

Strategic Plan implementation should be an agenda item for Staff and management meetings.

There should be official handover of the Strategic Plan to a new management. This will ensure continuity in implementation.

Familiarization with the Strategic Plan is critical for all office bearers and staff, in order to understand what is expected of them in the achievement of the set strategies and objectives.

### Abbreviations

A D N-	Archdiocese of Nairobi
AGMs-	Annual general Meeting
CB-	Capacity Building
CBK-	Central Bank of Kenya
CMA-	Catholic Men Association
CWA-	Catholic Women Association
ICT-	Information, Communication technology
J D-	Job Descriptions
MIS-	Management Information System
PAR-	Portfolio at risk
PESTEL-	Political, Economic, Social, technological, Ethical and Legal factors
SHG-	Self Help Group
SJM-	St. Joseph Mukasa
SJMSHG-	St. Joseph Mukasa Self Help Group
SWOT-	Strengths, Weaknesses, Opportunities and Threats
TNA-	Training Needs Assessment

## **Table of Contents**

Abbreviations .....	1
Preface .....	4
ACKNOWLEDGEMENT .....	6
EXECUTIVE SUMMARY .....	8
Background information about St. Joseph Mukasa Self Help Groups	10
Rationale for Strategic Planning .....	10
Methodology of Developing the Plan.....	11
Planning Assumptions .....	12
MANDATE AND CORE FUNCTIONS .....	13
Vision .....	14
Mission .....	14
Core values.....	14
Innovation .....	15
Financial Performance and Growth.....	16
Organizational structure .....	16
EVALUATION OF INTERNAL ENVIRONMENT .....	16
EVALUATION OF EXTERNAL ENVIRONMENT .....	19
STAKEHOLDER ANALYSIS.....	23
STRATEGIC ISSUES AND OBJECTIVES .....	25

performance, noting and correcting deviations from the plan, ensure that all the set objectives in the key areas mentioned are achieved in the stipulated time frame, be at the fore front to encourage and support all members in the monitoring and evaluation processes, be on the lookout for external and internal factors that can hinder the group from achieving its objectives such as, changes in the economic environment, and inform the management to take appropriate action.

The accountant should report the group's progress to the management every month. Failure to make satisfactory progress towards accomplishing the set objectives signals a need for corrective action.

### **Supervisory Committee**

The Supervisory Committee will be responsible for reviewing progress made on the implementation process and reporting to the management of the group on a quarterly basis and the AGM.

### **External Consultant**

It is important to have periodic evaluations of the plan implementation process by an external person e.g. on an annual basis, to review the group's progress.

This is important because the evaluation will give an independent objective overview and advice on appropriate action.

### **Corrective Action**

Where performance is not achieved, corrective action may be needed to modify existing operating strategies.

The following issues are vital to the successful implementation of the Strategic Plan:

## **MONITORING AND EVALUATION**

### **Introduction**

Monitoring will involve routine data collection and analysis on the progress of the Strategic Plan implementation. The results from the analysis will then be used to inform decision-making, including taking corrective action where deviations in implementation have been noted. Evaluation to include systematic analysis of the information and data collected during the monitoring phase for assessing the short-term (outcome) and long term (impact) results of the program.

### **Our Approach to Monitoring and Evaluation**

Monitoring and evaluation of the Strategic Plan will be a continuous process to assess the degree to which set objectives are being achieved. This will highlight issues for management to take corrective measures promptly. Any required amendments or allocation of additional resources will be effected as need arises. This control mechanism requires the involvement of all members of the group.

### **Management Committee**

This committee will oversee the overall Strategic Plan implementation process, and should hold reviews during their monthly meetings. If no progress is recorded, the management should review the plan and map the way forward to avoid loss of time and other resources. The management may delegate part of its work to a select implementation committee.

### **Group Accountant**

The group's accountant is a key person in the monitoring and evaluation of the implementation process. She/he should be concerned with the overall

STRATEGIC OBJECTIVES.....	28
IMPLEMENTATION MATRIX.....	30
MONITORING AND EVALUATION .....	38

## Preface

Dear esteemed members of St. Joseph Mukasa Self Help Group and the entire parish community, I am delighted to present to you the first ever strategic plan of our self-help group. It is a great joy to note we are not left out in a world where mega planning is important in order to move to greater heights.

The ultimate goal of the Church is to announce and bring about the kingdom of God. St. Joseph Mukasa Self Help, endeavors to do the same by empowering people within the Kahawa West Parish and its environment economically. In order to achieve this very noble objective Our Self Help must move abreast with the other Self Help Groups within the Archdiocese of Nairobi. The step taken to have the strategic plan 2015-2019 in place could not have come at a better time.

