

**FACTORS AFFECTING GROWTH IN RURAL BASED COOPERATIVE
SOCIETIES IN KENYA: A CASE STUDY OF K-UNITY SACCO**

GRACE WAMUHU GITAU

**A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF
MANAGEMENT AND LEADERSHIP IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR THE AWARD OF THE DEGREE IN BACHELOR OF
MANAGEMENT AND LEADERSHIP TO THE MANAGEMENT
UNIVERSITY OF AFRICA**

OCTOBER 2024

DECLARATION

This research project is my original work and has not been presented for a degree or any other award in any other university.

.....

GRACE WAMUHU GITAU

Date:

BML/25/01062/1/20

This project has been submitted for examination with my approval as the University Supervisor:

.....

.....

Dr. Juster G Nyaga

Date

The Management University of Africa

DEDICATION

This research project is devoted to my loved ones. Their moral backing and spiritual encouragement made it possible.

ACKNOWLEDGEMENT

I'm grateful to God Almighty for giving me the strength, health, and courage to complete this project and expand my knowledge. I want to express my heartfelt thanks to my amazing supervisor, Dr. Juster G Nyaga, for her invaluable help throughout the writing and compilation of this project. K-Unity Sacco management is also worth being mentioned for the support and information they availed. And last but not least, I acknowledge, with much appreciation, the assistance and encouraging support of Management University of Africa fraternity, who made it possible for us to have very rich learning resources relevant to my study.

ABSTRACT

K-Unity Sacco served as a case study for this research to pinpoint factors that affect the growth of cooperative societies in rural Kenya. The research aimed to figure out how interest rates IT, staff skills, and management abilities shape the expansion of rural cooperative societies in Kenya. I did this study to find answers to problems like corruption waste of resources bad management, and not enough workers in rural Kenyan cooperative societies. This way, I could come up with fixes. The study will help K-Unity Sacco's leaders other saccos, and researchers. The study used a descriptive approach. It looked at 178 people from top, middle, and support staff levels. We picked 89 respondents, half the total group using stratified random sampling. We gathered data through surveys with both open and closed questions. Both qualitative and quantitative analyses of the data were conducted. While quantitative data was displayed as tables and figures, qualitative data was displayed as content analysis and descriptive annotations. From investigations findings it was recognized 80% of the respondents noted that managerial skills affects growth in rural based cooperative societies in Kenya while 20% said it has no effect, 84% staff competence while 16% said it has no effect, interest rate affects by 72%, while 28% said it has no effect, interest rate affects by 82% while 18% said it has no effect, information technology affects by 79% while 21% said it has no effect and finally 80% of the respondents noted that organization policy affects while 20% said it has no effect. Investigator recommends that organizations need to implement regular training programs to improve the managerial skills of cooperative leaders. This should include financial management, strategic planning, and decision-making skills. Effective leadership is crucial for guiding the cooperative's growth and ensuring sustainable development. Organizations need to invest in continuous professional development for staff, including certifications in cooperative management, customer service, and financial literacy. Organizations need to regularly review and adjust interest rates on loans and savings to remain competitive. Offering attractive rates can encourage more members to save and borrow, leading to increased capital circulation within the cooperative. Develop flexible loan products that cater to the specific needs of rural members, such as agricultural loans with seasonal repayment plans. Organizations need to invest in digital financial services, such as mobile banking and online platforms, to improve accessibility for members, especially in remote areas. This can facilitate savings, loan disbursements, and repayments, making the cooperative more efficient and member-friendly. Implement robust data management systems to enhance record-keeping, track member contributions, and analyze financial breakthrough.

Table of Contents

DECLARATION	i
DEDICATION	ii
ACKNOWLEDGEMENT	iii
ABSTRACT	iv
LIST OF TABLES	vii
LIST OF FIGURES	viii
LIST OF ABBREVIATIONS/ACRONYMS	ix
OPERATIONAL DEFINITION OF TERMS	x
CHAPTER ONE	1
INTRODUCTION	1
1.0 Introduction.....	1
1.1 Background of the Study.....	1
1.2 Statement of the Problem.....	6
1.3 Objective of the Study.....	7
1.4 Research Questions.....	8
1.5 Significance of the Study.....	8
1.6 Limitations of the Study.....	8
1.7 Scope of the Study.....	9
1.8 Chapter Summary.....	9
CHAPTER TWO	10
LITERATURE REVIEW	10
2.0 Introduction.....	10
2.1 Theoretical Review.....	10
2.2 Review of Empirical Literature.....	12
2.3 Summary of Knowledge Gaps.....	25
2.4 Conceptual Framework.....	26
2.6 Operationalization of the Variables.....	27
2.7 Chapter Summary.....	27
CHAPTER THREE	28
RESEARCH DESIGN AND METHODOLOGY	28
3.0 Introduction.....	28
3.1 Research Design.....	28

3.2 Target Population.....	28
3.3 Sample Design and Procedure.....	29
3.4 Data Collection and Procedure.....	30
3.5 Data Analysis Methods.....	31
3.6 Ethical Considerations on Research.....	31
CHAPTER FOUR	32
DATA ANALYSIS, PRESENTATION AND INTERPRETATION OF FINDINGS	32
4.0 Introduction.....	32
4.1 Presentations of Findings.....	32
4.2 Chapter Summary.....	45
CHAPTER FIVE	46
SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS	46
5.0 Introduction.....	46
5.2 Summary of Findings.....	46
5.3 Conclusions.....	46
5.4 Recommendations.....	47
5.5 Suggestions for Further Study.....	48
REFERENCES	49
APPENDICES.....	57
APPENDIX II QUESTIONNAIRE.....	57

LIST OF TABLES

Table 1: Target Population	29
Table 2: Sample Size	30
Table 3: Response Rate	32
Table 4: Gender of Respondents.....	33
Table 5: Age Analysis	34
Table 6 : Highest Level of Education.....	35
Table 7: Work Experience	36
Table 8: Whether managerial skills affect growth in rural based cooperative societies in Kenya	37
Table 9: Rating of Managerial Skills	38
Table 10: Whether staff competence affects growth in rural based cooperative societies in Kenya	39
Table 11: Rating of Staff Competence	40
Table 12: Whether interest rate affect growth in rural based cooperative societies in Kenya	41
Table 13: Rating of Interest Rate	42
Table 14: Whether information technology affects growth in rural based cooperative societies in Kenya	43
Table 15: Rating of Information Technology	44

LIST OF FIGURES

Figure 1: Conceptual Framework	27
Figure 2: Response Rate.....	32
Figure 3: Gender of Respondents	33
Figure 4: Age Analysis.....	34
Figure 5: Highest Level of Education	35
Figure 6: Work Experience	36
Figure 7 : Whether managerial skills affect growth in rural based cooperative societies in Kenya	37
Figure 8: Rating of Managerial Skills	39
Figure 9: Whether staff competence affects growth in rural based cooperative societies in Kenya	40
Figure 10: Rating of Staff Competence	41
Figure 11: Whether interest rate affect growth in rural based cooperative societies in Kenya	42
Figure 12: Rating of Interest Rate.....	43
Figure 13: Whether information technology affects growth in rural based cooperative societies in Kenya	43
Figure 14: Rating of Information Technology	44

