



CONCORDE DT SACCO MEMBERS' TRAINING

Members Training

THEME: MY SACCO, MY MONEY, MY RESPONSIBILITY



MY SACCO, MY MONEY, MY RESPONSIBILITY

**The SACCO is not somewhere we keep our money. It
is an institution we build together.**

Financial positions



Item	Joseph Ekeza	John Ponda
Final salary	KSh 50,000	KSh 100,000
SACCO deposits	KSh 10.7m	KSh 4.5m
Outstanding loan	KSh 650,000	KSh 2.5m

Something doesn't seem to add up.

The man who ended up earning twice as much has almost half the SACCO deposits—and substantially more outstanding debt.

So, what happened between 1995 and retirement?

That question will be answered through our session today.



Joseph Ekeza and John Ponda

They were SACCO members for 31 years.

They both:

- Save every month.
- Have borrowed several times.
- Have guaranteed friends.
- Use the SACCO mobile platform.
- Attend the AGM occasionally.
- Expect good returns from the SACCO.

One day John complained:

“This SACCO should give us better dividends. After all, it has our money!”

Where exactly does the money that John wants as a dividend come from?



THE BIG QUESTION

WHERE DOES A SACCO GET THE MONEY IT GIVES MEMBERS?

Mainly from what WE collectively do.

Members → Save → SACCO lends → Members repay →
SACCO earns → SACCO meets costs & obligations → Surplus
→ Members benefit



THE ESSENCE OF A SACCO



WHAT IS THE SACCO REALLY FOR?

- a) To promote thrift among members; an opportunity for accumulating savings and deposits.
- b) Create a source of funds from which loans can be given to members exclusively for provident and productive purposes, at fair and reasonable rates of interest;
- c) To ensure progress of members and the society through continuous education

If you had to choose only one, which one represents the more fundamental purpose of a SACCO?



THE SACCO IS MORE THAN A DIVIDENDS MACHINE

A SACCO exists to help members:

(I) SAVE

Build financial discipline and financial capacity.



(II) ACCESS AFFORDABLE CREDIT

Convert accumulated financial strength into opportunities.



(III) IMPROVE THEIR ECONOMIC WELL-BEING

Education • Homes • Business • Emergencies • Investments



(IV) BUILD COLLECTIVE WEALTH

The dividend is a result. It should never become the reason the SACCO exists.

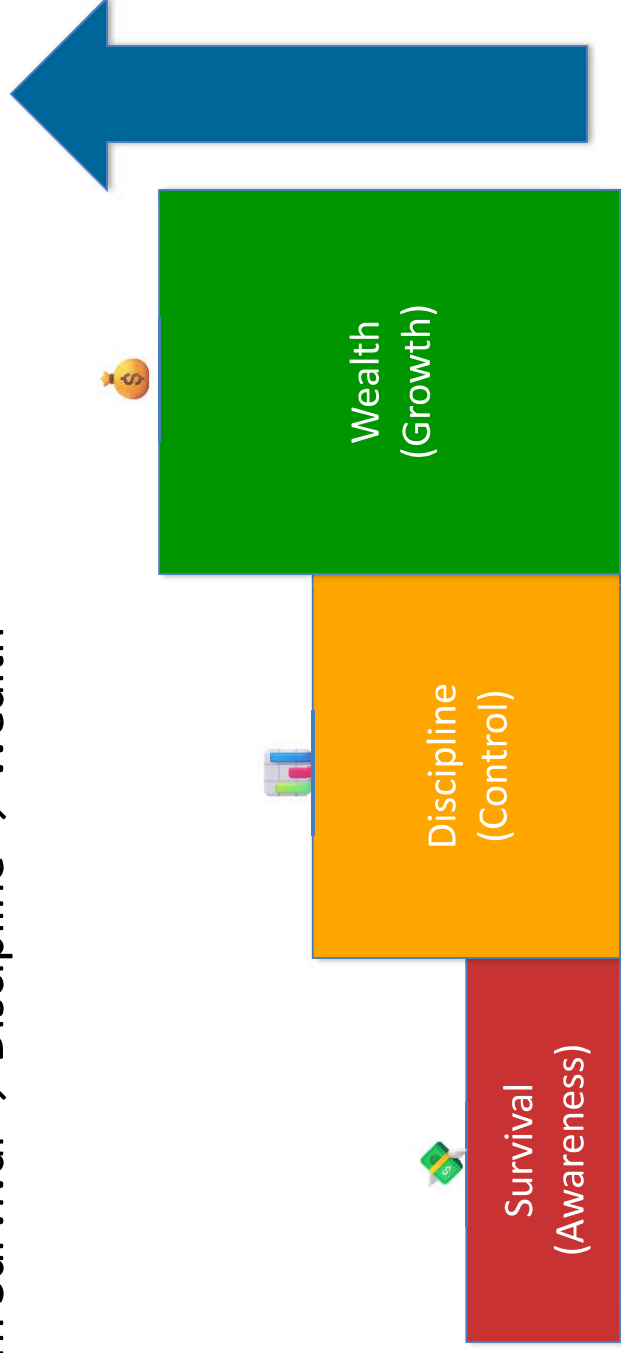


WHY SAVE AND WHY BORROW?

