

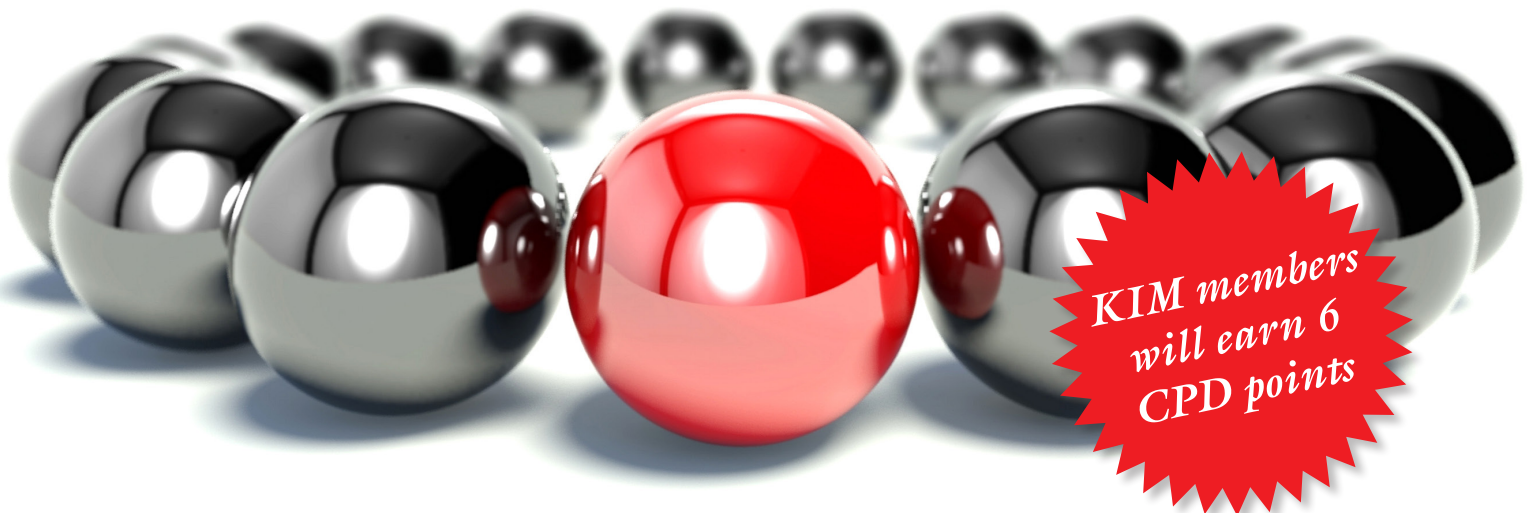


THE KENYA INSTITUTE OF MANAGEMENT



The International Cooperatives Summit 2014

**Theme: Transformative Development: Harnessing the Cooperative
Entrepreneurship in Realizing a Sustainable Economy**



*KIM members
will earn 6
CPD points*

Date: October 29th to 31st, 2014

Venue: Sarova Whitesands Hotel, Mombasa

Charges: Kes.81,200 Inclusive of VAT

Contacts

Paul Ooga -Tel: 0720268011

Email: pooga@kim.ac.ke

Laura Wahinya

Tel: 0706 936 130

**Email: lwahinya@kim.ac.ke
training@kim.ac.ke**

The International Cooperatives Summit 2014

Theme: Transformative Development: Harnessing the Cooperative Entrepreneurship in Realizing a Sustainable Economy

Today, in an era when many people feel powerless to change their lives, cooperatives represent a strong, vibrant, and viable economic alternative. Cooperatives are formed to meet peoples' mutual needs. They are based on the powerful idea that together, a group of people can achieve goals that none of them could achieve alone. SACCOS can play a critical role in entrepreneurship development, through the delivery of, responsive, affordable and market oriented financial services tailored to the specific needs of their members.