LIST OF ABBREVIATIONS/ACRONYMS

- BML** : Bachelor of Management and Leadership
- FOSA** : Front Office Operation
- IT** : Information Technology
- KUSCCO:** Kenya Union of Saving and Credit Co-operatives
- SACCO** : Savings and Credit Cooperative Society
- SASRA** : Society Regulatory Authority

OPERATIONAL DEFINITION OF TERMS

Growth-	Process of increasing in size-expound.
Information Technology-	Is the utilization of any hardware, including storage, connectivity, and desktops, infrastructure and processes to create, process, store, secure and exchange all forms of electronic data.
Interest Rate-	The percentage which the debtor must pay back on a loan, usually stated as an annual percentage of the total amount owed.
Managerial Skills-	These are marketing technical, human and conceptual skills. There are three dimensions of technical skill including process/ technique knowledge and proficiency.
Staff Competence-	Are observable skills and behaviors that contribute to workplace success.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This section includes the inquiry's history, justification, problem description, goal, inquiry questions, significance, constraints, and delimitations.

1.1 Background of the Study

SACCOs growth is based on assessment of the degree of membership growth and the degree of growth in savings. In the case of SACCOs, it is based on the saving that members contribute with in order to extend loans and make profits. Therefore, to develop a Sacco it has to increase its money lender which depends on individuals' funds. Increase in membership in SACCOs is a sign post to an increase in reserve funds. When a part joins a Sacco he or she must save in order to be qualified to access a credit. In this way, notwithstanding, if enrollment raises, investment funds of the Sacco raises and yet, the loan specialist raises. Credit portfolio administration is additionally a vital figure when measuring advancement of SACCOs. In order to avoid incurring loses a Sacco must be in a position to recover its advances from its members. A Sacco can as it were be developed on the off chance that it has the capacity to recover credits and however make benefit by so achieving this thus developing the lender. In this way, credit recuperation rate is utilized to measure growth of SACCOs. The method of capacity building of people or bunches to create choices in this way, changing the exceptionally choices into anticipated activities and comes about may as well be named as development (Gardeklint, 2019).

Investment funds and Credit Co-operative Social orders are started locally and have solid roots of little sparing records constituting a steady and low-cost wellspring of fund and low controlling cost. Even more, SACCOs can advance credits at interested rates cheaper than the rates tendered by other fiscal intermediaries. Additionally, lenders are in a good spot to reach customers in regions which banking institutions find unappealing, including rural areas or impoverished areas in general. Due to this, SACCOs have become increasingly appealing to customers and have established a strong presence in the

financial sectors of numerous nations. In fact, SACCOs' primary goal is to ensure that people grow by raising capital for investments rather than granting credit. SACCOs have been helpful in achieving this goal. For instance in Kenya SACCOs have attracted over 200billion in investment funds (Co-operative Bank of Kenya, 2017).

To finance investment funds, satisfactory organization capital, which ensures permanency, afford cushion to offset losses and impairment of members' reserve funds, should be supported. The regulation capital consisting of the centre capital and less share capital is mostly built up from the portionment of the surpluses. Therefore, it is the wish and the responsibility of SACCOs to try and benefit from the on the profit in order to build the organization capital. Even in difficult monetary instances, this regulatory funding ensures the SACCOs' continued growth and quality. In reality, it makes a difference the SACCOs to develop and, stay financially and fiscally viable (Evans, 2019).

The fact that the government of Kenya developed, accepted, and controlled cooperatives is especially significant to note. Sparing and credit co-operative social orders (SACCOs), which make up more than 50% of all cooperatives, have continued to grow since independence. As financial entities, they perform a fundamental role in financing intermediation inside the finances instance, which primarily focuses on personal enhancement (SACCOs Survey, 2012). In general, the SACCO sub-sector is identified with the course of development administration. For example, the total resources for the SACCO sub-sector in the month of December 2012 were Ksh. 216 billion, up from Ksh. 194 billions in 2009, representing an 11% growth. The expansion of financial assets throughout this time was mainly funded by part stores and share capital, totaling Ksh. 164 billion. These compares positively with developments and evolves, which made up 73% (or Ksh. 158 billion) of the total resources (KUSCCO, 2016).

Held profit and credits from business banks along with additional I-budget entities are funding the remaining amounts. SACCOs are present in nearly all divisions of the economy and about 80% of people in Kenya are either directly or indirectly determine their wages through SACCO operations. SACCOs in Kenya face strong competition from other firms in the budgetary administration sector, such as venture capital firms, commercial banks, microfinance institutions, shylocks, and venture groups. Among the

estimated 41 million persons, a noteworthy 24.6 million people (63%) participate in SACCO activities directly or indirectly (Muchemi, 2015).

The pleasant alteration in it's changed exercises is around the world and as such described as a movement and this is accrete to its social and Financial Utility. Governments now encourage it in order to boost national popularity. As a result, instruments are developed to improve living conditions for most people, but mainly for those who live in rural and dispersed sections of the country. Since the majority of agreeable societies in any country are federated as a national development in a totally different method, the agreeable development in any nation consists of this (Ondieki, 2017).

According to Kohls (2017), harmonious social structures are legitimate, practical means by which a class of self-selected, self-serving capitalists seek to advance their own financial status in a cutthroat society. Cooperatives have also set up credit for the purchase of goods, agricultural inputs, housing, healthcare, education, and the advancement of other business endeavors. Events like these will occur because the estimated population of the area is over 10 million amiable people. This sector has sustained and remains to this day to buildup thus establishing some A few number of societies that are deemed acceptable own a substantial amount of financial wealth and are currently dedicated to upholding the money industry via their Front Office Operation (FOSA). Many notable social orders were formed in the 1960s and early 1970s during the height of the population, not only with the goal of purchasing properties but also with the goal of acquiring other properties and individuals with agility. These cooperatives were more widespread in all economic sectors, but they were especially prevalent in the government public service, manufacturing, farming, building, and housing sectors.

According to specialized study, Kenyan co-ops contribute roughly 47% of the country's GDP and 34% of its investments; observational data "proves" that at least 78% of Kenyans rely on cooperatives for one or more of their livelihoods. Cooperatives generated a revenue of almost Ksh 50 billion as of 2011. We can declare with confidence, based on this kind of facts, that cooperatives have exceptional potential to serve as financial walls against poverty. Over 102 billion Kenyan shillings are claimed in the

overall savings, which makes up nearly 31% of the nation's savings and 67% of all savings in Africa. Additionally, it boasts the highest number of social orders and individual reserve funds permissible in Africa, with 3,500 SACCOS and over 4.6 million enrolled members. Compared to Uganda, where there are 1,310 SACCOS, some of which are not active, there are 2,676 SACCOS operating overall. Kenyan SACCOs have higher goals (WOCCU, 2017).