Your Journey of Financial Freedom



From Survival → Discipline → Wealth





Golden Rule

Most people account for their money as below:

Income – Expenses = Savings

And what happens?

👉 “Nothing remains”

What do the wealthy do different?

Income – Savings = Expenses

“Do not save what is left after spending; instead spend what is left after saving” Warren Buffett

“If you want to be wealthy you must decide that part of what you earn is yours to keep” George Clason, author of The Richest Man in Babylon



Item	Joseph	John
Final salary	KSh 50,000	KSh 100,000
SACCO deposits	KSh 10.7m	KSh 4.5m
Outstanding loan	KSh 650,000	KSh 2.5m

Did these two gentlemen pay themselves?



Personal Budget

A plan for your money - **you decide in advance where your money will go**—before it goes.

1. Give Every Shilling a Job

Don't wait to see what remains—assign it a purpose.

2. Plan Before You Spend

Spending should follow a plan—not emotions.

“Before money comes, you already know where it will go.”

3. Control, Not Restriction

A plan is not punishment—it is control.

- You are not denying yourself, You are directing your money

4. Avoid Financial Surprises

When you plan, nothing “just happens”

5. Align Money with Your Priorities

Your budget shows what matters to you

Are you prioritizing: Consumption, Survival, Growth?

Simple Structure of a Personal Budget

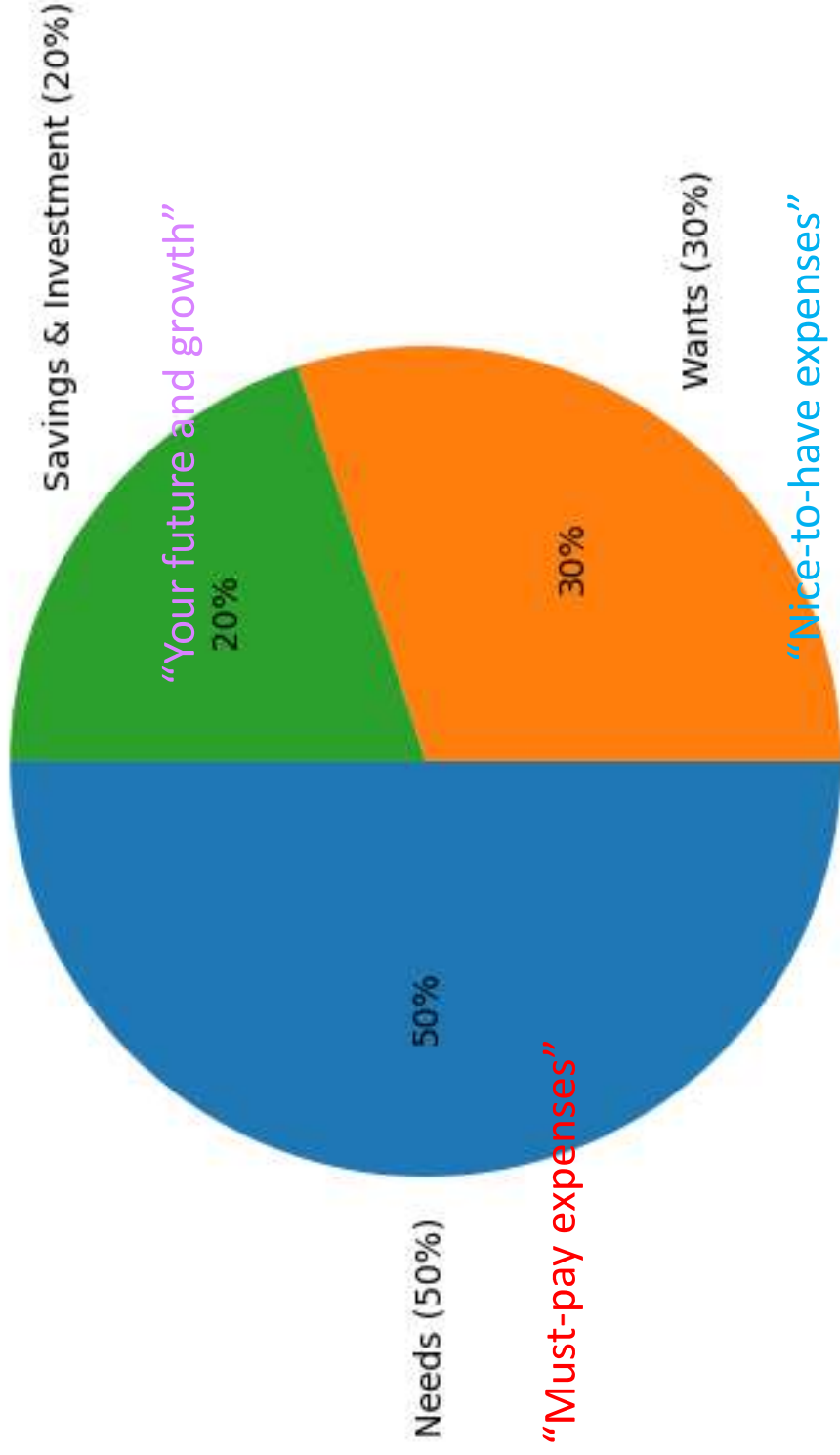


1. NEEDS (Must-Haves)	2. WANTS (Lifestyle Choices)	3. SAVINGS (Your Future)
<i>“These keep your life running.”</i>	<i>“These make life enjoyable—but are optional.”</i>	<i>“This is how you grow.”</i>
Examples: ✓ Rent / Housing ✓ Food ✓ Transport ✓ School fees ✓ Loan repayments Needs come first—but must be controlled, not exaggerated	Examples: ➤ Eating out ➤ New clothes ➤ Entertainment ➤ Upgrading phone ➤ Subscriptions Wants are where most money leaks happen	Examples: ❖ Emergency fund ❖ SACCO deposits ❖ Investments ❖ Business capital ❖ Retirement Savings is not optional—it is your financial progress

50-30-20 Rule



50-30-20 Rule



NB: Joseph resolved to save just 12% of his pay while John saved 3%



Financial Leaks

M-Pesa (Invisible Spending)

(Small amounts... big impact)

- ❖ Frequent **Send Money / Buy Goods / Airtime**
- ❖ Easy to spend → hard to track
