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MEMBER-CENTRIC PENSION DESIGN PROGRAMME

The Engagement Dividend

Leveraging digital tools and data analytics to improve member engagement outcomes

Eseriani Resort, Kenya

You check your M-Pesa balance every day. When did you last open your pension statement?

Mobile M-PESA BALANCE

KES 2,000

Checked 3 times today

Visible. Instant. In your pocket.

Annual PDF PENSION STATEMENT

KES 2,000,000

Last opened: once a year, if ever.

Filed, not read. 1,000x LARGER BALANCE, LESS ATTENTION

Your members are not careless. We made the small thing visible and the big thing invisible. Digital engagement makes the pension as easy to check as the balance they already trust.

A growing industry. Members who are not ready.

The tension between macro industry wealth and micro individual readiness.

PENSION ASSETS

KES 2.81 trillion

Total pension assets under management

+24.6% year on year. The pot is larger than it has ever been and still growing fast.

MEMBER COVERAGE

26.5%

Of the working-age population is covered at all

34-43% is the income those who do save are on track to replace, against a 75% target.

The industry has never held more. The Kenyan member has rarely been less prepared. That gap is the trustee's problem to close.

RBA INDUSTRY BRIEF, DEC 2025; ZAMARA STUDY; STRATHMORE UNIVERSITY

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The Number That Should Worry Every Board

What your members will actually retire on.

REPLACEMENT RATIO

34-43%

Typical replacement ratio range against a 75% adequacy target.

RETIREMENT POVERTY RISK

85%

Of the Kenyan workforce may face poverty in retirement on current trends.

RETIREMENT CONFIDENCE

1 in 7

Only 1 in 7 professionals are confident they will outlive their retirement savings.

SOURCES: ENWEALTH / STRATHMORE UNIVERSITY / IHRM RETIREMENT CONFIDENCE REPORT; RBA.

Diagnose the Failure Before Fixing It

Where member value leaks away.

Passive members

Only 38.9% believe they are saving enough, and most never check their balance, projection, or options.

Early leakage

Members cash out lump sums at every job change. The Finance Act 2025 had to remove tax breaks to slow it.

Dormancy / unclaimed

Untraced members trigger the 2-year unclaimed-assets clock. KES 66.41bn in contributions sits unremitted.

Silent dissatisfaction

Only 43.5% of members with a grievance ever raise it. Trust erodes quietly, off your radar.

None of these is a fund-performance problem. Every one of them is an engagement problem.

FINACCESS 2024; RBA INDUSTRY BRIEF DEC 2025; FINANCE ACT 2025; UNCLAIMED FINANCIAL ASSETS ACT 2011

This is not a contributions problem. It is an engagement problem.

The one lever you fully control is whether members understand their scheme, trust it, and act on it. Pull that lever and the rest follows:

STEP 1
Engagement
Members who understand and trust

STEP 2
More saved
Higher and voluntary contributions

STEP 3
Preserved
Fewer early cash-outs

STEP 4
Adequacy
A retirement members can live on

Takeaway 1 · The Shift in Your Role

From custodian of funds to steward of outcomes.

THE OLD OVERSIGHT MINDSET

- Measures assets, returns and filings
- Asks: did we invest the money well?
- Treats engagement as marketing's job
- Counts statements sent as duty done

THE STEWARD-OF-OUTCOMES MINDSET

- Also measures understanding and readiness
- Asks: will members actually retire well?
- Treats engagement as a fiduciary duty
- Counts statements understood as duty done

The fund still has to perform. The shift is that member outcomes now sit on the same scorecard.

This is Governance, Not a Nice-to-Have

The regulator already frames engagement as your job.

GUIDELINES 2018

Good Governance Practices Guidelines

Require trustees to maintain a formal, transparent strategy for engaging members, plus member-education days and retirement seminars.

GUIDELINES 2019

Treating Customers Fairly Guidelines

Set the standard that members are treated fairly and communicated with clearly, not just contractually serviced.

ACT 2011

Unclaimed Financial Assets Act

A benefit unclaimed for two years is presumed abandoned. Trustees carry the duty to trace members before that clock runs out.

CERTIFICATION

Trustee Development Programme (TDPK)

Trustees must be trained and certified within six months, and are jointly and severally liable for the scheme.

Digital tools are simply how you discharge these duties at the scale of thousands of members.

What Disengagement Already Costs

The downside lands on the board's record.

UNREMITTED FUNDS

KES 66.41bn

In contributions sits unremitted; 93% owed by public institutions.

