

**EFFECTS OF FINANCIAL INCLUSION STRATEGIES ON PERFORMANCE OF
OCCUPATIONAL-BASED SACCOS IN KERICHO COUNTY, KENYA**

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**A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS AND
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DECLARATION AND APPROVAL

Declaration

This thesis/project is my original work and has never been presented for any academic award in any institution.

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DEDICATION

I dedicate this research project to my beloved family, whose unwavering support has been my greatest strength.



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It is with immense appreciation that I wish to acknowledge all individuals who have played a role in the successful completion of this research. I extend my heartfelt gratitude to God Almighty for his continuous grace and wisdom, which encourage me in times of trials.

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LIST OF ACRONYMS AND ABBREVIATIONS

CBK	Central Bank of Kenya
FINTECH	Financial Technology
KMO	Kaiser-Meyer-Olkin
KMO	Kaiser-Meyer-Olkin
KUSCCO	Kenya Union of Savings and Credit Cooperatives
MSME	Ministry of Cooperative and Micro, Small, and Medium Enterprises



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ABSTRACT

Savings and Credit Cooperatives play an instrumental role in providing financial services and access to individuals who are historically excluded from formal financial institutions. Financial inclusion has been identified as one of the key elements for occupational-based SACCOs to thrive in terms of increased market share, customer satisfaction and loyalty, and profitability. Financial inclusion also benefits vulnerable populations including youths, women, people living with disabilities, uneducated, and low-income households who have limited access to affordable financial services. Financial inclusion therefore consists of initiatives that actualize financing in these groups. This study set out to investigate how financial inclusion impacts the performance of occupational-based SACCOs located in Kericho County, Kenya. Four specific areas guided the research: the role of digital financial services, the impact of regulatory frameworks, the contribution of financial literacy programs, and the influence of credit facility diversification on SACCO performance. A descriptive research design was employed, targeting a total population of 82 SACCO members drawn from various professional backgrounds. Using a census approach, all members were included in the study sample. To gather data, structured questionnaires were developed and distributed physically using the drop-and-pick method, facilitated by two trained research assistants. The study ensured the accuracy and suitability of the instruments through content and construct validity assessments, while reliability was confirmed using Cronbach's alpha coefficient. Data analysis was conducted using SPSS version 25, applying both descriptive methods such as percentage summaries and inferential techniques, including correlation and multiple regression analysis. Results were systematically organized and displayed in tabular form to support interpretation and reporting. The findings revealed that financial inclusion strategies; digital financial services, financial literacy programs, diversification of credit facilities and regulatory frameworks explained 60.5% ($R^2 = 0.605$) of the variation in SACCO performance in Kericho County, with the model being statistically significant ($F = 25.263$, $p = 0.000$). In addition, regression coefficient results showed that digital financial services ($\beta = 0.265$, $p = 0.016$), financial literacy programs ($\beta = 0.479$, $p = 0.000$), and diversification of credit facilities ($\beta = 0.253$, $p = 0.000$) had significant positive effects on SACCO performance. However, regulatory frameworks ($\beta = 0.063$, $p = 0.602$) showed no significant effect. These findings shows the importance of practical financial inclusion efforts in enhancing SACCO outcomes. The study concludes that performance is significantly influenced by digital tools, member education, and product variety. Regulatory improvements may enhance their relevance and effect. In view of these findings, the study recommends that SACCOs should invest in digital systems, member training, and product diversification while regulators align policies with SACCO realities.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This section presents the study's background information, deliberately expounding on the primary research problem that the study seeks to tackle through specific objectives. The research objectives generate the research hypotheses which will be tested and measured later in the study. Besides, this chapter covers the study's rationale and significance, highlighting the various entities that might benefit from conducting this research. It also presents the study's scope including geographic, time, methodological, and theoretical scope, and some of the limitations and delimitations that the researcher might encounter in the study process. Lastly, this chapter also presents the study's assumptions and elaborates on key operational times used throughout the study to provide a better overview.

1.1 Background to the Study

Financial inclusion entails all strategies and activities aimed towards making monetary services affordable, convenient, and available to all individuals in a community (Chukwuma-Eke, Ogunsola & Isibor, 2025). According to Cribbs (2025), it is the quality and availability of prospects to access fiscal services whereby people or business entities can access affordable, timely, and appropriate financial services and products like savings, equity, insurance and loans. Financial inclusion provides a path to provide inclusiveness to poverty alleviation, economic growth, and improvement of living standards, especially in developing nations (Mbodj & Laye, 2025). It fosters inclusiveness by facilitating the unbanked populations to access the prospects for investment,

insurance, and savings towards promoting household earnings and alleviating income disparity (Khan, Hidthir, Mansur & Ahmad, 2025).

Financial inclusion strategies play a pivotal role in enhancing the performance of financial institutions including the traditional banking system and the broad array of Savings and Credit cooperatives (Pasara, Makochekanwa, & Dunga, 2021). Among the key principles that determine and influence the financial inclusion of products and services to a vast population include digital financial services, regulatory frameworks, financial literacy programs, and diversification of credit services, which will be used to inform the independent variables of this study. These financial inclusion initiatives typically target populations who are underbanked or unbanked to provide sustainable financial services that go beyond opening a bank account.

Financial technology or fintech has been integral in achieving financial inclusion in many financial institutions (Kavulya, Muturi, Rotich, & Ogollah, 2018). While the incorporation of advanced technologies does pose risks and comes with significant costs, it is essential to enhance financial inclusion for those in remote and rural areas who are unserved (Masika & Simiyu, 2019). The G20 High-level Principles for Digital Financial Inclusion and the United Nations 2030 Agenda for Sustainable Development recommend the adoption of Fintech services in formal monetary facilities to provide accessible and affordable monetary services to the underserved (United Nations, 2023). Sahay et al. (2020) highlight some of the fundamental components of fintech which include mobile money services, online account access, and online payment methods (Prastiwi & Anik, 2020). In a report by Mugo, Muathe, & Waithaka (2018), there is evidence that fintech services have empowered women to build assets and earn more, giving them more control over their money which includes convenient, discreet, and safe access to fiscal services (Makina, 2019). Ultimately, the provision of automated discal solutions has increased economic growth and

gender equality as it bolsters financial inclusion in the financial sector (Chelimo, Oino, Were, & Mildred, 2021).

Regulatory bodies also influence the financial inclusion of SACCOs among marginalized communities as they govern their operations as well as supervise and license them (Jumba, 2021). In Kenya, the Sacco Societies Regulatory Authority (SASRA) which is a government body is tasked with the regulation and supervision of all SACCO societies within the country (Buluma, Kung'u, & Mungai, 2017). Following Act No. 14 of 2008 under the 2010 Constitution, the institution was incorporated as the legal framework governing all SACCO societies in Kenya (SASRA, 2024).

Financial literacy refers to digital financial services and technologies designed to automate and improve conventional forms of finance for consumers and businesses alike (Goyal & Kumar, 2021). Many nations across the globe spearhead this aspect to foster financial inclusion, especially in vulnerable and underprivileged communities (Grohmann, Klühs, & Menkhoff, 2018). Many financial institutions promote financial literacy programs through diverse initiatives such as the provision of free education and outreach programs to the underserved population, creating awareness of the various financial products and services (Klapper & Lusardi, 2020). In addition, financial literacy programs aim at breaking social, cultural, and norms of perceived barriers to the saving culture which are common in most communities, especially among uneducated populations in rural areas (Were, Odongo, & Israel, 2021).

The diversification of credit services among SACCOs in Kenya has been instrumental not only in meeting the needs of its members but also in ensuring financial inclusion in a dynamic financial sector (Ndegwa & Koori, 2019). Today, many SACCOs have diversified their types of credit

offerings to feature personal, emergency, and business needs (Kipkemoi, 2022). For instance, many occupational-based saccos provide personal and partial credit offerings based on a member's savings to cover medical expenses, school fees, and other personal needs (Magale, 2024). On the other hand, business loans tailored to offer small and medium-scale entrepreneurs or farmers with seasonal repayment terms have encouraged financial inclusion for those in blue-collar jobs (Florant et al., 2020). However, Kim and Duvendack (2024) indicate that there needs to be more improvement on long-term loans to facilitate development projects, particularly among underserved communities to foster financial inclusion and contribute to the overall performance of occupational-based SACCOs in Kenya (Kimutai, 2022).

The study adopted digital financial services, regulatory frameworks, financial literacy programs, and credit facility diversification as core indicators of financial inclusion, based on their recurrent identification in empirical literature as primary enablers of access, usage, and quality of financial services (Demirgüç-Kunt et al., 2018; Allen et al., 2016). These dimensions were selected due to their documented impact on cooperative financial performance and member participation, particularly in SACCO contexts (Wachira & Kihuu, 2012; Mugo et al., 2017).

In the United States, racial inequality is highlighted as one of the contributing factors hindering financial inclusion opportunities for many marginalized communities such as Hispanics and African Americans (Yogo, Whitten, & Cox, 2021). Compared to Native Americans, individuals from low-income households and different races receive minimal financial support services from conventional banks and microfinance entities (Kara, Zhou, & Zhou, 2021). However, microfinance organizations like Main Street Launch in Oakland California center on empowering African American youths and entrepreneurs by creating awareness of diversified financial services and products within local communities (United Nations, 2023). Through such empowerment

initiatives, financial organizations across different states in the US have been able to reach larger marginalized societies enhancing financial inclusion.

Conversely, China is among the leading countries to embrace financial inclusion practices especially financial literacy initiatives, diversified financial services, and digital fiscal services to people in remote areas (Fungáčová & Weill, 2015). According to research by Liu et al. (2021), the country's financial institutions have been instrumental in fostering inclusive digital financial solutions such as electronic payments, fintech apps, online accounts, and mobile money to reach individuals who were excluded such as low-income households and women (Xun, Guanghua, Jijia, & Zongyue, 2020).

In a recent report by the International Monetary Fund (IMF) (2023) and the World Bank (2023), the government of Bali launched a digital banking program called Bali Fintech Agenda that provides a platform for domestic policy discussions on the deepening need for accessible financial services and products in various contexts. Today, financial institutions, provide unique credit cards such as Kisan and purpose credit cards which are unique cards to provide credit to individuals in semi-urban and rural regions (Morgan, 2022). In addition, these credit cards target individuals in blue-collar jobs such as farmers providing hassle-free loans (Morgan, 2022).

Regionally, African countries have had significant growth of SACCOs as a robust framework to meet economic and societal needs among the members (Zins & Weill, 2016). In a study from Nigeria by Ibor et al. (2017), financial inclusion has received significant attention in different populations within Nigeria that were historically exempted from the formal or conventional fiscal sector due to their income levels, geographical area, occupation, financial literacy level, and gender. The study stresses the significance of financial inclusion practices like diversified credit

facilities and financial literacy initiatives targeting these specific populations, positively impacting the performance of microfinance and SACCOs advocating for these changes in Nigeria (Ibor et al., 2017).

In East Africa, a study from Uganda by Lakuma et al. (2019), assessed the influence of inclusive monetary services in financial cooperative societies like SACCOs pointing out challenges that hinder financial inclusion among vulnerable populations. Issues such as lack of awareness, mistrust, and poor saving culture were cited as some of the leading reasons hindering financial inclusion among marginalized individuals, especially youths and uneducated individuals (Lakuma et al., 2019). However, Lakuma et al. (2019) suggest with the advent of technological advancements and diversification of financial services, many individuals within marginalized communities have quickly embraced these services, promoting inclusive monetary solutions and the overall performance of diverse fiscal entities.

In Tanzania, Balele (2019) mentions that despite its popularity, there have been significant challenges in growing these cooperatives, particularly in Sub-Saharan Africa. Balele (2019) states that a population of about 55.7 million individuals who make up 19% of the population in Tanzania remain unbanked as of 2019. However, this population has rapidly gone down over recent years with the proliferation of automated fiscal solutions including mobile money services like telecom providers (Fanta & Mutsonziwa, 2021). Consequently, these efforts have enhanced financial inclusion within the country, bringing about justice and the equitable development needed in marginalized societies (Lotto, 2022).

In Kenya, financial inclusion is a common concept that many financial entities like savings and credit cooperative organizations focus on when providing financial services. According to a recent

SASRA report, Cabinet Secretary Wycliffe Oparanya pointed out the resilient development of the SACCO industry and its efforts in including all individuals indicating that the total membership for the 257 regulated SACCOs to have risen by 6.57% with a population of 6.84 million associates in 2023 from 6.42 million in the preceding year (SASRA, 2024). Another study by Musau, Muathe, and Mwangi (2018) showcases the ongoing efforts SACCOs play in facilitating inclusive financial solutions by providing reasonably priced and available monetary solutions to underserved populations. There has been a significant increase in SACCO branches in rural areas catering to small-scale entrepreneurs and blue-collar job workers, unlike previous years whereby salaried individuals residing in urban areas mostly benefited from financial services unlike their counterparts (Ediagbonya & Tioluwani, 2023). Nonetheless, despite these efforts, there is a significant gap and increasing concerns about financial inclusion in marginalized populations mainly due to challenges like credit constraints, restricting regulations, lack of information, and scarcity of finances, negatively impacting the performance of SACCOs (Sang, 2021).

Performance refers to varied measures that portray a good financial health status for a SACCO through measurable metrics such as an increase in members' satisfaction and retention rates, profitability, and increased market share (Mukalo, 2015). In a recent SASRA annual report for 2023, many saccos across Kenya registered a massive growth of assets at 9.17% totaling up to 971.96 billion representing 6.43% of the country's nominal GDP (SASRA, 2023). According to the same report, membership and deposits also increased with a 6.57% margin from 2022 and 9.95% respectively, demonstrating the increasing trust in SACCOs and financial inclusion efforts. Therefore, the 2023 SASRA Annual Report suggests the growth of the SACCO sector which is instrumental in driving Kenya's fiscal landscape.

1.1.1 Savings and Credit Cooperative (SACCOs) in Kenya

SACCOs can be described as a special kind of cooperative providing offer financial aid with a primary objective of mobilization of resources and facilitation of reasonably-priced credits to members or associates who are both the users and owners (United Nations, 2023). According to Sindani, Muturi, and Ngumi, (2019), the primary role of SACCOs in Kenya's economy is to provide financial services to people to assist them improve their fiscal well-being and living standards, contributing to massive economic growth. SACCOs operate based on mutual assistance whereby members voluntarily pool their resources to provide financial services, empowering them to achieve their fiscal goals. Members regularly contribute their savings which are used to provide loans and other financial needs. Governance of the SACCOs is entrusted to a board of directors who are elected by the members to oversee the day-to-day operations (Ruto, Naibei, & Cheruiyot, 2017).

Johnson (2016) argues that the SACCOs have two main objectives in society. Firstly, they are expected to uphold a vibrant, globally competitive, and efficient financial system to bolster members' investment and savings hence the need to enhance the availability and reach of monetary amenities. Secondly, SACCOs need to foster access to low-priced fiscal products and services for a wider population especially low-income households, the poor, women, youths, people living with disabilities, small and medium-scale enterprises, and uneducated populations (Johnson, 2016). In this sense, saccos will uphold financial inclusion preventing social excluding, and fostering an inclusive economy which means the creation of more inclusive and sustainable societies, distributing wealth among all members (Ndung'u, 2018).

Given that Savings and Credit Cooperative Societies have emerged as crucial pillars of Kenya's financial ecosystem, they have evolved into multifaceted institutions promoting financial inclusion by catering to diverse occupational groups with their array of needs and services. Saccos are grouped based on different criteria. There are various types of SACCOs in Kenya including microfinance, institutional-based, community-based, national-based, and occupational-based (SASRA, 2023). Microfinance SACCOs provide financial products to low-income populations with limited access and opportunities to conventional or formal banking amenities to improve their economic status (Kodongo, 2018). Additionally, national SACCOs operate at a national level where members come from different parts of the country offering a broader array and comprehensive services (Santoso & Meera, 2017).

According to Van Hove and Dubus (2019), community-based SACCOs are personalized to serve the specific needs of the communities, operating on cooperative principles to pool resources for the benefit of community members. Community-based SACCOs are further grouped based on geographical area, ethnic group, or religious groups where members are drawn from the same society with a shared interest. Community-based SACCOs are more common in rural areas as they are generally small and exclusively limit their financial services to community members to empower small communities.

1.1.2 Occupational-Based Saccos in Kericho County

Occupational-based SACCOs refer to cooperatives that cater to specific professional groups such as farmers, government employees, or teachers (Mwangi & Wambua, 2016). They encompass members within similar occupations who collaborate to enhance their financial well-being through tailored services and benefits to meet their unique needs (Kimutai, 2022). Kericho County is a

leading tea-growing area in Kenya which ties many saccos in the county to the agricultural sector, specifically tea farming (Hezron & Muturi, 2015). Some of the examples of agricultural-based SACCO in Kericho with a strong presence in both rural and urban areas in the Kenya Highlands are SACCO and Simba Chai SACCO (Kipkemoi, 2022). These SACCOS primarily serve individuals in the agricultural sector including tea farmers in the country providing diversified financial solutions personalized to meet the unique needs of the associates and members. Nonetheless, other occupational-based SACCOs within the region cater to the needs of other professional groups. One of the examples is Imarisha Sacco which was originally formed to serve teachers however, it expanded its membership to accommodate other occupations from diverse sectors (Mutunga, 2015). Currently, Imarisha SACCO is home to thousands of members providing top-tier and inclusive financial services ranging from investment opportunities to credit and savings opportunities (Imarisha Sacco Limited, 2024). Overall, these SACCOS are paramount to the financial well-being of Kericho County residents, providing tailored financial services catering to their individual needs.

