



ST. PAUL'S SELF HELP GROUP

STRATEGIC PLAN 3.0

2024 – 2026



Empowering Lives

Message from the Parish Priest / SHG Patron

Fr. John Wamuti

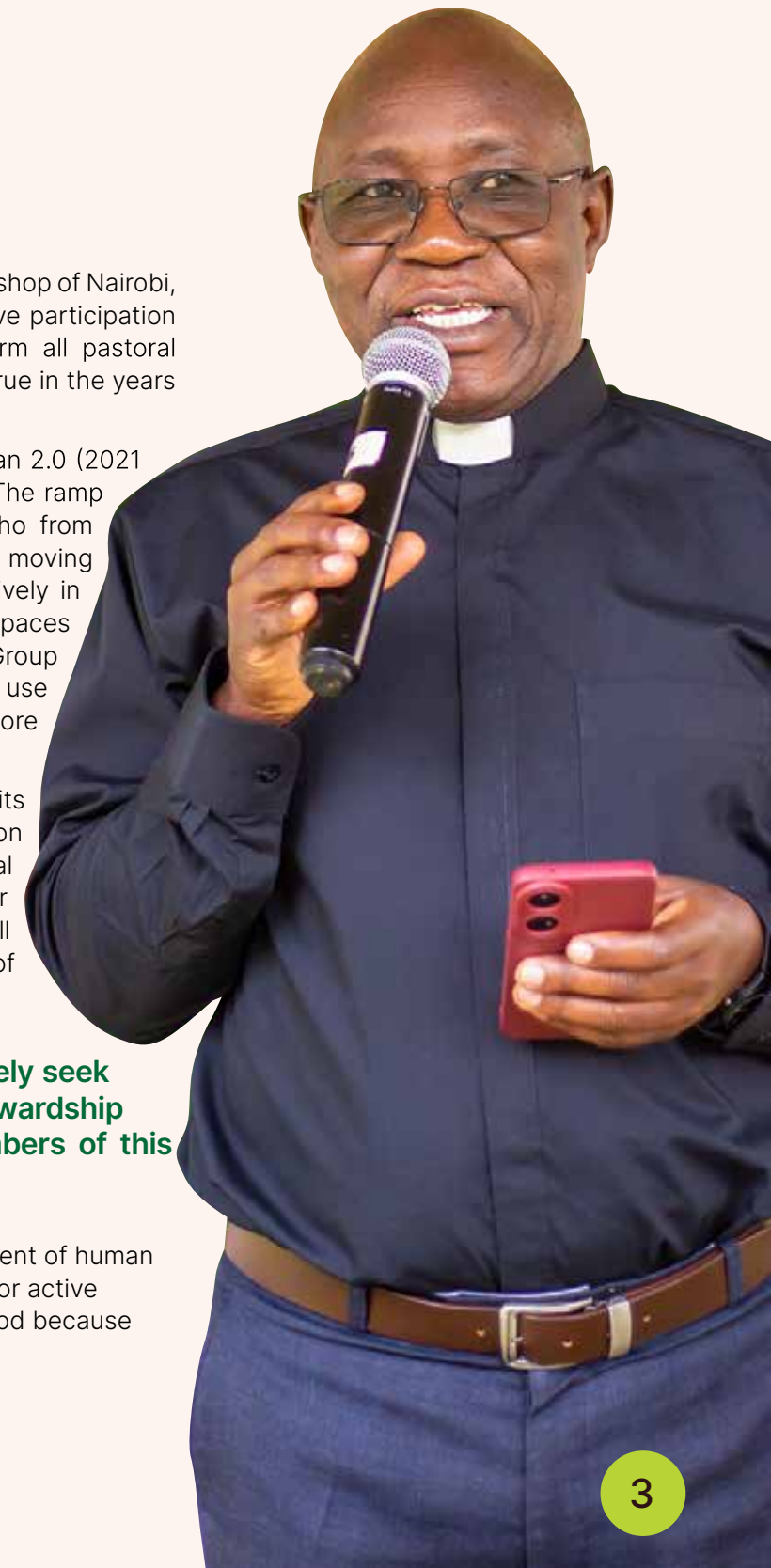
His Grace, Most Rev. Philip Anyolo, Metropolitan Archbishop of Nairobi, has given us the theme, "New Evangelization for active participation in Christian life" - Acts 5: 32. This theme will inform all pastoral engagements in the Archdiocese in 2024 and will be true in the years ahead.