With a strategic plan in place, I am sure most of the issues hampering our Self Help from effectively and efficiently realizing its objectives will be very well addressed. Indeed the development of the Strategic Plan has given our organization an opportunity for self-evaluation. The great philosopher Socrates stated that "*an unexamined life is not worthy living.*" The opportunity of evaluation has given room for the exploration of more possibilities open to our group.

The realization of the strategic objectives will only be possible if all stakeholders set out on a journey of deeper reflection, mutual consultation, professionalism and team work. None of us can achieve these objectives on his own. The leadership that will be set in place must be up to the noble task of embracing both technology and professionalism. Yet they must always bear in mind that St. Joseph Mukasa Self Help Group is not just another Self Help group but has a mission beyond this world. Yes, it must help all those it

Objective 7: To develop and implement sustainable financial management practices by 2020				
Strategy	Activities	Performance Indicator	Person(s) Responsible	Timeline
To develop and implement financial management practices	Formulate and implement financial management and procurement policy	Approved financial management and procurement policy	Executive Management	2016
To maintain Proper and accurate records	Maintain all accounting and financial records To produce reliable reports for management decision making	Timely and Accurate financial and management reports	Executive Committee	2016
To strengthen Budgetary Controls	To prepare and monitor budgets implementation on a monthly basis	Approved budgets Budget implementation plan.	Executive Committee	Continuous
To optimize investment returns.	Diversifying investment options Monthly tracking and reporting of investments performance	Investment report	Executive Committee	Continuous
Widen funds mobilization strategies	Develop and implement a funds mobilization strategy on the following;  Increasing long term savings Increasing short term savings for members and non-members Increasing other funds such as benevolent, reserves etc.	Adopted funding strategy	Executive Committee	2016
Minimize default rates	Conduct financial literacy and pre loaning training. Enhance increase use of MIS to do loan appraisals Timely follow ups on loan recovery based on an early warnings Improve mechanisms for loan recovery(document procedures, CRB ,legal office and use of IT)	Pre training reports Loan recovery reports PAR below 5%	Credit Committee	2016 and Continuous.

<b>Objective 6: To procure and utilize relevant and secure management information systems to improve efficiency and service delivery by 2018</b>				
Strategy	Activities	Performance Indicator	Person(s) Responsible	Timeline
Computerization of operations.	Carry out ICT audit to determine current and future needs Procure and implement a Management Information System Conduct regular system upgrades to cater for market needs(sms and mobile banking) Integrate the system with other service providers and partners	ICT audit report Implemented management Information system. Report on added features Report on successful integrations	Executive management	2016 and continuous
Enhance competence in users' utilization of the MIS	Train management and staff on the system Customize the system to ensure it is user friendly	Implemented user training programme and training reports Feedback from the users.	Management committee	<b>2018</b>
To ensure the MIS is secure	Develop data security policy Conduct System maintenance and regular updates Conduct system audit	Approved policy Maintenance report System audit report.	Management Committee	<b>2016 and continuous</b>

encounters to live and celebrate their dignity of being God's Children. Indeed that is the church's very mission.

Finally it would not be fair to end this preface without congratulating our entire strategic plan team and all its collaborators for coming up with this strategic plan within the shortest time possible. It was really a dream team. Thanks to the great thought of our management team we have our very first strategic plan. We also acknowledge the unfailing support of the Archdiocesan Caritas team.

It is now the responsibility of all of us, and in particular the entire membership to translate this strategic plan into a living document. Yes, it will be possible since with God everything is possible.

Fr. John Muragu, Imc

Patron.

## ACKNOWLEDGEMENT

Brethren, I great you in the name of our Lord Jesus Christ who has brought us this far. May his name be glorified. I wish to commend the committee members who have made this strategic plan of our group under the leadership of Caritas Nairobi.

The successful development and documentation of this strategic plan was made possible through teamwork of the management committee, supervisory committee and the staff of St. Joseph Mukasa self help group. I commend them for their dedication in the entire process of preparing this document. Words would not be enough but may our God bless you all.

Our patron Fr. John I. Muragu, has been of great help before and during the whole process of making this document, God will crown you with blessings. We further recognize the invaluable expertise and guidance of the strategic planning committee spearheaded by Denis Ochenge and that included Mrs Lebarreta Kamau, Mr. Titus Wairate, Mr. Joseph Kamweru, Mr. John Ndungu, and Mrs Caroline Githua, for their dedication and unrelenting commitment to this process. We appreciate and salute you.

To you members of St Joseph Mukasa self help group, I take this opportunity to thank you all for allowing us to be your leaders/servants. Due to this great honour you bestowed on us to serve you and take care of your funds, we thank and pledge our loyalty and making our group grow to higher heights. This is why we decided to find ways of making our group grow and finally agree to make this strategic plan which will guide us for the next five years. This is the first strategic plan of this group since its formation. We thank our God for giving us that favor of making this document.