For over 160 years now, cooperatives have been an effective way for people to exert control over their economic livelihoods. They provide a unique tool for achieving one or more economic goals in an increasingly competitive global economy. As governments around the world cut services and withdraw from regulating markets, cooperatives are being considered useful mechanisms to manage risk for members in cooperatives, help salary/wage earners save for the future through a soft-felt monthly contribution that is deducted from source, own what might be difficult for individuals to own by their efforts, strengthen the communities in which they operate through job provision and payment of local taxes. Cooperatives generally provide an economic boost to the community as well.

The problem is that many people do not know much about cooperative, its mechanisms and role in economic development, and how it is considered in the world as a Third Force, an alternative and countervailing power to both big business and big government.

Its against this background, that The Kenya Institute of Management invites you to attend OUR SACCO SUMMIT: **Transformative Development: Harnessing the Cooperative Entrepreneurship in Realizing a Sustainable Economy** scheduled from **29th to 31st October 2014 at Sarova Whitesand Hotel, Mombasa.**

The summit seeks to discuss the role of Co-operatives in promoting and enabling opportunities for sustainable livelihoods, with particular emphasis on their role in addressing youth employment and providing greater income security for informal economy workers. In doing so, the summit will endeavour to propose ways to strengthen these roles through the effective engagement of relevant stakeholders such as governments, the cooperative movement and international organizations.

OBJECTIVES

- ✓ To discuss key contemporary issues facing SACCOs, and how to address or leverage on the opportunities.
- ✓ To analyze options for integrating, promoting and sustaining SACCOs engagement in the Social Economical activities.
- ✓ Debate strategic orientation of the cooperative sector in order to facilitate fulfillment of its entrepreneurship mission in the current global environment.
- ✓ Obtain institutional commitment to integration, aimed at increasing the impact of cooperative actions on development in Africa.
- ✓ Examine challenges to growing the cooperative model without dissociation from its identity and responsibility to social development.

To do this, the summit will discuss the following 11 sub themes:

SUB THEMES:

- ✓ Harnessing the Cooperative Entrepreneurship Advantage for Women and Youth in Africa
- ✓ The role of co-operatives in addressing challenges of youth employment
- ✓ How to create more secure livelihood prospects for informal sector workers.
- ✓ The use of technology to connect to a growing global financial co-operative information network today
- ✓ Quarter of world population to be Africans by 2050: The Role of Cooperatives in Accessing Health Care and Social Services
- ✓ Sustainable Finance: How cooperative can lead the way in transition to a sustainable Economy.
- ✓ Growing Membership by meeting the Changing Needs of Members.
- ✓ Driving Long Term Engagement by Boasting a High Performance Culture through education about the Cooperative Business Model.
- ✓ Employer Branding: Attracting New Talent through Compensation, Mission and Organizational Culture.
- ✓ Enhancing the Global Cooperative Image through the Pillars of Corporate Governance.
- ✓ The secrets of Leadership & Management effectiveness in co-operative systems of Enterprise.

Harnessing the Cooperative Entrepreneurship Advantage for Women and Youth in Africa

Savings and Credit Cooperative Societies (SACCOs) are agencies that hold enormous potential for the entrepreneurial development of women and youth. Although many women and youth experience social exclusion as evidenced by their overrepresentation among the poor and un(der)employed, they play a critical role in the collective coping mechanisms and in the organization and management of poor communities. Despite this key community role however, they are absent in decision making structures at all levels including SACCOs and are rarely seen as social actors and agents of change. This subordinate positioning means that they are often unable to gain access to financial services, credit education and technology.

The social and demographic dominance of women and youth in Africa sharply contrasts with their constrained participation in and exclusion from core institutions and

processes of production and consumption including cooperatives and entrepreneurship. This is because gender and generational issues are mitigating factors in development. Indeed, the social environment in many countries in Africa has produced a set of structures that place women and youth (defined on average as those below the age of 35 years) in a subjugated position viewed as dependents of their husbands, fathers or local authorities.