St. Paul's Self-Help Group has concluded Strategic Plan 2.0 (2021 – 2023) with an offer to build a ramp to the parish. The ramp will be a great help to some of our parishioners who from time to time may find it difficult to access the chapel; moving gently on the ramp will help them to participate actively in activities of our Christian life that take place in the spaces within the chapel building. This offer by the Self-Help Group has given us a very practical example of how we can use the resources and activities we carry out to facilitate more participation by more Christians in our Christian life.

In the period ahead the group has promised to focus its efforts on providing a platform for members' education and networking; offering secure and affordable financial solutions and building an innovative marketplace for members to engage in trade & enterprise. My office will support it in every way possible for the attainment of these goals.

I encourage the Self-Help Group to deliberately seek to offer itself as a school of responsible stewardship of the riches God has given to all the members of this community.

In this way, there will be plenty for all, for the attainment of human dignity needed in the practice of new Evangelization for active participation in Christian life. This will give glory to God because He is glorified when man is fully alive.



Prepared and Signed-off by:
The St. Paul's Self Help Group Management Committee
November 2023

1 Executive Summary

Since we marked 20+ years of our existence in 2021, the leadership of St. Paul's Self-Help Group has spent a lot of time thinking about what the future holds. In particular, what we want our growth and impact to look like in this decade.

We have been listening to our members about their current needs and priorities as well as consulting our stakeholders while considering the trends in our operating environment and external pressures affecting the wider socio-economic landscape.

In all the consultative processes it became clear that St. Paul's Self-Help Group should accelerate efforts to deepen and broaden our work.

The St. Paul's Self-Help Group strategy 2024 – 2026 provides a new roadmap and outlines how we will pursue our enhanced vision. In it, we are challenged to incorporate new approaches and ways of working on current and emerging priorities facing our members. Therefore, while this new plan builds upon and is closely linked to the two previous strategic plans it has new thinking regarding how it works. The moral compass of the strategy is shaped by the core principles of **Catholic Social Teachings** on how to live out our faith in the world.

A key strategic assumption behind this new strategic plan is St. Paul's Self-Help Group's belief that living in the right relationships with others in solidarity is the key to membership and saving mobilization, a strong loan guarantorship system, and ultimately a holistic human development of our members beyond economic growth.

Going into this new strategy cycle, we are bold and ambitious and will work with conviction in pursuit of meaningful impact. Our mission and core values have been refreshed to provide better clarity of why we exist.

In the period ahead St. Paul's Self-Help Group will focus its efforts on three primary goals:

- Provide members a **platform for community, member education, and networking.**
- Offer members **secure, affordable, and accessible financial solutions.**
- Build an **innovative marketplace for members to engage in trade & enterprise.**

Alongside these core strategic areas of focus, we are developing a set of accompanying strategies to build organizational effectiveness and capabilities, including:

- Governance, leadership, and management culture
- Technology and innovation.
- Strategic partnerships.
- Measurement, accountability, and learning.

This plan consolidates St. Paul's Self-Help Group programming and vision of **a sustainable and socio-economically empowered community.**



2 History and Milestones

The St. Paul Self Help Group was registered in September 2000 as an agent of the Archdiocese of Nairobi Caritas Self Help Programme to carry out socio-economic development with the aim of empowering Christians. Here is an overview of our growth journey since our founding.

Additional accomplishments that influenced the financial and membership results above include:

- Implementation of 2-strategic plan cycles (SP 1.0 2017-2020 and SP 2.0 2021-2023)
- Consistently held 22 Annual General Meetings (AGMs)
- Staff capacity has grown. The first member of staff was hired in 2014 and the second one in 2022.
- The first basic accounting system was put in place in 2005. Currently, the group has a cloud-based fit-for-purpose operating system – Microsoft Dynamics 365 Nav.
- A professional, competent, dedicated, and active management committee that is continually making bold decisions to push the group's growth and impact.
- The group has a functional strategic plan advisory committee made up of current management members, former officials, and other key experts.



