January 2002	Accountant  -do-	Technical assistance packages  Disseminated to the societies

Strategies	Activities	Time Frame	Responsible	Indicators
3. To establish Central Financial Facility mobilizing excess liquidity to get better return and bargaining power for the movement	1. Prepare Feasibility Study in setting up CFF(at least 5 years projection) .	By June 2001	General Manager with external consultant	5 Year Feasibility Study
	2. Review the policies of CFF	By June 2001	Accountant	Draft Policy
	3. Conduct national workshop and launch the program	By September 2001	Training and Marketing	At least 10 societies are member of CFF
5. To establish Mutual Aid Fund that will protect members' loan in case an individual member dies.	1. Get formal approval from the regulatory authority to operate loan protection scheme.	By August 2001	General Manager	Approval from Central Bank
	2. Prepare business plan for Mutual aid for at least three years operation.	By December 2001	Accountant	Business Plan
	3. Prepare operational policies and systems and procedures	By April 2002	General Manager with external consultant	Approved policy, system & procedures
	4. Launch the program	By June 2002	General Manager	At least 10 societies are member of CFF
6. To operate a central computing system for the savings and loans societies.	1. Update the present services of FACTS with members.	By May 2001	General Manager Accountant/IT officer	Upgraded the system
	2. Develop pricing policy for the technical service of FACTS.	By May 2001	Accountant/IT officer	Draft Policy

	3. Obtain regulatory approval for the compulsory use of FACTS from the Central Bank of Papua New Guinea.	By August 2001	Accountant /IT officer	Regulation from Central Bank
	4. Institutionalize back-up filing system for the user of FACTS.	By August 2001	General Manager & External Consultant	Policy developed
	5. Prepare project proposal and business plan in setting up central computing system for the industry in consultation with the Central Bank.	By June 2001	IT officer /Training and Marketing	Feasibility Study
	6. Present the project to World Bank and ADB seeking financial and technical support	By August 2001	General Manager	Project accepted for funding
	7. Find the technical partner for the Data Processing unit in consultation with the Central Bank	By August 2001	General Manager	MOU with reputed IT company
	8. Launching the services	June 2002	General Manager/IT officer	At least 10 S & L using



**Goal 3:** To establish 5 new provincial savings and loan societies by 2003.

Strategies	Activities	Time Frame	Responsible	Indicators
Obtain working arrangement with the Bank of Papua New Guinea on the promotion and organization of new saving and loan societies in the province.	1. Identify 5 priority provinces	January 2002	Training and Marketing	Selected 5 potential provinces
	2. Meet with the governor of the selected officers and explain the process of organizing	January 2002	-do-	Get consent from the governor
	3. Provide technical assistance to prepare feasibility study to selected provinces	February 2002	-do-	Feasibility study
	4. Conduct basic training	March 2002 June 2002		
	5. Assist in securing registration from the Central Bank of Papua New Guinea			5 registered S& L