To enhance the credibility of cooperatives as democratic people-based movements there must be active, equitable participation of all members at all levels regardless of gender and age. According to ILO-ICA (2001) women represent fifty per cent of the human resources thus enhancing their productive capabilities and involving them in decision-shaping/making within the cooperative movement will diversify activities and fortify the cooperative movement.

The Role of Co-operatives in Addressing Challenges of Youth Employment

Young women and men are the world's greatest asset: improving their employment and income opportunities would contribute significantly to poverty reduction, economic growth, and social inclusion. The important role of policies to promote youth employment is acknowledged in the Millennium Development Goals (MDGs), as well as in the German Government's Programme of Action 2015 targeting poverty alleviation in developing countries.

Youth unemployment, which according to the standard UN definition refers to persons aged between 15 and 24, accounts for almost half of total unemployment worldwide. By contrast, this age group represents only about 25 per cent of the working age population. Moreover, in many developing countries youth underemployment is a more pressing problem, i.e. young people often have to work under precarious working conditions with little chance to lift themselves out of poverty. Given the demographic situation and the potential and assets of young people, the promotion of youth employment merits particular attention and requires specific youth-adapted measures.

Taking into account the limited absorptive capacity of existing formal labour markets, alternative employment approaches have to be developed. This can be achieved mainly by promoting self-employment and/or business start-ups for young men and women through, access to micro-finance or other credit schemes. SACCOs have a challenge to mitigate this by embracing emerging social justice developmental frameworks that promote and support young people's voice

and participation casting young people as core formulators of their own assistance. How do cooperatives help people achieve financial independence through job creation and maintenance? Do they play a significant role in emerging economies? How are they able to create wealth in countries most affected by the unemployment crisis? Do cooperative create better job?

How to Create more Secure Livelihood Prospects for Informal Sector Workers.

Cooperatives can contribute to the achievement of the MDGs by 2015 because of their inherent characteristics. The cooperatives are economic associations, they provide the opportunity for people to raise their incomes. They are democracies with each member having one vote, they empower people to own their own solutions, and pool risks at the level of the enterprise and offer micro-insurance to increase security. In addition, there is increasing evidence indicating that cooperatives also contribute directly and indirectly to meeting several of the other MDGs, such as primary education for children, gender equality and reducing child mortality.

It is envisaged that directing the operations of cooperative societies to addressing poverty related issues is one of the possible livelihood strategies. Each particular strategy would be geared towards achievement of Livelihood Outcomes associated with the richness of the potential livelihood goals set by the group that has defined a common purpose and destiny.

The Use of Technology to Connect to a Growing Global Financial Co-operative Information Network Today

In an increasingly globalized economy, information technology is one of the key determinants of competitiveness and growth of firms and countries. Firms are becoming more competitive on the basis of their knowledge, rather than on the basis of natural endowments or low labor costs. It is becoming increasingly apparent that the role of traditional sources of comparative advantage (a large labor force and abundant natural resources) in determining international competitiveness is diminishing. The competitive and comparative advantages of countries are gradually being determined by access to information technology and knowledge. The comparative advantage that now counts is man-made, engineered by knowledge through the application of information.



The cooperative movement has become a success story mainly in the areas of disbursement of loans. However, it continues to miss opportunities in the use of modern ICT. There is a need for it to re-focus and re-assess its capacity not just to mobilizing financial resources further, but also to manage them well for faster economic growth. Networking of Cooperatives through state-of-the-art technology is essential, as it will facilitate achievement of the following:

Integrating Africa into the global trade and finance;

- ✓ Effective macroeconomic and public sector management;
- ✓ Building of relationships and alliances
- ✓ Re-engineering and integration of cooperative processes
- ✓ Sharing knowledge and experiences
- ✓ Enhancement of innovation
- ✓ Promotion web-based business trading

Quarter of world population to be Africans by 2050: The Role of Cooperatives in Accessing Health Care and Social Services.