1.2 Statement of the Problem

The SACCO industry in Kenya plays a key role in the national economy, contributing over KES 600 billion in savings and assets approximately 35% of the national budget (SASRA, 2023). With a membership base of 6.84 million across 257 regulated SACCOs (SASRA, 2024), the sector has experienced significant growth. Nevertheless, Cabinet Secretary for Cooperatives, Wycliffe Oparanya, emphasized the need for SACCOs to expand inclusive financial services to reach all populations, especially in underserved regions (SASRA, 2024). According to Kipkorir (2022), national economic contributions and SACCO memberships could increase substantially if affordable financial services were extended to remote populations.

Despite their potential, SACCOs continue to face persistent financial inclusion challenges affecting vulnerable groups such as women, youths, low-income households, and people with disabilities (Asuming, Osei-Agyei, & Mohammed, 2019). The 2024 FinAccess Household Survey revealed that 9.9% of the adult population approximately seven million Kenyans remain unbanked, with many from rural and marginalized communities (United Nations, 2024). Furthermore, Kipkorir (2023) noted that over 28,275 households are financially excluded, and 1.07 million SACCO members are dormant. This trend is linked to low financial literacy, weak saving habits, lack of digital access, and volatile interest rates (Hollanders, 2020; Kipkorir, 2023; SASRA, 2024). The risks facing these populations are heightened by predatory financial systems and restrictive legal structures (Hollreiser, 2019; Kipkorir, 2023; United Nations, 2024).

Additionally, many occupational-based SACCOs in remote areas suffer from limited fintech infrastructure and digital tools, making it hard to reach members with modern financial solutions (Kipkorir, 2023). This reveals a conceptual gap, as few studies examine how SACCOs are adopting digital strategies to promote inclusion. Existing research has largely focused on financial institutions in urban counties like Nairobi and Kiambu, leaving regions like Kericho underexplored despite their high number of agriculture-oriented, blue-collar-member SACCOs (Kipkoech, 2021; Mutunga, 2015; Mwanja, 2017; Mwangi & Wambua, 2016). Furthermore, while many studies concentrate on commercial banks and community-based SACCOs, occupational-based SACCOs which constitute 38% of all SACCOs in Kenya remain overlooked (SASRA, 2023), highlighting a contextual gap.

To address these gaps, this study investigated the influence of financial inclusion strategies on the performance of occupational-based SACCOs in Kericho County. The aim was to identify actionable practices that could improve SACCO outreach and service delivery to marginalized

populations. This study aimed at, the contributing to the broader financial sector by recommending effective inclusion mechanisms, especially for underserved rural groups. The findings are also relevant to Kenya's Vision 2030 agenda, which positions SACCOs as key players in driving economic growth and inclusive development.

1.3 Purpose of the Study

The purpose of this study was to determine the effects of financial inclusion on the performance of occupational-based SACCOs in Kericho County, Kenya.

1.3.1 Specific Objectives of the Study

The specific objectives that informed the study include:

- i. To evaluate the influence of digital financial services on the performance of occupational-based SACCOs in Kericho County in Kenya.
- ii. To determine the influence of regulatory frameworks on the performance of occupational-based SACCOs in Kericho County in the Republic of Kenya.
- iii. To establish the effects of financial literacy programs on the performance of occupational-based SACCOs in Kericho County, Kenya.
- iv. To assess the effects of diversification of credit facilities on the performance of occupational-based SACCOs in Kericho County in the Republic of Kenya.

1.4 Research Hypotheses

This study tested the following hypotheses:

H₀₁: Digital financial services have no statistically significant effect on the performance of occupational-based SACCOs in Kericho, Kenya.

H02: Regulatory frameworks have no statistically significant effect on the performance of occupational-based saccos in Kericho, Kenya.

H03: Financial literacy programs have no statistically significant effect on the performance of occupational-based saccos in Kericho, Kenya.

H04: Diversification of credit facilities has no statistically significant effect on the performance of occupational-based saccos in Kericho, Kenya.

1.5 Rationale of the Study

While financial institutions and government entities such as commercial banks have been studied in previous studies, there is a dearth of knowledge regarding financial inclusion, explicitly focusing on occupational-based SACCOs on performance. It is non-debatable that the issue of financial inclusion has garnered increasing attention over the past decades, with many financial institutions attempting to tailor their services to accommodate all populations, particularly the vulnerable populations in society such as women, youths, illiterate people, and individuals living with disabilities. With this in mind, this study will narrow down to a specific type of SACCOs, occupational-based SACCOs, given the increasing number of members from the vulnerable population, particularly illiterate individuals and women.

This study is justified by the paramount role financial inclusion plays in enhancing a region's economic growth, raising living standards, and reducing poverty levels. Occupational-based saccos, like other saccos, are instrumental in offering affordable savings, credits, and other financial services to their members from both white-collar and blue-collar jobs in diverse sectors like agriculture, healthcare, manufacturing, education, and so forth. Thus, by examining the influence of financial inclusion practices, this study will develop a strategic framework on how

saccos can enhance its effectiveness in providing and empowering communities and workers with inclusive financial services, fostering their well-being.

A specific look at the link between financial inclusion strategies and overall performance will provide invaluable insights into the current issues or loopholes most occupational-based SACCOs within Kericho County encounter. With the rapid integration of automated solutions and tailored financial solutions, there is a significant need to explore how these trends affect fiscal inclusion in the performance of occupational-based saccos in Kericho. Besides, there have been increasing concerns about financial illiteracy and limited accessibility of occupational-based saccos members, given that a significant population of occupational-based members is located in rural parts of the county, and the majority are blue-collar workers, especially in the tea-farming sector. Narrowing down will thereby provide a specific context for further studies, and mitigation plans to ensure occupational-based services are inclusive and tailored to all individuals, particularly the vulnerable populations in the county.

Kericho County is a leading tea-growing area in Kenya, which ties many saccos in the county to the agricultural sector, specifically tea farming. Most occupational-based saccos within the region, therefore, play an integral role in offering monetary services to tea-plantation workers and farmers in the agricultural sector as they make up the largest population compared to other occupations. Nonetheless, Kericho County has a significant concentration of individuals from professionals other than agricultural-related workers, including teachers and doctors. Thus, this will provide a unique geographical scope that sets the stage for understanding how financial inclusion influences SACCO's performance and its members' livelihoods. The diverse membership incorporating individuals from diverse socio-economic backgrounds will provide an opportunity to explore how financial inclusion practices affect various groups.

Additionally, Kericho County has a mix of rural and urban regions, with many Sacco members in rural areas. Assessing the role of inclusive financial services in the rural context will illuminate the primary barriers vulnerable populations face when accessing monetary provisions given by occupational-based SACCOs in the region. Due to the cosmopolitan nature of Kericho County, which accommodates rural and urban populations, the findings will be relatable. They can also be generalized to understand the role of financial inclusion on the overall performance of occupational-based saccos in other parts of the country. Thus, Kericho County will be an exemplary geographic representation or a microcosm for agricultural-based and rural economies across Kenya, generalizing this study's findings.

All SACCOs are instrumental in providing financial services like credits and savings to their members in varied circumstances. Recently, many SACCOs have collapsed primarily due to poor financial performance and management decision-making. Therefore, it is prudent that the management of all saccos, including occupational-based, clearly comprehend the determinants of financial performance and how each variable affects its performance, whether negatively or positively. Thus, the hallmark of this study was centered on providing impactful insights for occupational-based SACCO managers in Kericho County, who are responsible for the daily running of the institutions. Understanding the main principles of financial inclusion and their effects on the overall performance of these saccos helped them develop relevant procedures and policies that enhance their overall performance, catering to the needs of the overlooked populations.

The study's results are anticipated to be imperative for policymakers, particularly in county governments, involved in the county's fiscal health. In line with Kenya's development blueprint, Vision 2030, understanding the role of financial inclusion on the overall performance of

occupational-based SACCOs will help in policy formulation and amendments of existing regulatory frameworks to enhance opportunities for economic growth.

The study was also used as a relevant reference source for academicians and researchers in the financial sector and business administration, providing them with a foundational background to tailor their future studies. By using this study as a reference, scholars and researchers can identify research gaps and aim to address them in the future. This stimulated academics and financial knowledge, adding to the limited knowledge within this sector.

1.6 Scope of the Study

This research focused on the occupational-based SACCOs in Kericho County, Kenya which has a good number of these SACCOs distributed across the sub-counties in rural and urban areas within the county. In specific, the study was conducted in eight occupational-based saccos within Kericho. The study embarked on specific concepts of financial inclusion, including digital financial services, regulatory frameworks, financial literacy programs, and diversification of credit facilities as the independent variables and their influence on occupational-based Saccos performance within the county, which is the study's dependent variable. Key financial theories, including the Social Capital Theory and Institutional Theory of Financial Inclusion theory was used to inform financial inclusion principles. In contrast, Stakeholder Theory informed the study's dependent variable, the performance of occupational-based saccos in Kericho County. The target population was 82 professionals encompassing each of SACCO's board chair, one board treasurer, one board secretary, two members of the education, credit, and risk sector including the chairperson, one chairperson of the supervisory committee, two members of the supervisory committee, one SASRA member representative, one Kericho County executive member, and two founding

members. The study employed a descriptive research design for a reliable and comprehensive picture of the patterns, trends, and relationships that exist within the population and the selected variables. It was conducted between January 2021 and June 2025, assessing information from the past four years and giving adequate time for obtaining, analyzing, and interpreting data for conclusive and reliable findings.

1.7 Limitations of the Study

This research anticipates some challenges that could potentially limit the accuracy and comprehensiveness of the findings. One of the limitations was the potential unwillingness and reticence of some respondents, particularly those in top-tier levels of management to fully engage in the study. This may be due to reasons such as fear of criticism or scrutiny in their leadership or fear that the information might be used for reasons other than academic endeavors. Some were expected to also fear the information would be available to their competitors ruining their competitive edge. However, this was countered by the researcher reassuring them of the confidentiality of all the responses shared during the process. In addition, the researcher got an authorization letter from the university, proving the reason for the study and that all the information shared was solely be used for academic reasons. The study also anticipated that some respondents might give inaccurate information to save face or due to incomplete records. In some SACCOs, particularly, rural or smaller ones, record-keeping may be incomplete and inconsistent which may potentially limit the reliability and accuracy of the data. However, the researcher mitigated this by citing the purpose and benefits of this study which includes policy formulation and amendments, benefitting the entire institution. Also, operational limitations in time of time constraints and interruption of routine activities are anticipated in this study. Given that occupational-based SACCOs have peak times like collection periods and operate on specific working hours, SACCO's

administration may perceive the research as an interference with their daily operations, influencing their willingness to engage in the study.

1.8 Delimitations

This research focused exclusively on the overall performance of eight occupational-based SACCOs in Kericho County in Kenya, excluding other categories of SACCOs that significantly contribute to the country's economic growth. This ensured that the findings are specific and limited to occupational-based SACCOs within Kericho County. Specifically, the selected occupational-based SACCOs, which are vehicles of investments, and wealth creation, provide diversified fiscal products and services to all associates including deposits, savings, and credits. Chiefly, the study focused on the financial inclusion of vulnerable populations which includes women, youth, individuals with disabilities, and uneducated individuals.

1.9 Assumptions of the Study

This study assumed that occupational-based SACCOs within Kericho County practices some financial inclusion strategies to accommodate vulnerable populations given their influence on the overall performance. It was assumed that the management and staff have some basic awareness and knowledge of financial inclusion initiatives that guide their day-to-day operations. Another assumption was that all participants in the study would provide complete, accurate, and genuine responses that were pertinent to the study. It was also assumed that all urban and rural occupational-based SACCOs within Kericho County have reliable and updated records, such as membership details and financial data crucial for the study.

1.10 Operational Definition of Key Term

- SACCOS:** Savings and Credit Co-operative Society describes member-based financial institutions owned and monitored by their members who pool resources to offer financial services to each other.
- Occupational-based Saccos:** These are SACCOS established to provide financial services to a specific occupational group with shared interest to foster their financial aspects.
- Financial Inclusion:** This term describes all strategies and efforts towards making monetary services reachable, affordable, and available to everyone in the community irrespective of their socio-economic backgrounds (Mutai, 2016).
- Performance:** This entails the varied measures that portray a stable financial health status for Sacco through measurable metrics like an increase in members' satisfaction, increased profits and asset quality, increased level of loan portfolio growth, and capital adequacy (Cheruiyot, 2017).
- FinTech:** This term is a short form for financial technology that refers to digital financial services and technologies designed to automate and improve conventional forms of finance for consumers and businesses alike.

Financial Literacy programs: This entails initiatives designed to enhance peoples' ability to comprehend and efficiently employ skills such as savings, budgeting, investing, and financial managing.



CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This section reviews existing literature on financial inclusion to inform the research problem. It presents relevant theories, analyzes past empirical studies, and compares differing methodologies and findings. Key research gaps conceptual, contextual, geographical, and methodological are then identified. Finally, a conceptual framework visually links the study's variables and guides the research focus.

2.1 Theoretical Review

According to Varpio, Paradis, Uijtdehaage, and Young (2020), the theoretical review aims to provide theories that elaborate, question, and expand existing knowledge about certain phenomena. When selecting a theory, Braidotti (2019) recommends choosing a theory that is simple and relevant to the study's variables. In this case, the study will be anchored by four theories including social capital theory and institutional theory of financial inclusion to inform the independent variable of financial inclusion. Meanwhile, the stakeholder's theory will inform the dependent construct; the performance of occupational-based sacco in Kericho County.

2.1.1 Institutional Theory of Financial Inclusion

The institutional theory of financial inclusion is the underpinning theory used to establish the framework for this study. The theory was initially proposed by Brian Rowan and John Meyer in the 1970s and later developed by theorists like Douglass North and Ozil (Ozili, 2020). However, the particular application of the theory is a more recent development that integrates financial services research and the conventional institutional theory (Saifurrahman & Kassim, 2023).

Generally, the theory posits that individuals constantly interact with informal and formal financial institutions in society which influences their perspectives on whether they should join the financial sector or seek specific financial products or sectors (Bire, Sauw, & Maria, 2019). Damane and Ho (2024) suggest that the theory is anchored on understanding how the systems and structures of financial institutions or regulatory bodies shape the accessibility and availability of fiscal products and services to all SACCOs' members of the community especially those from low-income households and those historically excluded.

In this study, the institutional theory of inclusion is the overriding theory that supports and informs all four elements of the independent variables including digital financial services, regulatory frameworks, financial literacy programs, and diversification of credit facilities. The theory informs digital inclusion of financial services given that it emphasizes SACCOs should operate within institutional laws, norms, and policies that shape how fintech services evolve (Damane & Ho, 2024). The theory also stresses the importance of standardizing digital transaction policies that integrate occupational-based saccos with mobile money services such as M-pesa to increase the accessibility, availability, and affordability of digital fiscal products and services to individuals in remote regions (Okello et al., 2018). These efforts purported by the theory guide occupational-based SACCOs in designing policies and norms that foster digital financial services to underserved populations.

The theory informs the aspect of regulatory frameworks that are designed to provide inclusive financial services for marginalized individuals in the community. According to Vikiru, Guyo, Moronge, and Amuhaya (2023), the theory can be used as a guide to design inclusive regulatory policies and embed them in practice within SACCOs. Such regulations should be simplified or developed through the Know Your Customer (KYC) framework that encourages SACCOs to cater

to the needs of the unbanked populations (Saifurrahman & Kassim, 2023). The institutional theory of inclusion also enhances the regulatory trust and legitimacy of the SACCOs and their financial offerings, encouraging many individuals from low-income societies or those with little knowledge to try out different financial products (Thomas & Gupta, 2021). According to Vikiru, Guyo, Moronge, & Amuhaya (2023), the theory stresses the role of regulatory bodies like SASRA and KUSCCO to create supportive policies and frameworks that allow occupational-based SACCOs to provide digital lending and mobile banking to all populations.

The institutional theory of financial inclusion also informs the provision of financial education and literacy among vulnerable populations to promote financial inclusion of occupational-based saccos. In a study by Theodoraki Messeghem, and Rice (2018), women in some communities encounter social exclusion from accessing financial services and making independent financial decisions. To ensure their inclusion in the delivery of financial product and services, the institutional theory advocates for occupational-based saccos and other financial institutions to allocate resources including human and financial capital to facilitate regular financial literacy education (Ozili, 2023). The theory urges formal financial institutions to introduce norms, policies, and simplified financial concepts that align with their practices but also accommodate the saving and credit practices of the surrounding communities (Ozili, 2023).

The theory also informs the diversification of credit services in Savings and Credit Cooperative Organizations as it provides a framework to understand how these entities expand and develop sustainable financial services to cater to the wants of all their associates including the underserved populations (Besley, Burchardi, & Ghatak, 2018). According to Soetan and Umukoro (2023), the theory posits that institutions are expected to adopt norms, practices, and structures that are either influenced by internal or external factors that suit the needs of all members irrespective of their

backgrounds or other characteristics. This theory can be applied to SACCOs to encourage them to adopt formalized structures and risk assessment models which enable them to diversify their credit services as well as their credit allocation practices (Besley, Burchardi, & Ghatak, 2018). The theory can also be employed in SACCOs to ensure they operate within social frameworks, driving their mission to offer equitable and diverse credit facilities depending on members' personal needs (Soetan & Umukoro (2023). Thus, this theory is invaluable to this study as it anchors all four strategies of financial inclusion which is the independent variable, denoting its relevance in improving financial inclusion and overall performance of occupational-based SACCOs.

2.1.2 Social Capital Theory

Coleman and Bourdieu developed the theory of social capital (RogoÅ & BaranoviÄ, 2016). The theory can be described as a theoretical framework that assesses the networks and relationships within a community that contribute to overall performance and improvements in a particular aspect (Voss, 2021). Coleman, one of the founding theorists, argues that for better relationships and engagement, trust can be considered the lubricant of any successful engagement that is relevant in the financial industry given the relationship between the institutions and their members (Voss, 2021).