Stima Sacco was set up in 1974 to serve employees of the at that point East African Control & Lighting Company. In any case, it right now draws individuals from people in work from all divisions, businesspersons, bunches, and enterprises. The objective was and has been to give individuals with a sanctuary for investment funds, access estimated credit and make a great return on venture. The Sacco has grown to gotten to be a driving budgetary accomplice in Kenya with a gigantic resource base, enormous enrollment, energetic items and noteworthy profits. Stima Sacco was built up in 1974 to serve workers of the at that point East African Control & Lighting Company. However, it right now draws individuals from people in work from all divisions, businesspersons, bunches, and corporations. (WOCCU, 2017).

1.1.1 The Impact of Technologies on Cooperative Societies' Growth

According to Thompson (2016), a significant portion of the data regarding daily operations may be essential for chairmen who need assistance in determining how well the framework execution technique was doing. Furthermore, five broad zones of customer, operation, agent, supplier, partner, and collaborative related information, as well as financial execution data, must be covered by information systems. Since of its changing nature, ICT ensure fundamental change inside and out parts for human presence counting data spread, social organizing, budgetary What's more trade hones, political engagements, instruction, wellbeing, relaxation, moreover incitement.

ICTs need assistance as well as appropriate and substantial stock secured near their advantages or as value, including companies that advance sufficiency What's more usefulness. ICTs can therefore provide dependable access to trade segments (local, regional, and global) by extending the use of competitive correspondences (phone, mail).

ICT in its whole might take into A reduction in expenses is exchanged for forward motion, which should be advantageous. Better yet, forward-looking business correspondence with more useful information In addition to internal supply chain management, acquiring appropriate skills to improve for benefit Additionally, a greater portion of the data regarding missed opportunities has been advanced (Gunga, 2018).

1.1.2 Competing for cooperative societies' growth

Possibly the nation-related SACCO was favored more during the 1990s than at any other time. This gave the industry at large an opportunity to establish a strong conventional equilibrium to collect praise and details whenever direct enthusiasm rates are involved. In order to fill that wealth exchange, the Right Absent must pay attention to opportunities in the economy. As a result, those banks have an identification A number for investable arrangements B that are situated "around them" in the SACCO social ordering. The trade banks' acquisition of six clients for the cooperative subsector was necessary to cause waves in the industry (ROK 2016).

Trade banks too special cash related structures Right missing out on target paid employees who need help Sacco customers. SACCO under the handle, has of late required a structural reduction almost a many of the trade banks furthermore various cash related organizations. More help intense engaging ought to be secured from Bait huge parcels SACCO parts will obtain beginning with them which the commerce banks require. SACCO's performance may be deteriorating, and this need should be given serious consideration. For instance the annual performance report of Malibu SACCO for within the first few time 2006 and 2007 The conventional progresses applicants were 20,890 and 12,764 independently enrolling a decrease of 8126 candidates which is 39%. The diminish may recommend that SACCO sections cut out for credit offices from other money related structures..

1.1.3 The impact of loan portfolio management on cooperative society growth

According to Alexandra (2016), a SACCO's performance was closely related to the management of its portfolio. Tom's relieving perspective assessments in the long run. All things considered, the administration and organizational frameworks validate the SACCO's execution. The fear of credit default must be reduced for SACCO chiefs given

the organization's compromised financial stability. Regarding those instances involving rules Even more intriguing are the recovery coefficient and the probability that the administration time coefficient will increase. On the other hand, the amazing holders retained all of SACCO's operations below those locations in order to achieve more profits, with some components providing boosts to help locations raise their level of living. This social component might conflict with the financial rationality of the SACCO directors' decision to end Lesquerella's rigidity in response to the need for cold-blooded assessment and screening of credit risk for nearly all borrowers.

1.1.2 profile of K-Unity Sacco

The Co-operative Society's Act, Cap. 490 of the Laws of Kenya, is the legal basis for K-Unity, formerly known as Kiambu Unity Finance Cooperative Union Ltd., a cooperative union that functions under the Ministry of Cooperatives and Marketing. In order to assist societies in providing savings and credit facilities, the union was established in 1974 as a result of the merging of the Kiambu Dairy Marketing Union and the Limuru Marketing Cooperative Union. It presently has an asset base of over 2.9 billion and more than 100,000 members distributed over five counties: Kiambu, Nairobi, Nakuru, Narok, and Nyandarua. In addition to savings and credit services, the SACCO offers other business lines. These include property, which is in charge of overseeing the Mapa House, Githunguri, Kiriita, Limuru, Wangige, and Kikuyu buildings, and Mapa Insurance Agency, which has been in business for more than 20 years. Honesty, integrity, accountability, reliability and trust, and teamwork are examples of core values. Our goal is to provide our clients with a comprehensive array of financial services at a fair price and valuable investment funds. Vision: To become the preferred provider of financial services that enhance people's lives while also growing shareholder value.

1.2 Statement of the problem

Main objective of SACCOs is to help communities raise money and pool resources while offering their members low interest rates and savings plans. However, SACCOs in Kenya confront a number of difficulties, such as a lack of creativity, inadequate leadership, a lack of confidence and trust, particularly among members, competitiveness, and financial misappropriation, among others. Moreover, bad investment choices and inadequate

management are among the issues SACCOs face. It so happens that the leaders prioritize financial mobilization over quality management in their efforts to promote economic stability (Gunga, 2018).

Competitiveness, as stated by Mwaura (2017), has a negative impact on cooperative societies since they must contend with other well-established commercial cooperative societies and their industry strength is still relatively modest. Local research on SACCOs has included the following: assessed factors influencing growth in Kenyan rural cooperative societies, though the variables used were not all-inclusive; examined the impact of external financing on SACCOs' financial performances, not accounting for internal financing, a crucial component of capital to be assessed in this study; and assessed factors influencing growth in Kenyan rural cooperative societies. Therefore, the goal of this study was to determine whether political meddling, ineffective technology, poor managerial abilities, and low member participation may all have an impact on SACCO growth. This study examined what influence the expansion of rural cooperative societies in the Kenyan context, with a particular eye on internal funding, which is a crucial component of the capital to be assessed.

1.3 Objective of the Study

1.3.1 General Objective

The main objective of the study was to determine the factors affecting growth in rural based cooperative societies in Kenya.

1.3.2 Specific Objectives

- i. To establish the effect of managerial skills on growth in rural based cooperative societies in Kenya.
- ii. To find out the effect of staff competence on growth in rural based cooperative societies in Kenya.
- iii. To determine the effects of interest rate on growth in rural based cooperative societies in Kenya.
- iv. To establish how information technology affects growth in rural based cooperative societies in Kenya.