The United Nations Children's Fund (UNICEF) demographics report states that Africa will be home to two out of five children in the world by 2050 which will translate to 25 out of 100 people living in the world being Africans. The global population projections indicate that by mid-century, Africa will be home to around 41 per cent of all the world's births, 40 per cent of all global under-fives, 37 per cent of all children under-18 and 35 per cent of all adolescents. The UNICEF report dubbed Generation 2030/Africa Report states that the future of humanity is increasingly African as today, 16 among 100 of the world's inhabitants are African and based on current trends, within 35 years, 25 in 100 people will be African with this likely to continue to rise to almost 40 in 100 people by the end of the century.

As the world population grows and ages, the challenge of providing a wide range of health care and social services becomes even greater. Governments and the private sector are not always up to the task of meeting all these emerging and growing needs. Some economist say health care will be the largest sector of the economy in the 21st century. For proof, one needs only to look at emerging economies where millions of people will be looking for ways to pay health care in the next 10 years. How are cooperatives responding? What are the compelling examples?

Worldwide, Africa is the only region where the population is projected to keep increasing throughout the 21st century. Currently there are 1.2 billion people in Africa, more than five times the population in 1950. By 2050, Africa's population will double, to 2.4 billion and eventually reaching 4.2 billion by the end of the century.

Sustainable Finance: How cooperative can lead the way in transition to a sustainable Economy.

A transition to a sustainable economy requires not only population stabilization, breakthroughs in resource productivity and checks on material consumption, but also constraints on aggregate investment. Built into the DNA of finance is the goal of optimizing relatively short-term returns on investment, which, when successful, induces exponential growth in the aggregate stock of financial capital. When that expanding stock of financial capital is then reinvested, it spurs ever-increasing demands for natural resources and

pressure on waste sinks. The contradiction between the finite scale of the biosphere and the endless growth of finance capital will be resolved either through crisis or, as advocated here, through foresight and remedial action. Shifting the economic system demands a fundamental transformation of finance, at least for the real investment decisions of the largest actors in the economy.

The current economic model is at impasse. Despite numerous intervention by the government, the economic cries of 2008 is still not in our rear view mirror. On top of the financial and economic impacts of the crisis, we are still feeling its social and environmental effects. Throughout the world the gap between the rich and the poor is growing wider; the issues of climate change and natural habitat destruction continue to go unresolved, and businesses obsessed over short-term goals, drive by market pressure. Because of their history and mission, cooperatives have much more engaged and balanced vision of their role with regard to stakeholders. But are they influential enough to drive the rest of the economy toward a more humane world, one more concerned about future generations? Do they have the real competitive advantage when it comes to the vital task of transforming the current economic model?

Growing Membership by meeting the Changing Needs of Members.

Cooperatives were created for members and by members-whether clients, consumers producers or workers-to meet their needs. This means they must always be attentive and ready to innovate. Economic transformation has prompted cooperatives to be even be more imaginative. How are cooperatives meeting the changing needs of their members and attracting future members? What tools are at their disposal (approach, products, niche markets, marketing values etc).

If a co-operative needs investment to grow then its members can be a vital source of finance. Engaging members in multiple ways strengthens the competitive advantage of the business. Members who invest are more likely to be involved in the co-operative, either as a customer, user or volunteer. Often members are willing to accept no or limited financial returns on their investment which will further enable growth and sustainability.

Driving Long Term Engagement by Boasting a High Performance Culture through education about the Cooperative Business Model.

Festivities in 2012 for the International Year of Cooperatives underscored the importance of the fifth cooperative principle: Education, Training and Information. As a sector, cooperative must do more to develop their knowledge and expertise regarding the cooperative model, including training and educating their employees, managers, elected officers, leaders.

Practitioners and academics have argued that an engaged workforce can create competitive advantage. They say that it is imperative for leaders to identify the level of engagement in their organization and implement behavioural strategies that will facilitate full engagement.

A compelling question is: How much more productive is an engaged workforce compared to a non-engaged workforce? In contrast to many of the more reward-oriented elements that affect attraction and retention, the drivers of sustainable engagement focus almost entirely on the culture and the relational aspects of the work experience.