- ❖ Many transactions → no awareness

👉 **Reality:** Ksh 100 here, 200 there... becomes a lot

Unplanned Lending (Silent Drain)

“Good heart, weak system”

- ❖ Lending without:
 - Budget
 - Repayment clarity
 - Limits
- ❖ Money not returned

👉 **Reality:** You are funding others... while struggling yourself”

When you are newly employed and have salary raise, there’s a temptation of accommodating unnecessary financial baggage

Your SACCO Role



Discipline Partner: *“Your system when your willpower fails”*

- ☐ Regular **check-offs / deductions** enforce saving
- ☐ Protects you from **impulse spending**
- ☐ Turns saving into a **habit, not a decision**

👉 **Note:**

What you commit to the SACCO, you don't easily misuse

Wealth Builder: *“From saving to growing”*

- ☐ Builds **deposits consistently over time**
- ☐ Enables **access to affordable credit**
- ☐ Supports: Business growth, Asset acquisition, and Financial stability

👉 **Note:**

Your SACCO is not just where you save, it is how you grow”

THE POWER OF CONSISTENCY + COMPOUNDING

Small amounts **today**. Huge results **tomorrow**.



Monthly Saving
Ksh 2,000



Assumed Return
10% p.a.
(Compounded Monthly)

SCENARIO 1: 10 YEARS



Monthly Saving: **Ksh 2,000**
Duration: **10 Years**



Total Contribution
(Your Money) **Ksh 240,000**



Interest Earned **≈ Ksh 169,000**

Future Value
(Total Amount) **≈ Ksh 409,000**



*Your money grows
while you stay consistent!*

SCENARIO 2: 20 YEARS



Monthly Saving: **Ksh 2,000**
Duration: **20 Years**



Total Contribution
(Your Money) **Ksh 480,000**



Interest Earned **≈ Ksh 1,040,000**

Future Value
(Total Amount) **≈ Ksh 1,520,000**



*Now interest is bigger
than your savings!*

SCENARIO 3: 30 YEARS



Monthly Saving: **Ksh 2,000**
Duration: **30 Years**



Total Contribution
(Your Money) **Ksh 720,000**



Interest Earned **≈ Ksh 3,800,000**

Future Value
(Total Amount) **≈ Ksh 4,520,000**



*Time + Consistency
+ Compounding
= **Wealth!***



KEY INSIGHT: The longer you stay consistent,
the harder your money **works for you**.

POWER MESSAGE:

Time + Consistency + Compounding = Wealth



It's not about how much you save...
It's about how long you stay consistent.



Start small. Stay consistent. Build your future.
YOUR FUTURE IS WORTH IT!