This strategic plan will be implemented 100% and we call upon all the stakeholders to join hand with the leadership and management team of our

Objective 5: To secure conducive and spacious office space by 2018				
Strategies	Activities	Performance Indicator	Person(s) Responsible	Timeline
Have an office that is spacious	Negotiate with the patron and parish pastoral council for allocation of office space  Construct/partition a modern office that meets group requirements  Budget and Allocate resources for the office space	Allocation of office space.  Approved budgets  Constructed/partitioned office	Executive management.	2016

<b>Objective 4: To attract, develop and retain a highly skilled, motivated and disciplined staff</b>				
Strategy	Activities	Performance Indicator	Person(s) Responsible	Timeline
To attract well trained and competent staff	Review and improve working terms and conditions.	Reviewed terms and conditions of work.	Executive Committee	Annually
	Review job descriptions	Reviewed and approved JDs		
Staff development	Conduct performance appraisals and identify capacity gaps Develop and implement staff development plan Implement staff CB plan	Staff performance report. Implemented Staff development plan. Implemented staff CB plan Feedback from stakeholders	Executive committee	Annually
To retain highly skilled and motivated staff	Develop and implement a robust human resource management policy. Develop and implement performance based reward scheme	Approved HR and reward scheme policy document	Executive	Annually

group in realizing the potential of our group. Also remember our motto, 'Together we grow and glow in wealth.'

I humbly now present this document to you members and I urge you to go through it, read it well, understand it, implement where you can, assist us reach our goal and be part of moving our group grow, grow and glow. Thank you and may our God bless you all. I remain yours in service,

GEORGE M. GITAU.

CHAIRMAN,

ST. JOSEPH MUKASA S.H.C

## EXECUTIVE SUMMARY

This Strategic Plan (2015-2019) is the first to be developed by St. Joseph Mukasa Self Help group with an aim of transforming the lives of the members and community it serves. This document has been developed using a participatory approach. A series of consultative workshops were held in the month of June and July 2015 by the Management Committee and staff of the group in order to understand on what works and what cannot work under a changing and competitive business environment. Thus, this focuses on addressing institutional weaknesses and internal processes, member recruitment, customer service and governance in manner that will deliver sustainable growth in membership and key financial indicators.

This strategic plan has been organized and presented in manner that allows for ease of implementation. There are seven key areas of strategic focus each leading to a strategic objective. These key areas of focus include;

- I. Stimulating member participation in group affairs
- II. Increased marketing and promotion of the group
- III. Improving governance systems in the group
- IV. Attracting and retaining competent and motivated staff
- V. Securing spacious and modern office space
- VI. Greater use of management information system
- VII. Improved funds management

Each objective has been presented with an action plan with specific strategies to be deployed, activities to be implemented within clear timeframes, indicators and persons responsible. To ensure successful implementation, a quarterly work plan will be drawn every beginning of each year together with the implementation budget. Additional controls shall be

Objective 3: To attract and utilize the knowledge and skills of competent and committed leaders by 2018				
Strategy	Activities	Performance Indicator	Person(s) Responsible	Timeline
Streamline elections of office bearers.	Developing a clear policy on group leadership and management. Creating awareness of the group leadership and management policy Formation of a nomination committee	Formulated policy document. Awareness reports.	Executive Committee	2016 And continuous
Instilling corporate values	Formulate and implement corporate governance policy Conduct management training on corporate governance.	Corporate governance policy. Scheduled and implemented trainings	Executive Management	2016 Annually
Build a cohesive and committed leadership team	Conduct team building activities. Capacity building Conducting joint activities like group promotional activities	Cohesive and committed team Scheduled activities.	Management committee	Semi-Annually
Ensure smooth succession	Formulate and implement leadership succession policy Develop and implement knowledge management system. Develop and implement a leadership coaching and mentorship programme.	Adopted succession policy Adopted leadership and mentorship programme.	Executive Committee	Annually
Performance management	Conduct training needs assessment. Develop and implement a performance management policy. Train office bearers on performance management Formulate and implement a capacity building and strengthening plan	TNA report Performance report Adopted policy document Adopted and implemented capacity building plan	Executive Committee	Annually