The logical question, then, is, what is required to shore up the unsupported and reconnect the detached, particularly among those employee groups with specific skills or roles most critical to business success?

Employer Branding: Attracting New Talent through Compensation, Mission and Organizational Culture.

Your Cooperative may have a great brand, but do you have a great HR Brand? Are people attracted to your culture and dying to be part of it? With aging population, labour shortage in some fields, surplus labour in others, young people who are unsure about their future, highly competitive wages offered to attract top talent-all these factors affect cooperatives ability to find the next generation of leaders. All business are subjected to high turnover rates and when times are tough, they downsize. The next

generation is looking for more authentic, more human, more sustainable companies, this is the distinguishing factor among the cooperatives to attract and retain talented employees, managers and elected officers in good times and in bad times? How can the cooperative business model and its corporate culture shine the spotlight on its performance and its organization culture and what makes it different in order to attract talented ,dedicated applicants who share its values?

Enhancing the Global Cooperative Image through the Pillars of Corporate Governance.

The Co-operative Movement in Africa has faced numerous operational challenges in the past decade especially due to sudden Government withdrawal from its previous extensive support to rural sector and also due to the negative effects of economic liberalization in the country.

Good corporate governance shields a firm from vulnerability to future financial distress the argument has been advanced time and time again that the governance structure of any corporate entity affects the firm's ability to respond to external factors that have some bearing on its financial performance. In this regard, it has been noted that well governed firms largely perform better and that good corporate governance is of essence to firm's financial performance.

However, in a co-operative, the board must lead the business, whilst at the same time, operating in accordance with the values and principles of the International Co-operative Alliance. The board must actively engage and maintain close relations with its members, encouraging active participation in its governance practices.

A neglect of governance weakens the framework of accountability and carries multiple risks to the business and its strategy over time. Conversely, good governance supports the board in its task of creating and maintaining a strong and sustainable business that meets the needs of its members.





Keynote Speakers

Terry MacDonald, Managing Director of the Global Co-operative Group Inc., Mexico/Canada

Terry MacDonald, Managing Director of the Global Co-operative Development Group Inc.,

Terry MacDonald, currently serving as Managing Director of the Global Co-operative Development Group Inc., began his co-operative career in a credit union as a teller. Since that time he has held a variety of positions within the Canadian credit union system ranging from Head of Research for Credit Union Central of Saskatchewan, to General Manager of CU Lease Financial, a national Canadian credit union system leasing business which he helped to create, to Africa Region Director for the

Canadian Co-operative Association. He has previously served as a director of ACE Credit Union and the chairperson of their credit committee. He is currently a member of five co-operative organizations. He has served on international co-operative development projects in China, Ecuador, Ghana, Malawi, Mongolia, Philippines, Rwanda, Sierra Leone, Tanzania and Uganda. His interests include general systems theory, flying (a former pilot), all forms of information technology (including social media), theology, and co-operative management theory and practice. He completed a Master's Degree in Environmental Studies at York University in Toronto Canada where his research work focused on leadership and management effectiveness in co-operatives. Terry is a former Rotarian (2007-2013) and has served as a board member and club administrator with his local club. The co-operative's first large project was the creation of a mass market publication and companion website entitled **Co-operative Enterprise Building a Better World**. Terry worked with some two dozen experienced co-operators (senior executives, academics, seasoned researchers, and friends) from ten countries all of whom contributed in various ways to this work. The book was successfully released by 1st Edition Design Publishing in October 2013, and is available from online from more than fifty vendors including Amazon, Barnes and Noble, and Google Books.



Mr. Carilus Ademba, CEO, SASRA

Mr. Carilus Ademba, CEO, SASRA

Carilus is a seasoned professional with both local and international experience in the world of Savings and Credit Cooperative Societies. He has over 11 years work experience in senior management of key institutions in Kenya's SACCO sector. He has held positions such as Finance Manager of the Kenya Union of Savings and Credit Cooperatives (KUSCCO) which he served for seven years before his promotion to Managing Director for a four year period. While he was Managing Director at KUSCCO, he also doubled up as the Acting Executive Director of the African Confederation of Cooperative Savings and Credit Associations (ACCOSCA) which he served for two years. He served in the Task Force that drafted the SASRA Regulations.