									Target Growth
St Paul's Self-Help Group Statistics. (2003-2023)									2024-2026
	2003/2004	2006/2007	2009/2010	2012/2013		2015/2016	2018/2019	2023	2026
Membership	202	223	220	366		470	839	1193	2000
Savings	2,863,280.00	5,129,223.00	9,654,384.00	18,327,960.00		32,426,290.00	68,350,495.00	164,482,292.41	250,000,000.00
Loans	416,605.00	1,562,054.00	3,103,360.00	6,203,201.00		11,934,832.00	29,311,574.00	59,289,211.12	100,000,000.00
External Investments	850,000.00	3,051,554.00	6,901,554.00	21,165,082.00		36,924,239.00	39,495,926.00	121,013,495.00	200,000,000.00
Per-capita Savings	14,174.65	23,001.00	43,883.56	50,076.39		68,992.11	81,466.62	137,872.84	125,000.00
Income	96,936.00	364,970.00	686,227.00	1,852,095.00		2,940,508.00	6,708,374.00	19,143,355.00	36,000,000.00
Expenditure	- 33,545.00	- 65,384.00	- 73,583.00	- 234,031.00		- 672,172.00	- 2,053,733.00	-5,884,671.00	- 6,500,000.00
Total Surplus / Deficit	63,391.00	299,586.00	612,644.00	1,618,064.00		2,268,336.00	4,654,641.00	13,258,684.00	29,500,000.00
Distributable surplus to members	42,789.00	175,221.00	386,536.00	1,067,194.00		1,531,125.00	3,118,615.00	8,908,492.00	20,355,000.00
Avg. Distributable surplus rate on Savings	1.49%	3.42%	4.00%	5.82%		4.72%	4.56%	5.40%	8.14%

Situational Context

St. Paul's Self-Help Group has evolved to a new stage due to its accomplishments and history. The SHG is a more established organization now, but in order to continue serving its members' ever-increasing requirements, changing demographics, and other dangers that are appearing in our operational environment, it must find methods to adapt. As a result, the SHG must make sure that the appropriate teams, systems, priorities, and strategies are in place.

This overview provides the contexts in which the SHG works, what key issues it needs to focus on, what it is already good at doing, and what it needs to strengthen to be more effective.



STRENGTHS

The success that we have had over the years reflects a few of our key organizational strengths:

- Integrity and ethics
- Quality service delivery
- Robust stakeholder management
- Vibrant leadership and management culture.

WEAKNESSES/ CHALLENGES

St. Paul's Self-Help Group's growth is propelled by increased demand for our products and services. Yet several challenges have the potential to impact our effectiveness and efficiency:

- Constraints to invest in further automation and digitization.
- Succession planning challenges in the management committee
- Inadequate marketing capacity to sustain competitiveness and new member attraction.



OPPORTUNITIES

Despite the many challenges facing the group, there are several opportunities that can help mitigate risks posed by them:

- There is power in Strategic partnerships to drive collaborative innovation and improved offerings to meet our goals and mission.
- An untapped addressable market around the St. Paul's ecosystem is considered an emerging market and a source of our future growth.
- Automation and digitization of business processes, and use of AI and Apps as enablers of employee productivity, and better customer engagement.

THREATS & RISKS

Several complex issues are impacting our work, and these have the potential to complicate or undermine our progress:

- Market uncertainties (cost of living pressures and changes to the tax regime & technology tipping point)
- Regulatory uncertainty (expected new regulatory framework, requirements for better ESG performance)
- Competition from Fintech's and the mainstream financial service providers that have intensified innovations and have more financial muscle.

4 Strategic Rationale

The comprehensive internal and external review of the development of this strategic plan points to very valuable insights for strategic imperatives for our desired stable and exponential growth. In summary.



INSIGHTS

Internal

- Our historical financial and non-financial performance is a testament to our strategic foresight, meticulous planning, and unwavering determination.
- The SHG is financially sound and stable. There is, however, significant potential for improvement; member growth, Loan portfolio growth, loans to investments portfolio balance and improving the yield rate (on saving).
- Demand for savings and credit plus: It is evident that there are fast-evolving needs of the current and potential membership calling for testing of new products and service offerings but also creating other new growth opportunities. There is a clearly exhibited need for a profound social platform, connection to markets, professional networks, and business ideas.
- Technological capabilities will continue leading the group's pursuit of enhanced efficiencies and client experience through improved IT capabilities, digital channels, and AI.
- High quality staffing and capacity is vital to exploiting and sustaining our operations.
- In a competitive and dynamic environment, product excellence and process efficiencies are likely to determine the growth pace of the group.
- Considering threats such as cybercrime, demand for data integrity and securing member wealth, robust risk management will be demanded of the group.