Okello et al. (2018) define social capital theory as a concept of collective action, social interaction, and social processes influencing the delivery of certain services within a specific field. The theory is widely used in social sciences, especially in influencing health, and environmental outcomes, and enhancing development (Okello et al., 2018). Thomas and Gupta (2021) suggest that the social capital theory can also be used in the financial sector to inform policymakers and management on

inclusive and collective policies and strategies they can adopt to generate a culture of individuals with mutual goals and shared purpose.

Social capital theory is pivotal in the financial inclusion of SACCOs as it can be used to inform one of the principles of the independent variable of this study; financial literacy programs. Financial literacy programs aim to create awareness and increase knowledge about financial services and products as argued by Abu Seman (2016). To achieve this, occupational-based SACCOs among other financial institutions have to establish strong connections with the community to facilitate financial literacy programs. Henceforth, the theory enhances trust in financial services and products and financial institutions which can result in many individuals embracing diverse financial services (Theodorak, Messeghem, & Rice, 2018). Forming close and strong social networks with the members enables occupational-based SACCOs to directly reach the common citizen or the underserved population, interacting with them, understanding their financial needs, and encouraging them to adopt certain financial services or products (Thomas & Gupta, 2021).

Social capital theory is also pertinent in this research as it informs another aspect of fiscal inclusion which is the integration of fintech solutions among the vulnerable population in communities. The theory plays an integral role in facilitating the adoption, usage, and trust of automated financial solutions due to the formation of strong and close-knit networks (RogoÅ & BaranoviÄ, 2016). Vulnerable populations such as people in remote areas or uneducated individuals often distrust digital financial platforms due to the surging incidents of fraud and exclusion (Thomas & Gupta, 2021). However, through the social capital theory, occupational-based SACCOs can form strong social ties with their members especially those within the vulnerable population category to gain their trust and transfer knowledge on digital finance. Through the networks and trust building,

many underserved individuals may feel included and be willing to use automated fiscal solutions to promote financial inclusion. In addition, the social capital theory may promote group-based digital finance services such as mobile-based group savings such as chamas and crowdfunding that solely work based on social trust.

Despite its role in fostering equality and social networks in different fields, social capital theory has been criticized for several reasons. One of the key ones as proposed by Theodoraki, Messeghem, & Rice (2018), is that it is difficult to quantify as it is intangible, unlike human and financial capital. Nevertheless, social capital theory remains relevant in this study as it informs the two strategies of financial inclusion, financial literacy programs and digital financial services. The social capital theory's application and its role in enhancing automated fiscal solutions and financial literacy programs, insights can be used to enhance the overall performance of occupational-based SACCOs in Kericho County.

2.1.3 Stakeholder's Theory

Developed in 1984 by Edward Freeman, stakeholder theory postulates that businesses and organizations exist to do more than just make money and profits for the shareholders but also, they operate to serve the greater good of all other stakeholders (Mahajan et al., 2023). The theory suggests the consideration of other stakeholders' interests within an institution which includes employees, consumers, local communities, partners, and suppliers who have a role in ensuring the long-term success and exemplary performance of the organization (Jones, Wicks, & Freeman, 2017). Freeman (2023) supports this stance by stating that the stakeholder theory works based on taking into consideration the interests of every other stakeholder during key processes such as decision-making and strategic planning to ensure everyone works towards mutual goals and

objectives. In the context of financial institutions like the SACCOs, the theory can be employed to incorporate stakeholders such as members, creditors, regulators, employees, and the surrounding community to enhance their overall performance.

In this study, stakeholder theory is relevant as it informs the dependent construct of the performance of occupational-based saccos. Waweru and Waithaka (2023) assert that financial institutions including savings and credit cooperative services measure their performance using different metrics such as customer retention, profitability, and market share. Stakeholder theory can be used in occupational-based saccos to develop a member-centric approach that aims to cater to the financial needs of all members (Waweru & Waithaka, 2023). In return, occupational-based saccos are likely to increase trust in members which enhances performance in terms of increased financial engagement, trust, loyalty, and participation (Goyal, 2022).

Since the theory postulates the inclusion of all stakeholders' needs and interests, the theory enables occupational-based saccos to participate in corporate social responsibility and community engagement projects, ultimately increasing its overall performance (Bridoux & Stoelhorst, 2022). The theory suggests that through consideration of all members' interests, financial institutions like occupational-based saccos can support local initiatives, facilitate financial education programs, and extend financial services to unbanked populations expanding the SACCO's membership and overall growth (Goyal, 2022). By applying the stakeholder theory, occupational-based saccos was able to build loyalty, and trust, strengthen financial performance, and enhance service delivery as they will be able to prioritize and include all members' needs.

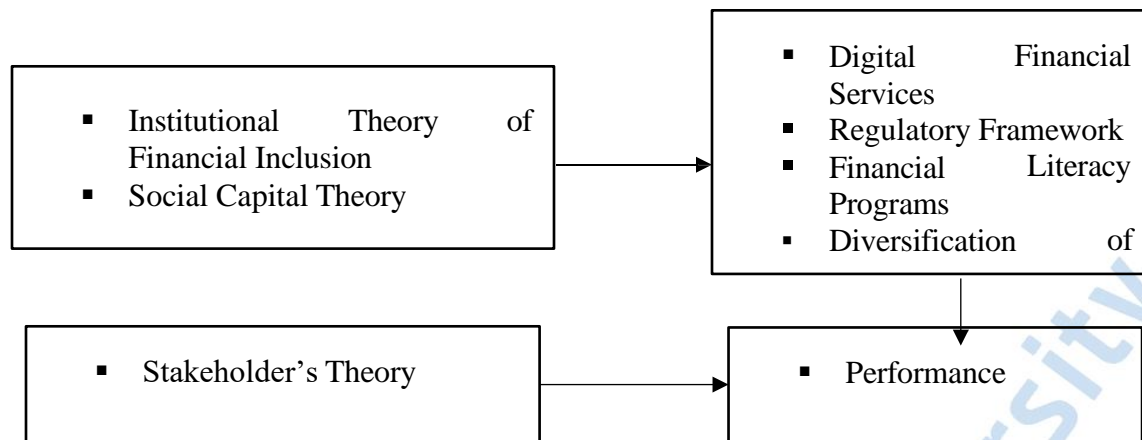


Figure 1: Theoretical Framework

A visual diagram showing how the theories inform both independent and dependent variables of the study.

Source: (Researcher, 2025)

2.2 Empirical Literature

2.2.1 Digital Financial Services and Performance

Nnaomah et al. (2024) investigated the effects of digital banking strategies in advancing financial inclusion and performance within financial entities with a comparison between the United States and Nigeria. Via a comprehensive review and systematic literature method, the study explored 56 case studies exploring how digital banking services and platforms have impacted underserved populations. Secondary data was retrieved from policy documents, interviews, and financial statements in the banking sectors of both nations. Key findings show that digital banking has been instrumental in promoting financial inclusion and performance by offering affordable, convenient, and accessible fiscal products in both countries. In the United States, digital advancements and regulatory frameworks have enhanced a competitive digital banking culture resulting in innovative

fintech solutions and minimal barriers to financial access. On the other hand, Nigeria continues to deal with infrastructural and regulatory barriers limiting inclusive financial solutions and the overall performance of financial entities. The study concludes that while both nations have made notable strides in optimizing digital financial services, much needs to be done especially in developing countries like Nigeria, to ensure the services reach the unbanked populations leading to the financial growth of the institutions. By addressing the fiscal inclusion gap, this research contributes to the overview of the role and potential merits of automated fiscal services in developing and developed countries.

In Tanzania, Kisinga and Gomera (2024) aimed to assess the role of mobile banking in Tanzanian's SACCOs with a focus on three SACCOs providing electronic banking options in Kilimanjaro and Dar es Salaam areas. It was noted that mobile banking positively affects SACCOs in Tanzania by providing and bolstering novel strategies for tackling fiscal challenges hindering overall performance. Despite the prevalent challenges, the study denotes SACCO's efforts in striving to address the challenges and streamline regulatory compliances as well as security issues. The authors recommend the dual need for organizational support and technological advancement to fully optimize mobile banking for inclusive fiscal services and increase in market share in cooperative societies.

In Kenya, a study by Wanyonyi and Ngaba (2021) investigates the role of automated fiscal solutions on the financial performance of SACCOs in Kakamega County. The primary goal was to determine the effects of internet and mobile banking and the use of digital funds transfer on the fiscal operations and review of SACCOs. The research was propelled by a descriptive research method with a sample size of 162 participants consisting of the staff. Primary data was obtained using self-administered forms and analyzed through inferential and descriptive methods using

SPSS. The results denoted that the fiscal operations and performance of the SACCOs were largely influenced by the adoption of automated fiscal services. Despite the significant benefits automated fiscal services have on the financial operations and performance of most SACCOS, the study suggests that more research needs to be conducted to identify and solve the various challenges involved in digital financial services such as systems delays, heightened fraud cases, and high transaction costs which limit financial inclusion to low-income households.

In Kenya, a recent study by Ogindo and Njoka (2023) examines how the shift towards digitalization influences the fiscal status of SACCOs within Nairobi County. The study primarily focused on strategies like agency banking, online payments, ATMs, and mobile banking on fiscal performance. Using theories like the agency theory and transaction cost theory, the study used an explanatory research method. It targeted 44 members of the SACCOS within 30 SACCOS across Nairobi County, obtaining data from questionnaires and interviews. The authors concluded that SACCOs needed to revamp its agency and online banking services for overall financial success. The authors recommended enhancing these systems and reviewing policies to identify and address any potential obstacles that may impede the success of digital financial services.

2.2.2 Regulatory Frameworks and Performance

In India, Christopher and Nithya (2024) investigated regulatory practices in the Indian financial market and their effects on the inclusive fiscal options of efficient and long-term fiscal services for women. The study mentions that women are among the underserved populations in India even though they make up a large part of the workforce. By examining the existing regulatory frameworks, financial services, and socio-economic factors affecting women's engagement and participation in financial institutions, the study aimed to depict hurdles and prospects that influence

women's financial security in India. Using a descriptive research method, the authors obtained primary data from 78 women who were registered as members of 10 financial institutions including cooperatives in the Northern part of India (Christopher & Nithya, 2024). Data was collected through interviews and surveys and later assessed using inferential statistics. According to the results, many participants pointed out that the limiting and unsupportive regulatory practices within most financial institutions limited their saving culture. However, the study recommends reviewing and adjusting existing regulatory policies that hinder financial inclusion to strive towards a more economically equitable and inclusive environment suitable to all populations, thereby increasing the overall performance of financial institutions in India.

In Africa, a study by Akinbowale, Klingelhöfer, Zerihun, and Mashigo, (2024) expounds on the influence of regulatory frameworks in mitigating cyberfraud cases in the South African banking sector. With the advent of digitalized financial services, the study aimed at addressing how regulatory frameworks counters cyberfraud cases enhancing the financial performance of South African banks. The study used a mixed method design including numerical and descriptive approaches. Data was obtained through structured questionnaires and disseminated to 52 staff members of 17 licensed banks in South Africa. Raw data was then analyzed using non-parametric statistical methods such as the cross-tabulation method and Chi-square. From the outcomes, it was determined that there is a positive and significant link between regulatory frameworks and cyber fraud reduction in the South African banking field. According to the findings, strict and reasonable regulatory frameworks fostered easier identification of the occurrences and methods of cyber fraud, allowing prompt solutions to mitigate the problem. As a result, the adoption and compliance of strict regulatory frameworks among South African banks registered significant financial growth

and overall performance, highlighting the need to leverage regulatory frameworks governing the banking field.

In Kenya, research by Nuriye (2024) investigated the role of prudent regulatory frameworks on the overall performance of Micro Financial Institutions in Kenya. A casual research design was used to assess 13 small microfinance entities across different parts of the country that were licensed and listed on the Central Bank of Kenya (CBK) website. The study obtained secondary data including annual reports and financial statements for the preceding five years between 2016 and 2020. A blend of descriptive and inferential methods was used to assess the secondary information whereby the findings indicated that prudent regulatory frameworks had a substantial and positive influence on the fiscal operations and performance of microfinance institutions in Kenya. The study mentions that through regulatory frameworks, microfinance institutions have been able to recruit more members, gaining public trust and increased stability, ultimately improving their performance. However, the study recommends the reduction of compliance costs since some smaller microfinance institutions especially in remote areas struggle with high compliance costs, reducing performance.

2.2.3 Financial Literacy Programs and Performance

He and Ahunov (2022) aimed to identify the effects of demographics and socio-economic factors on the financial literacy of Vietnamese adults. Using a correlational research method, a sample of 669 respondents participated in online survey questionnaires. Multivariate general linear model regression was used to assess the data whereby the results denoted a significant influence of demographics and cultural and socio-economic factors on financial literacy. Results showed that adults within younger age brackets had better skills in credit and cash management, financial

knowledge and savings and investments programs compared to older adults aged 50 years and above. The findings also indicate that respondents with better income had better savings and finance management skills compared to the unemployed in low-income households. Meanwhile, the findings showed that Vietnamese males had more financial knowledge and exposure compared to women which was attributed to the limiting cultural beliefs hindering women from taking control of their finances. The authors challenge financial institutions to organize financial literacy programs to educate older Vietnamese on better cash management, investment, and saving skills to increase financial literacy in the region.

Méndez Prado et al. (2022) investigated the effects of financial education in the Caribbean and Latin American banking sector with a specific focus on the unbanked populations in rural areas. Adopting a PRISMA method guiding the systematic review, the research obtained secondary data from 65 articles out of 4500 manuscripts globally. The findings point out the lack of accessible and affordable financial knowledge and services catering to the gender gaps and regional needs in different populations. Many participants attributed the lack of financial knowledge on debts, credit services, wealth accumulation, or retirement preparedness to socio-cultural limitations and economic aspects. The majority of the youths are unemployed and thus are ignorant to learn about financial management skills whereas women are limited to opening bank accounts or managing their finances due to sociocultural barriers. These results therefore open the discussion about the provision of financial literacy and education programs to marginalized communities. The study recommends commercial and other financial institutions develop efficient educational initiatives interventions and policy designs that target women, youths, low-income families, and uneducated populations in the Caribbean and Latin America.

Research by Jayaraman and Jambunathan (2018) explored the influence of financial literacy and education programs among high school students on the fiscal performance of commercial banks in India. Using an explanatory and correlational research design, the study obtained primary data from 608 high school students across different parts of India using structured questionnaires. Data was then scrutinized using inferential statistics and showcased in tables, graphs, and pie charts. The results unveiled a significant influence between financial literacy programs and the performance of Indian banks indicating that most youths have lower financial literacy levels compared to developed countries. Additionally, gender differences among the participants were denoted with males outperforming females in interests and efforts to access financial education and attending campaigns organized by Indian banks. However, results unveil that despite the availability of financial literacy, most participants were unable to translate financial knowledge to real-life financial computations and financial management skills. These findings, therefore, give room for more discussions on how financial institutions can develop financial literacy programs targeting specific underserved populations like youths especially females to bolster the accessibility and affordability of fiscal facilities and services in India, consequently enhancing institutions' performance.

2.2.4 Diversification of Credit Facilities and Performance

Mathuva (2016) explored the association between revenue diversification and the fiscal operations and overall performance of registered and licensed SACCOs in Kenya between 2008 and 2013. The study sought to determine the role of diversified credit services in influencing SACCO's financial performance. Using an explanatory research method, the study examined 212 deposit-taking saccos across Kenya, collecting data through interviews and questionnaires from top and middle-level management. The data was then assessed using inferential and statistical analysis and

presented in charts and tables. According to the results, there is a substantial and positive influence of diversifying credit facilities and fiscal services to increase SACCO's fiscal performance. The findings indicate that with more diversified credit options, SACCOs are able to attract new members as they suit the needs of a diverse population, increasing its economic growth. The study also concludes that limited diversification services often discourage membership and negatively influence the borrowing and saving cultures in SACCOs, limiting their growth and fiscal performance. Henceforth, the authors recommend the adoption of diversified financial products including credit services to attract more populations and retain members, consequently contributing to increased financial performance among SACCOs in Kenya.

Lomuria et al. (2020) examined the effects of diversification and development plans of registered SACCOs in Turkana County and their influence on financial performance. Guided by a correlational research design, the study involved 199 staff members from 35 saccos in Turkana County who were carefully chosen using a stratified sampling technique. Questionnaires were used to gather data which was scrutinized using inferential and descriptive analysis, SPSS version 22. The outcomes portrayed that the diversification and expansion strategies of SACCOs significantly and positively influenced their financial performance and success. The study recommended more diversification of fiscal products and services and expansion of geographical locations of Saccos especially in remote areas to make credit facilities available and accessible to all populations. Using strategies such as competitive pricing strategies, sales promotion, and advertising, the study challenges the management to incorporate more diversified financial products to increase membership in SACCOS, resulting in enhanced financial performance.

In a study conducted by Duho, Onumah, and Owodo (2020), the researchers explored how expanding the range of financial services influences the long-term viability and financial strength

of commercial banks in Ghana. The analysis relied on panel regression techniques, drawing on data collected from a sample of 32 banks. A total of 101 respondents were selected using a random sampling approach. Inferential statistical methods were employed to interpret the data, and the results revealed a strong and statistically significant relationship between financial service diversification and enhanced profitability and stability within the banking sector. According to the results, banks that had multiple financial services like investment options and credit facilities had increased revenue streams resulting in good performance. However, the authors suggest that the adoption of moderate diversification since excessive diversification of financial facilities among Ghanaian banks may result in increased expenses, systemic risks, and inefficiencies.