UNCLAIMED CLOCK

2-Year

Clock on every untraced member before benefits become unclaimed and surrendered.

UNRESOLVED ISSUES

43.5%

Is all the members with a grievance who ever formally complain. The rest just lose trust.

⚠ Disengaged members withdraw early, cash out, and arrive at retirement poor. The dormant accounts, the complaints, the reputational and legal exposure: all of it traces back to a board that treated engagement as optional.

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Interactive · A Quick Read of the Room

Show of hands.

QUESTION 1

How many of your members logged into a portal or app last quarter?

MOST · SOME · ALMOST NONE · I DON'T KNOW

QUESTION 2

Can your members top up their contributions from a phone today?

YES · NO · NOT SURE

QUESTION 3

Do you see a member-engagement metric at every board meeting?

ALWAYS · SOMETIMES · NEVER

Hold up the answer you don't know. That uncertainty is exactly today's opportunity.

The Opportunity is Already in Their Pockets

Kenya's digital rails are world-leading

62%	98%	89%	501,399
SMARTPHONE	MOBILE MONEY	M-PESA SHARE	MOBILE AGENTS

~29.6M feature phones you cannot ignore

You do not need to build the infrastructure. It is already in every member's hand. The only question is whether your scheme uses it.

SOURCE: COMMUNICATIONS AUTHORITY OF KENYA, SECTOR STATISTICS Q2 FY2025/26 (DEC 2025).

This is African Evidence, Not Western Theory

It already works on this continent

RWANDA

Ejo Heza

3.1M registered (23.4% of population) · 2.6M active savers

Opened via USSD on a feature phone in under two minutes. Won the ISSA Good Practice Award for Africa.

SOUTH AFRICA

Two-pot, 2024

R2.3bn paid via WhatsApp · 205,000 app withdrawals

When members had a reason and a channel, direct digital engagement scaled to millions of claims.

KENYA

Mbao Pension

KES 20 per day straight from M-Pesa

The rails exist here too. The open lesson is persistency: a channel alone is not enough without nudges.

SOURCES: RSSB / ISSA; MONEYWEB, OLD MUTUAL, GEPF (TWO-POT, 2024-25); RBA / EAGLE AFRICA (MBAO).

The Digital Tools Half

The member-engagement toolkit

Self-service portal and app

Members check balance, projection and options on their own, any time.

#USSD and SMS access

The same self-service for the feature-phone member, no data required.

Retirement projection calculator

Turns an abstract balance into a clear monthly income at retirement.

Behavioural nudges

Timed, simple prompts at the moments that change a member's decision.

Chatbot and WhatsApp service

Instant answers to routine queries, on the channel members already use.

Dashboards and e-statements

Personalised, trackable statements that members actually open and read.

A working scheme uses several of these together, not one in isolation.

The Kenya-Specific Insight

Build for two members at once

48.7M Connections SMARTPHONE MEMBER

- App and member portal
- Personalised dashboard and push alerts
- In-app projection and top-up

29.6M Connections FEATURE-PHONE MEMBER

- USSD self-service menu
- SMS statements and nudges
- Agent and voice support

⚠ **Digital-first cannot mean app-only.** An app-only scheme excludes roughly a third of Kenya, often the informal-sector and lower-income members who need the scheme most. Dual-track is not optional.

New Insight · Design Changes Behaviour

Behaviour beats brochures — auto-escalation & framing

SAVE MORE TOMORROW

3.5% → 13.6%

Auto-escalation nearly quadrupled savings rates. **78%** of members joined and **80%** stayed (Thaler & Benartzi).

DEFAULT EFFECT

7.7%

US average contribution hit an all-time high once auto-enrolment and escalation became the default (Vanguard, 2025).

FRAMING EFFECT

SMS Nudges

SMS framed around family security raised voluntary contributions in a field trial (Mexico).

SOURCES: BENARTZI & THALER, JOURNAL OF POLITICAL ECONOMY; VANGUARD HOW AMERICA SAVES 2025; FIELD-TRIAL EVIDENCE.

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The Myth Every Board Should Retire

Sending a statement is not engagement

UK FCA FIELD TRIAL

Email response of 82,000+ pension customers:

Opened the email 42-55%

Actually, acted on it 1-7%

WHAT ACTUALLY MOVES MEMBERS?

- **Timed to a moment that matters:** a pay rise, year-end, nearing retirement
- **Simple and specific,** not a dense annual statement
- **Multi-channel:** SMS, USSD and WhatsApp, not email alone
- **A single clear action** the member can take in one tap

SOURCE: UK FCA OCCASIONAL PAPER 65, PENSION COMMUNICATIONS FIELD TRIAL.