14 Research questions

- i. How much does the expansion of Kenyan cooperative societies located in rural areas depend on managerial skills?
- ii. How does staff competency impact the expansion of Kenyan cooperative societies situated in rural areas?
- iii. How much does interest rate impact the expansion of Kenyan cooperative societies situated in rural areas?
- iv. How does information technology impact the expansion of cooperative societies in Kenya's rural areas?

1.5 Significance of the study

Research study is important to K-Unity Sacco's management because it helps upper management comprehend problems influencing the development of rural cooperative societies in Kenya. Finding the answers from different respondents to enable the management make a specific judgment about how well the K-Unity Sacco can be sustained, including areas the company has not been doing well or have overlooked despite being beneficial to the business. The accomplishments of K-Unity Sacco can be easily applied to the success of other saccos, since they can follow in K-Unity Sacco's footsteps and adopt contemporary business techniques, which include comparison. Researcher's, students and aspiring researchers should value the study because it provides an invaluable resource for any necessary research. Conducting additional study will be feasible if one relies on the results.

1.6 Limitations of the Study

Methodological constraints- Research methodologies often come with inherent constraints that can limit the scope of a study. These may include limitations in data collection methods, measurement tools, or analytical techniques. Reliance on self-reported data, for example, may introduce biases like social desirability bias, in which respondents may provide answers to queries that they believe to be flattering rather than telling the truth. Additionally, certain research designs, like cross-sectional studies, do not allow for causal inferences, limiting the ability to determine cause-and-effect relationships.

Temporal limitations- The timing and duration of a study can also be a limitation. Short-term studies may not capture long-term trends or effects, and findings as seen on information gathered at a single time might not account for variations over time. This is particularly relevant in longitudinal research where long-term follow-up is necessary to observe changes and outcomes. E.g,an investigation examining effects of a new educational control over just a few months may not reflect its long-term effectiveness or sustainability.

External validity and generalizability -External validity is the capacity of study results to be generalized to other people, settings, or historical periods. Research conducted in a specific context, such as a single organization or geographic location, may have limited applicability to other contexts. This limitation can be particularly pronounced in case studies or research focused on a niche or highly specific group. For example, a case study of a single company's successful marketing strategy may not be generalizable to other companies in differentiated industries and markets.

1.7 Scope of the Study

Aim of the investigation was to identify variables influencing the growth of rural cooperative societies in Kenya. K-Unity Sacco, a case study of a Sacco situated along seventh floor of the K-Unity Building on Biashara Street in Kiambu County. 178 K-Unity Sacco employees made up the study's target population, while 89 respondents made up the sample. From January to August of 2024, a six-month period, the study was conducted.

1.8 Chapter Summary

This chapter includes the introduction, the history of the inquiry, the k-Unity Sacco profile, the problem statement, the study objective, the research questions, the study significance, the study constraints, and the study scope.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

Section includes study's history, issue statement, purpose, research questions, and significance, which highlights the areas the study will investigate.

2.1 Theoretical literature review

2.1.1 Portfolio Theory

Portfolio theory, to put it simply, deals with selecting portfolios that have the highest predicted returns for a certain degree of individually tolerable risk. This theory establishes a model for risk and return, explaining how this relationship can be used to set investment criteria as the kind of expected returns that correspond with different levels of variability in actual returns. As with cooperative societies, the fundamental tenet of the market model is that investors seek to optimize returns on their investments within a specified risk profile. As the returns from cooperative investments interact, the relationship between the returns for the portfolio's assets is crucial in determining the growth of SACCO (Reilly, 2017). Therefore, the entire spectrum of investments from the factors that impede the progress or growth of the cooperatives, including Loan portfolio management, competition from other financial institutions, and quality of service, must be taken into consideration.

According to Markowitz (2013), the variance, also known as the standard deviation, of the expected rate of return can serve as a useful indicator of portfolio risk when applied to plausible assumptions. According to his concept, the weighted average of the "expected returns for individual assets in that same market" should be used to determine the expected return of a portfolio. i.e. The expected rate of return and the variance (standard deviation) of a portfolio is defined by taking the Covariance from all paired assets rates in returns that create two formulas. Markowitz discovered what he called "efficient diversification" for the purposes of illustrating exactly why investment portfolio risk goes down with proper diversification. By decreasing the risk of his portfolio, this way he can overcome some of the challenges that have rocked him at every turn and hindered

growth. The theory talking a risk of portfolio return may be described as the three factors affecting its that are individual standard deviation or risk.

2.1.2 Resource-Based View/Theory (RBV)

These RBV states that A firm earns Combative rent through not only acquiring but also developing, bundling. These hard-to-compete-with maneuvers on channels where the up-front interesting expense is push to look-alike. The RBV shows that firms should focus inwardly if their tangible, and also intangible assets are the resources of competitive advantage. The resource-primarily built see need develop with a chance to be those basic hypothetical frameworks around which an alarming quite a few those up to date key and manager generally execution oversaw economy investigations concerning knowledge-based completely sees of the firm (Barney, 2018).

The portfolio of SACCO member securities that makes up the marks, and not only in particular relationships but also returns between equally or correlates several weights. For the case of SACCO, we can see that portfolio management benefits mutual deposit-takers like CO-OP and affects growth of the organization because this are investments which generate income where by SACCO disperse loans to members from these gains its been announced yearly as demanded using demand conditions.... via-savings.co.ke

If that were the case, dynamic competencies would also suggest. In the past, fact, designed RBV Study against eighteen method exploration topics highlighting its wide spread between vital management area. However that the RBV remains significantly recognized, it has for far as they possibly could unequivocally not been without its faultfinders. Their argument hinges entirely on once important inconveniences. On this they claim that the RBV may be essentially tautological -- as its basic statements are true by definition — and, therefore a fortiori not testable. In distinctive words, without definitional reliance that polar articulation that exact organization's identity or focused focal point can Right away not consistently watch(Allen, 2017).

2.2 Review of Empirical literature

This is critical assessment and synthesis of research studies that have been conducted on a particular topic. This type of review focuses on summarizing the findings of empirical research, which involves the collection and analysis of data through observation or experimentation.

2.2.1 Effect of managerial skills on growth in rural based cooperative societies

Cole (2015), contends that administration could be a collection of exercises including arranging, organizing, persuading and controlling. Arranging includes choosing the goals or objectives of the organization and planning how to meet those goals. Cooperatives arrange by planning yearly budgets, which are endorsed by individuals amid the yearly common assembly. The individuals display designate the social orders monies to diverse fetched centers.