2.2.5 Performance of Occupational-Based SACCOS

Mwangi and Ombui (2018) conducted a study assessing key factors including the economic performance of SACCOS in Kenya located in Nairobi County. The research's independent constructs were membership withdrawal, loan defaults, fund misappropriation, and investment decisions adopting a descriptive research method. The study's sample size was 87 management workers from registered saccos under SASRA in Nairobi County. Data was obtained via questionnaires and scrutinized through inferential statistics. Notably, the results revealed that saccos with well-established investment committees offering diversified financial services had better financial management. The study recommended the creation of short and long-term financial services like investments and credits to foster financial inclusion among all populations, enhancing the SACCO's economic growth.

In Kenya, 63% of the citizens benefit from financial services provided by different kinds of Saccos across the country (Mutai, 2016). In the study, the author sought to identify factors affecting the

fiscal operations and overall performance of SACCOs in Kericho County by determining the effects of loan repayment, fintech solutions, competition, and interest rates applied by the SACCOs. The research used a descriptive method with a sample of 75 employees selected from six SACCOs in Kericho County. Using primary data from interviews and questionnaires, data was scrutinized through descriptive and inferential statistics with the help of SPSS. The outcomes depicted a positive correlation between the dependent and independent variables suggesting the importance of competition, loan repayment, interest rates, and information technology on the economic performance of SACCOs. From the results, the author recommended that SACCO's management should develop competitive strategies like diversification of credit services or financial literacy initiatives, and impose strict measures on creditors to facilitate smooth operations and financial growth.

2.3 Conceptual Framework

Conceptual frameworks act as a foundation of a study as they provide a structured and visual approach to understanding the link between independent and dependent constructs, guiding the research (Ndungu & Muturi, 2019). This research will be guided by financial inclusion as the independent construct consisting of automated financial services, regulatory frameworks, financial literacy programs, and diversification of credit services. The dependent variable is performance which will be measured through customer satisfaction, market share, and profitability of occupational-based saccos in Kericho County, Kenya as illustrated in the diagram below.

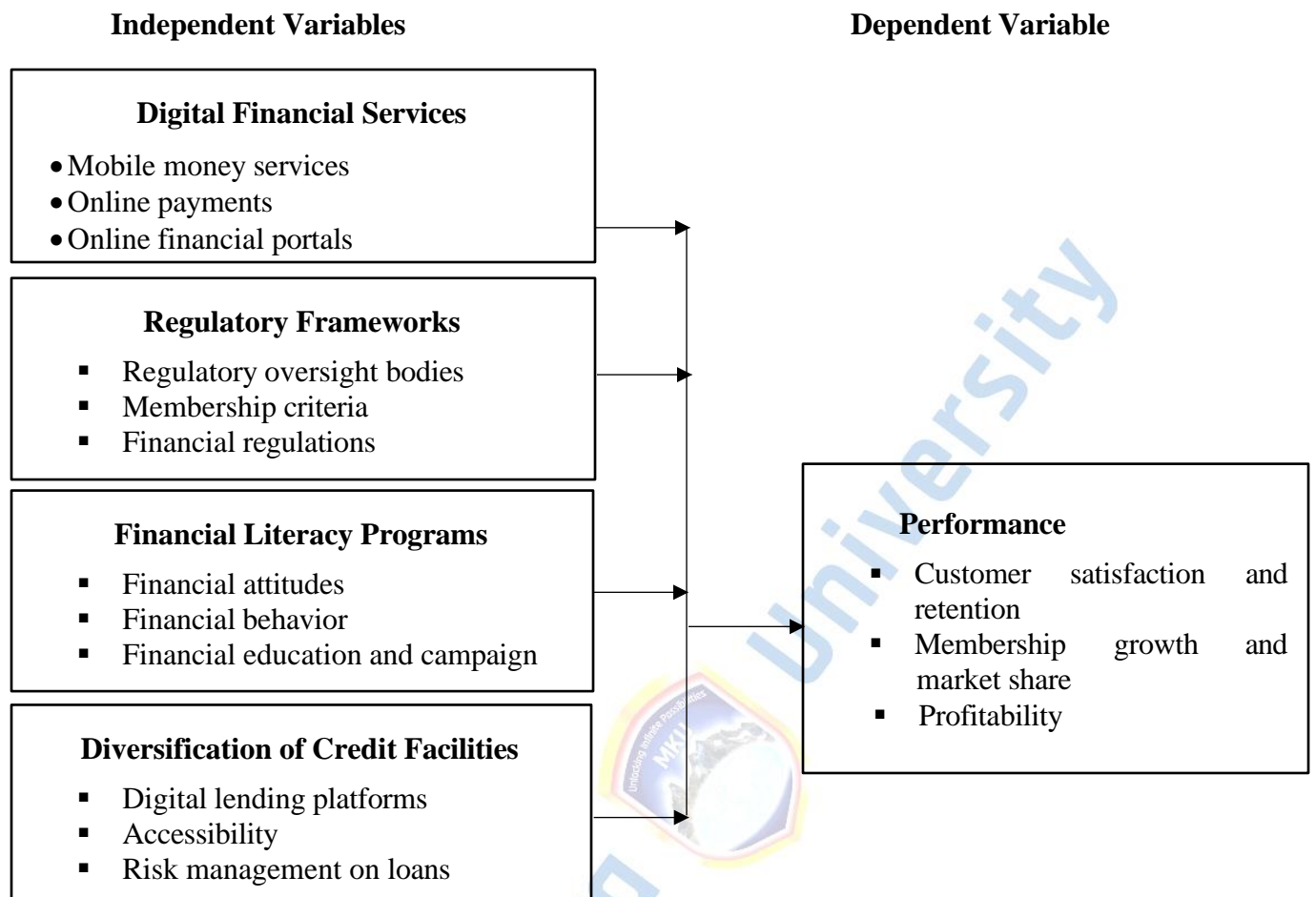


Figure 2: Conceptual Framework of the Study

Source: Researcher (2025)

2.4 Literature Recap

The revised literature offers some overview of the link between financial inclusion practices and the overall performance of SACCOs in multiple geographical regions. For instance, studies by Wanyonyi and Ngaba (2021) and Ogindo and Njoka (2023) emphasize the role of digital financial services in enhancing the performance of financial institutions in Kenya. Similarly, Mwangi and Ombui (2018), Mutai (2016), and He and Ahunov (2022) demonstrated how financial literacy initiatives, regulatory frameworks, and diversification of credit options influence the overall

performance of saccoes and other fiscal facilities in Kenya. These outcomes underscore the significance of financial inclusion measures to reach unbanked populations like the disabled, low-income families, youths, women, and uneducated to foster financial growth and the overall performance of saccoes across the nation. Studies by Mwangi and Ombui (2018) and Mutai (2016) also highlight factors influencing SACCOs' overall performance in Nairobi and Kericho Counties respectively pointing out issues like accessibility, diversification of financial products, and digital inclusion.

Despite the information obtained from the studies, a few research gaps emerged from the studies. Firstly, most research studies such as Akinbowale et al. (2024) and Pandey, Kiran, and Sharma (2022) assess specific concepts of financial inclusion like fintech solutions and financial literacy, overlooking other critical factors like regulatory compliance in saccoes. This presents a conceptual gap which this research sought to address.

Furthermore, most studies used quantitative methodologies heavily relying on statistical methods like regression and inferential statistics in data analysis (Kisinga & Gomera, 2024; Ogindo & Njoka, 2023). Even though the quantitative method offers statistical or numerical insights, the methodology fails to document the perspectives and nuanced experiences of saccoes stakeholders that could further elaborate the influence of financial inclusion practices on saccoes performance. This research therefore aimed to fill this methodological gap by using both qualitative and quantitative methods.

The studies explored also denote the effect of inclusive fiscal services on the performance of financial facilities like commercial banks (Jayaraman & Jambunathan, 2018; Lomuria, Wanyama, & Mamuli, 2020; Méndez Prado et al., 2022). However, despite their relation with this study, most

studies fail to explore financial inclusion in savings and credit cooperative societies, particularly, occupational-based ones, creating a contextual gap that was addressed in this research.

2.5 Summary

Overall, this section covers the theoretical review anchoring the studies which include the social capital theory, institutional theory of inclusion, and stakeholder theory informing the dependent variable. The theories are discussed in depth highlighting their pertinence in this study. This chapter also delineates a comprehensive empirical outlook focusing on the elements of inclusive fiscal services including digital financial services, regulatory frameworks, financial literacy programs, and diversification of credit facilities on the overall performance of occupational-based SACCOs in Kericho County. Following this, the chapter presents research gaps in the existing literature, including methodological and conceptual gaps. The chapter concludes with a detailed conceptual framework showing the association between the dependent and independent constructs.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This section presents the research design and philosophy that will be used to assess the research's objectives and problems. It also includes the target population, a sampling method to recruit respondents, and data collection instruments to obtain primary data. After data is obtained, this chapter outlines the data analysis methods and presentation methods. To conclude the chapter, ethical considerations have been incorporated, highlighting the researcher's need to uphold integrity and ethical conduct throughout the process.

3.1 Research Philosophy

This study utilized the positivist research paradigm to understand knowledge within this specific field and how it influences data interpretation and methodological choice. Hughes and Sharrock (2016) describe research philosophy as the underlying belief system influencing how one views certain phenomena and construes them, generating knowledge and theory to anchor the study's objectives. Thus, this study used the positivist research philosophy as it legitimizes and advocates for the assessment of a certain field of knowledge through empirical and theoretical lenses facilitating the generalization of findings to other studies (Rehman & Alharthi, 2016).

3.2 Research Design

This research employed a descriptive research design to assess how financial inclusion affects the performance of occupational-based SACCOS in Kericho County, Kenya. The study adopted descriptive research design because it enabled the systematic analysis of relationships between financial inclusion variables and SACCO performance using quantifiable, generalizable data.

Creswell (2021) states that each research study should employ an ideal research design that indicates the cause-and-effect link between the study's constructs. In this study, the descriptive research method was appropriate as it will be used to determine relationships and prevalence among the dependent and independent variables, forecasting events from the existing knowledge and current data to this study. Besides, this research design was ideal as it generated findings in statistical forms, making it easier to carry out comprehensive statistical analysis to interpret different forms of data.

3.3 Target Population

This study targeted eight occupational-based saccos located within Kericho County that were registered and licensed by SASRA as the unit of analysis. Meanwhile, the unit of observation consisted of 12 participants including one board chair, one board treasurer, one secretary, two members of the education, credit, and risk department, one chairperson of the supervisory committee, two members from the supervisory committee, one SASRA representative, a county executive committee member in Kericho County, and two founding members. Therefore, the total number of the target population was 82 members within the selected occupational-based saccos in Kericho County. Creswell (2021) emphasizes that for a study to achieve appropriate findings, choosing the right participants is key as it inextricably links the findings with the objectives and research questions. Table 1 shows target population.

Table 1: Target Population

Category	Population	Percentage
Board Chairperson	8	9.76%
Board Treasurer	8	9.76%
Board Secretary	8	9.76%
Member of the Education, Risk, and Credit Committee	16	19.51%
Chairperson of the Supervisory Committee	8	9.76%
Members of the Supervisory Committee	16	19.51%
SASRA Representative	1	1.22%
County Executive Member in Kericho County	1	1.22%
Founding Members	16	19.51%
Total	82	100.00%

Source: Researcher (2025)

3.4 Sample Design

3.4.1 Sample Size

A sum of 12 participants including each Saccos's board chair, one board treasurer, one board secretary, two members of the education, credit, and risk sector including the chairperson, one chairperson of the supervisory committee, two members of the supervisory committee, one SASRA member representative, one Kericho County executive member, and two founding members in Kericho County were selected for this study, totaling 82 participants. According to Gidron (2020), a sample describes the number of data points, items, or individuals chosen from a larger population to statistically represent the larger population. The study used a census sampling approach to recruit respondents from the eight occupational-based SACCOS in Kericho County to represent the entire population. This ensured the representativeness of the entire population, capturing diverse experiences and perceptions on the effects of financial inclusion practices on the performance of occupational-based SACCOS. Table 2 shows the sample size.

Table 2: Sample Size

Levels of Management	Professional Cadres	Sample Size
Top-tier Management	Board chairperson	7
	Board treasurer	6
	Secretary of the board	8
Middle-tier management	Member of the education, credit, and risk Committee	14
	Chairperson of the Supervisory Committee	7
	Members of the Supervisory Committee	15
	SASRA Representative	1
Low-tier Management	County member of the executive in Kericho County	1
Beneficiaries	Founding Members of the SACCOs	15
	TOTAL	74

Source: Researcher (2025)

3.4.2 Sampling Technique

This study used a census sampling technique to choose the sample. A census sampling technique will be more appropriate given the small number of the target population, ensuring the representativeness of subgroups from the professional cadres (Creswell, 2021). This study was conducted a pilot test before the study to reduce the likelihood of incomplete and incorrect responses that may be caused by confusion or misinterpretation. The study used the ten percent rule whereby 10% of the population was used in the pilot testing (Gidron, 2020). This means 8 respondents were randomly selected for the pilot testing phase to gauge their comprehension of the data collection tool. As mentioned by Ahmad, Alias, and Razak (2023), a well-selected sample of 10% population can be used to offer reliable outcomes. Conducting this pilot study ensured that the study was ethically sound and also identify and address any prospective ethical issues.

3.5 Data Collection Methods

Data collection describes the method of obtaining and gauging raw data on the variables of interest in a methodical manner that provides straightforward answers to the stated research questions (Cheung, 2021).

3.5.1 Data Collection Instruments

A structured questionnaire was used to gather information from the participants. To gather primary data from the participants, Clark and Vealé (2018) describe data collection tools as methods of collecting primary or secondary data for the research. A structured questionnaire refers to a document with pre-set questions or standardized closed questions, worded in a specific manner that requires participants to select from an option of predefined answers (Clark & Vealé, 2018). This data collection tool was ideal for this study due to its predetermined nature as it was less likely to be biased since standardized questions are used for all participants. Besides, it made it easier for compilation and interpretation enabling easier comparison of the answers (Cheung, 2021). Lastly, a structured questionnaire is efficient, and cost-effective and facilitates the incorporation of both quantitative and qualitative data, making it ideal.

3.5.2 Administration of Data Collection Instruments

A structured questionnaire was employed as the main data collection tool. One of the methods that was utilized to disseminate the questionnaires will be through a self-administration method where respondents were required to complete the questionnaires independently. This was done physically using drop and pick method. Using the drop-and-pick strategy, the scholar left paper-based questionnaires to the participants in respective saccos and pick them up after some time to give

them ample time for completion. This method encouraged high response rates, increasing the likelihood of detailed and accurate responses.

3.6 Pilot testing

Before the actual data collection, a pilot test was conducted in Bomet County to refine the research instruments. Bomet was selected due to its socio-economic and SACCO structures closely resembling those of Kericho County, making it ideal for preliminary testing. The pilot aimed to identify ambiguities and enhance clarity in the questionnaire. It involved both validity and reliability testing to ensure the tools were accurate and consistent.

3.6.1 Validity Testing

To test the questionnaires' validity, both construct and content validity will be used. According to Rusticus (2024), content validity assesses how well a research instrument covers all constructs that the study aims to investigate. It represents the completeness of representation of all aspects of the required measures. Conversely, construct validity assesses the extent to which research instruments measure the concepts it is meant to assess. In this case, the construct validity was measured via Exploratory Factor Analysis (EFA) to measure the strength and correlation between variables. Specifically, this study used the Kaiser-Meyer-Olkin (KMO) which examines the suitability of factor assessment whereby high values between 0.5 and 1.0 show validity and values below 0.5 suggest invalidity (Ibikunle, Rhoda, & Smith, 2021). On the other hand, Bartlett's Sphericity values was also used to test if the correlation coefficients are 0. If the values are higher than 0.5, they have sufficient correlation for practical application in factor analysis (Shrestha, 2021). Conversely, the questionnaire's content validity was assessed by sharing it with experts and

supervisors for their evaluation. Based on their evaluations, the questionnaire was modified accordingly before it was implemented to collect actual data.

3.6.2 Reliability Testing

This study also tested for the questionnaire's reliability through Cronbach's alpha. In case Cronbach's alpha is at 0.7 or greater, it indicates acceptable consistency implying the research tool is reliable.

3.7 Data Analysis Procedure

The data analysis method aims to interpret collected data by identifying patterns and recurring themes and summarizing them into understandable information via inquiry. In this study, the completed questionnaires underwent the processes of data coding, modification, tabulation, and finally subsequent analysis. Using SPSS software, the data was assessed and facilitated in data entry, analysis, and coding. This method is deemed suitable as it facilitates both descriptive and inferential analysis incorporating parameters such as mean and standard deviation (Rodriguez, Spirling, & Stewart, 2023). Inferential statistics used techniques like correlation and regression methods to make inferences on the link between the two variables. Conversely, descriptive statistics was used to describe and recapitulate the aggregate of collected data via non-numerical characters (Al-Tarawneh, 2023). This study use the following multiple linear regression model to link the four independent variables with performance.

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where;

Y = Performance

X₁ = Digital Financial Services

X₂ = Regulatory Frameworks

X₃ = Financial Literacy Programs

X₄ = Diversification of Credit Facilities

3.8 Ethical Considerations

The researcher upheld all ethical protocols and standards to ensure the findings are reliable and accurate. Firstly, the study only began after all authorizations and permissions from relevant entities were obtained. The researcher obtained authorization from the Mount Kenya University Institutional Review Board. After approval of the proposal, the researcher obtained a research permit from NACOSTI in compliance with the 2013 Act. Before seeking consent from the study participants.