<b>Objective 2: To increase awareness and patronage of the group's products and services by 20 percent annually.</b>				
<b>Strategy</b>	<b>Activities</b>	<b>Performance Indicator</b>	<b>Person(s) Responsible</b>	<b>Timeline</b>
To create awareness of the groups existence and products	Organize and animate masses annually Participate in CRS Prepare and distribute promotional materials	Increase in numbers of members using group products and services	Education Committee	Continuous
Ensure staff have all relevant information needed by both existing and potential members	Have in house staff development to ensure that they have information members need	Feedback from members.	Education Committee	Continuous
Inculcate a saving culture	Increase minimum monthly contributions Conduct financial literacy seminars on importance of savings	Percentage Increase in member savings	Education Committee	Semi annually
Introduce and redesign products	Conduct market assessment/survey and tailor make suitable products	Market survey reports and number of new products.	All committees	Annually
Improve loan processing and disbursement.	Develop and implement policy on turnaround time for loan processing Use ICT in loan appraisal	Developed policy document. Feedback from members.	Credit Committee	2016 Continuous
Increase number and amount of approved loan applications	Develop policy on formation guarantorship cells Create linkages and partnership with Caritas Microfinance Bank	Developed policy document. Percentage increase number and loan amounts approved.	Credit Committee	2016 Continuous

ensured through a monitoring and evaluation (M&E) framework to be undertaken at the end of each year.

## **Background information about St. Joseph Mukasa Self Help Groups**

In the year 1997, some Christians from other parishes where Self Help Groups had started came to St Joseph Mukasa parish, Kahawa west and introduced the idea to the parishioners of St. Joseph Mukasa, Kahawa West. The idea was received well by some Christians who started sensitizing others. In March, 1998 the group started with 71 members. At this point Caritas Nairobi staff visited the members, educated them about saving and taking loans. This created confidence to the group members. In April, 1998 the first management committee was elected headed by Mr. Antony Muroki. The first parish priest, Fr. Thomas Barbero was very pleased by the group and assisted in creating awareness to the Christians. Many Christians embraced the group and became members.

Since then the group has made major strides in alleviating poverty among members. Currently, the group has an active membership of 1500, cumulative savings of Kshs 55 Million of which, Kshs 28.2million is invested in interest bearing government securities and over forty percent is circulating among members as loans. Additional the group has invested with Caritas Microfinance Bank, the first Catholic bank in Kenya.

## **Rationale for Strategic Planning**

St Joseph Mukasa SHG has experienced tremendous growth over the years. This growth has come with its certain opportunities and challenges. This

Objective 1:To increase number of members participating in group activities to fifty percent of the total membership by the year 2020				
Strategy	Activities	Performance Indicator	Person(s) Responsible	Timeline
To attract and retain members	Develop and improve product features and service delivery  Develop and implement service delivery policy  Train management and staff on customer care.  Develop a suitable member feedback mechanism.  Sensitize members to introduce their friends and family members to the group.	Number of new members registered  Over 60% positive feedback	Management committee	Annually

## IMPLEMENTATION MATRIX

Objective 1: To increase number of members participating in group activities to fifty percent of the total membership by the year 2020				
Strategy	Activities	Performance Indicator	Person(s) Responsible	Timeline
Improve attendance in AGMs	To organize and hold AGMs with more than 50 percent of the members attending  Timely and effective communication. At least one month notice.  Develop affordable and sustainable incentives	AGM report and registration of 50% and above attendance.	Executive Committee	Annually
To improve attendance and participation of the general membership during education seminars and workshop	To organize and conduct member training seminars on savings, loans management, entrepreneurship, investments etc.	Education reports.  Number of scheduled seminars	Education Committee	Quarterly
To improve member participation in promotion activities	To arrange animation of Eucharistic celebration in each outstation in the parish	Mass animation report	Education committee	Annually
To ensure members are involved in marketing of the group	Prepare and distribute promotional materials such as brochures, fliers, T shirts, banners etc.	Preparation and distribution of promotional materials	Education Committee	Continuous
To ensure group activities are planned in advance and communicated to relevant stakeholders	Develop a calendar of events and make announcements when events are due.  Develop interactive and informative website.	Annual work plans and annual calendar of events.  Working website	Executive Committee	Annually

strategic planning process is meant to document the major strengths upon which a strong foundation will be laid for sustainable growth and impact. The process also aims at looking for strategies of growing the membership base, increasing funds in addition to finding a lasting solution to Guarantorship challenges.

### Methodology of Developing the Plan

The participatory strategic planning process was used to ensure ownership of the strategic plan by all stakeholders, thus enhancing effectiveness and efficiency in the implementation of the plan. This entailed involvement of selected management and supervisory committee members, selected stakeholders, group patron, Parish Pastoral Council, and Caritas Nairobi in the planning process.

A number of documents were reviewed especially the audited financial reports, bylaws and other documents. Interviews and discussions with committee members and some key members were conducted. In addition, questionnaires were distributed to members as a way of soliciting their views on the various aspects of the strategic plan.

Document review, interviews and questionnaires culminated in the development of a first draft of the strategic plan. A lot of deliberations were done on the draft plan with a view to making it better and relevant.

