

**STAKEHOLDER’S ENGAGEMENT: ASSESSING THE  
ROLE PLAYED BY THE COOP FINANCIAL  
INSTITUTIONS IN COMMUNITY COHESION**

**PRESENTATION AT THE 14<sup>th</sup> SACCA CONGRESS  
SOUTH AFRICA**

**DATE: 31<sup>ST</sup> OCTOBER 2013**

**JOSHUA OJALL  
CHIEF EXECUTIVE OFFICER  
MWALIMU NATIONAL SACCO SOCIETY LTD.**




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**MWALIMU NATIONAL SACCO -  
STATISTICS**

	<b>KSHS.</b>	<b>US\$</b>
<b>Savings</b>	<b>16,660,000,000</b>	<b>\$194.6m</b>
<b>Loan</b>	<b>18,900,000,000</b>	<b>\$221m</b>
<b>Turnover</b>	<b>3,040,000,000</b>	<b>\$35.5m</b>
<b>Membership</b>	<b>- 53000</b>	




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**Product and Services**

- (i) Savings
- (ii) Deposits
- (iii) Non Withdrawable Deposits
- (iv) Short Term Loans and Advances (12 – 24 Months)
- (v) Medium Term Loans (24 – 72 Months)
- (vi) ATM/Internet/Mobile Banking
- (vii) Long term Mortgage (Work in Progress)
- (viii) International Money Transfer




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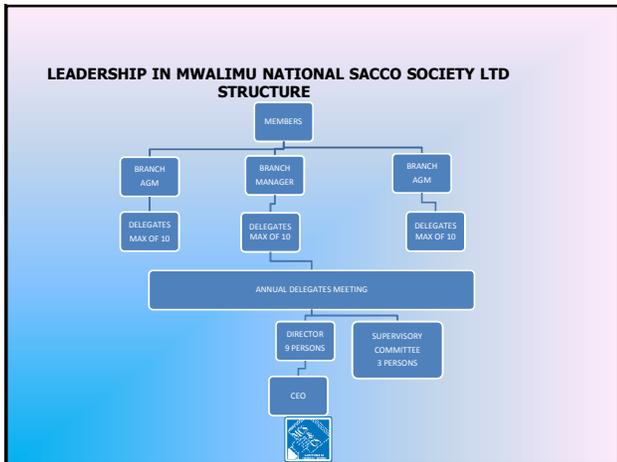
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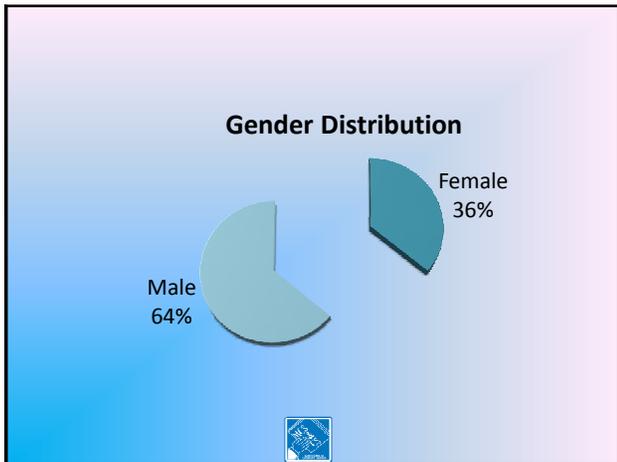
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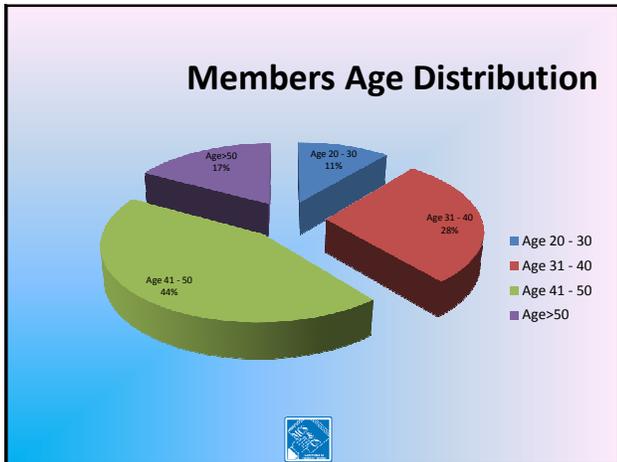
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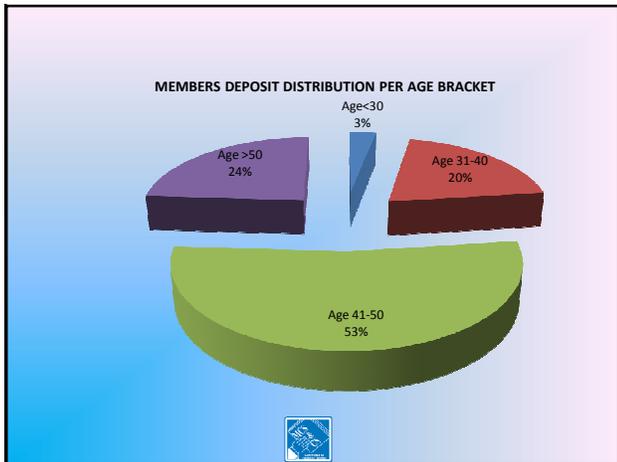
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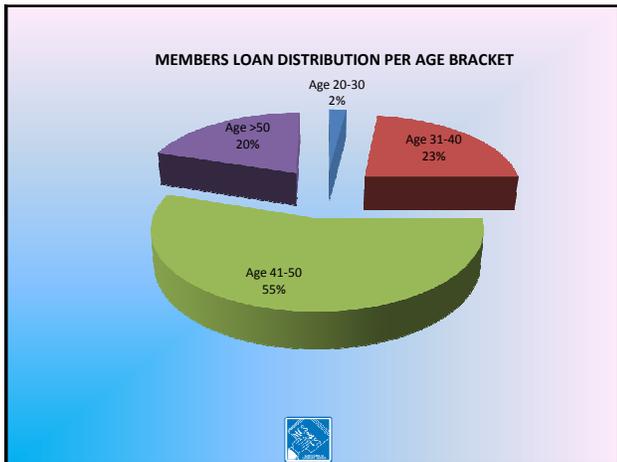
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(1) **STAKEHOLDERS**