This was done after fully informing the participants what the study entails including its objectives, significance, and methodologies. In addition, the researcher prioritized confidentiality and anonymity by ensuring research instruments that concealed respondents' identities. Besides, the participants were assured that all their responses would be used for academic reasons. Importantly, the researcher upheld other ethical protocols including response rights, privacy rights, intellectual property, and impartiality. After the study, the researcher ensured data was well-stored in safe areas whereby only authorized persons can access it within the university.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

The chapter includes presentation of the response rate, demographic information of the respondents, outcomes of the pilot study, as well as the descriptive and inferential statistical analyses conducted.

4.2 Response Rate

The study targeted a population of 82 respondents drawn from eight occupational-based SACCOs in Kericho County, all of which were registered and licensed by SASRA. The unit of observation comprised 12 participants per SACCO, including board members, supervisory committee members, departmental representatives, a SASRA official, a county executive committee member, and founding members. According to Creswell (2021), selecting appropriate participants is necessary for aligning the research findings with the study objectives. The final sample size for this study consisted of 74 respondents to whom questionnaires were administered. Table 3 presents the response rate for the study.

Table 3: Response Rate

Response	Frequency	Percentage
Returned	71	95.9
Unreturned	3	4.1
Total	74	100.0

Source: Field Data (2025)

Out of the 74 questionnaires administered, 71 were successfully completed and returned, resulting in a response rate of 95.9%. This response rate is attributed to timely follow-ups and proper

engagement of the selected participants throughout the data collection process. Cummings, Savitz, and Konrad (2001) consider a 50% return rate adequate for reporting and interpretation. Therefore, the achieved response rate of 95.9% reflects strong participation and provides a reliable and representative basis for drawing conclusions from the study.

4.3 Demographic Information on Respondents

Analyzing demographic characteristics was necessary to understand the diversity and relevance of the respondents. It was important in assessing whether the opinions and responses collected represent the different roles, experiences, and perspectives within the SACCOs, thereby enhancing the credibility and depth of the study findings. The demographic characteristics under consideration in this study included Gender, age, highest education attainment, work experience and position held. The demographic results are summarized in Table 4.

Table 4: Demographic Characteristics

Demographic Information	Frequency	Percentage
Gender		
Male	44	62
Female	27	38
Age Bracket		
25-34 Years	14	19.7
35-44 Years	25	35.2
45-54 Years	22	31
55-64 Years	8	11.3
65 Years and Above	2	2.8
Education Level		
Primary	1	1.4
Secondary	18	25.4
Undergraduate	33	46.5
Masters	16	22.5
Doctorate	3	4.2
Work Experience		
1-5 Years	17	23.9

6-10 Years	33	46.5
11-15 Years	17	23.9
16-20 Years	4	5.6
Position in SACCO		
Top-tier Management	18	25.4
Middle-tier Management	35	49.3
Low-tier Management	2	2.8
Beneficiaries/Members	16	22.5

Source: Field Data (2025)

The demographic characteristics results in Table 4 show that majority of the respondents were male, comprising 62% (44), while female respondents made up 38% (27). This distribution implies that men are more actively involved in the management and operations of occupational-based SACCOs in Kericho County. This gender imbalance reflects broader trends in the cooperative movement where leadership and decision-making roles often remain male-dominated. According to Luvanda (2023), gender disparities in organizational leadership are common in Kenya's financial sector, with women often underrepresented in senior roles due to structural and cultural barriers. Additionally, the International Labour Organization (2024) has observed that women's participation in financial institutions, especially in decision-making positions, remains below parity, largely due to unequal access to professional development and leadership opportunities.

The age distribution of respondents revealed that the largest group was between 35–44 years, representing 35.2% (25), followed by those aged 45–54 years at 31% (22). Respondents in the 25–34 years bracket accounted for 19.7% (14), while those aged 55–64 years and 65 years and above made up 11.3% (8) and 2.8% (2) respectively. This suggests that most of the SACCO stakeholders are middle-aged individuals likely to have accumulated some level of institutional experience and sector-specific knowledge. The smaller representation of younger participants indicate limited generational turnover or lower youth involvement in SACCO governance. Ernst, Merola and

Reljic (2024) argue that age plays a key role in defining organizational participation and innovation uptake, with older professionals often relying on existing systems while younger individuals may push for more progressive and tech-oriented approaches.

Majority of respondents had attained an undergraduate degree, accounting for 46.5% (33), followed by 25.4% (18) with secondary education. Respondents with a master's degree constituted 22.5% (16), while those with doctorate degrees were 4.2% (3). Only one respondent had primary education. These findings point to a well-educated group of SACCO members and officials, most of whom have at least some form of post-secondary education. This level of educational attainment is essential for understanding and implementing financial inclusion strategies. As noted by Mutua (2024), higher educational qualifications correlate positively with stronger financial literacy and institutional effectiveness, both of which are crucial for SACCO performance.

In terms of work experience, the findings revealed that 46.5% (33) of the respondents had served in their current SACCOs for 6–10 years, while 23.9% each had worked for either 1–5 years or 11–15 years. A smaller portion (5.6%, or 4) of the respondents had been with their SACCO for 16–20 years. This distribution reflects a workforce that is relatively stable, with most participants having spent a significant period within their SACCOs. Long-term involvement may enhance institutional memory and consistency in service delivery, which are essential for implementing long-term financial inclusion strategies.

Finally, analysis of the respondents' roles shows that 49.3% (35) held middle-tier management positions, 25.4% (18) were in top-tier management, and 22.5% (16) were general SACCO members or beneficiaries. Only 2.8% (2) were in low-tier management roles. These results suggest that most of the respondents had direct managerial influence, which is key for informed responses

on organizational performance and financial inclusion practices. Engaging participants with decision-making responsibilities enhances the validity of the study, as they are more likely to provide accurate information on the internal operations and strategic directions of the SACCOs.

4.4 Pilot Testing Results

Pilot testing helps identify any unclear questions, errors, or logistical challenges in data collection. This process ensures that the questionnaire is clear, reliable, and valid. It also allows researchers to refine the tool for better accuracy. The respondents that took part in the piloting were excluded from the main analysis. Pilot testing involved reliability testing and validity testing.

4.4.1 Reliability Test

Reliability refers to the consistency of respondents' responses across the items on a multiple-item measure (Ahmed, Olanipekun, Opoku & Sutrisna, 2022).

Table 5: Reliability Analysis

Variable	Number of Items	$\alpha > 0.7$	Comment
Digital Financial Services	6	0.913	Reliable
Regulatory Frameworks	7	0.909	Reliable
Financial Literacy Programs	6	0.832	Reliable
Diversification Of Credit Facilities	5	0.782	Reliable
Performance	6	0.866	Reliable

Source: Field Data (2025)

The results demonstrate that digital financial services recorded an alpha of 0.913, regulatory frameworks scored 0.909, financial literacy programs had 0.832, diversification of credit facilities recorded 0.782, and performance had a value of 0.866. These results demonstrate strong internal consistency among the items within each construct. According to Field (2013), reliability scores

between 0.7 and 0.8 reflect acceptable internal consistency, while scores above 0.8 suggest high reliability. These findings are consistent with the assertions by Ahmed et al. (2022), who emphasize the importance of consistent responses across items in multiple-item measures. The high reliability of the variables in this study validates the instrument's suitability for further statistical analysis and ensures the credibility of the research findings.

4.4.2 Validity Test

Construct validity was tested using KMO statistics and the outcome was as shown in Table 6.

Table 6: Validity Test

Variable	KMO	P-Value
Digital Financial Services	.848	.000
Regulatory Frameworks	.868	.000
Financial Literacy Programs	.830	.000
Diversification Of Credit Facilities	.704	.000
Performance	.868	.000

Source: Field Data (2025)

The validity results in Table 6 depicts that the Kaiser-Meyer-Olkin (KMO) values for all study variables; digital financial services (0.848), regulatory frameworks (0.868), financial literacy programs (0.830), diversification of credit facilities (0.704), and performance (0.868) are well above the recommended threshold of 0.5. These results confirm that the sample is adequate for factor analysis and that the collected data has strong construct validity. The high KMO scores suggest that each set of questionnaire items sufficiently captures the dimensions of the corresponding variable, aligning with the study's conceptual framework. These results are consistent with the observations of Olanipekun et al (2022) which state that KMO values above 0.5 and significant Bartlett's test results demonstrate validity and sampling adequacy. The use of

both construct and content validity, alongside these statistical tests, strengthens the credibility of the measurement tools used in this study. This ensures that the findings on the relationship between financial inclusion and SACCO performance are based on valid and well-aligned constructs.

4.5 Descriptive Analysis

Descriptive analysis was necessary in providing a clear understanding of data patterns, trends, and distributions, facilitating informed decision-making.

4.5.1 Digital Financial Services

The first objective was to evaluate the influence of digital financial services on the performance of occupational-based SACCOS in Kericho County in Kenya. The descriptive statistics results on digital financial services are shown in Table 7.

Table 7: Descriptive Statistics on Digital Financial Services

Statement	SD	D	N	A	SA	Mean	Std. Dev.
My SACCO has adequately invested in digital financial platforms	7.00%	4.20%	11.30%	23.90%	53.50%	4.13	1.21
Internet banking services are provided by the SACCO to meet members' needs	7.00%	8.50%	12.70%	16.90%	54.90%	4.04	1.29
The SACCO has integrated mobile banking operations to improve financial transactions	7.00%	2.80%	16.90%	15.50%	57.70%	4.14	1.22
My SACCO has strong cybersecurity measures protecting digital transactions	5.60%	14.10%	21.10%	19.70%	39.40%	3.73	1.28
My SACCO regularly upgrades and updates digital financial services	5.60%	7.00%	5.60%	22.50%	59.20%	4.23	1.19

The SACCO deals with frequent technical challenges with the digital platforms	5.60%	8.50%	11.30%	31.00%	43.70%	3.99	1.19
Average						4.043	1.23

Source: Field Data (2025)

The results in Table 7 show that majority (77.4%) of the respondents agreed that their SACCOs had adequately invested in digital financial platforms (Mean = 4.13, SD = 1.21). The mean indicates strong agreement on the adequacy of digital investments, while the standard deviation suggests moderate differences in perception, possibly due to varied exposure to digital services across SACCOs. Similarly, 71.8% of the respondents agreed with the statement that internet banking services were provided to meet members' needs (Mean = 4.04, SD = 1.29). The relatively standard deviation points to variation in user experiences, which could be as a results of differences in internet accessibility or platform efficiency among SACCO members.

In addition, most (73.2%) of respondents agreed that their SACCO had integrated mobile banking operations to improve financial transactions (Mean = 4.14, SD = 1.22). This mean reflects a favorable perception of mobile banking integration, although the standard deviation suggests some variation, potentially due to differences in mobile network reliability or members' digital literacy. Regarding cybersecurity, 59.1% of respondents agreed that their SACCO had strong cybersecurity measures in place (Mean = 3.73, SD = 1.28). The lower mean and higher variability imply mixed views, suggesting that cybersecurity improvements are still needed to enhance trust in digital platforms.

Moreover, majority (81.7%) of respondents agreed that their SACCOs regularly upgrade and update their digital financial services (Mean = 4.23, SD = 1.19). The mean indicates a strong perception of digital maintenance, while the standard deviation shows greater consistency in this

experience across the SACCOs. Finally, 74.7% of respondents agreed that their SACCOs frequently dealt with technical challenges related to digital platforms (Mean = 3.99, SD = 1.19). This result indicates that while digital tools are widely adopted, technical issues remain a concern and may affect overall service quality.

The average mean was 4.043, indicating that respondents generally agreed and held a positive perception of digital financial services within occupational-based SACCOs in Kericho County. However, the average standard deviation of 1.23 suggests moderate variability in responses, pointing to inconsistencies in implementation and user experiences. These findings imply that even though digital financial services are widely embraced and perceived to enhance performance, attention must be given to improving cybersecurity, resolving technical challenges, and ensuring equitable access across all SACCOs to optimize their effectiveness.

4.5.2 Regulatory Frameworks

The second objective of this study was to determine the influence of regulatory frameworks on the performance of occupational-based saccos in Kericho County in the Republic of Kenya. The descriptive statistics results on regulatory frameworks are shown in Table 8.

Table 8: Descriptive Statistics on Regulatory Frameworks

Statement	SD	D	N	A	SA	Mean	Std. Dev.
My SACCO fully adheres to the regulatory frameworks and policies set by the Sacco Societies Regulatory Authority	2.80%	8.50%	33.80%	26.80%	28.20%	3.69	1.06
The management is well-informed and updated about all the crucial SACCO policies and regulations.	0.00%	7.00%	36.60%	26.80%	29.60%	3.79	0.95

My SACCO performs regular inspections and audits to improve regulatory compliance.	7.00%	15.50%	29.60%	29.60%	18.30%	3.37	1.16
Regulatory requirements are too strict/stringent creating operational issues.	1.40%	8.50%	28.20%	35.20%	26.80%	3.77	0.99
The process of acquiring regulatory approvals for new or diverse financial services is bureaucratic and too slow.	7.00%	8.50%	19.70%	45.10%	19.70%	3.62	1.11
Some regulatory frameworks do not align with the individual needs of members in different occupations.	7.00%	8.50%	25.40%	36.60%	22.50%	3.59	1.14
The cost of compliance raises a financial constraint to both the members and the SACCO.	5.60%	8.50%	25.40%	28.20%	32.40%	3.73	1.17
Average						3.651	1.083

Source: Field Data (2025)

The results in Table 8 show that 55% of respondents agreed that their SACCOs fully adhere to regulatory frameworks and policies set by the Sacco Societies Regulatory Authority (Mean = 3.69, SD = 1.06). While the mean reflects a generally positive view of compliance, the relatively high proportion of neutral responses (33.8%) and a moderate standard deviation suggest that adherence may not be uniform across all SACCOs. Similarly, 56.4% of respondents agreed that their SACCO management is well-informed and up to date with crucial SACCO policies and regulations (Mean = 3.79, SD = 0.95). This slightly higher mean and lower standard deviation indicate a more consistent perception of management awareness and regulatory understanding among respondents.

In contrast, only 47.9% of respondents agreed that their SACCO performs regular inspections and audits to improve regulatory compliance (Mean = 3.37, SD = 1.16). The relatively low mean and high standard deviation reflect mixed perceptions, pointing to potential gaps in consistent

implementation of internal compliance measures. Meanwhile, 62% of respondents agreed that regulatory requirements are too strict and create operational issues (Mean = 3.77, SD = 0.99). The moderately high mean and low variation indicate that many respondents perceive regulation as a constraint, suggesting that compliance may affect operational flexibility.

Additionally, 64.8% of respondents agreed that the process of acquiring regulatory approvals for new or diverse financial services is bureaucratic and slow (Mean = 3.62, SD = 1.11). This result highlights concerns about delays in innovation due to procedural inefficiencies, as reflected by the fairly high standard deviation. Furthermore, 59.1% of respondents agreed that some regulatory frameworks do not in line with the specific needs of members in different occupations (Mean = 3.59, SD = 1.14). This shows a concern about the one-size-fits-all nature of certain regulations, which may not fully support the diversity of SACCO membership.

Moreover, 60.6% of respondents agreed that the cost of compliance imposes financial constraints on both members and SACCOs (Mean = 3.73, SD = 1.17). This moderately high mean points to a shared concern over the financial burden of meeting regulatory obligations. The average mean was 3.651, with an average standard deviation of 1.083, indicating moderate agreement with the influence of regulatory frameworks on SACCO performance. The findings suggest that while regulatory structures are acknowledged and somewhat followed, they are also viewed as restrictive and financially burdensome. These perceptions imply a need for more adaptive and streamlined regulatory processes that both ensure compliance and support SACCO efficiency and innovation.

4.5.3 Financial Literacy Programs

The third objective of the study was to establish the effects of financial literacy programs on the performance of occupational-based SACCOs in Kericho County, Kenya. The descriptive statistics results are shown in Table 9.

Table 9: Descriptive Statistics on Financial Literacy Programs

Statement	SD	D	N	A	SA	Mean	Std. Dev.
The SACCO I work organizes regular financial literacy programs in remote areas	9.90%	5.60%	23.90%	28.20%	32.40%	3.68	1.26
The SACCO's management organizes regular training and education programs on financial products/services to staff and members	4.20%	5.60%	28.20%	26.80%	35.20%	3.83	1.11
The financial literacy education programs are easily accessible to all SACCO members	4.20%	0.00%	19.70%	42.30%	33.80%	4.01	0.96
My SACCO employs various communication channels to inform members about the training sessions	4.20%	1.40%	28.20%	28.20%	38.00%	3.94	1.05
The SACCO offers practical and easy-to-understand financial literacy education	4.20%	2.80%	23.90%	26.80%	42.30%	4	1.08
The SACCO's facilitators and trainers are engaging and knowledgeable.	1.40%	5.60%	25.40%	32.40%	35.20%	3.94	0.98
Average						3.90	1.073

Source: Field Data (2025)

The results in Table 9 indicate that 60.6% of respondents agreed that their SACCOs organize regular financial literacy programs in remote areas (Mean = 3.68, SD = 1.26). While the mean

suggests moderate agreement, the relatively high standard deviation reveals variation in accessibility, likely due to geographic or logistical challenges in reaching all members. Additionally, 62% of respondents agreed that management organizes regular training and education on financial products and services for both staff and members (Mean = 3.83, SD = 1.11). This reflects a positive perception of training efforts, though the variation in responses suggests these initiatives may not be uniformly implemented across all SACCOs.

A majority of 76.1% of respondents agreed that financial literacy programs are easily accessible to members (Mean = 4.01, SD = 0.96). The high mean and relatively low standard deviation imply that accessibility is well-established and consistent across the SACCOs. Similarly, 66.2% of respondents agreed that their SACCO employs various communication channels to inform members about upcoming training sessions (Mean = 3.94, SD = 1.05). This reflects strong communication strategies, although the moderate variability suggests room for improving outreach, especially to less engaged members.