## **Planning Assumptions**

1. There will be socio-economic and political stability in the country. Socio-economic and political stability is critical for a stable and favorable business environment.
2. Stable membership: Other similar players, e.g., banks and other microfinance institutions, as well as chamas, are a threat to the group. For successful business operations, there is need for members/clients to maintain loyalty to the St Joseph Mukasa SHG products.
3. Current stable labour/industrial relations environment will be sustained: This is critical as employees form the basic factor of operation.
4. Sustainable ICT environment.
5. Stable consumption patterns.
6. Continued positive government intervention in microfinance policy, e.g., infrastructure and extension services

6. To procure and utilize relevant and secure management systems to improve efficiency and service delivery by 2018.
7. To develop and implement sustainable financial management practices by 2020.

Strategies are the vehicles that enable an organization to achieve its objectives, thereby accomplishing its mission. Once strategies are documented, specific activities/actions that need to be undertaken are identified. For each activity, there is need to document time lines, persons responsible for each of the activities, and the expected performance indicators. This will help in the implementation and monitoring of strategies. The specific strategies are set out in the implementation matrix.

## **VII. Funds Management**

To ensure financial sustainability and realization of the group goals, there is need to strategically increase the funds available for loaning, investments and for meetings operational needs of an expanding group. The group recognizes that members centered strategies on savings; financial counseling and investments among others play a critical role in this endeavor.

### **STRATEGIC OBJECTIVES**

In addressing the strategic issues we require formulation of a set of relevant strategic objectives. Strategic objectives specify what an organization expects to fulfill within a given time period. They give an indication of "what" and "how" much is to be accomplished. Once developed, they help in the design of strategies.

The strategic objectives for the St. Joseph Mukasa SHG for the next five years are:

1. To increase number of members participating in group activities to fifty percent of the total membership by the year 2020
2. To increase awareness and patronage of the group's products and services by 20 percent annually.
3. To attract and utilize the knowledge and skills of competent and committed leaders by 2018.
4. To attract, develop and retain a highly skilled, motivated and disciplined staff.
5. To secure conducive and spacious office space by 2018.

## **MANDATE AND CORE FUNCTIONS**

St. Joseph Mukasa Self Help Group derives its mandate from the Social Promotion Registered Trustees, a trust formed by the Catholic Archdiocese of Nairobi for the purpose of social-economic development based on the following principles;

- Voluntary and open membership
- Democratic member control
- Economic participation by members
- Autonomy and independence
- Education, training and information
- Co-operation among groups
- Concern for the general community

### **Mandate**

St. Joseph Mukasa SHG is mandated to;

- I. Encourage thrift among its members by affording them an opportunity for accumulating their savings.
- II. Providing an opportunity for each of its members to improve the members' respective economic and social conditions.
- III. Providing members with credit for purposes of self-reliance and growth.
- IV. Ensure safety and soundness of members' funds.
- V. Ensure the progress of its members by educating them continuously on the proper use of credit.
- VI. Perform the functions and exercise the powers designated for a group under the applicable guidelines of Social Promotion Registered Trustees for the benefit of members

## **Vision**

- To be the preferred SHG for self-reliance and quality life.

## **Mission**

- To promote social economic empowerment of members through savings mobilization, prudent management of resources, offering affordable credit, sound investments, relevant training and exceptional customer care

## **Core values**

- Trustworthiness
- Teamwork
- Commitment
- Innovation
- Inclusiveness
- Love

## **Operational definition of core values**

### **Trustworthiness**

SJMSHG is driven by honest and fair relations that aim at building mutual trust among the members.

### **Transparency and accountability**

SJMSHG will endeavor to put in place systems and procedures that make it open to its stakeholders and provide relevant information that promotes transparency. The management will do all within its powers to ensure there is full trust among its stakeholders.

### **Teamwork**

## **IV. Human resource**

SJMSHG has staff members who help in the group's operations. As the group membership increases, there is need to align the staff with growth of the group. There should also be clear ways of attracting and retaining competent staff. The group has to ensure that they have a conducive working environment and formulate ways to motivating them. Regular capacity building should be done to ensure they work as expected. To implement this, there will be a human resource management policy and mutually agreed performance target and reward scheme.

## **V. Office space**

The group operates from a temporary structure within the church compound. The working conditions in the office are not very conducive. At times it is too cold or too hot to work. The office also sits on a sewer line. As the group continues to register increased growth, there is need for a more spacious, permanent and conducive office space to cater for the growth as well as offer and allow for front office operations that suit for collaboration and partnership with Caritas Microfinance Bank and other potential partnerships.