Planning – usually involves scheduling action steps and delegating tasks to achieve those plans. It is a demand of arranging activities and duties in proper order. This step is completely cleared to service inside the syndicate section. This has only made to foreclosure and consequently burning of public assets. Spurring is meeting the social and mental needs of employees in accomplishing an organization goals. Absolutely no effort is made to push people apart from making sure that what they have applied for (and control) really watch the proceedings and evaluate, corrective measures are given. Audit boards were set up to offer the basic checks and balances. In any case, most are compromised by administration and in this way don't serve successfully (Mudibo, 2014).

As famous by Cole (2015), administration is the unmistakable prepare comprising of planning, organizing, actuating, and controlling performed to decide and finish the goals by the utilize of individuals and assets. Terry too watched that administration could be a work of, efficiency, individuals, benefits, open obligation and men, cash, materials, machine.

Efficiently-prepared individuals who do their part well are necessary for agreeable social orders in order to support and advance the growth that has already been made. In any event, the law-based nature of administration in social systems that are mutually

acceptable determines how social orders are administered. For a specific term, the individuals select the administration committee. The problem is that most of the time, those elected don't make excellent directors and wind up tearing apart socioeconomic classes. In fact, in the majority of harmonious social structures, this is currently a significant problem. Convincing people with little to no background in administration end up in administrative roles, which undermines the greatly important goal of social order growth. The issues bedeviling co-operatives arise from terrible administration and destitute financial administration. Whereas pioneers coordinate and control the organizations, and directors run them, individuals have specialist to request and implement great administration in their organizations (Mudibo, 2014).

Concurring to Mudibo (2014), since the co-operative operators are overseers, trustees and stewards of the social orders, they are responsible and answerable to members, and are anticipated to be effective, viable, mindful, responsive, genuine, steadfast, persevering and judicious. observes that the administration committee and the administration staff have been under covering each other's obligations in the management of cooperatives. This is an example of poor management and a disregard for excellent management practices. The disciplined modification of behavior through education that results from training, progress, and organized experience is called preparation. It also involves helping people develop their shared capacities and giving them the tools they need to perform better.

The goal is to advance workers' execution and develop their competencies. It is also important for representatives to grow within the company in order to ensure that future demands for human resources are satisfied within. Comprehensively explore administration issues in SACCOs and found that as SACCOs ended up bigger and more complex, they require particular information and abilities to form a extend of specialized decisions. Individual proprietors are not likely to have the specified managerial skills and specialized information. This may require that managers be enlisted to create the basic administration choices. The specialization of choice administration increments the organization's capacity to function in an entrepreneurial way by contracting proficient

skill. Yet this separation of proprietorship and decision-making leads to principal-agent issues (Fama, 2013).

In arrange to secure proprietors from the deft activities of decision makers, a component for administration or supervision is required. Where possession is scattered among numerous, such as in a SACCO, it is exorbitant for all individuals to as often as possible screen the choice producers. Most of the person proprietors need the abilities and data required to oversee managerial activities and discover it more productive to appoint administration to ensure their interests. In like manner, proprietors vote for agents to serve on the administration board (Department, 2018).

The board delegates choice making capacities to internal management. The board holds extreme control to favor and screen major approach activities and the common heading of the institution. The board moreover has the control to enlist and fire and set the remuneration of the chief. Board individuals are liable for corrective sanctions on the off chance that they come up short to maintain their guardian obligation in choice control. Decision rules are characterized by the SACCO bylaws, agreeable and managing an account law, commercial contract code, bookkeeping standards, prudential controls, and organizational budgeting frameworks. All these variables oblige the decision behavior of operators, offer assistance shape the observing capacities, and indicate the performance criteria that decide rewards (Branc, 2018).

SACCOs include the supervisory committee as a encourage component of decision monitoring and part control. In theory, the foremost specialist issue is controlled by checks and equalizations inside the method of choice making and choice checking. In any case, in hone, administration issues regularly happen when the rules of choice making, and choice control are not clearly or properly specified or are not satisfactorily upheld. Be that as it may, it was proposed that issues frequently occur in SACCOs due to one or more of the taking after causes (Armstrong, 2010).

Managerial competence requires that administration be competitively remunerated. Many SACCO individuals tend to have lower to direct levels of wage. Compensations that are competitive with those paid by other budgetary educate are frequently criticized by

individuals who compare SACCO pay rates to their claim. The board may discover that managerial salaries are more than their claim profit, especially when the executives are ruled by lower compensation level experts. In these cases, the chosen board individuals may interfere with proficient administration of the SACCO, constraining administration pay rates and competitiveness. This comes about in weak organization of the institution, resolve issues, and the failure of the SACCO to attract the quality of administration that can create solid comes about or stand up to the intemperate impedances of chiefs in operational decisions (Pastry specialist, 2018).

2.2.2 Effect of staff competence on growth in rural based cooperative societies

Staff competence are observable skills and behaviors that contribute to workplace success. Staff competence guarantees compelling administration of agreeable social orders. They can productively handle day-to-day operations, money related administration, and decision-making forms, which are fundamental for the development of the agreeable. Staff competence can way better address wants and concerns of agreeable individuals. This leads to higher part fulfillment, expanded support, and dependability, which are crucial for the development and maintainability of the agreeable. Competent staff are superior prepared to recognize unused openings and adjust to changing showcase conditions. They can enhance modern items and administrations, execute unused advances, and investigate modern markets, which are fundamental for the development and competitiveness of rural-based agreeable social orders (Robinson, 2019).

Staff competence can guarantee legitimate money related administration, counting budgeting, money related announcing, and chance administration. This makes a difference in keeping up monetary soundness and straightforwardness, which are significant for pulling in venture and guaranteeing the long-term development of the agreeable. Staff competence can give preparing and capacity building programs for agreeable individuals, engaging them with the essential abilities and knowledge to effectively take part within the cooperative's exercises. This upgrades the in general adequacy and maintainability of the agreeable. Staff competence can guarantee compliance with legitimate and administrative prerequisites, as well as great administration hones. This makes a difference in building believe among individuals,

partners, and the broader community, which is fundamental for the development and notoriety of the agreeable (Doorman 2015).

Generally, staff competence is essential for the development and maintainability of rural-based agreeable societies in Kenya, because it empowers successful administration, development, part fulfillment, and money related soundness. Competent staff are superior prepared to convey quality administrations to individuals. In rural areas where assets may well be rare, the capacity of staff to productively oversee assets, give convenient administrations, and offer important preparing and bolster to individuals straightforwardly impacts the cooperative's development. Competent staff can oversee accounts successfully, guaranteeing legitimate allotment of stores, straightforward bookkeeping hones, and adherence to monetary directions. This leads to way better money related soundness and believe among individuals, which in turn cultivates development through expanded speculation and cooperation (Mudibo, 2014).