The Data Analytics Half

From broadcasting to targeting — analytics turns mass messages into targeted opportunities.

NEAR RETIREMENT

Next 5 Years

Projection and drawdown guidance, so the landing is planned, not a shock.

LAPSED ACTIONS

Low or Lapsed

Re-engagement nudge and a one-tap top-up prompt before the habit breaks.

DORMANCY RISK

Dormant / Untraced

Trace and reconnect before the two-year unclaimed-assets clock runs out.

BENEFICIARIES

No Nominee

A complete-your-nomination campaign that protects the member's family.

Predictive analytics flags the members likely to lapse before they actually do, so you act early instead of writing off a dormant account later.

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How to Act, In Sequence

The four-stage engagement roadmap

STAGE 1: 0–3M
Diagnose
Baseline the numbers: active vs dormant, statement open rates, beneficiary completion, contact-data accuracy.

STAGE 2: 3–9M
Build
Stand up dual-track self-service (app plus USSD/SMS), e-statements, a projection tool and M-Pesa top-up.

STAGE 3: 9–18M
Apply
Segment members, run targeted nudges and auto-escalation, and measure each campaign against a control group.

STAGE 4: ONGOING
Govern
Put the engagement dashboard on every board agenda and hold the administrator to engagement service levels.

A scheme of any size can start at Stage 1 this quarter. The sequence matters more than the speed.

Takeaway 2 · Your Oversight Instrument

The member-engagement dashboard. Put this on every board agenda. If a metric is blank, that is itself a finding.

Metric 1
Active vs dormant ratio

Metric 2
Portal / app adoption
login frequency

Metric 3
Statement open rate
read, not just sent

Metric 4
Voluntary top-up
and auto-escalation

Metric 5
Beneficiary nomination
% complete

Metric 6
Contact-data accuracy
% reachable

Metric 7
Complaints
volume & resolution time

Metric 8
Preservation at exit
vs cash-out rate

Eight numbers turn member engagement from a feeling into a quarterly board metric.

The Take-Home Checklist

Seven questions to put to your administrator

- **1.** Can members transact via USSD and a feature phone, not just an app?
- **2.** What are our login, statement-open and beneficiary-completion rates right now?
- **3.** Can you segment members and run targeted nudge campaigns against a control group?

- **4.** How do you trace dormant members before benefits become unclaimed?
- **5.** Is member data secure and compliant with the Data Protection Act, 2019?
- **6.** Can members top up their contributions via M-Pesa?
- **7.** What is our cost per engaged member?

CRITICAL PATH

If your administrator cannot answer these, that gap is your first finding.

Take a photo of this slide. These seven questions are the agenda for your next administrator review.

Interactive · Self-Assessment

Score your scheme, right now (One point for each you can answer yes to today)

- Members can self-serve on a phone (app and USSD)
- E-statements go out with SMS alerts, and we track opens
- Members can top up via M-Pesa
- We run at least one targeted nudge campaign a year
- We see an engagement metric at every board meeting
- We trace dormant members before the two-year mark

SCORING GUIDE

0 - 2 Points	AT RISK
3 - 4 Points	BUILDING
5 - 6 Points	LEADING

Whatever you scored, you now know your first three actions.

Bringing It Together

The two things to carry out of this room

THE MINDSET SHIFT

- Move from custodian of funds to steward of outcomes.
- Engagement is a fiduciary duty, not a marketing task.
- A statement understood, not just sent, is the duty done.
- Member outcomes belong on the board scorecard.

THE ACTION

Take home a working instrument, not a good intention.

- The seven questions for your administrator.
- The eight-metric engagement dashboard.
- The four-stage roadmap, starting this quarter.

You control the lever. Kenya already has the rails. The regulator already expects it. The only variable is whether your board acts.

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Make It Concrete

What to do Monday morning

THIS WEEK

Get your baseline

Send the seven questions to your administrator and ask for the current numbers in writing.

THIS QUARTER

Put it on the agenda

Add the engagement dashboard to the next board meeting and fix the dormancy and beneficiary gaps first.

THIS YEAR

Launch and measure

Stand up dual-track self-service and run one segmented nudge campaign, measured against a control group.

Small scheme or large, the first move is the same: ask for the numbers you do not currently see.

Engagement is the cheapest, most powerful lever you have. Use it before the next statement goes out.

Questions & Discussion

Let's discuss how your board can leverage these engagement tools starting this quarter.

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Thank You

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