**There's more to Joseph's story beyond enhanced monthly contributions.
He rolled over his dividends every year.**

Ideal Leadership & Capacity Building Ltd | Empowering SACCOs for Sustainability



WHAT ARE YOU REALLY BUYING WHEN YOU SAVE?

Not merely money in an account.

You are buying:

- Financial security
- Future borrowing capacity
- Emergency resilience
- Investment capacity
- Independence
- Peace of mind
- Choices

Savings turn today's discipline into tomorrow's options.

THEN WHY BORROW?



Joseph and John borrowed severally from their SACCO.

30 years later:

Item	Joseph	John
SACCO deposits at retirement	KSh 10.7m	KSh 4.5m
Loan at retirement	KSh 650,000	KSh 2.5m
Retirement position	Existing dairy enterprise	Plans to construct retirement home

Why Do People Borrow?



Common Reasons People Borrow

1. Emotional / Lifestyle Reasons

Social pressure, Ceremonies and events,

Maintaining appearances “Others are doing it” mentality

👉 *Borrowing to sustain an image*

2. Pressure-Driven Reasons

School fees emergencies, Medical expenses, Salary shortages, Daily survival needs

👉 *Borrowing to solve immediate pressure*

3. Productive Reasons

Business growth, Education, Asset acquisition, Farming or investment opportunities

👉 *Borrowing to improve future income or value*



GOOD DEBT: BORROWING THAT BUILDS YOUR FUTURE



WHAT MAKES DEBT "GOOD"?

- ✓ Increases income
- ✓ Builds an asset
- ✓ Improves future stability
- ✓ Solves a productive need
- ✓ Leaves you stronger after repayment



A GOOD LOAN PAYS YOU BACK...
EVEN AFTER YOU REPAY IT.



A LOAN IS NOT "GOOD"
BECAUSE IT IS APPROVED...
IT IS GOOD BECAUSE IT
IMPROVES YOUR FUTURE.

1

BUSINESS EXPANSION LOAN



Add stock, buy equipment,
expand operations.

Why it's good debt:
Generates additional income
and future cash flow.



Reflection:
Will this loan make me earn
more than I repay?

2

EDUCATION / SKILLS DEVELOPMENT LOAN



Pay for education, professional
courses or training.

Why it's good debt:
Improves future opportunities
and earning potential.



Insight:
Knowledge continues paying
long after the loan ends.

3

ASSET-BUILDING LOAN



Buy land, build property,
or invest in income-generating assets.

Why it's good debt:
Builds long-term value
and wealth.



Insight:
Assets can appreciate while
loans reduce over time.



4

PRODUCTIVITY LOAN



Invest in farm inputs, machinery,
dairy cows, or business tools.

Why it's good debt:
Improves efficiency, increases
output and productivity.



Insight:
Productive assets generate
continuous returns.



CONSUMPTION DEBT

Enjoy today → struggle tomorrow

VS



PRODUCTIVE DEBT

Sacrifice today → grow tomorrow



**BEFORE BORROWING,
ASK YOURSELF:**

Will this loan create
future value?

Will it increase
my income?

Will I be better off
after repayment?

**BORROW WITH PURPOSE.
BUILD YOUR FUTURE.**

Smart Borrowing Today. Stronger Future Tomorrow.



BAD DEBT: BORROWING THAT WEAKENS YOUR FUTURE

Bad debt gives temporary comfort...
while creating long-term pressure.

A bad loan:

- ✗ Does not create value**
- ✗ Does not increase income**
- ✗ Finances lifestyle or emotion**
- ✗ Creates repeated financial pressure**
- ✗ Leaves you weaker after repayment**



The real question is not:

“Can I get a loan?”



The real question is:

“Why am I taking this loan?”



Note:

“Some loans build the future...”



- ✓ Create opportunities
- ✓ Build assets
- ✓ Increase income
- ✓ Secure your future

VS

“Others borrow the future.”



- ✗ Creates pressure
- ✗ Limits options
- ✗ Steals peace
- ✗ Burden tomorrow



Before you borrow,
be clear on your **PURPOSE.**



**Borrow with purpose.
Repay with discipline.**



UNDERSTANDING SACCO LOANS (*SACCO LOAN ADVANTAGE*)

1. LOWER & MEMBER-FRIENDLY COST OF BORROWING

SACCO loans are designed to support members—not to exploit.

- Generally lower interest rates than most lenders.

NB: Possible effects of Finance Bill 2026/27 on future interest rates.

- Less hidden pressure and penalties (e.g. increasing rate of interest)

👉 **Why this matters:**

More of your money goes toward growth—not excessive interest.

2. FLEXIBLE REPAYMENT STRUCTURE

SACCO understand members' realities.