Competent staff are more likely to grasp development and adjust to changing showcase conditions. In country ranges, where the economic landscape may be unstable, the capacity to recognize modern openings, create imaginative arrangements, and adjust trade methodologies in like manner is significant for supported development. staff competence can viably lock in with individuals, get it their needs, and energize dynamic support in agreeable exercises. This cultivates a sense of possession among individuals and advances a agreeable culture that upgrades development through expanded part dependability, collaboration, and bolster. Staff competence is instrumental in giving preparing and capacity-building programs for individuals. This engages individuals with the fundamental skills and information to effectively take part in agreeable exercises, lock in in income-generating wanders, and make educated choices, subsequently contributing to the in general development and maintainability of the agreeable (WOCCU, 2015).

Staff competence guarantee compliance with legitimate and administrative prerequisites, as well as adherence to great administration hones. This improves the validity and notoriety of the agreeable, drawing in speculators, accomplices, and subsidizing openings fundamental for development. Staff competence can build up and keep up profitable

associations with other organizations, government organizations, and partners. These associations can give get to assets, markets, and skill that can encourage the development of rural-based agreeable social orders in Kenya. Generally, staff competence could be a foundation for the growth of rural-based agreeable social orders in Kenya, because it influences every perspective of their operations, from benefit conveyance and monetary administration to advancement, part engagement, and key associations. Contributing in staff preparing, enrollment, and maintenance is in this manner basic for guaranteeing the long-term victory and maintainability of these cooperatives (Tache, 2017).

Concurring to Siddaraju (2017), cooperatives ought to blend in arrange to enhance their capital base additionally compete in arrange to ward off dangers from their more set up common greater rival's commercial banks whose advance arrangements are presently almost favourable as those of cooperatives. One of the biggest obstacles that young people have when trying to grow their businesses or get hired is getting funding because they are perceived as risky when it comes to their upfront compensation. Access to funds for a variety of people might come from a variety of informal sources, such as informal banks, jobs offered, or family and friends. The access funds provided by SACCOs have an impact on the growth of young entrepreneurs because of the unique perspectives they employ, which have led to the expansion of their reach. These views of view lower the obstacles that prevent teenagers from returning, increasing the financial options available to young people.

2.2.3 Effect of information technology on growth in rural based cooperative societies

Cutting edge commerce organizations have grasped utilize of Data Innovation (IT) to progress their competitiveness, productivity, client benefit and execution. As one of the main sectors of our economy, the cooperative sector cannot fall behind in leveraging innovation for advanced development. This study aimed to establish the extent of IT use and how it influences SACCOS decision-making. Few IT staff members, small IT divisions, the need for IT offices in some SACCOs, the need for IT supervisors, and the fact that SACCO IT divisions have recently grown despite the fact that the majority of SACCOs are more than 30 years old have all been attributed to the low use of IT in SACCOs. It has been shown to enhance decision-making preparation, but its use as a tool

for decision-making is limited. More IT staff members increase the use of IT in their areas of use compared to fewer IT staff members. Similarly, SACCOS that had introduced computers prior than others are escalates the utilize of IT in their operations. It a suggested that the SACCOS lock in qualified IT staff, the existing staff in conjunction with the administration committees be prepared in IT to upgrade their effectiveness, IT is a vital device both within the administration of the SACCOS and in record keeping and recovery (Armstrong, 2015).

For an enterprise or the economy, data could be a vital resource. It gives organizations the ability to function inside their structure with the proper coordination. Communication between directors of every cadre and their specialists is required. Without using people, they easily organize, categorize, summarize, report, or present data. Until now, the use of people as a tool has been seen as antiquated, risky, and not confidential. It is also laborious, slow, and inefficient when it comes to making decisions. IT is beneficial to a company and influences a supervisor's decision-making. Investments in IT can result in a new era of pay and resource returns. Human capital and physical resources (equipment) are dedicated to advancing IT (Armstrong, 2015).

A firm's aims are the primary motivation behind investment investing. The ultimate goal of speculative investing is to increase the company's reputation. The 19th century saw a shift in generational tactics amid the mechanical insurgency throughout Europe. Production lines were extended as a result of the widespread use of machines to improve generation. More applications were received from people who couldn't effectively manage the organizations as they were. The demand for the products from these companies increased when markets in other ranges were opened. Factories promised development and an increase in complexity. Organizations got large and intricate. Because of the scale of their operations, these complex organizations have given rise to greater administrative control challenges. In response, contemporary information-based technologies were welcomed, including computers, phones, calculators, and projectors. These innovations were utilized to supply data required to manage with remove, speed volume and complexity included in doing commerce (Guto, 2015).

A similar higher degree of framework integration is also achieved by computers; problem understanding software significantly reorganizes the process of problem fathoming. IT seems to be winning even though it doesn't need its shortcomings, low IT proficiency, a lack of human resources for IT development, a lack of data and communication infrastructure, the absence of actively planned national IT policies, the poor quality of IT delivery by vendors, and low participation both between and within countries. Possible drawbacks include the requirement for human capacity. Additional challenges to the spread of IT throughout the developing world include the requirement for a major heading in IT improvement despite massive donor funds, the high duty on computer imports and trade directions, IT numbness among beat administration administrators, which results in their unresponsiveness and resistance to change, and the fact that IT is sometimes acquired for "wrong reasons." Since LDCs are essentially net importers of IT, there are also improper IT frameworks. The development of IT labor is at the core of IT methodology (Armstrong, 2015).

When IT is used effectively, a firm can gain a competitive edge. Gaining advantages is the main goal of businesses. SACCOs want to increase the amount they are interested in overall. Profit-making companies make investments to replace outdated machinery, encourage expansion, and abide by governmental directives. Basic recognition or rejection, placing initiatives, and choosing between possibilities that are typically reserved for the elite. The fundamental approach is used in the payback methodology. Any investment with a positive value should be acknowledged by the corporation if its objective is to maximize shareholder wealth. It results in a triumph for commerce. Public businesses are not as competitive as private ones. More private than acceptable societies are banks. SACCOs must stay up with the fast-paced banks. The banking sector is the one driving the usage of IT because of the division's competitiveness (Beeharry, 2017).

To gain a competitive edge over competitors, commercial banks have made significant contributions to IT. Banks have made significant financial investments in IT during the course of the 1990s to enhance their regular transactions. The funds are used for automated teller machines (ATMs), branch renovations, computer networks, mobile phone benefit suppliers, paperless payments (EFT), and check clearing houses. IT

utilization and variables restricting IT use in publicly cited companies in Kenya. The consider cited on variables constraining utilize of IT in commerce organizations as need of national arrangement system and procedure of IT improvement, little education of clients on IT utilize, need of arrangement of professional administrations by neighborhood computer program, equipment providers, satisfactory showcasing of the innovation, multiplication of IT hardware into the companies due to destitute arranging, moo computer proficiency in organizations and little estimate exchanges (Osoro, 2015).