## **VI. Management information system**

The use of appropriate and relevant technology gives institutions competitive edge and superior customer experience. The group has been using management information systems for accounting purposes but needs to scale it use across a number of functional areas. The use of the Management Information System across all areas of operation will help reduce operating cost, improve loan management, aid in decision making and strengthen internal controls as well as improving efficiency and service delivery.

members. By active participation, the group's position in the society will be felt through corporate social responsibility and branding.

## **II. Inadequate marketing and promotion strategies**

The group has not been very vibrant in terms of marketing and promotion. Members need to be well informed of existence of the group as well as products offered. If there is adequate marketing, the group will be able to recruit new members and also retain the current membership. There is immense potential to recruit new members from the parishioners of St. Joseph Mukasa parish in addition to targeting the youth living within and also from other community members. Formulation of clear marketing strategies will go a long way in ensuring the group attract, retains and achieves her targeted membership levels.

## **III. Leadership and management**

It is widely acknowledged that leadership plays a pivotal role in the success of any organization. In institutions such as church groups, attracting visionary leaders capable of balancing social economic dynamics (social enterprises) and competitive business dynamics (business enterprises) is always a challenge. The group faces similar challenges of inability to attract high caliber leaders as well as taping the expertise and professionalism within the general membership. Potential leaders from the general membership are unwilling to take up leadership and management positions. For the group to succeed, we need to have visionary leaders who are willing to work and transform communities as dictated by Catholic Social teachings of solidarity with others in need. A clear succession plan needs to be formulated to ensure smooth transition of office. Leaders need to have regular capacity building programs to improve their way of work. There is need also to put in place performance management systems aimed at improving the efficiency and effectiveness of management efforts.

SJMSHG recognizes the need for high levels of co-operation and good working relations among the patron, officials, members, parishioners, staff and other stakeholders for synergy and service delivery.

### **Commitment**

SJMSHG encourages attitudes that promote responsive behavior and calls upon leaders, staff, members and other key stakeholders to carry out their duties and responsibilities with zeal and devotion.

### **Innovation**

SJMSHG values creativity and new ideas and calls for members to exhibit high degree of flexibility and imagination in provision of human development services. The group will be open to new knowledge and skills that God keeps endowing his people with, in addition to using modern technology in the evangelization and provision of products and services.

### **Inclusiveness**

The SHG aims at integrating all the community members and providing services in a just and fair manner.

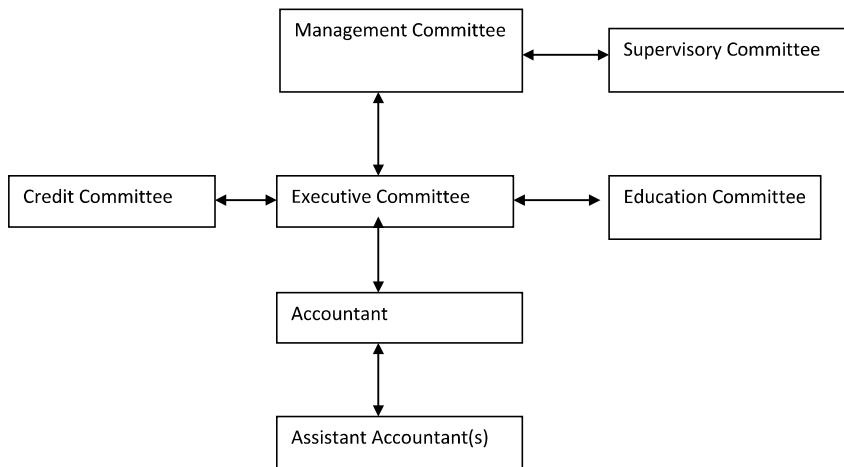
### **Love**

STJMSHG is driven by a desire to know, love and serve the Almighty God and genuine concern for others. We emphasize on the need for the members to love and live in peace and unity with one another.

## Financial Performance and Growth

Statistical Information from 2010 to 2014						
	2009	2010	2011	2012	2013	2014
Members	841	1056	977	1054	1091	1118
Share Capital	21,112,715.00	24,564,835.00	26,570,097.00	28,550,132.00	34,915,841.00	42,838,297.00
Loans Outstanding	13,542,710.00	14,991,555.00	12,253,844.00	12,561,618.00	14,092,633.00	17,373,955.00
Investment	8,738,834.00	10,938,834.00	15,239,537.00	18,771,749.00	24,115,640.00	29,666,339.00
Current Assets	23,310,802.00	27,394,574.00	30,225,928.00	33,546,049.00	40,948,905.00	50,348,524.00
Current Liabilities	1,047,252.00	1,382,186.00	1,835,803.00	2,816,071.00	1,422,054.00	1,279,135.00
Surplus	1,058,061.00	1,417,864.00	1,477,592.00	2,373,843.00	2,691,258.00	3,340,501.00

## Organizational structure



# **STRATEGIC ISSUES AND OBJECTIVES**

These are factors affecting the groups mandate, mission, products, services or clients. SJMSHG needs to focus on the strategic issues in order to attain the vision. The strategic issues focused by this strategic plan include;

- I. Stimulating member participation
  - II. Marketing and promotion strategies
  - III. Leadership and management
  - IV. Human resource
  - V. Office space
  - VI. Management information system
  - VII. Funds management

These strategic issues and objectives are key for the attainment of our group's vision and mission. Below is the justification for these strategic objectives.