- Repayment periods can be more manageable (diverse loan types/terms, can clear loan with no charge, no recall before time).
- Salary-based deductions improve convenience
- Structured to support long-term member stability

👉 **Why this matters:**

Repayment becomes more sustainable and less stressful.



3. FASTER & MORE ACCESSIBLE SUPPORT

SACCOs are built around members helping members.

- Faster processing compared to many institutions
- Better understanding of members' circumstances
- Relationship-based support rather than purely transactional lending

👉 **Why this matters:**

In times of need or opportunity, access speed matters.

4. MEMBER-CENTERED GROWTH MODEL

When you borrow responsibly from your SACCO:

- ❖ You strengthen yourself
- ❖ You strengthen the SACCO
- ❖ You strengthen fellow members indirectly

👉 **Unlike many lenders:**

- ❑ SACCOs are owned by members
- ❑ Benefits circulate back to members

BEFORE YOU BORROW: THE 4-QUESTION TEST



Ask yourself:

1. WHY?

What exactly am I borrowing for?

2. HOW MUCH?

Do I need the amount I am requesting?

3. HOW?

What cash flow will repay it?

4. WHAT IF?

What happens if my circumstances change?

Remember

Never allow loan eligibility to become your reason for borrowing.

Just because you *can* borrow KSh 1 million doesn't mean you *should*.

THE THREE MEMBER PROMISES

I effectively promise:

(a) I WILL SAVE

(b) I WILL BORROW RESPONSIBLY

(c) I WILL REPAY WHAT I BORROW.

Why:

“Because the money I borrow is ultimately somebody else's savings.”





LOAN DEFAULT: IT IS NOT JUST “MY LOAN”



IT IS BETWEEN ME AND THE SACCO

A borrower defaults and says:

“That is my problem. I am the one who borrowed.”

Is that true?

NO

The True Cost of Loan Default

It goes beyond the borrower

*Think
Beyond
Yourself*

When one member defaults, the impact is felt far and wide.
A loan may have one name on it, but the consequences create ripples.



Key Message:

A loan default affects many people, not just the borrower.
Let's borrow responsibly and honour our commitments.

STRONG MEMBERS
STRONGER SACCO
BRIGHTER TOMORROWS

Loan Default and the Regulatory Framework

Rules exist to protect members and keep the SACCO strong

*Responsible
Borrowing.
Stronger
Together.*

SACCOs operate within a regulatory and governance framework that sets rules for credit management, ensures prudent operations and protects members' interests.



SASRA
SACCO SOCIETIES
REGULATORY AUTHORITY

**Regulation
for Stronger
SACCOs**

Role of SASRA

- Sets prudential standards and guidelines.
- Monitors the financial soundness and asset quality of SACCOs (including non-performing loans).
- Requires proper credit risk management and provisioning.
- Ensures fair treatment of members.
- Takes regulatory action where necessary.



**Ministry of
Co-operatives & MSMEs**
Policy, Support and Sector Development

Key Role

- Provides policy direction for the co-operative movement.
- Supports a sound and stable SACCO sector.
- Develops and reviews the legal and policy framework for SACCOs.
- Works with SASRA and other stakeholders to strengthen governance and member protection.
- Promotes the growth and development of co-operatives, including SACCOs.



**A WELL-REGULATED SACCO
BENEFITS EVERYONE**

Compliance builds trust, stability and a brighter future for all members.



Key Message:
The regulatory framework exists to protect members, ensure a stable SACCO and promote a healthy co-operative sector. Let's all play our part.



**COMPLIANT SACCOs.
CONFIDENT MEMBERS.
BRIGHTER FUTURES.**

HIDDEN TRAPS IN BORROWING

They start small. They feel manageable. But slowly, they steal your peace and your future. 

1 MULTIPLE LOANS

"Too many commitments at the same time"



Why it's dangerous:

- Income gets divided in too many directions
- Repayment pressure increases monthly
- Financial flexibility disappears

Practical Reality:

At first: Each loan looks manageable. But combined: They quietly consume most of the income.

Many people are not crushed by one loan... they are crushed by too many small obligations together.

2 OVER-BORROWING

"Borrowing beyond repayment ability"



Why it's dangerous:

- Qualification is not the same as comfort
- Repayment may become too heavy
- Savings ability reduces drastically

Practical Reality:

After repayment:
• Salary feels too small
• Lifestyle pressure increases
• Emergencies become difficult

Just because you qualify for a loan... does not mean you should take the maximum.

3 MOBILE APP DEBT

"Fast money with hidden pressure"



Why it's dangerous:

- High interest and penalties
- Short repayment periods
- Constant borrowing cycle

Practical Reality:

The member borrows:
• before salary,
• after salary,
• then again before next salary.

Easy borrowing can quietly become expensive survival.