Furthermore, 69.1% of respondents agreed that the financial literacy programs are practical and easy to understand (Mean = 4.00, SD = 1.08). The mean indicates a favorable evaluation of content quality, while the standard deviation suggests general consistency in how the training is perceived. Lastly, 67.6% of respondents agreed that the SACCO's facilitators and trainers are engaging and knowledgeable (Mean = 3.94, SD = 0.98), indicating trust in the expertise and delivery of training sessions, with relatively little disagreement among respondents.

The overall average mean was 3.90, with a standard deviation of 1.073, indicating generally strong agreement with the effectiveness of financial literacy programs. These findings suggest that most SACCOs in Kericho County are actively implementing financial literacy initiatives, and members

generally find them accessible, relevant, and well-delivered. However, the slight variation in standard deviations highlights areas where consistency can be improved, particularly in reaching remote areas and standardizing communication strategies. These efforts are critical in enhancing financial knowledge and strengthening the overall performance of SACCOs.

4.5.4 Diversification of Credit Facilities

The fourth objective of the study was to assess the effects of diversification of credit facilities on the performance of occupational-based SACCOs in Kericho County in the Republic of Kenya. The descriptive statistics results are shown in Table 10.

Table 10: Descriptive Statistics on Diversification of Credit Facilities

Statement	SD	D	N	A	SA	Mean	Std. Dev.
My SACCO has various credit facilities accommodating members who need short or long-term services	0.00%	11.30%	25.40%	33.80%	29.60%	3.82	0.99
Credit facilities are available on digital platforms such as SACCO's portal	4.20%	4.20%	22.50%	33.80%	35.20%	3.92	1.07
The SACCO has a comprehensive package of various credit and repayments methods, suitable to all individuals	2.90%	5.80%	27.50%	23.20%	40.60%	3.93	1.09
The repayment period for the loans is flexible and considerate	4.20%	5.60%	18.30%	26.80%	45.10%	4.03	1.12
There are various requirements required to access new credit facilities	0.00%	1.40%	15.50%	36.60%	46.50%	4.28	0.78
Average						3.996	1.01

Source: Field Data (2025)

The results in Table 10 show that 63.4% of respondents agreed that their SACCO offers various credit facilities accommodating both short- and long-term financial needs (Mean = 3.82, SD = 0.99). The moderately high mean indicates a generally positive perception, while the relatively low standard deviation reflects consistent responses among members. Similarly, 69% of respondents agreed that credit facilities are accessible via digital platforms such as the SACCO's portal (Mean = 3.92, SD = 1.07). This reflects favorable feedback on digital access to credit services, although the slight variation in standard deviation suggests that user experience may differ across SACCOs or members.

Additionally, 63.8% of respondents agreed that their SACCO provides a comprehensive package of diverse credit options and repayment methods suited to various members' needs (Mean = 3.93, SD = 1.09). The mean shows confidence in the diversity of credit products, while the standard deviation suggests moderate variability, possibly linked to differing levels of awareness or utilization of these packages. Regarding loan repayment flexibility, 71.9% of respondents agreed that repayment periods are flexible and considerate (Mean = 4.03, SD = 1.12). This relatively high mean demonstrates general satisfaction with repayment terms, although the standard deviation indicates some SACCOs may offer more flexibility than others.

Lastly, 83.1% of respondents agreed that there are various requirements in place to access new credit facilities (Mean = 4.28, SD = 0.78). This was the highest mean among all items, with the lowest standard deviation, suggesting strong and consistent recognition of credit access protocols across all SACCOs. The overall average mean was 3.996 with an average standard deviation of 1.01, indicating strong agreement on the effectiveness of credit diversification in SACCO performance. These findings imply that the availability of varied credit options, digital access, flexible repayment terms, and structured access requirements contribute positively to SACCO

functionality. However, minor variations in response indicate opportunities to standardize access and awareness across all member categories to fully realize the benefits of diversified credit facilities.

4.5.5 Performance

The dependent variable was performance of occupational-based SACCOs in Kericho County in the Republic of Kenya. The descriptive statistics results are shown in Table 11.

Table 11: Descriptive Statistics on Performance

Statement	SD	D	N	A	SA	Mean	Std. Dev.
My SACCO has experienced exemplary increase in membership over the past few years	5.60%	1.40%	23.90%	26.80%	42.30%	3.99	1.11
Members are contented with the financial services my SACCO offers.	4.20%	5.60%	18.30%	35.20%	36.60%	3.94	1.08
The SACCO has had steady financial growth and adequate liquidity to cater to members' financial wants.	4.30%	5.70%	25.70%	30.00%	34.30%	3.84	1.1
The SACCO has had well-managed and low loan default rates	2.90%	7.10%	14.30%	37.10%	38.60%	4.01	1.04
The SACCO's financial services like savings are competitive	4.20%	9.90%	23.90%	25.40%	36.60%	3.8	1.17
The SACCO provides a broad array of financial services tailored to meet members' needs	2.80%	8.50%	22.50%	22.50%	43.70%	3.96	1.13
Average						3.923	1.105

Source: Field Data (2025)

The results in Table 4.9 indicate that 69.1% of respondents agreed that their SACCO had experienced an exemplary increase in membership over recent years (Mean = 3.99, SD = 1.11). The high mean suggests a positive perception of growth in membership, while the moderate standard deviation reflects some differences in experience among SACCOs, potentially influenced by location or services offered. Additionally, 71.8% of respondents agreed that members are content with the financial services provided by their SACCOs (Mean = 3.94, SD = 1.08). This implies strong member satisfaction, although slight variation in responses may point to differences in service consistency.

In terms of financial growth and liquidity, 64.3% of respondents agreed that their SACCO has maintained steady growth and adequate liquidity to meet members' needs (Mean = 3.84, SD = 1.10). The moderate mean and standard deviation suggest a generally positive view, though some SACCOs may face challenges in sustaining financial health. Furthermore, 75.7% of respondents agreed that their SACCOs have well-managed and low loan default rates (Mean = 4.01, SD = 1.04). This relatively high mean indicates confidence in credit risk management, with low variability pointing to consistent performance across SACCOs.

Regarding competitiveness of financial services like savings, 62% of respondents agreed that these services are competitive (Mean = 3.80, SD = 1.17). Although the mean reflects general agreement, the slightly higher standard deviation suggests varied levels of competitiveness across SACCOs. Lastly, 66.2% of respondents agreed that their SACCO provides a broad array of financial services tailored to members' needs (Mean = 3.96, SD = 1.13). The high mean highlights satisfaction with service diversity, while the variation indicates room for improvement in personalization or communication of available offerings.

The average mean was 3.923 with an average standard deviation of 1.105, indicating generally strong perceptions of SACCO performance in Kericho County. These results imply that occupational-based SACCOs are performing well in terms of membership growth, service satisfaction, financial stability, and risk control. However, moderate differences in responses across indicators suggest that while performance is generally strong, opportunities exist to enhance uniformity in service delivery, competitiveness, and financial sustainability across all SACCOs.

4.6 Inferential Analysis Results

4.6.1 Correlation Analysis Results

The study sought to determine the strength and direction of the association between digital financial services, regulatory frameworks, financial literacy programs, and diversification of credit facilities with the performance of SACCOs. This helped to establish the extent to which these financial inclusion strategies contributed to the overall effectiveness and sustainability of SACCO operations in Kericho County. The results of the correlation analysis for this study are presented in Table 12.

Table 12: Correlation Matrix

		Performance	Digital Financial Services	Regulatory Frameworks	Financial Literacy Programs	Diversification of Credit Facilities
Performance	Pearson Correlation Sig. (2-tailed)	1.000				
Digital Financial Services	Pearson Correlation Sig. (2- tailed)	.643**	1.000			
Regulatory Frameworks	Pearson Correlation Sig. (2- tailed)	.602**	.549**	1.000		
		0.000	0.000			

Financial Literacy Programs	Pearson Correlation	.738**	.624**	.725**	1.000	
	Sig. (2-tailed)	0.000	0.000	0.000		
Diversification of Credit Facilities	Pearson Correlation	.617**	.644**	.676**	.697**	1.000
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	

** Correlation is significant at the 0.01 level (2-tailed).

Source: Field Data (2025)

The correlation matrix in Table 12 shows that there was a moderate positive and significant association between digital financial services and the performance of occupational-based SACCOs in Kericho County ($r = 0.643$, $p < 0.01$). These findings are consistent with those of Mutua and Mwangi (2021), who established that digital finance tools enhance operational efficiency, member satisfaction, and overall financial performance of SACCOs by reducing transaction time and costs.

The results also indicate a moderate positive and significant relationship between regulatory frameworks and SACCO performance ($r = 0.602$, $p < 0.01$). This suggests that sound regulatory practices, including compliance monitoring, risk controls, and governance standards, contribute to improved SACCO operations and financial health. This corroborates the findings of Kiptoo et al. (2022), who noted that well-enforced financial regulations strengthen SACCO resilience, accountability, and investor confidence, which in turn boosts performance.

Furthermore, a strong positive and significant association was observed between financial literacy programs and SACCO performance ($r = 0.738$, $p < 0.01$). This indicates that member training programs on budgeting, savings, credit use, and investment significantly enhance financial decision-making and SACCO sustainability. These findings are consistent with the conclusions of

Njoroge and Chege (2023), who found that SACCOs that invest in continuous financial education for their members report higher loan repayment rates, savings mobilization, and profitability.

Additionally, the study found a moderate positive and significant association between diversification of credit facilities and SACCO performance ($r = 0.617, p < 0.01$). This implies that offering varied loan products tailored to different member needs such as emergency loans, development loans, and asset financing contributes to improved member satisfaction and income generation for the SACCO. These results are in agreement with Owino and Wekesa (2023), who observed that SACCOs that adopt diverse credit portfolios attract more members and mitigate credit risk, leading to stronger financial outcomes. All independent variables showed statistically significant positive associations with SACCO performance in Kericho, supporting the hypothesis that financial inclusion strategies play a critical role in enhancing the effectiveness, growth, and stability of SACCOs in Kenya.

4.6.2 Regression Analysis Results

This study conducted regression analysis aimed to determine the extent to which these financial inclusion strategies influenced SACCO performance and to assess their predictive power in explaining variations in performance outcomes. Table 13 presents the model summary results.

Table 13: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.778a	0.605	0.581	0.53715

a Predictors: (Constant), Diversification of Credit Facilities, Digital Financial Services, Regulatory Frameworks, Financial Literacy Programs

Source: Field Data (2025)

As reflected in Table 13, the model summary indicates that the coefficient of determination (R^2) stands at 0.605, with an adjusted R^2 of 0.581, based on a 95% confidence level. This suggests that 60.5% of the changes observed in the performance of occupational-based SACCOs in Kericho County can be accounted for by the combined influence of four predictors: digital financial services, regulatory frameworks, financial literacy initiatives, and credit facility diversification. The remaining 39.5% of the performance variation is likely influenced by other variables not captured within this model. Further insights are presented in Table 14 through the analysis of variance (ANOVA) results.

Table 14: Analysis of Variance (ANOVA) Results

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	29.156	4	7.289	25.263	.000 ^b
	Residual	19.043	66	0.289		
	Total	48.199	70			

a. Dependent Variable: Performance

b. Predictors: (Constant), Diversification of Credit Facilities, Digital Financial Services, Regulatory Frameworks, Financial Literacy Programs

Source: Field Data (2025)

As depicted by the ANOVA findings presented in Table 14, the regression model applied in the study proved to be statistically meaningful in capturing the effect of financial inclusion strategies—specifically digital financial services, regulatory policies, financial literacy efforts, and varied credit offerings—on the performance of occupational-based SACCOs in Kericho County. The model yielded a p-value of 0.000, which falls well below the 0.05 threshold for statistical significance. This confirms that the model reliably explains the relationship between the selected independent variables and SACCO performance.

The F-statistic of 25.263 further confirms the significance of the model, suggesting that the set of independent variables included in the regression collectively have a meaningful effect on SACCO performance. Therefore, the financial inclusion strategies used in this study significantly predict variations in the performance of occupational-based SACCOs in the study area. Table 15 presents the regression coefficient results, which shows the individual contribution of each predictor to the performance of SACCOs.

Table 15: Multiple Regression of Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	0.590	0.342		1.725	0.089
1 Digital Financial Services	0.241	0.097	0.265	2.479	0.016
Regulatory Frameworks	0.059	0.113	0.063	0.524	0.602
Financial Literacy Programs	0.483	0.128	0.479	3.76	0.000
Diversification of Credit Facilities	0.275	0.033	0.253	8.406	0.000

a. Dependent Variable: Performance

Source: Field Data (2025)

Below is the revised model after analysis;

$$Y = 0.590 + 0.241X_1 + 0.059X_2 + 0.483X_3 + 0.275X_4$$

Where:

Y = Performance

X₁ = Digital Financial Services

X₂ = Regulatory Frameworks

X₃ = Financial Literacy Programs

X₄ = Diversification of Credit Facilities

Digital financial services had a positive and statistically significant relationship with the performance of occupational-based SACCOs ($\beta = 0.265$, $p = 0.016 < 0.05$). This implies that the adoption and use of digital platforms contribute positively and significantly to SACCO performance. As a result, the study rejected the null hypothesis (**H₀₁**) and concluded that digital financial services have a significant effect on SACCO performance. These findings are in agreement with Mutua and Mwangi (2021), who found that digitization of financial services among SACCOs improved loan processing speed and customer experience, thereby enhancing institutional performance.

Additionally, regulatory frameworks were found to have a positive but statistically insignificant relationship with SACCO performance ($\beta = 0.063$, $p = 0.602 > 0.05$). This implies that although sound regulations are necessary for financial stability, their direct effect on SACCO performance is not significant. This indicates that existing regulatory frameworks require more practical alignment with SACCO operations or that compliance alone does not translate directly into improved performance. Hence, the study did not reject the null hypothesis (**H₀₂**). This observation is supported by Kiptoo et al. (2022), who noted that regulatory effect is often indirect, influencing performance through enhanced governance and risk management structures rather than immediate financial outcomes.

The results further show that financial literacy programs had a strong positive and statistically significant effect on SACCO performance ($\beta = 0.479$, $p = 0.000 < 0.05$). This demonstrates that educating SACCO members on budgeting, credit use, savings, and investment significantly improves their financial behavior, loan repayment, and savings mobilization factors critical to SACCO sustainability. Therefore, the study rejected the null hypothesis (**H₀₃**) and concluded that financial literacy programs significantly affects SACCO performance in Kericho County. These

findings are consistent with the assertions by Njoroge and Chege (2023) that SACCOs with well-structured member training programs experienced increased financial stability and improved member engagement.

Similarly, diversification of credit facilities had a positive and highly significant relationship with SACCO performance ($\beta = 0.253$, $p = 0.000 < 0.05$). This suggests that providing a range of tailored credit products such as emergency loans, school fees loans, development loans, and asset financing meets diverse member needs and enhances SACCO competitiveness and revenue generation. The study thus rejected the null hypothesis (H_{04}), confirming that diversification of credit facilities has a significant effect on SACCO performance. These results support the findings of Owino and Wekesa (2023), who emphasized the importance of product variety in attracting and retaining SACCO members, improving risk distribution, and boosting financial outcomes. These findings suggest that financial literacy programs, digital financial services, and credit product diversification are key drivers of SACCO performance. While regulatory frameworks remain important for compliance and oversight, their direct effect on performance may depend on how they are enforced and integrated with SACCO operations.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION, AND RECOMMENDATIONS

5.1 Introduction

This is the final chapter of this thesis and it presents summary of key findings as discussed in the previous chapter. The chapter also covers conclusions derived from the findings, followed by recommendations in view of the findings and finally suggestions for further studies.

5.2 Summary of the Findings

The specific objectives were to evaluate the influence of digital financial services, regulatory frameworks, financial literacy programs, and diversification of credit facilities on SACCO performance. The study targeted a population of 82 respondents, comprising board members, supervisory and departmental committee members, SASRA officials, county executive representatives, and founding members drawn from eight occupational-based SACCOs in Kericho County.

5.2.1 Digital Financial Services and SACCO Performance

The findings revealed that 77.4% of respondents agreed that their SACCOs had adequately invested in digital financial platforms (Mean = 4.13, SD = 1.21). This high mean implies a strong consensus on the adequacy of digital investments. However, the standard deviation suggests moderate differences in perception, possibly due to unequal distribution of technology resources or digital literacy across SACCOs. Similarly, 71.8% of respondents agreed that internet banking services were provided to meet members' needs (Mean = 4.04, SD = 1.29), indicating broad access, but the higher standard deviation reflects variations in experience possibly linked to system reliability or connectivity differences.

Most respondents (73.2%) also agreed that mobile banking operations had been integrated to improve financial transactions (Mean = 4.14, SD = 1.22), showing strong adoption of mobile banking services. However, 59.1% of respondents acknowledged the presence of strong cybersecurity measures (Mean = 3.73, SD = 1.28), but the mean was relatively lower and the standard deviation higher, pointing to inconsistent implementation or awareness of cybersecurity protocols. Furthermore, 81.7% of respondents confirmed regular updates and upgrades of digital financial services (Mean = 4.23, SD = 1.19), suggesting frequent system improvements. Lastly, 74.7% agreed that SACCOs frequently dealt with technical issues (Mean = 3.99, SD = 1.19), indicating persistent operational challenges even as digital adoption improves.

The analysis showed that digital financial services have significant and positive effect on how well occupational-based SACCOs perform in Kericho County. The relationship was not only positive but also statistically reliable, as confirmed by both correlation and regression tests. Based on these findings, the study rejected the initial assumption that digital financial services have no impact. Therefore, the objective of assessing the role of digital financial services was successfully achieved, with evidence pointing to their significant contribution to SACCO performance.