These are persons and institutions whose interactions with the organizations have significant impact.

(2) **COMMUNITY COHESION**

Harmony, command, understanding, pulling together for mutual good.



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**(3)METHODS OF ENGAGEMENT TO ACHIEVE COHESION**

- (a) Legal Structure
  - (i) Co-operative principles especially No. 2 "Democratic member control".
  - (ii) Co-operative Societies Act, The Regulations and the societies By-laws.



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They all spell out the rights of the members visa viz their Sacco and its leadership e.g.

- Functions of the general meetings
- Right to attend
- Voting rights



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**(b)Product Development**

- Involve stakeholders (members/customs) in product development.
  - New loan type, ATM cards
  - Housing mortgage etc.
- Carry out research
- Carry out Customer Satisfaction Survey



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**(c) Marketing**

- Education to members for them to know their rights and explains FAQ.
- Market the products and services offered through Marketing Department.
- Direct sales through staff visits to members
- Publications such as newsletters, brochure etc.
- Newspaper, T.V. and radio adverts.



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**(d) CSR**

- Sponsorship of functions where members are involved.
- Involvement in programmes such as HIV/AIDS awareness, Child Hope
- Community Work e.g. cleaning



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**(e) Participation in Co-operative Functions**

- Take part in events such as Ushirika Day celebrations.

**(f) Customer Service Charter**

Give a written undertaking to customers of the minimum standards of service they should expect.



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(g) **Benchmarking with Performance Institutions**

- Adopt ISO standards on Quality Management Systems

(h) **Performance Contracting**

- Develop a Performance Contract with stakeholders and be independently evaluated and report made to stakeholders.



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4. **OPERATIONAL ENGAGEMENTS**

These are daily/frequent engagement with stakeholders/customer and call for:-

(a) **Efficiency**

- Accuracy, timeliness etc.

(b) **Courtesy**

- Personal attention
- Say your name
- Greet customer
- Understand the customer's needs
- Explain accurately,
- Say thank you.



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(c) **Honesty**

- Truthful, avoid double standards.

(d) **Good Customer Care**

- Smile
- Well groomed
- Make eye contact,
- Good listening,
- Avoid chatting or phone calls when serving customer,
- Be patient,
- Apologize when necessary, give a little more than expected.



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5. **COMMUNITY COHESION**

Credit unions have created cohesion among communities in many ways.

(i) Harmony to achieve financial objectives

- Members come together in co-operative spirit to hang together to economic gains.

- The output of a group is much higher than the output of the same number of people working separately.



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(ii) Co-operatives have by-laws which spells out the internal operations of the entity. This brings commonness and fairness hence harmony in co-operative membership.

- **Voluntary Membership**

One joins a co-operative willingly and exit voluntarily as long as one is ready to abide by the by-laws.



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- **Democratic Control**

The internal operations and decision in a co-operative is largely taken democratically by allowing members to participate either directly or through delegate system. This creates inclusivity, hence harmonious.

- **Economic Empowerment**

Each member has an equal right to economic participation and empowerment. Economically empowered people have harmony.



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**- Organs of Disputes Resolution**

There are organs for dispute resolution within and between co-operatives e.g. The Co-operative Tribunal.

**- Members Education**

Members education creates common understanding among members.



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**- Customer Service Charter**

This spells out the standard of service a member expects from the Co-operative. One has a right to complain if the services received are below the standard. Harmony is achieved when all members know the standard of service they expect.

**Performance Contracting**

- This spells out the periodical (annual) deliverables.



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**END**



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