4 LOAN REFINANCING CYCLE

"Using debt to escape debt"



Why it's dangerous:

- The real problem is not solved
- Debt keeps moving forward
- Total borrowing may increase over time

Practical Reality:

Relief feels temporary... but pressure returns again.

Refinancing may reduce pressure temporarily... while extending the burden longer.

BIG REALITY CHECK

Debt becomes dangerous when borrowing turns into a lifestyle instead of a strategy.



PROTECT YOUR FUTURE:



Borrow with a purpose.



Borrow what you can comfortably repay.



Avoid quick fixes that create long term pain.



Build income, savings and financial discipline.



Your SACCO is here to support your growth, not your burden.

BORROW WISELY.
LIVE FREELY.
BUILD LASTING VALUE.



ESCAPING THE DEBT TRAP

FIVE-STEP RECOVERY MODEL

STEP	FOCUS	WHAT TO DO
STEP 1	 Stop creating new debt.	• Avoid new loans and unnecessary credit. • Use cash or available funds for daily needs.
STEP 2	 Know exactly what you owe.	• List: lenders, balance, interest rate, monthly repayment, remaining period.
STEP 3	 Prioritize repayment.	• High-interest debts first (Debt Avalanche) • or Smallest debts first (Debt Snowball)
STEP 4	 Increase cash flow.	• Reduce unnecessary expenses. • Sell idle assets. • Create additional income (overtime, side hustle). • Practice family budgeting.
STEP 5	 Never miss agreed repayments.	• Pay on time, every time. • Consistency rebuilds trust and opens doors for better terms.



	JOSEPH	JOHN
Starting salary	KSh 30,000	KSh 30,000
Starting monthly saving	KSh 3,000	KSh 3,000
Later salary	KSh 50,000	KSh 100,000
Saving behaviour	Increased periodically to KSh 10,000	Remained at KSh 3,000
Dividends	Reinvested/rolled back	—
Deposit boosts	Through progressive saving/reinvestment	Sometimes through borrowed funds
Major loan use	Dairy enterprise	Mainly prestige/consumption
SACCO deposits at retirement	KSh 10.7m	KSh 4.5m
Loan at retirement	KSh 650,000	KSh 2.5m
Retirement position	Existing dairy enterprise	Plans to construct retirement home



WHAT SHOULD I DO WHEN REPAYMENT BECOMES DIFFICULT?

Hide? → Ignore calls? → Make promises you cannot keep? →
Wait until the problem becomes severe?

DO:

Communicate early → Explain honestly → Engage the SACCO
→ Explore legitimate solutions → Honour agreed arrangements

Key message

Financial difficulty can happen. Silence makes it harder to manage.



Loan Guarantee



GUARANTOR RESPONSIBILITY

Being a Guarantor Is a Position of Trust

THE POWER OF THE SACCO GUARANTORSHIP SYSTEM

Guarantorship reflects:

- Trust among members (the world is sustained by trust)
- Cooperative support (where would we be without SACCOs)
- Shared growth and empowerment

Many members achieve important goals because fellow members trusted and supported them through guarantorship

Makes SACCO lending more accessible and member-centered



WHEN YOU GUARANTEE A LOAN...

1. You are not recommending your friend for a loan.
2. You are accepting a financial responsibility.

Before guaranteeing, ask:

- What am I guaranteeing?
- How much?
- Can the borrower repay?
- Can I bear the consequences if the borrower does not?
- How long will my guarantee remain exposed?

Question

“How many people have ever guaranteed somebody mainly because it was difficult to say NO?”

NOTE: Friendship is emotional. A guarantee is financial. Never confuse the two.



HOW TO KEEP SAFE AS A GUARANTOR

1. Know the member well

Guarantee people whose character you trust, repayment ability appears stable, borrowing purpose is clear.

2. Understand the purpose of the loan

Seek to know what the loan is intended to achieve?”

3. Avoid emotional pressure

Do not guarantee simply because you feel guilty, or pressured.

4. Monitor your guarantorship exposure

Avoid guaranteeing beyond your comfort level.

5. Encourage responsible borrowing

Support members who borrow productively, plan repayment, and communicate openly.

Important

Build ability to secure your loans (self-guarantee/collateral).



LOAN REPAYMENT DISCIPLINE



Repayment Is Character

Taking a loan is easy. However, repaying it faithfully is what builds trust and financial strength.

1. PAY YOUR LOAN CONSISTENTLY ***“Discipline creates stability”***

- ✓ Make repayments on time
- ✓ Prioritize loan obligations responsibly
- ✓ Avoid unnecessary delays and excuses

Small consistent repayments are easier than accumulated pressure later (also top ups).



2. PROTECT YOUR REPUTATION: Your financial behavior speaks on your behalf

Your repayment habits quietly build:

- ☐ trust,
- ☐ credibility,
- ☐ and confidence in your character.

