

THE CASE OF

Utatuzi Center

ONE-STOP SHOP DISPUTE RESOLUTION

March 2022

Key facts and figures



Year of establishment

2020



Geographical scope

Kenya



Scope of service / Type of justice problems addressed

Alternative Dispute Resolution (ADR):

- mSMEs
- Property/Real Estate
- Individuals



Legal entity

Private company



Regulatory embeddedness

Independent of the government but have a working relationship with the formal justice system



Number of affiliated staff members

18



Number of cases resolved

30



Costs of services for citizens

US\$200
Tiered retainer



Average processing time

2 weeks to 2 months depending on complexity, compared to an average of 3-5 years for real estate disputes in the Kenyan courts

Introduction

Known as the 'Silicon Savannah', Kenya has become a hot spot for tech-based start-ups. Utatuzi Centre is one such start-up based in Nairobi that offers mediation and arbitration services facilitated by an online platform to small, medium and large businesses. Founded by three lawyers – Miururi Wanyoike, Josephine Wairumi and Erastus Njaga, the aim of Utatuzi Centre is to provide a convenient, affordable and effective way of resolving disputes.

Process of dispute resolution

While Utatuzi provides technological assistance such as the online platform, video-conferencing software and case management software, professionals who work in alternative dispute resolution work with disputing parties to resolve their problem. This combination of technology and alternative dispute resolution methods is what sets Utatuzi Centre apart from its competitors.

Disputing parties can choose from 150 mediators and 90 arbitrators with whose help they would like to resolve the dispute. These professionals are not full-time

employees of Utatuzi Centre, they also work independently outside of the Centre. Although Utatuzi Centre is an online dispute resolution platform, mediators meet parties to the dispute in person if required.

User-centred approach

Knowing the importance of user-friendly platforms in service delivery, the founders took several steps to ensure that the Centre remains user-friendly. Given that a significant percentage of the population does not have access to the internet and internet-enabled devices (40%), the Centre assists customers in using the case management software and online platform. It has also developed a video-conferencing platform that allows users to participate in a call by clicking on a link, unlike Zoom and Google which require the user to go through additional steps such as downloading an application or signing up.

Utatuzi also collects feedback from users on the interface and ease of use of the online platform as well as on the satisfaction of users with the mediators to be able to improve the platform. However, information on how this feedback is used to improve the services provided is not available.

Financial sustainability

Utatuzi Centre has received grants from justice accelerators in the past. It also takes user fees from customers for the services they offer. On an average, the company charges 200 USD on a tiered retained basis where the fee is also dependent on the customer's core business, revenue, team size, duration of existence, frequency and value of the disputes. As of now, Utatuzi Centre has resolved 30 cases so the revenue from user fees is quite low. This is because although the judiciary in Kenya is in favour of alternative dispute resolution systems, the people in the country have not embraced it yet. They still prefer resolving disputes using adversarial dispute resolution methods offered by courts.

To increase the demand for their services, Utatuzi Centre is reaching out to potential customers via social media platforms such as Facebook, Twitter and LinkedIn. So far, this strategy has not proved wholly successful.

Given that Utatuzi Centre is still in nascent stages of growth, the founders believe that exploring funding from investors such as venture capitalists or impact investors is not an option at this stage. Moreover, they note that managing the expectations of investors who wish to see very high growth rates in the business, becomes difficult for an enterprise that is just taking off.

Regulatory environment

The usage of alternative dispute resolution methods is promoted in Kenya as it has a high potential in reducing the backlog of cases in courts. But there are no specific regulations that support or regulate private alternative dispute resolution mechanisms such as the Utatuzi Centre.

On the other hand, at times lawyers advise everyday people to go to court instead of using mediation to resolve disputes, to protect their self-interest.

Conclusion

Set up in 2020, Utatuzi Centre is in the process of expanding its services and reaching out to more users as well as investors that can help in funding the platform. While developing the platform, the founders learnt the importance of adapting the platform to the needs of the users. They provide offline services and provide assistance to users in using the case management software.

Some of the challenges that Utatuzi Centre faces are attracting users, changing the mindset of everyday people as well as lawyers and encouraging them to use alternative dispute resolution mechanisms and attracting investments from private funders.

As the justice sector and people throughout the world are experiencing change and embracing innovation, it would be interesting to see how this Kenyan one stop shop dispute resolution charts out its path to scale.

This case has been developed by Manasi Nikam from the Hiil team after interviewing Muiruri Wanyoike, Josephine Wairimu and Erastus Njaga on November 16, 2021.

To learn more, read the [policy brief on One-stop Shop Dispute Resolution](#) or visit www.hiil.org and dashboard.hiil.org.