In international circles, he has been a delegate to the World Council of Credit Unions (WOCCU) and the International Cooperative Alliance in Geneva. He is currently serving in the steering committee of the International Regulators Roundtable representing Africa and is also a trustee of ACCOSCA.

He is a graduate of the University of Nairobi with a Bachelor of Arts in Economics and a Master of Business Administration (MBA) from the same institution. He has pursued accountancy studies up to level 2 of the Certified Public Accountancy course and has undertaken management training in USA, Japan, Spain, Hong Kong, Canada, South Africa, Jamaica and Switzerland in the following disciplines: Leadership, Financial Management, Corporate Governance, SACCO Regulation and Supervision and Human Resources Management.



Prof. Njuguna Ndung'u

Prof. Ndung'u is the Governor of the Central Bank of Kenya since March 2007. Prior to this appointment, he was the Director of Training at the African Economic Research Consortium (AERC). He has taught economics at the University of Nairobi, has worked with the International Development Research Centre (IDRC) and at the Kenya Institute of Public Policy Research and Analysis (KIPPRA). A member of various boards in the financial sector and in the Vision 2030 Delivery Secretariat, the Governor was also the chair of the Steering Committee of the Alliance for Financial Inclusion (AFI) based in Bangkok, Thailand from 2009 till Sept 2012. He is now the Chair of the newly launched African Mobile Phone Financial Services Policy Initiative (AMPI), a sub-network of AFI.

The Governor is a member of the Committee of Ten (C10) comprised of five African Finance Ministers and five Central Bank Governors representing the 5 regions of Africa. This Committee, formed during the global financial crisis, was mandated to look into ways of mitigating the crisis through appropriate policy response; communicating and coordinating Africa's response and required global reforms especially in the world's financial architecture.

Prof. Ndung'u is a researcher and trainer in various fields of economics. He has published widely in journals and chapters in volumes on inflation, exchange rate, economic growth and poverty reduction. He holds a PhD in economics from Gothenburg University, Sweden, a Bachelors and Masters of Arts in Economics from the University of Nairobi and is an Associate Professor of Economics from the University of Nairobi.

In recognition of his role in national economic development, His Excellency the President of the Republic of Kenya conferred the Award of First Class of Chief of the Order of the Burning Spear (CBS) on Prof. Ndung'u in 2009.



Mr. Nelson Chege Kuria, OGW, MBS – Group Chief Executive Officer (GCEO)

Mr. Nelson Kuria, obtained a Bachelor of Arts Degree in Economics from the University of Nairobi in 1979. Since then he has undergone extensive training in Strategic Management. Mr. Kuria has a total of 31 years working experience most of which have been in the insurance industry after a stint of 3 years in development banking. He joined the insurance industry through the then Kenya National Assurance Company in 1982 where he worked for 12 years up to December 1993. In 1994, he worked briefly for a private insurance company after which he became a consultant and Investors agent. He joined CIC in 1998 as Chief Manager in charge of Business Development and Strategy and was promoted to General Manager in 2000, and Managing Director/ CEO of in July 2001. He is a former member of the Board and the immediate past Chairman of the Association of Kenya Insurers (AKI). Mr. Kuria represented AKI in the Board of the Federation of Kenyan Employers, where

he was currently Deputy Chairman, and the Board of Kenya Reinsurers Corporation. He is a member of the Institute of Directors of Kenya and a member of other boards as follows:

- Trustee – Higher Education Loans Board Retirement Benefits Scheme
- Board Member- Life Ministry Kenya
- Board Member – International Co-operative & Mutual Insurance Federation (ICMIF) – UK
- State Honours – Order of the Grand Warrior of Kenya (OGW) in 2005 and Moran of the Order of the Burning Spear (MBS) in 2011.