Members known for responsible repayment are often viewed as:

- ☒ dependable,
- ☒ disciplined,
- ☒ trustworthy.

They have no problem getting guarantors for new loans.

In a SACCO, reputation is a financial asset



3. PROTECT GUARANTORS

“Responsible repayment protects relationships”

When others guarantee you:

- they are trusting you,
- supporting your growth,
- and sharing responsibility with you.

Responsible repayment:

- ✓ protects guarantors from pressure,
- ✓ preserves trust,
- ✓ strengthens cooperative relationships.



4. PROTECT YOUR FUTURE BORROWING ABILITY

“Today’s discipline creates tomorrow’s opportunities”

Responsible repayment helps:

- maintain borrowing eligibility,
- strengthen financial standing,
- and increase future opportunities.

Members with strong repayment discipline are often better positioned to:

- ✓ access future opportunities,
- ✓ qualify for larger facilities responsibly,
- ✓ borrow with confidence when genuine needs arise.

“If your repayment behavior became publicly known, what would it say about you?”



Financially disciplined members protect:

- ✓ their peace,
- ✓ their reputation,
- ✓ their relationships,
- ✓ and their future.



TECHNOLOGY: THE BRIDGE TO SERVICE DELIVERY

YOUR SACCO IN YOUR POCKET

Yesteryears

Branch → Queue → Form → Officer → Transaction

Today

Phone → SACCO

Mobile banking

Apps

USSD

Digital communication

Technology should deliver:

Convenience + Accessibility + Efficiency

**YOUR OWN VERSES LEASED WHERE YOU PAY
COMMISSION**



*Same SACCO
Different Choices
A Brighter You!*

Which Way Will You Go?

Your SACCO. Your Choice. A Smarter Tomorrow.



KADUDA PHONE (USDD)

- ✗ Basic services only
- ✗ Higher transaction charges
- ✗ Limited access to features
- ✗ Harder to manage your account
- ✗ No real-time updates
- ✗ Not future ready

Choose a
Smarter Way

*The choice
is yours!*



SACCO | Modern Tools.
Greater Opportunities.



Lower Costs

Keep more of your money.



Greater Convenience

Bank on your time.



A Brighter Future

Embrace modern banking.

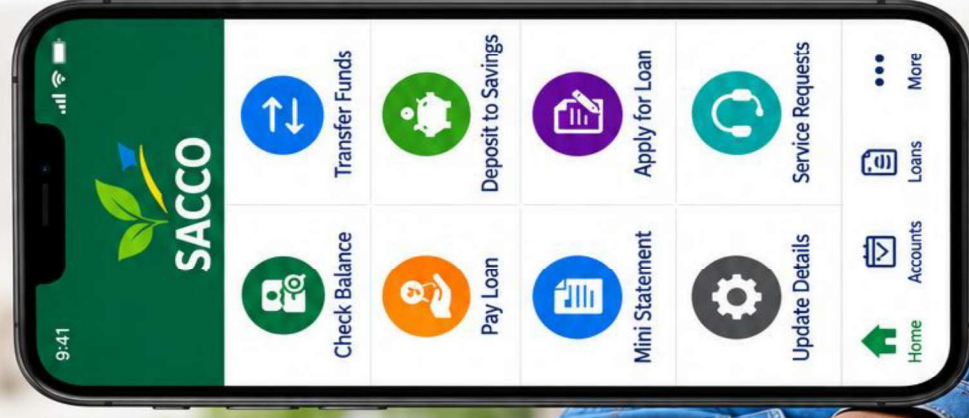
Ideal Leadership & Capacity Building Ltd | Empowering SACCOs for Sustainability

Why Use the SACCO Mobile App?

More value. More control. At a lower cost.

*Simple. Smarter.
Secure. For you.*

*Bank
Your Way.
Your time.
Anywhere.*



Key Benefits for You



Lower / No Transaction Charges

Free to use (except for data) compared to USSD charges per transaction.

**Save
more money.**



It's Convenient

Access your SACCO anytime, anywhere without queues.

**Save
time.**



Do More

Check balance, transfer funds, pay loans, deposit to savings, view mini statement, apply for loans and more.

**More
services.**



It's Safer

Protected with secure login, PIN/biometrics and encryption.

**Greater
security.**



Stay Informed

Get real-time updates on your account, loan status and SACCO announcements.

**Better
control.**



BUT THE BRIDGE MUST BE USED SAFELY

Your phone has effectively become part of your SACCO branch.

Therefore protect:

- PINs
- Passwords
- OTPs
- Personal information
- Your phone/SIM
- Login credentials

Rule: If someone asks for your PIN or OTP, STOP.

Verify through official SACCO channels.