External

- Competitive and dynamic financial services sector: St. Paul's SHG is operating in a competitive and rapidly growing financial services sector in Kenya composed of banking, microfinance, SACCOs and digital credit providers alongside robust payment systems, capital markets, insurance, pensions. While these present competitive and formidable alternatives to the group's financially included membership, there exists opportunities and strategic space.
- Partnerships and collaboration in this unfolding economic era present new opportunities to obtain and deliver value.
- The global and government's strategic focus on sectors such as MSMEs, agriculture, digital superhighway, climate finance, and housing aligns seamlessly with our mission. There is an opportunity for proactively aligning the group's products and services to cater to specific market segments.
- Covid 19, global financial shocks and geo-spatial wars have had an impact on the business of the SHG. This demands for an agile organization and systems.
- New business trends are demanding compliance, data protection, and customer rights, and sustainability.

5 Strategic Framework

St. Paul's Self-Help Group is guided by Catholic social teachings in her efforts to socio-economically empower members.

Our Vision

A sustainable and socio-economically empowered community.

Our Mission

To provide a platform of socio-economic influence through networks, accessible and ethical financial services, and innovative connection of ideas and communities.



Values

Impact: a passion to go the extra mile to delight our customers, build long-term relationships, and tailor products to meet their needs.

Innovation: technology, product, development, and partnerships.

Community: working for the common good and service to all.

Sustainability: integrity, commitment to safeguarding members' interests and funds.

Value Proposition

St. Paul's Self-Help Group offers families a platform for socioeconomic well-being & security guided by the **Catholic Social Teachings**¹.



Human Dignity

Subsidiarity

Solidarity

1. Catholic social teaching is built on three foundational principles – **Human Dignity**, **Solidarity** and **Subsidiarity**. Human Dignity, embodied in a correct understanding of the human person, is the greatest. The others flow from it. Good governments and good economic systems finds ways of fostering the three principles.

Our Strategy

St. Paul's Self-Help group work and focus over the next three years will be structured according to four strategic priorities and will serve as the basis for organizing our work and responding to key opportunities and challenges in the external environment.



Strategic Priority 1: Build a platform for members' networking and education.

Success: thriving and resilient families and an empowered community of St. Paul's SHG.

Strategic objective 1.1

Establish networks and curate opportunities for members to connect, learn, and share opportunities.

Strategic actions

- Small Christian Communities and the UoN Chaplaincy will be leveraged for member recruitment, guarantorship cells, and financial wellness programs.
- Deploy online platforms, to create guarantorship forums that will bond virtually and create a vibrant community where anyone can join from anywhere in the world.
- Revive and promote regular investment talks.

Strategic objective 1.2

Launch an open-access library of practical financial resources for individuals and small businesses.

Strategic action

- Identify needs and develop toolkits for personal financial management and SME business guides accessible online from the St. Paul's Self-Help Group website/member portal.

Strategic objective 1.3

Connect individuals and small businesses to selected industry events, workshops, training courses, and meetings.

Strategic action

- Map out 3-5 most appropriate industry events that focus on family, career, professions, and trade that we can sponsor members to attend.
- Establish partnerships to execute e.g., with industry associations, corporates, professional associations.

Strategic Priority 2: Offer secure, affordable, and accessible financial solutions.

Success: Organic growth in savings, rate of return, and a loan book with a manageable portfolio at risk.

Strategic objective 2.1

Effective investment portfolio management

Expected results

- Increase the rate of return/yield from 5.8% to 8% by 2026.
- Effective resource mobilization to achieve 50% of savings investment through loans and 50% of savings investment through Caritas Nairobi by 2026.
- Reduce dormant accounts to less than 10% of the total membership and reduce dormant savings value to less than 2.5% of the total savings by 2026.

Strategic objective 2.2

Product diversification

Expected results

- Design and roll out new savings & loan products targeting all market categories – students, working members and groups.
 - Year 1 (2024) – Launch a savings product for church groups and for young/early career adults.
 - Year 2 (2025) – Launch mobile short-term loans payable within three months. (Deviating from the industry standard of one month.)
 - Year 3 (2026) – Launch joint savings account product.

Strategic objective 2.3

Customer-centric default management

Expected results

- Build a more informative customer profile and know-your-customers standard to verify members and know their risk and financial profiles. We target to have a portfolio at risk of less than 5%.