#### I. Stimulating member participation in the group

The self-help groups' sustainable growth is quite dependent on active member participation in issues that affect them. The group's existence and growth is supported by three main pillars which are spiritual, social and economic. These three pillars are integrated and mutually inclusive. Over the past few years, a trend has been observed where there is little participation in issues that touch the core of the group existence. Some of the notable challenges in this regard include; low turn up during AGMs, Education days. Mass animation has been left to very few individuals and there is a low sense of identity to the group. If these issues are well addressed, some of the areas we hope to address include guarantorship challenges, better service delivery, reduced number of dormant members and increased recruitment of new

## SUPPLIERS

These are individuals or organizations that supply the group with either materials or services. The group needs to develop and implement non-discriminative procurement policies that will ensure the services/products provided by suppliers are competitive and meet the expectations of the group as they will have an impact on the overall performance of the group.

## ARCHDIOCESE OF NAIROBI

The Group operates under the supervision of Caritas Nairobi Self-Help Programme. Caritas Nairobi is expected to provide policies and procedures to govern the operations as well as an enabling environment for growth and development of the Groups. The group should develop good working relations with Caritas Nairobi and other relevant departments within the Archdiocese of Nairobi.

## St. JOSEPH MUKASA PARISH

The group operates and draws its membership from the parishioners of St. Joseph Mukasa parish and her outstations. The group is allocated office space and is well supported by the parish to ensure continued growth. There is need for the group to develop strong and good working relations and networks with the local Catholic Church for sustainable growth and maximum impact.

## ST. JOSEPH MUKASA SHG EMPLOYEES

Human resources are critical determinants of an organization's performance. The employees constitute a major asset of the group and their welfare and motivation are of utmost importance to enhance the group's success

## EVALUATION OF INTERNAL ENVIRONMENT

SJM SHG conducted an evaluation of internal business environment with an aim of understanding its strengths, weaknesses, opportunities and threats. The table below presents the results of SWOT analysis.

STRENGTHS	WEAKNESSES
<p>Catholic based institution known for strong structures and steadfastness.</p> <p>Trained competent and committed staff</p> <p>Steady growth over years</p> <p>Supportive patron</p> <p>Automated operations</p> <p>Harmonious and visionary leadership</p> <p>Good location</p> <p>Strong saving culture</p> <p>Loyal and committed members</p> <ul style="list-style-type: none"><li>0. Quick turnaround time in processing of loans</li><li>1. Conducting Annual audit and AGMs</li><li>2. Low interest rate</li><li>3. Annual distribution of surplus</li><li>4. Well networked with key partners</li><li>5. Continuous training and capacity building of staff, officials and members</li><li>6. Strong financial management systems</li></ul>	<p>Congested office</p> <p>Defaulters and dormant members</p> <p>Limited products for our members</p> <p>Low attendance in meetings by members</p> <p>Inadequate marketing and promotion strategies</p> <p>Lack of strategic plan</p> <p>Guarantorship challenges</p> <p>Inability to recruit youths</p> <p>Underpayment of loans</p> <ul style="list-style-type: none"><li>0. Lack of performance – management system</li><li>1. Low levels of commitment among management members</li><li>2. Inability to attract leadership and management competences across a wide spectrum of professionalism</li><li>3. Lack of Human Resource policies</li><li>4. Poor information dissemination to members</li></ul>

7. Strong and working internal control systems 8. Clear succession culture 9. Compliance with regulatory policies and procedures 10. Good working relationship with regulatory authority(Caritas Nairobi) 11. Good customer care	5. Misconception perceptions about the group 6. Reducing percentage of Catholic membership 7. Inconsistent member savings
<b>OPPORTUNITIES</b> Large number of parishioners and members of the surrounding society Potential agency relationship with Caritas MFB Tailored products for the youths Introduction of CRB to reduce default rate Working with Caritas legal office Introduction of products targeting minors Potential church groups e.g. the youth, CWA, CMA Increase in monthly savings Technology and mobile banking 0) Rapid infrastructure developments 1) Lack of structures and liquidity among some competitors. 2) Engaging in Corporate Social Responsibility	<b>THREATS</b> Intense competition from emerging groups Member withdrawal Unmanaged defaulters Rapid changes in technology and cyber crime High cost of living due to inflation Changes in government policy

## STAKEHOLDER ANALYSIS

A stakeholder is any person, group or institution that has an interest in the activities of an organization. St. Joseph Mukasa SHG has many stakeholders. Some of the key stakeholders include:

### MEMBERS

These are the eligible individuals by application and registration as members of St. Joseph Mukasa SHG. The members are expected to patronize the products and services of the group, and to give inputs into management issues, types of products/services in the Annual General Meetings (AGMs), or in any other forum, as may be designated by members, and By-laws.