Technology makes banking easier. It should not make us careless.



RIGHTS AND OBLIGATIONS



“I KNOW MY RIGHTS!”

There is a sentence people learn remarkably quickly in organisations:

‘I know my rights!’

But there is another sentence we don't hear quite as often:

‘I know my obligations!’”

Rights (authority) without obligations (accountability) lead to chaos/anarchy

Strong SACCO membership requires BOTH.

TWO SIDES OF THE MEMBERSHIP COIN



MY RIGHTS	MY OBLIGATIONS
Participate in the affairs of the SACCO	Observe the SACCO's rules/by-laws
Access eligible SACCO services	Provide truthful information
Receive relevant information	Save as required
Be treated fairly	Repay loans promptly
Participate in governance as provided	Exercise voting rights responsibly
Raise legitimate concerns	Protect the SACCO's interests
Expect accountability	Hold leaders accountable responsibly

Note

Rights give you a voice. Obligations make that voice responsible.



FROM CUSTOMER TO OWNER

If you enter a bank and the carpet is torn, whose problem is it?”

“If something is going wrong in your company, whose problem is it?”

Because:

I AM NOT ONLY A CUSTOMER.

I AM AN OWNER.

Ownership means:

Ask → Understand → Participate → Question →

Protect → Contribute

Not merely: Complain → Demand → Leave



WHO ACTUALLY RUNS THE SACCO?

WHO IS THE BOSS?

A. CEO?

B. Board?

C. SASRA?

D. Government?

E. Members?

It depends on what we mean by 'boss' because each has a different role.



THE SACCO GOVERNANCE HOUSE

*Different roles.
A stronger SACCO.*

*Working Together
for a Stronger
XYZ SACCO*

 **MINISTRY OF CO-OPERATIVES & MSMEs**

Policy direction and sector oversight

 **MEMBERS / AGM**

OWNERSHIP & ULTIMATE AUTHORITY

Participate | Elect leaders | Receive reports
Make key decisions | Hold leaders accountable

 **BOARD OF DIRECTORS**

STRATEGIC DIRECTION & OVERSIGHT

Set strategy | Approve policies | Oversee performance
Ensure accountability

 **MANAGEMENT**

EXECUTION

Run operations | Manage staff | Deliver services
Implement strategy

 **SASRA**

Regulation and supervision

 **TRUST** |  **COMPLIANCE** |  **TRANSPARENCY** |  **SUSTAINABILITY**

Strong Governance. Stronger Members. A Brighter Tomorrow.



THE AGM IS NOT A SPECTATOR SPORT

Imagine owning a business.

Once every year, the people running it invite you to hear:

- What happened to your money
- How the business performed
- What risks it faces
- What leadership proposes
- Who should lead it

And you say:

“I am too busy to attend.”

Then six months later:

“These people are running our SACCO badly!”

NB: Ownership without participation becomes spectatorship.
Members should participate **informedly**, not merely loudly.



WHAT DOES A GOOD SACCO MEMBER LOOK LIKE?

A good member does not simply ask:
“What can my SACCO give me?”

They also ask:

“What kind of member does my SACCO need me to be?”

- 1) SAVE consistently**
- 2) BORROW responsibly**
- 3) REPAY promptly**
- 4) GUARANTEE carefully**
- 5) USE technology safely**
- 6) PARTICIPATE intelligently**
- 7) HOLD leadership accountable responsibly**
- 8) PROTECT our SACCO**

THE SACCO CIRCLE

*How we create value
together*



*Same
People.
Brighter
Futures.*



A STRONGER SACCO TODAY. BRIGHTER TOMORROWS TOGETHER.

Save • Borrow Responsibly • Repay • Grow Together

Ideal Leadership & Capacity Building Ltd | Empowering SACCOs for Sustainability



SIX QUESTIONS TO TAKE HOME

- 1. Am I saving consistently—or merely saving when convenient?**
- 2. Are my loans improving my financial position?**
- 3. If I borrow, can I explain exactly how I will repay?**
- 4. Do I understand what I am accepting when I guarantee someone?**
- 5. Am I exercising both my rights AND obligations?**
- 6. Am I behaving like a SACCO customer—or a SACCO owner?**



YOUR SACCO IS A REFLECTION OF ITS MEMBERS

Strong Members.

Strong Governance.

Strong SACCO.

Stronger Financial Futures.



OUR CONTACTS

Ideal Leadership & Capacity Building Limited

Office: CPA Centre Thika Road, Block A Room 6B

Website: www.idealleadership.co.ke

Email: info@idealleadership.co.ke

LinkedIn: <https://www.linkedin.com/company/ideal-leadership>

Facebook: <https://www.facebook.com/IdealLeadership>

Mobile No.: 0710 435 873