Akelo (2012), moreover did research on the assessment of computer-based data frameworks in Kenya. His thought was focused on a trial of selected Kenyan businesses. He discovered that the majority of businesses lacked a computer execution assessment system. The study's foundation was Kenyan private companies. the examination of elements thought to be essential for the successful use of data framework in Kenyan commercial banks. According to his findings, IS uses practically all business practices in a basic manner. The present emphasis on competitive advantage through efficient use of Data Framework (IS) is a result of growing trade competition. The banking industry is highly competitive, thus instead of investing in the newest technology available, these firms are concentrating on purchasing agreements to address trade difficulties. Banks should use contemporary IT in their operations to provide their customers with much better services in order to weather this storm. Few studies have focused on IT in SACCOs; the majority of the research was conducted in the highly competitive private sector. SACCOs have been the subject of a few considerations. The study examines reserve fund investment strategies in Nairobi SACCOs. The analysis concluded that a successful venture could be the cause of the SACCOs' increased profitability. The ponder concluded that to extend profits, SACCOs got to diminish extraordinary advances and increment organization capital (Obuon, 2018).

Guto (2015), examined on the degree of data innovation utilize in SACCOs and its impact on making choice. In Nairobi, he saw SACCOs as an urban middle class. In particular, SACCOs supply 94.7% of PCs and 42.1% of minicomputers, as well as various types of IT like scanners, copiers, and web modems. I also discovered a strong

correlation between staff IT literacy and use. The administration made clear use of IT while making decisions. He presented some barriers to the use of IT.

Need of application computer program by SACCOs, deficiency of monetary assets to purchase equipment or software, management's resistance to alter, need of IT proficient workforce and dynamic alter in IT. He came to the conclusion that using IT inside the various operational segments improved efficiency across all relevant domains and decision-making. In his inquiry, he recommended that certain considerations be given to SACCO MIS. He was well-known for raising the need to consider the extent to which improved performance has resulted from the use of IT. This proposal serves as the foundation for my intended research project, which will evaluate how information innovation contributes to SACCOs' ability to maintain a sustainable competitive edge. SACCOs face competition from banks that provide financial services and microfinance education. The range, shopping propensities, comprehension, and attentiveness of the clients are all similar. Some have same level of information and lean toward quicker administrations that are advertised by utilize of IT (Ochieng, 2018).

In the contemporary economies of today, the budgeting services sector is a very important segment. Similar to other budgetary tools, SACCOs are very important to the economy since they can raise capital for investments and allocate credit for business ventures, which improves people's standard of living. Individuals can receive financial services from cooperatives through their current products, and members can also exchange goods for one another; however, this is only possible if the cooperatives are financially stable. A SACCO's ability to fulfill its members' financial requirements while taking into account their financial situations is a key indicator of its fiscal execution. SACCO is anticipated to allow way better and cheaper administrations to its individuals as compared to the mainstream banks because SACCO gets it the needs of the individuals because they are the owners of the SACCO (Wanyama, 2018).

The SACCOs in Kenya provide retail, front office services, credit administration, and check clearing administrations through the mobilization of reserves. The credit and credit administrations are the most widely offered product through the SACCO association. Many of the institutions lack the financial resources or regulatory ability to provide other

services. The interest rate on first savings and credit acceptable social orders ranges from 10% to 18% p.a., depending on the type of credit the applicant is requesting, the amount of the loan, and the timeframe for advance installments. In an ideal scenario, acceptance of an advance should take 14 to 30 days after the applicant submits their application; however, this is rarely the case due to financial flow problems, which cause delays. The credit committee reviews and approves the credits. A SACCO is said to be performing well fiscally in the event that it is able to handle member's advances opportune and at suitable rates (Felicia, 2016).

According to Microfinance House Ltd. (2016), SACCOs have a variety of issues, in part because they cater to low-income workers and must strike a balance between providing them with satisfactory service and covering their operating expenses. The majority of Kenyans evaluate SACCOs' financial performance based mostly on the fictitious earnings they distribute to their members. A small number of SACCOs do pay profits even when the institution does not profit, which is illegal. Profits should be paid by all SACCOs from benefits. A SACCO is considered to be operating profitably if it can expand the range of products it offers, has sufficient reserves to cover its operating costs, and its customer base is expanding. Credit serves the purpose of bridging the financial resource gap between the defined financial resources of the enterprises and the financial resources of the effort owners.

Because of this imbalance, businesses are compelled to ask for financing. Access to finance is not difficult due to the growth of SACCOs in Kenya; yet, repayment is never 100%. While moneylenders operating in the casual money related division primarily use their own funds to advance cash to borrowers, moneylenders operating in the formal budgetary sector use the stores of their clients. After the agreed-upon amount of time, the lender is expected to recoup the financial capital—instead of the borrowers benefiting at the expense of the lenders. If advance reimbursement falls flat and this proceeds, then bankrupt will be extreme result (Coate, 2015).

2.2.4 Effect of interest ration growth in rural based cooperative societies

The interest rate represents the percentage of the borrowed amount that is paid in interest over a given period of time. The absorbed cost of borrowing money is expressed as a cost

in shillings per year for each amount borrowed. The main way that intrigued rates differ is in terms of development. Many distinct monetary rebellious and so many different interested rates will arise when development and liquidity together with other components are taken into consideration. One can find fictitious or real intrigued rates. The seeming intrigued rate can be quantified in monetary terms as opposed to goods. The ostensible intrigued rate measures the surrender in cash per year per the sum contributed whereas the genuine intrigued rate is calculated as the ostensible intrigued rate short the rate of inflations (Pandey, 2014).

The relapse examination to examine the determinants of commercial banks' loaning behavior in Nigeria. A parcel has been checked on in terms of loaning exercises of different store cash banks. A few conclusions pondered on the variables mindful for banks eagerness to amplify much credit to a few segments of the economy, whereas a few examined impacts of such expansion of credit on efficiency and yield. The ponder found that intrigued rates charged has the most noteworthy effect on the lending behavior. People are propelled by moo intrigued rate charged to require more credits (Felicia, 2016).

Rasheed (2015), utilized mistake adjustment show to examine intrigued rates, determinants and the ponder found out that as the money related division coordinating more with worldwide markets, returns on outside resources will play a significant role in assurance of residential intrigued rate. A number of factors, including the winning interest rate, store volume, degree of their domestic and external venture, liquidity ratio, glory, and open acknowledgment, influence financial education decisions to lend out cash. The global practice of lending may be traced back to the time of the mechanical insurgency, which accelerated business and production activities and, in turn, raised the need for large upfront investments for initiatives. Interest rates are essential for improving financial activities, thus financial experts should ensure that the level of interest rates is appropriately guaranteed in order to reduce the double-edge effect that interest rates have on local speculators and savers.

Financial frameworks of the foremost of creating countries have come beneath push as a result of the financial stuns of the 1980s. The financial stuns generally showed through unpredictable twists of money related estimating which include interest has tended to diminish the genuine rate of development and genuine estimate of money related frameworks relative to non-financial extents. The special intrigued rates based on the suspicions that the advertise rate, in the event that generally connected would prohibit a few of the need divisions. Intrigued ought to in this manner be balanced periodically with obvious hands to advance increment within the level of venture within the distinctive segments of the economy. For case, rural and the fabricating segment ought to be agreed need and money related teach to be coordinated by the Central Bank to charge a particular intrigued rate on all advances and progresses to little scale businesses (Adebiyi, 2014).