### PROSPECTIVE MEMBERS

These are individuals who are not members by registration but are able to access and enjoy the services/products offered by the group. The group must provide competitive services so as to attract and retain these clients as customers of the group.

### FINANCIAL INSTITUTIONS

These include Commercial Banks and other financial institutions with whom the group transacts in one way or another. Good working relationships and effective operational linkages must be nurtured and maintained.

## **Technological environment**

Kenya is adapting technology at a high rate. Most businesses are automating their operations. This is in terms of production, advertising and even modes of payment. SJMSHG should adapt technology in order to remain competitive. It should be easy to get all information needed at a click of the button. Customers should also have access to services with ease. The group is equally aware of challenges associated with rapid technological changes such as cyber-crime and other internet related threats.

## **Legal and ethical environment**

This focuses on laws governing operations of the groups imposed by the state. SJMSHG is regulated by Caritas Nairobi under the Social Promotion Registered Trustee. Caritas Legal office will help strengthen the governance structure in order to ensure safety of member funds. The group will be very cautious not to break any law and will seek advice from Caritas legal office when need arises. The group endeavor to comply with all legal and statutory requirements from both national and county governments.

## **EVALUATION OF EXTERNAL ENVIRONMENT**

This is an analysis of factors beyond the control of the group. However they affect how the group operates directly or indirectly. These external factors in the macro environment can have a positive or negative impact on the realization of the group objectives.

### **Political environment**

Kenya is considered as one country that is politically stable in Africa. Political stability is always associated with a conducive business environment. People can engage in trade with certainty that the future will be peaceful and investors are willing to invest in the country. These factors have an impact on the group's operations and have been considered in formulating this strategic plan.

The new constitution introduced the county governments. It is expected that as more resources are devolved to county governments and several development initiatives undertaken by the county governments they will directly impact on the group operations.

In the next few years there will be a general election whose outcome is not certain. Due to the political activities towards the forthcoming general elections, tension may build up which may affect recruitment of members, members savings, loan management and the general performance of the group. The group will position itself in ways that minimize the negative effects of political competition in a metropolitan environment.

## Economic environment

Economic factors include inflation rate, interest rate, exchange rates among other economic factors. This will provide the basis to understand the risk and opportunities that will influence economic decisions.

- I. **Inflation rate:** Currently the inflation rate is around 7.03% as at June 2015. This implies that the general pricing of consumer goods is high thus members have little left to save.
- II. **Interest rate:** According to the CBK regulations, the current lending rate is at 15.26%. This is relatively high and cost of borrowing is pegged on this rate. High cost of borrowing from commercial banks can influence more members joining the group since our interest rate of 1% is significantly low. With increasing interest rates charged by commercial banks, the group will prove a better alternative for accessing affordable credit.
- III. **Exchange rate:** Lately the Kenyan shilling has been losing value against world strong currencies. At beginning of July, the shilling was trading with the US dollar at 100.48 and the Euro at 110.59. This implies that citizens who mostly rely on imports to trade will spend much since the shilling is weak. Their profits will reduce hence they will have little left to save. However, as Central Bank puts measures in place to contain the depreciation of the Kenyan shilling against major world currencies, there is a lot of optimism that the consumption patterns will be stabilized leading to increased savings and investments.

IV. **Infrastructure developments:** The national government has undertaken major infrastructure projects in the country and Kahawa West has benefited from this. The Thika Super High Way and recently the bypass are expected to a much extent benefit members around. We expect that the population will increase thus more members are expected to join the group. We also anticipate that member income will increase thus saving will increase.

V. **Devolution:** We expect that with devolution, more resources will be brought to the citizens and thus money in circulation will change the livelihoods of citizens. As county governments undertake economic development projects and attract investors, the group expects to enjoy directly and indirectly from the investment opportunities presented by devolved units.

## Social environment

These are the people factors that we expect to influence how the group runs.

The general membership of the group is mainly the middle aged. Since the Kenyan population has a high percentage of youths, the group has to come up with products that will attract and retain them as members.

The increasing population in Kahawa West is expected to translate to more members joining the group. This is due to infrastructural projects as well as high population growth rate.

The society is shifting to a culture of high spending e.g. during holidays and education. The group can design products that will allow for such projects.