5.2.2 Regulatory Frameworks and SACCO Performance

The findings show that 55% of respondents agreed their SACCOs fully adhere to SACCO Societies Regulatory Authority (SASRA) policies (Mean = 3.69, SD = 1.06). The relatively high mean suggests moderate agreement, while the sizable neutral responses (33.8%) and a moderate standard deviation indicate inconsistencies in compliance across SACCOs. Additionally, 56.4% of respondents affirmed that SACCO management is informed and up-to-date with relevant policies

(Mean = 3.79, SD = 0.95), reflecting widespread awareness but also pointing to the need for continuous updates and training.

In contrast, only 47.9% of respondents reported that their SACCO performs regular inspections and audits (Mean = 3.37, SD = 1.16), suggesting weak internal control mechanisms. Meanwhile, 62% agreed that regulatory requirements are too stringent and cause operational disruptions (Mean = 3.77, SD = 0.99), indicating perceived rigidity in regulatory processes. Furthermore, 64.8% acknowledged that acquiring approvals for new services was slow and bureaucratic (Mean = 3.62, SD = 1.11), and 59.1% felt that some regulatory provisions do not align with occupational member needs (Mean = 3.59, SD = 1.14). A final concern was the financial burden of compliance, with 60.6% noting that the cost of regulatory adherence poses constraints on SACCOs and their members (Mean = 3.73, SD = 1.17).

Beyond the descriptive findings, the analysis revealed that regulatory frameworks are moderately linked to the performance of occupational-based SACCOs. While the correlation showed a meaningful connection, further regression analysis indicated that this link was not strong enough to be considered statistically significant. This means that simply adhering to regulatory requirements may not directly improve SACCO performance. As a result, the initial assumption that regulatory frameworks have no significant effect was retained. Nonetheless, the objective was addressed, as the study established a moderate relationship between regulatory frameworks and SACCO performance.

5.2.3 Financial Literacy Programs and SACCO Performance

The study found that 60.6% of respondents agreed their SACCOs organized financial literacy programs in remote areas (Mean = 3.68, SD = 1.26), indicating moderate reach with notable

variation in accessibility. Furthermore, 62% reported that management provides training on financial services for both staff and members (Mean = 3.83, SD = 1.11), with the mean suggesting generally positive perceptions, although the spread in responses indicates inconsistent implementation. A higher 76.1% agreed that the programs are accessible to all SACCO members (Mean = 4.01, SD = 0.96), suggesting strong availability with consistent satisfaction levels.

Similarly, 66.2% confirmed that their SACCOs use various communication channels to promote training sessions (Mean = 3.94, SD = 1.05), and 69.1% agreed that the content is practical and easy to understand (Mean = 4.00, SD = 1.08). These figures reflect well-structured and member-friendly programs. Lastly, 67.6% affirmed that trainers are engaging and knowledgeable (Mean = 3.94, SD = 0.98), indicating trust in the facilitators. The overall average mean for this variable was 3.90, with a standard deviation of 1.073, reflecting favorable and relatively consistent evaluations across SACCOs. The analysis demonstrated that financial literacy programs play a crucial role in enhancing the performance of occupational-based SACCOs. The findings revealed a strong and reliable association, supported by both correlation and regression outcomes. These results confirmed that improving members' financial knowledge significantly contributes to better SACCO performance. Consequently, the study rejected the assumption that financial literacy has no effect. The objective was clearly achieved, as the study confirmed a strong and statistically significant influence of financial literacy initiatives on SACCO performance.

5.2.4 Diversification of Credit Facilities and SACCO Performance

The study found that 63.4% of respondents agreed that their SACCOs offer diverse short- and long-term credit products to meet varied member needs (Mean = 3.82, SD = 0.99). The moderately high mean suggests a general consensus that SACCOs are responsive to the financial needs of

different members. However, the standard deviation indicates some variations in access, possibly due to differing member profiles or income brackets. Similarly, 69% of respondents agreed that these credit products are accessible through digital platforms (Mean = 3.92, SD = 1.07), reflecting the digitization of credit access channels across SACCOs. Despite this progress, some respondents may still experience limited digital engagement or technical constraints.

Additionally, 71.9% of respondents confirmed that their SACCOs have flexible loan repayment structures tailored to different member needs (Mean = 4.03, SD = 1.12). This high mean implies strong agreement on credit facility adaptability, though the higher standard deviation points to inconsistent experiences across SACCOs. Furthermore, 83.1% agreed that their SACCOs have put in place diverse qualification requirements for different credit types (Mean = 4.28, SD = 0.78), suggesting comprehensive loan eligibility structures that accommodate varying member profiles. The relatively low standard deviation in this case reflects a high level of consistency in perception among respondents. Finally, 70.4% of the respondents agreed that SACCOs conduct regular member assessments before offering new credit products (Mean = 3.93, SD = 0.94), indicating a focus on sustainability and risk management in credit issuance. The correlation analysis indicated a moderate positive and statistically significant association between diversification of credit facilities and SACCO performance ($r = 0.617$, $p < 0.01$), indicating that as SACCOs expand their credit facilities, performance metrics improve. Regression analysis further confirmed a strong, statistically significant effect ($\beta = 0.253$, $p = 0.000$). Based on these findings, the study rejected the null hypothesis (H_{04}). The objective was thus met since the study was able to show that there existed significant relationship between these variables.

5.3 Conclusions

Effective financial inclusion strategies are key for improving the performance of occupational-based SACCOs in Kericho County. Digital financial services, financial literacy programs, and diversification of credit facilities play a significant role in improving SACCO operations, member satisfaction, and institutional profitability among these SACCOs. Regulatory frameworks, although necessary for governance, has limited direct effect on performance, pointing to a need for more adaptable and supportive regulations. Sustainable growth in SACCO performance will require a balanced focus on innovation, financial education, and the continuous refinement of regulatory structures.

The study concludes that digital financial services contribute significantly to improving SACCO efficiency and accessibility. The integration of mobile banking, internet platforms, and automated financial systems enhances transaction speed, member convenience, and operational transparency. However, persistent technical challenges and cybersecurity concerns points to the need for further investment in digital infrastructure and security protocols. To fully leverage digital services, SACCOs should prioritize system reliability, enhance member awareness, and ensure equitable access across rural and urban regions.

Despite the fact that regulatory frameworks establish the necessary foundation for institutional compliance and member protection, their rigidity and implementation gaps limit their transformative effects on SACCO performance in Kericho County, Kenya. Excessive bureaucratic procedures and costly compliance requirements are likely burdening SACCO operations, especially in rural areas. To make regulation more effective, policymakers should consider context-

sensitive frameworks that maintain oversight while creating operational flexibility. This balance will encourage innovation and inclusivity without compromising governance standards.

Financial literacy programs are instrumental in strengthening SACCO performance by empowering members with the knowledge to make informed financial decisions. Accessible and practical training initiatives improve budgeting, loan repayment, and savings behavior, all of which are critical to SACCO sustainability. Nonetheless, disparities in training delivery highlight the need for more consistent and targeted approaches. SACCOs should expand their outreach, tailor programs to diverse demographic needs, and collaborate with educational institutions and civil society to enhance financial literacy across all member groups.

Moreover, diversification of credit facilities significantly contributes to SACCO performance in Kericho County by addressing the varied financial needs of members. Offering a wide range of loan products with flexible repayment terms ensures broader member engagement, increased loan uptake, and reduced default rates. However, continued success in this area requires ongoing assessment of member needs, market trends, and risk factors. SACCOs should also invest in digital platforms to support credit accessibility and enhance loan processing efficiency. Strengthening credit diversification strategies will ensure SACCOs remain competitive, inclusive, and responsive to their members' evolving financial realities.

5.4 Recommendations

Based on the findings discussed above, this study recommends that SACCO management and stakeholders should prioritize investment in secure, user-friendly, and reliable digital financial platforms. Mobile banking, internet banking, and automated systems should be expanded and regularly maintained to ensure uninterrupted access and efficient transaction processing for

members. SACCOs should also address the existing technical challenges by adopting modern ICT infrastructure and enhancing system resilience through regular updates and troubleshooting protocols. Additionally, efforts should be made to improve member awareness and trust in digital financial services through targeted information campaigns and training on platform use and cybersecurity.

From a regulatory perspective, the study recommends that policymakers and regulators such as SASRA should review and streamline existing regulatory frameworks to make them more adaptable to the operational realities of occupational-based SACCOs. Rather than focusing solely on compliance, regulatory bodies should adopt a facilitative approach that supports SACCO growth while maintaining oversight. This should include reducing bureaucratic bottlenecks in service approvals, offering digital compliance tools, and engaging SACCOs in participatory policy-making processes. Regulators should also introduce tiered regulatory models that accommodate SACCOs at different stages of development, thereby encouraging innovation while safeguarding members' interests.

To strengthen financial literacy, SACCOs should institutionalize continuous, well-structured financial education programs targeting both new and existing members. These programs should address key topics such as budgeting, savings, credit use, and investment strategies, and should be tailored to the needs of different demographic groups including youth, women, and low-income earners. Delivery should utilize diverse channels including digital platforms, in-person workshops, and community outreach initiatives to maximize reach and effect. Furthermore, partnerships with educational institutions, NGOs, and government agencies can enhance the scope and credibility of financial literacy initiatives, ultimately fostering more financially capable members and improving SACCO sustainability.

Regarding diversification of credit facilities, SACCOs should continue to broaden their loan portfolios to meet the diverse financial needs of their members. This includes providing products such as emergency loans, business development loans, educational financing, and asset acquisition packages, each with flexible repayment structures. Regular member needs assessments and market studies should inform the design of credit products to ensure relevance and affordability. In addition, SACCOs should leverage digital platforms for credit application, disbursement, and monitoring, which will enhance efficiency and transparency. Strengthening internal credit assessment frameworks and risk mitigation strategies will also be critical in maintaining healthy loan performance and minimizing defaults.

Finally, the study recommends that SACCOs adopt an integrated approach to financial inclusion by aligning digital financial services, education, credit offerings, and regulatory compliance into a cohesive strategic framework. This approach should prioritize member-centric services, digital innovation, and capacity building to foster inclusive and sustainable growth. SACCO leadership should actively engage members in decision-making processes, promote accountability through digital feedback systems, and measure performance through data-driven monitoring tools. By implementing these coordinated strategies, SACCOs in Kericho County and beyond can enhance their operational effectiveness, member satisfaction, and long-term financial resilience.

5.5 Recommendation for Further Research

Based on the above findings, this study suggests that future research should examine the longitudinal effects of financial inclusion strategies on SACCO performance over an extended period. While this study captured short-term relationships between digital financial services, financial literacy, regulatory environments, and credit diversification, future studies should

consider exploring how sustained application and evolution of these strategies affect SACCO stability, member loyalty, and growth trajectories over multiple years. Long-term analysis would be particularly useful in understanding how financial inclusion contributes to SACCO resilience during economic shocks or regulatory changes.

Additionally, the regression model used in this study explained 60.5% of the variance in SACCO performance, leaving 39.5% unexplained by the selected predictors. Future researchers should therefore consider identifying and integrate additional variables that may influence SACCO performance. These should include organizational leadership styles, member engagement levels, use of emerging financial technologies (e.g., blockchain or AI-based credit scoring systems), and external macroeconomic factors such as inflation and interest rate trends. Incorporating these variables should enhance the predictive power of future models and provide a more comprehensive view of performance determinants in the cooperative financial sector.

Moreover, the current study applied a multiple linear regression framework without considering moderating or mediating variables. Future studies should investigate how moderators such as SACCO size, location (urban vs. rural), leadership commitment, or market competition levels influence the effectiveness of financial inclusion strategies. Additionally, examining mediating factors such as member satisfaction or employee capacity could provide deeper insights into the mechanisms through which financial inclusion affects performance. The inclusion of such variables would refine theoretical models and improve practical interventions.

The study was geographically confined to Kericho County and focused exclusively on occupational-based SACCOs. To broaden the generalizability of findings, further research should replicate this study in other counties or among other SACCO types (e.g., community-based,

agricultural, or transport SACCOs) across Kenya. Comparative studies across different institutional models and locations could uncover unique contextual factors influencing performance and help in the development of regionally adapted financial inclusion policies.



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APPENDICES

Appendix I: Introductory Letter

Felix Sang

Address:

Dear Participant,

I am Felix Sang, pursuing a Master's Degree at Mount Kenya University in Nairobi, Kenya. Currently, I am working on a research proposal named; "*Financial Inclusion on Performance of Occupational-based SACCOs in Kericho County, Kenya*". I humbly request for your assistance in genuinely filling out these questionnaires as per the items indicated. It will only take approximately 10 to 15 minutes of your time. I guarantee you that all the data obtained during this process will be kept confidential. Besides, your responses will only be used for academic endeavors thus will not be available on public platforms. I humbly implore your participation and engagement in this study. Thank you in advance.

Yours truly

Felix Sang

Appendix II: Consent Form

Please consider participating in this study titled, "Financial Inclusion on Performance of Occupational-based SACCOs in Kericho County, Kenya." You have been chosen, and your consent is integral to the completion of this research. Kindly review the statements below thoroughly and kindly put your signature on the last page.

1. Participation is voluntary; you are free to decide whether you want to participate or not.
2. Even after you sign and agree to be involved in the study, you can withdraw freely or choose not to answer all questions. It is crucial to note that there will be no repercussions whatsoever.
3. For any other use of the obtained data other than academic purposes as stated, you will be promptly informed and your consent sought. You have the right to agree or decline with the request at your convenience.
4. There is no form of benefit gained in participating in data collection.
5. The gathered information will be kept confidential. The researcher will uphold data protection strategies to preserve your rights and personal information.
6. Personal information will be secretly used in the reporting stage, using codes that will not disclose your details, ideas and opinions.
7. The answers and perspectives will be kept anonymous. Though some answers will be indicated on the question or cited in academic journals, thesis reports, or conferences, your identity will not be concealed.
8. Any possible risks affecting you or any other participant can be reported to relevant authorities to safeguard all participants in the study.
9. When completed, this form will belong to Mount Kenya University. However, you can access it by requesting it from the Directorate of Graduate Studies.

10. These are the researcher's contact details; in case you need more clarifications: **Felix Sang;**

Email: sangfelix78.fs@gmail.com

I, _____, confirm to have read and comprehended the statements above, and voluntarily agree to provide my answers without influence or any persuasion, hereby granting my consent freely.

Signature (participant): _____ Date: _____

Researcher's Acknowledged the informed consent:

Signature: _____ Date: _____



Appendix III: Questionnaire

This form aims to gather data on Financial Inclusion on the Performance of Occupational-based SACCOs in Kericho County, Kenya for a master's thesis. You are required to participate in the research by providing answers to each item in the section, as illustrated.

SECTION I: DEMOGRAPHIC DATA

1. Which occupational-based SACCO do you work for?

2. What is your position or role within the SACCO?

- Top-tier management []
- Middle-tier management []
- Low-tier management []
- Beneficiaries/members []

3. Please indicate your age from the categories below

- 25–34
- 35–44
- 45–54
- 55–64
- 65 and above

4. What is your educational background? (Choose the highest level)

- Primary []
- Secondary []
- Undergraduate []
- Masters []
- Doctorate []

5. The number of years you have worked in the current SACCO.

- 1-5 []
- 6- 10 []
- 11 – 15 []
- 16- 20 []
- Over 20 years []

6. Gender

- Male []
- Female []

SECTION II: FINANCIAL INCLUSION AND PERFORMANCE

SECTION A: Digital Financial Services and Performance

Kindly fill in the statements below stating whether you agree or not based on the scale. The questions are on the impacts of digital financial services on the performance of occupational-based

SACCOs in Kericho County, Kenya. Please indicate to mean; **1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree**

	Statements	1	2	3	4	5
1	My SACCO has adequately invested in digital financial platforms					
2	Internet banking services are provided by the SACCO to meet members' needs					
3	The SACCO has integrated mobile banking operations to improve financial transactions					
4	My SACCO has strong cybersecurity measures protecting digital transactions					
5	My SACCO regularly upgrades and updates digital financial services					
6	The SACCO deals with frequent technical challenges with the digital platforms					



SECTION B: Regulatory Frameworks and Performance

Kindly fill in the statements below following the same instructions. The questions are on regulatory frameworks on the performance of occupational-based SACCOs in Kericho County, Kenya.

	Statement	1	2	3	4	5
1	My SACCO fully adheres to the regulatory frameworks and policies set by the Sacco Societies Regulatory Authority					
2	The management is well-informed and updated about all the crucial SACCO policies and regulations.					
3	My SACCO performs regular inspections and audits to improve regulatory compliance.					
4	Regulatory requirements are too strict/stringent creating operational issues.					
5	The process of acquiring regulatory approvals for new or diverse financial services is bureaucratic and too slow.					
6	Some regulatory frameworks do not align with the individual needs of members in different occupations.					
7	The cost of compliance raises a financial constraint to both the members and the SACCO.					

SECTION C: Financial Literacy Programs and Performance

Kindly fill in the statements below following the same instructions. The questions are on influence of financial literacy programs on the performance of occupational-based SACCOs in Kericho County, Kenya.

	Statement	1	2	3	4	5
1	The SACCO I work organizes regular financial literacy programs in remote areas					
2	The SACCO's management organizes regular training and education programs on financial products/services to staff and members					
3	The financial literacy education programs are easily accessible to all SACCO members					
4	My SACCO employs various communication channels to inform members about the training sessions					
5	The SACCO offers practical and easy-to-understand financial literacy education					

6	The SACCO's facilitators and trainers are engaging and knowledgeable.					
---	---	--	--	--	--	--

SECTION D: Diversification of Credit Facilities and Performance

Kindly fill in the statements below following the same instructions. The questions are on the influence of diversification of credit facilities on the performance of occupational-based SACCOs in Kericho County, Kenya.