James Ole Nkiti

Heads the **Education and Training** Department. With his vast knowledge and experience in the co-operative movement, he has modelled a curriculum to suit the training needs of SACCOs at both local and international levels.

Mr. Kiprono Kittony

Mr. Kiprono Kittony is a graduate with a Global Executive MBA with the Strathmore University Business School, together with the Columbia University Business School, a degree in Bachelor of Commerce Business Administration and a degree in Law both from the University of Nairobi, he has a lot of experience in public life as an implementer of various developmental projects countrywide and has a wide exposure in International relations.

He is the Founder Chairman of Radio Africa Limited which is now the fastest growing media company in Kenya with several radio stations including the market leading Kiss TV, Kiss FM, and Classic 105 Radio Stations, as well as a national daily newspaper, "The Star".

He is also:

- The CEO of Capital Realtime Limited which is one of the major Safaricom Dealerships in the country;
- Chairman of Media Owners Association, My Jobs In Kenya, AAR Health Insurance Limited, Mtech Limited, and the National Chairman of the Kenya National Chamber of Commerce & Industry (KNCCI);
- A Board Member of Media Council of Kenya, Kenya Private Sector Alliance (KEPSA), Betting Control and Licensing Board, AAR Holdings Limited, and Danida's Business Advocacy Fund;
- An Advocate of the High Court of Kenya;
- A Director of many other SMEs.

Mr. Kittony is also involved in philanthropic activities such as aiding orphans and supporting other worthy causes and mentors youth through Green Horn Mentorship and AIESEC programmes.

Mr. Kittony represents Kenya Chamber of Commerce and Industry at the EACCIA Board



Dr. Jeremiah Nyatichi

Deputy Commissioner

Ministry of Co-operative Development and Marketing



Why attend

1. Take advantage of a unique program based on the economic and financial challenges that cooperatives face, in order to improve your enterprise's management.

- Take part in an innovation-oriented program for greater productivity, sound capitalization, adequate financing and an efficient financing structure capable of ensuring cooperative development. This full program will tackle major global topics and new international development issues.

2. Take part in the discussions.

- Sit in on roundtables to discuss organizational best practices, governance, member satisfaction and new needs, the culture of performance, value sharing, corporate responsibility, talent attraction and retention and other topics.

3. Hone your knowledge.

- Learn about the findings of exclusive, multi-sector international studies related to the cooperative movement
These studies are at the core of the Summit's program and represent an invaluable source of information.

4. Expand your network.

- Discuss with cooperative leaders from across the world.
- Participate in networking and inter-cooperation activities and do business.

5. Meet world-renowned experts in the cooperative movement.

- Meet experts from all over the world who will talk about their achievements and their views on the future of the cooperative model.

6. Help strengthen and promote the cooperative model.

Be a part of achieving goals set out by and for the cooperative movement:

- Ensure cooperatives' full developmental potential in a struggling economy.
- Ensure cooperatives' growth by staying close to members, becoming more agile when meeting the current and future needs of people, and by doing more to combine cooperative growth and community development.
- Demonstrate the potential of cooperatives to play a key role on the international stage by providing better visibility of their achievements in meeting global economic needs and preparing future leaders by promoting awareness of the cooperative model.
- All the reasons why you should attend the 2014 Cooperatives Summit.

**Nominate (3) three delegates,
The 4th Delegate will attend
for free!**

**Nominate (6) six delegates - 2
delegates will attend for free!
i.e (The 7th and 8th Delegates)
KIM members will enjoy a 10%
discount.**



THE KENYA INSTITUTE OF MANAGEMENT

Luther Plaza, 2nd Floor, Nyerere Road

P.O. Box 43706 00100 GPO, Nairobi, Kenya

Tel: 020 2445600, 2445555

Mobile: 0712 200 002 | 0719 054 194 | 0719 054 195 • SMS 22227

Email: training@kim.ac.ke | consultancy@kim.ac.ke | Website: www.kim.ac.ke



@kimkenya



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