Strategic objective 2.4

Financial innovation

Expected results

- Simplifying the loan application process through technology:
 - Year 1 (2024) – up to KES 250k loan disbursement through mobile money.
 - Year 2 (2025) - up to KES 350k loan disbursement through mobile money.
 - Year 3 (2026) - up to KES 500k loan disbursement through mobile money.
- Full automation of all loan applications by 2026.
- Target to have all loan applications disbursed within 24 hours by 2026.

Strategic Priority 3: Build an ecosystem and marketplace for members to engage in enterprise and promote business collaboration and innovation.

Success: Establish market linkage opportunities for members. Members’ businesses and enterprises get innovative and growing.



Strategic objective 3.1

Establish a supportive ecosystem for enterprise development.

Strategic actions

- We will also explore the demand for smaller thematic marketplace events including a self-funded pop-up market with a more diverse set of exhibitors.
- Maintain and promote more interactions in the digital space by having a multi-platform new digital marketplace (Facebook / Instagram / WhatsApp) in addition to the current Telegram marketplace.

Strategic objective 3.2

Assist businesses in becoming digitally literate and adapt to the digital economy.

Strategic action

- Through partnerships, support members’ businesses in adopting and transitioning to a digital-first approach toward product and service delivery.

Strategic objective 3.3

Support businesses in becoming more adaptive and sustainable.

Strategic action

- Through partnerships, support members’ businesses in assessing their sustainability risks and opportunities more effectively, and in developing appropriate adaptation strategies.



Strategic Priority 4: Create a future-ready organization capable of executing its mission

Success: a well-resourced, functioning, and accountable organization, with a management team and staff delivering results to its members and its stakeholders at large.

Strategic objective 4.1

Strengthen governance, leadership, and management culture.

Strategic actions

- Cultivate a culture of accountability, belonging, well-being, and safety.
- Invest in leadership potential – staff, management committee, and strategic plan advisors.
- Increase investment in HR resources.

Strategic objective 4.2

Accelerate the rollout of new technology and systems.

Strategic actions

- Identify and deploy additional automation and digitization including AI, Mobile Apps, and other relevant platforms.
- Audit internal systems for operational effectiveness in response to the Self-Help Group's ability to pivot quickly to market demands and improve productivity and speed of execution.

Strategic objective 4.3

Strategic partnerships and networks

Strategic actions

- Power in partnerships - we will work to build strong and rich partnerships to drive our goals and mission.
- Conduct a stakeholder landscape analysis and develop an engagement plan.
- Build and rollout a marketing strategy.

Strategic objective 4.4

Measurement, accountability, and learning.

Strategic actions

- Develop a learning framework for accountability, measuring progress, and internal learning.
- Develop simple and high-quality communications tools for the SHG to communicate the impact of its work to members and a wider audience.