	Statement	1	2	3	4	5
1	My SACCO has various credit facilities accommodating members who need short or long-term services					
2	Credit facilities are available on digital platforms such as SACCO's portal					

3	The SACCO has a comprehensive package of various credit and repayments methods, suitable to all individuals					
4	The repayment period for the loans is flexible and considerate					
5	There are various requirements required to access new credit facilities					



SECTION E: Performance

Kindly fill in the statements below following the same instructions. The questions are about the performance of occupational-based SACCOs in Kericho County, Kenya.

	Statement	1	2	3	4	5
1	My SACCO has experienced exemplary increase in membership over the past few years					
2	Members are contented with the financial services my SACCO offers.					
3	The SACCO has had steady financial growth and adequate liquidity to cater to members' financial wants.					
4	The SACCO has had well-managed and low loan default rates					
5	The SACCO's financial services like savings are competitive					
6	The SACCO provides a broad array of financial services tailored to meet members' needs					

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This is to Certify that Mr. Felix Kiprotich Sang of Mount Kenya University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev. 2014) in Kericho on the topic: FINANCIAL INCLUSION STRATEGIES ON PERFORMANCE OF OCCUPATIONAL-BASED SACCO IN KENYA: A CASE OF KERICHO COUNTY for the period ending : 10/MA/2026.



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MKU/PG/F007: POSTGRADUATE STUDENT PROGRESS REPORT FORM

PART I: INSTRUCTIONS

Postgraduate student progress reports must be submitted at the end of every trimester through the supervisors, Heads of relevant Department and Dean of relevant School to the Chairman, Postgraduate Studies Committee.

PART II: STUDENT PARTICULARS

Name of student Felix Kiprotich Sang
Registration Number MKN/2024/20375 Year of study: 2024/2025
Academic Year: 2025 Trimester: III
Department: Management School: Business and Economics
Programme: Masters of Business Administration
Duration Expected completion date: August 2025

PART III: PROJECT / THESIS:

Title of Project / Thesis

Financial inclusion on performance of occupational based SACRAS in Kenya. A case study of Kericho County.

Research Objectives

- i) Evaluate influence of digital financial services on performance of occupational based SACRAS in Kericho county, Kenya.
- ii) Determine influence of regulatory frameworks on performance of occupational based SACRAS in Kericho County, Kenya.
- iii) Establish the role of financial literacy programs on performance of occupational based SACRAS in Kericho County, Kenya.

to assess the impact of diversification of credit facilities on performance of occupational-based sectors in Kariakwu county, Kogi.

PART IV: CONSULTATIVE MEETINGS WITH SUPERVISOR PER SEMESTER

Consultative meetings were held as outlined below:

Meeting	Dates
i) Concept paper	5th Dec 2024
ii) Crystallization of the topic	14th Dec 2024
iii) Submission of chapter 1	21st Dec 2024
Final submission - chapter 2, 3, 4	8th Jan 2025
Final submission	15th Jan 2025

Objectives so far accomplished:

Completion of the research proposal in readiness for academic defence.

PART V: WORK PLAN FOR NEXT TRIMESTER

Work plan for January - May academic year 2025 trimester is outlined below

Activity	Duration	Remarks by supervisor
Proposal defence	1 Day	APPROVED
Correction and Etc	3 weeks	
Data Collection	1 month	
Submission for examination	1 month	
Publication	2 weeks	

General Remarks

To work under the guidance of my supervisor to achieve the listed milestones.

[Signature]
Student Signature

18/05/2025
Date

PART VI: FOR OFFICIAL USE ONLY

Remarks by supervisor

Cleared for examination

Name of Main supervisor

Dr George Klayjohi

Signature



Date

16/05/20

Name of Main supervisor

Signature

Date

Recommendations by Head of Department to Dean of relevant School

Name of Head of Department:

Signature:

Date:

Recommendations by Dean of relevant School to Chairman, Postgraduate Studies Committee

Name of Dean of School:

Signature:

Date:

Recommendations by Dean SPGS to Senate

Name of the Dean:

Signature:

Date:

SCHOOL OF POSTGRADUATE STUDIES

MKU/PG/F009: NOTICE OF INTENTION TO SUBMIT THESIS FOR EXAMINATION

To be completed in triplicate and submitted to Dean, School of Postgraduate Studies three months before the date of submission of thesis

PART I: STUDENT PARTICULARS

Name .. Felix .. Kipatich .. Sang .. Reg. No. MBA/2024/31275
Department .. Management .. School .. Business and Economics
P.O Box ... 964 - 20406
Email Address ... Sang.felix.78.fc@gmail.com
Cell Phone No. ... 0796177414

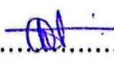
I intend to submit my PhD/ Master's thesis for examination on or before
..... 16th Day of May 2025

PART II: TITLE OF THESIS

Financial inclusion strategies on performance
of occupational based soccer in Kenya: A
case study of Kenicho County.

PART III: AREAS OF SPECIALIZATION

Strategic Management

Student's signature  Date. 16/5/2025

SCHOOL OF POSTGRADUATE STUDIES

MKU/PG/F009: NOTICE OF INTENTION TO SUBMIT THESIS FOR EXAMINATION

To be completed in triplicate and submitted to Dean, School of Postgraduate Studies three months before the date of submission of thesis

PART I: STUDENT PARTICULARS

Name .. Felix .. Kipatich .. Sang .. Reg. No. MBA/2024/31275

Department .. Management .. School .. Business and Economics

P.O Box .. 964 - 20406 ..

Email Address .. Sangfelix78.fc@gmail.com ..

Cell Phone No. .. 0796177414 ..


I intend to submit my PhD/ Master's thesis for examination on or before .. 16th .. Day of .. May .. 2025 ..

PART II: TITLE OF THESIS

Financial inclusion strategies on performance of occupational based soccer in Kenya: A case study of Kenicho County.

PART III: AREAS OF SPECIALIZATION


Strategic Management

Student's signature ..  .. Date .. 16/5/2025 ..

PART IV: COMMENTS BY SUPERVISORS

First Supervisor (Main)

Name..... Dr. George Klayobi
University..... Mt Kenya University
Department..... Business and Economics
Address..... 342-01000 Nairobi
Cell Phone Number..... 0713 942 293
E-mail address..... gindun34@gmail.com
Comments..... cleared for examination

Signature..... ..... Date..... 16/02/25

Second Supervisor

Name.....
University.....
Department.....
Address.....
Cell Phone Number.....
Comments.....

Signature..... Date.....

PART V: COMMENTS BY HEAD OF DEPARTMENT

Recommended / Not recommended (Delete appropriately)

Remarks (if any)

.....
.....

PART VI: PROPOSED MEMBERS OF BOARD OF EXAMINERS

External Examiner

Names.....
University.....
Department.....
Address.....
Cell Phone Number.....
E-mail address.....

Internal Examiner (Non-Supervisor)

Names.....
University.....
Department.....
Address.....
Cell Phone Number.....
E-mail address.....

PART VI: PROPOSED SCHOOL BOARD MEMBERS

1. School Board Member

Names.....
University.....
Department.....
Address.....
Cell Phone Number.....
E-mail address.....

2. School Board Member

Names.....
University.....
Department.....
Address.....
Cell Phone Number.....
E-mail address.....

**NB: The curriculum vitae of new external examiners should be attached.
The books should NOT accompany the notice of intention to submit.**

**PART VII: COMMENTS BY CHAIRMAN, POSTGRADUATE
STUDIES COMMITTEE**

Recommended / Not recommended (Delete appropriately)

Remarks (if any)

PART VIII: PROPOSED SENATE REPRESENTATIVE

Senate Representative

Names.....

University.....

Department.....

Address.....

Cell Phone Number.....

E-mail address.....

SCHOOL OF BUSINESS AND ECONOMICS HELD ON THURSDAY 13TH FEBRUARY 2025 VIA TEAMS

The following is a summary of the presentation for each candidate and it includes comments and observations of the panels and the verdicts.

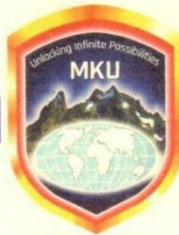
S/no.	Name & registration number	Title of the Project/Thesis	COMMENTS
	Felix Sang MBA/2024/35375	Financial Inclusion On Performance-Based Occupational-Based Saccos In Kericho County, Kenya	<p>Title</p> <ul style="list-style-type: none"> • aspect missing from your title <p>Preliminary Pages</p> <ul style="list-style-type: none"> • Bold the heading for preliminary pages in table of content • Use APA formatting for tables and figures, ABBs and ACRs • Because of the quantitative choice of methodology, I suggest you employ a probabilistic sampling technique, also you target population is small enough, Census should apply. <p>Problem Statement</p> <ul style="list-style-type: none"> • The problem is very fluid and is not contextualized to Kericho, it is not showing the gap and also it is just dependent on other context. Realign the SOP to Kericho, the unit of analysis. • How do you measure the role of the financial inclusion.... • This is a cross sectional study and therefore you cannot measure impact (obj 4) <p>Significance of study</p> <ul style="list-style-type: none"> • The entire section of rationale or significance should be revised to reflect on the stakeholders related to the study.

			<ul style="list-style-type: none"> • The timeframe scope should reflect the data timeframe how many years? From when to when? • this theory is invaluable to this study as it anchors all four strategies of financial inclusion "pg 19. Why not include this in the topic • Explain the relevance of stakeholder theory in this study, the theories are too many. Choose 2 or three theories that can strongly anchor this study • Pg.25. Avoid such a statement, beginning with still • Diversification of Credit Facilities: Liquidity ratio Non-performing loans ratio Creditworthiness The task of doing both financial and non-financial performance parameters of performance is homogenous, consider doing just one. • Check your algorithm in calculation of the target population page 36. Are the saccos 8 or 12? • This method of sample selection is unconventional and faulty, revise. • Update your work plan accordingly • Budget too low to accommodate the scope of study as described • Similarity index report is not availed; how do we establish originality of the study?
SCORE			22/36 PASS WITH MINOR CORRECTIONS

Secretary M/S Violet Ombajo
Chairperson: Dr. Isaac Mekono Abuga

Sign.....*[Signature]*..... Date...19/02/25
Sign.....*[Signature]*..... Date...19/2/2025

Mount Kenya University



REF: MKU/ISERC/4904
TO: FELIX SANG

Date: 10 April 2025

REG: MBA/2024/35375

Dear Sir/Madam,

RE: FINANCIAL INCLUSION STRATEGIES ON PERFORMANCE OF OCCUPATIONAL-BASED SACCOS IN KENYA: A CASE OF KERICHO COUNTY

This is to inform you that **Mount Kenya University** has reviewed and approved your above research proposal. Your application approval number is **3626**. The approval period is **10/04/2025 - 09/04/2026**.

This approval is subject to compliance with the following requirements;

- i. Only approved documents including informed consents, study instruments, MTA will be used
- ii. All changes including amendments, deviations and violations are submitted for review and approval by **Mount Kenya University**
- iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to **Mount Kenya University** within 72 hours of notification
- iv. Any changes, anticipated or otherwise that may increase the risks or affect the safety or welfare of study participants and others or affect the integrity of the research must be reported to **Mount Kenya University** within 72 hours
- v. Clearance for export of biological specimens must be obtained from relevant institutions
- vi. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal
- vii. Submission of an executive summary report within 90 days upon completion of the study to **Mount Kenya University**

Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) <https://research-portal.nacosti.go.ke> and also obtain other clearances needed.

Yours sincerely,

Dr. Alfred Owino, PhD
Chairman, Mount Kenya University ISERC



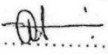
MKU/PG/F/011

Mount Kenya  University

SCHOOL OF POSTGRADUATE STUDIES

*MKU/PG/F/011: RESEARCH PROPOSAL CERTIFICATE OF CORRECTIONS
(NB: This Research Proposal Certificate of corrections should be submitted to the
Dean, School of Postgraduate Studies for clearance before the Student proceeds to
collect data)*

PART I: CANDIDATE PARTICULARS

Name of candidate Dr./Mr./Ms Felix Kiprotich Sang
Registration No: MBAL 2024 135375
Department of study: Management
Cell phone No: 0796177414
School: Business and Economics
Degree Title (MA, MEd, PhD): Masters in Business Administration
Area of specialization: Strategic Management
Title of Thesis: Financial inclusion strategies on performance
of occupational based factors in Kenya. A
Case study of Kericho County
Date of Presentation: 9th February 2025
Signature of candidate:  Date: 25/02/2025

PART II: DECLARATION OF SUPERVISOR(S) OVERSEEING
CORRECTION / REVISION

I/We, the undersigned supervisor(s) overseeing corrections of the research proposal
as advised by the candidate's evaluation panel do hereby declare that all the
corrections have been effected satisfactorily as required.

Any other remarks Assent for his progression
.....
.....

<u>Names of Supervisors</u>	<u>Signature</u>	<u>Date</u>
1. Dr. George Mutui	<i>[Signature]</i>	25/2/2025
2.
3.

PART III: CONFIRMATION BY THE CAMPUS/ SCHOOL POSTGRADUATE COORDINATOR

I hereby do confirm that the supervisor(s) appointed to oversee the candidate effect the corrections on the research proposal have done so as per the instructions of the candidate's evaluation panel.

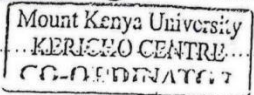
Any other remarks

.....

.....

Name of Coordinator: *Alfred Langat*

Signature: *[Signature]* Date: *2025/04/01*

Stamp: 

PART IV: CONFIRMATION BY THE DEAN OF THE RELEVANT SCHOOL

I hereby do confirm that the supervisor(s) appointed to oversee the candidate effect the corrections on the research proposal have done so as per the instructions of the candidate's evaluation panel.

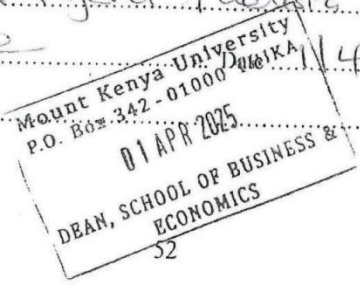
Any other remarks

.....

[Signature]

Name of Dean: *Dr. Njeru Pheliso*

Signature: *[Signature]* Date: *1/4/25*

School Stamp: 

PART V: CLEARANCE BY THE UNIVERSITY ETHICAL REVIEW COMMITTEE

The candidate will be issued with a Certificate of Ethical Clearance by the Directorate of Research and Development

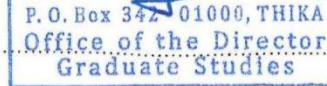
PART VI: COMMENTS BY THE DEAN SCHOOL OF POSTGRADUATE STUDIES

The candidate is granted/not granted permission to proceed to the field to collect data (delete where applicable)

NB: One (1) copy of the corrected/revised research proposal should accompany this certificate of corrections

Name of Dean Dr. Samuel M. Karega
(School of Postgraduate Studies)

Signature  16th April, 2021

School Stamp 

Mount Kenya University



REF: MKU/ISERC/4904
TO: FELIX SANG

Date: 10 April 2025

REG: MBA/2024/35375

Dear Sir/Madam,

RE: FINANCIAL INCLUSION STRATEGIES ON PERFORMANCE OF OCCUPATIONAL-BASED SACCOS IN KENYA: A CASE OF KERICHO COUNTY

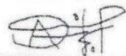
This is to inform you that **Mount Kenya University** has reviewed and approved your above research proposal. Your application approval number is **3626**. The approval period is **10/04/2025 - 09/04/2026**.

This approval is subject to compliance with the following requirements;

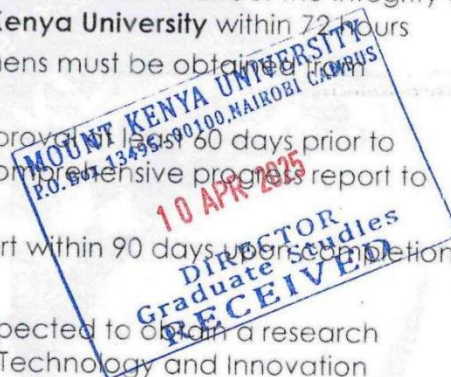
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- ii. All changes including amendments, deviations and violations are submitted for review and approval by **Mount Kenya University**
- iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to **Mount Kenya University** within 72 hours of notification
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- v. Clearance for export of biological specimens must be obtained from relevant institutions
- vi. Submission of a request for renewal of approval must be made 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal
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Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) <https://research-portal.nacosti.go.ke> and also obtain other clearances needed.

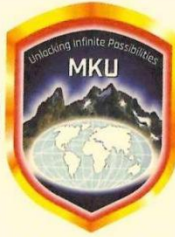
Yours sincerely,



Dr. Alfred Owino, PhD
Chairman, Mount Kenya University ISERC



Mount Kenya University



DIRECTORATE OF GRADUATE STUDIES

MBA/2024/35375

10th April, 2025

National Commission for Science Technology & Innovation (NACOSTI)
Off Waiyaki Way, Upper Kabete,
P.O Box 30623- 00100
NAIROBI, KENYA

Dear Sir/Madam,


RE: FELIX SANG - REGISTRATION NO. MBA/2024/35375

The purpose of this letter is to introduce the above named student who is pursuing **Master of Business Administration** in the department of **Accounting and Finance** in the school of **Business and Economics**.

The title of the research is "**Financial Inclusion Strategies on Performance of Occupational Based Saccos in Kenya: A Case of Kericho County.**" It has been cleared by the University's Ethics Review Committee (Certificate attached) and now has to proceed to the field to collect data between **April, 2025 and June, 2025**.

Any assistance accorded to the student will be highly appreciated.

Thank you.


Dr. Samuel M. Karenga, PhD
Director, Graduate Studies
Enc.

Mount Kenya University
P. O. Box 342 - 01000, THIKA
Office of the Director
Graduate Studies

Mount Kenya University