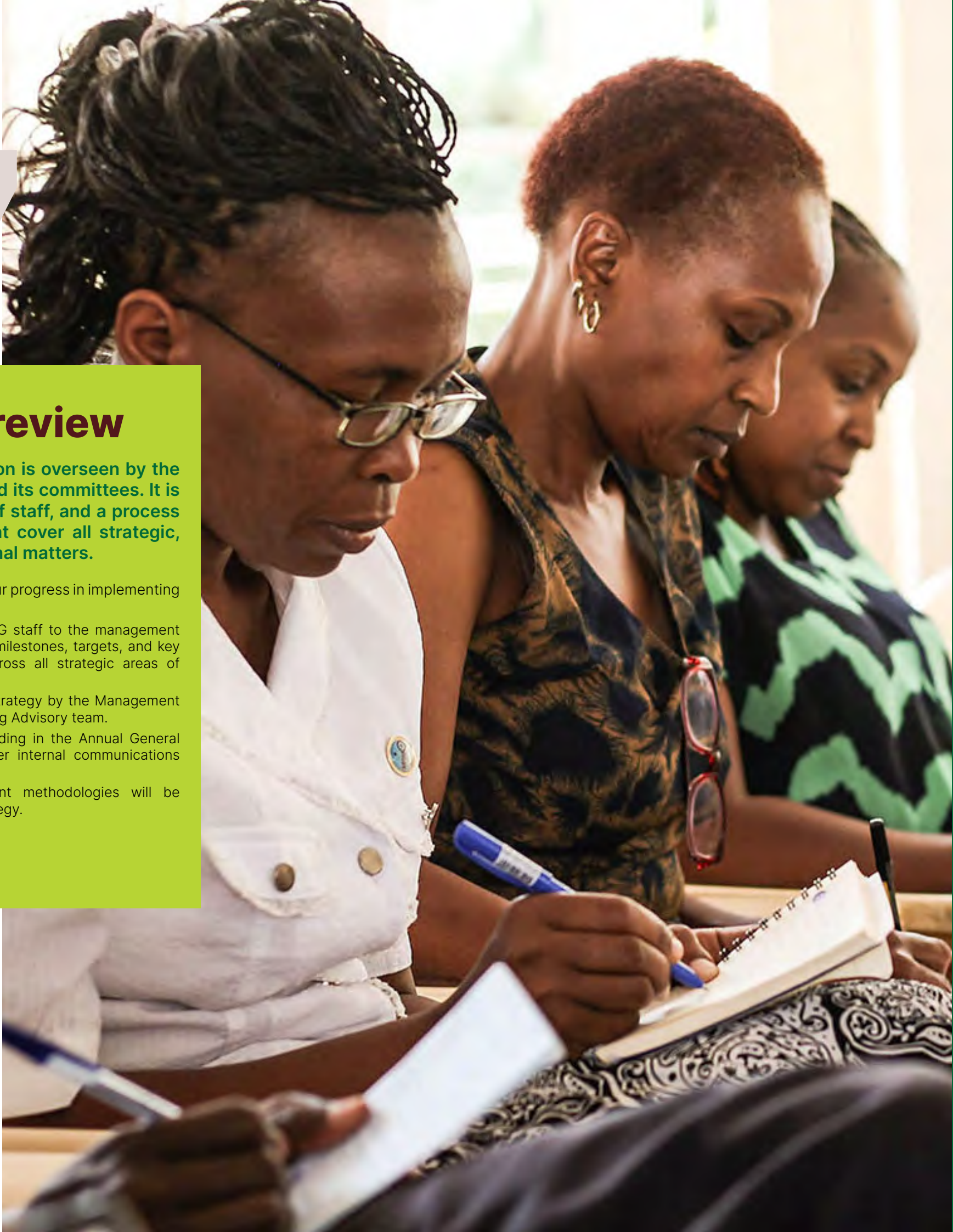
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Strategy review

Strategy implementation is overseen by the Management Board and its committees. It is supported by a team of staff, and a process of regular updates that cover all strategic, financial, and operational matters.

We will track and report on our progress in implementing this strategy through:

- Monthly update by the SHG staff to the management Board on operational plan milestones, targets, and key performance indicators across all strategic areas of focus.
- A quarterly review of the strategy by the Management Board and Strategic Planning Advisory team.
- Updates to members including in the Annual General Meeting, and through other internal communications channels.
- Other impact measurement methodologies will be defined as part of this strategy.
- External audits and reviews.



Endorsement

We are inspired every day by the hard work and determination of our members. We believe that given the opportunity, our members will employ their God-given gifts and talents in his service and the common good in their families and in the world.

Acknowledgments

The development of this strategic plan was a true team effort, and the process was both exciting and challenging. The Management Committee members contributed to this strategic plan from reflecting on our accomplishments to exploring new and exciting ways to do our work better. A big thank you to every member of the Management Committee.

We are also grateful for the time and insights from the strategic planning advisory team that we put together for this process. Thank you all for your contributions.

Whether through formal and informal conversations, or spiritual and moral support, we are thankful to everyone who has contributed to the SHG journey over the past two decades, and who we are thrilled to be able to continue working with in our journey ahead.

We are strong as a team – thank you for your support.

Catholic social teachings principles

	Preferential option for the poor: We live in an amazing world with enough resources for everyone. Yet, many miss out.
	Human dignity: We are made in God's image. This means we each have a God-given dignity.
	Care for our common home: We are responsible for looking after the world we live in.
	Subsidiarity and participation: The role of people in positions of power is to look after the good of all.
	The common good: We can only live life in all its fullness when we are in relationship with others – through community.
	Solidarity: We should commit ourselves wholeheartedly to the good of all, to stand in solidarity with our one human family.
	Peace: Our common bonds of humanity demand that we live in harmony and that we promote what is good for one another.



St Paul's
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— Empowering Lives —

Join this journey with us!

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