The opportunity to make money or gain cash from the growth of interested rates is known as the intrigued rate chance. It arises from differences in the timing of cash flows and rate changes, from shifting rates across surrender bends that impact bank exercises, from shifting rates across a range of maturities, and from interesting rate-related options incorporated into bank products. By altering net intrigued pay, promoting the value of exchanging accounts, and affecting other interested sensitive wages and charges, the development of fascinated rates affects the budgetary educated detailed profit and book capital. Interest rate changes also have an impact on banks' fundamental financial standing. A change in the interest rate has an impact on the value of a bank's assets, liabilities, and off-balance sheet contracts since it alters the long-term income stream's perceived value. Cost hazard is the introduction of profit and capital to trading exercises in finance-related education that manages those exercises independently due to changes in advertise factors. This opportunity arises from marketing, which makes position-taking and managing activities for interest rates, foreign exchange values, and product marketplaces. Each monetary exchange that a bank completes may influence its intrigued rate hazard profile (Felicia, 2016).

However, different financial advisors use different approaches to financing, venture capital, and risk assessment. They also manage the maturity and reinvestment of these portfolios to achieve the desired risk profile. A bank ought to moreover consider how intrigued rate risk may act mutually with other hazard confronting the banks (Intrigued Rate Chance Comptrollers' Handbook 2017).

The low-cost credit period that almost two million Kenyan professionals currently get from SACCOs is gradually coming to an end as high company costs increase and contemporary management places emphasis on managing social orders that are in harmony. A few reserve funds and credit-accountable social orders have increased the rates at which they lend money for back-office supplies; the credit is based on the caliber of members' investment funds, and it has been promoted to range from one percent to two percent every month. As opposed to the previous range of 1.25% to 1.5 percent, offices promoted through the SACCOs' "front office services" campaign are currently drawing interest at a rate of between 2% and 3%. All budgetary teachers have seen an increase in borrowing costs overall, but SACCOs have an advantage in that they can legally lend up to three times their store and borrow from other sources, including commercial banks, up to 25% of their capital base for forward lending. Even though KUSCCO offers a lending office that SACCOs can use to cover gaps in funding, the rate at which people borrow varies depending on the situation, and in the last two years, commercial bank credit has more than doubled, increasing the amount of capital that SACCOs have to hold onto. Numerous SACCOs, particularly within the open division have changed intrigued rate upwards and this has influenced the budgetary execution of SACCOs (Ochieng, 2018).

2.3 Summary of Knowledge Gaps

To support and build on the growth that has already been accomplished, cooperative societies need members who are well-trained and understand their roles. On the other hand, democratic governance in cooperative societies dictates how societies are managed. The management committee is chosen by the members to serve a set time. The issue with this is that the majority of those chosen are poor managers who wind up destroying their countries. In the majority of cooperative groups, this is still a significant issue. Prominent individuals with less or no experience in management often assume positions of

leadership, which undermines the basic goal of societal progress. Members have the power to demand and enforce good governance in their organizations, even when managers operate them and leaders guide and control them.

Providing clients with higher-value goods and services than those offered by competitors is the primary source of competitive advantage. A superior good or service can be one that is offered at a lower cost, one that is so good that a customer is willing to pay more for it, or one that is the best value and combines features, prices, attractive quality service, and other enticing aspects into one package. Delivering higher value in any format always necessitates performing value chain tasks differently from competitors and developing resource capabilities and competences that the opponent cannot match.

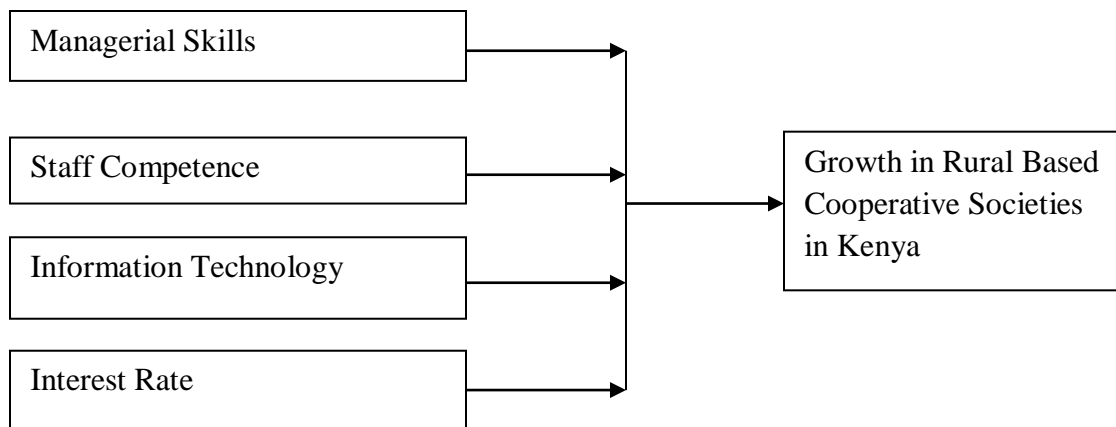
While some viewpoints discussed the reasons behind banks' readiness to lend a significant amount of money to certain economic sectors, others focused on the impact of such lending on output and productivity. The study employs regression analysis to examine the factors that influence Nigerian commercial banks' lending practices. According to the study, interest rates have the biggest influence on lending behavior. People are encouraged to take out more loans by the cheap interest rates.

2.4 Conceptual Framework

A conceptual framework is a diagrammatical or pictorial depiction that aids in clarifying how independent and dependent variables relate to one another in research.

Independent Variables

Dependent Variable



Source: Author (2024)

Figure 1: Conceptual Framework

2.6 Operationalization of the Variables

Variables	Operationalization
Managerial Skills	Refer to the specific abilities and competencies that individuals need to effectively perform managerial roles within an organization. These skills enable managers to plan, organize, lead, and control resources and activities to achieve organizational goals.
Staff Competence	Refers to the combination of skills, knowledge, abilities, and behaviors that employees possess, enabling them to effectively perform their job roles and responsibilities. It encompasses both technical and non-technical aspects that contribute to overall job performance and organizational success.
Information Technology	IT is a vast field that includes many technologies and practices used to manage information and support business operations and decision-making processes.
Interest Rate	Is the percentage of a sum of money charged for its use over a specified period, typically expressed on an annual basis. It represents the cost of borrowing money or the reward for saving or investing money.

Source: Author (2024)

2.7 Chapter Summary

The introduction, theoretical review, empirical literature review, summary, conceptual framework, and operationalization of the variables are all included in this chapter.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.0 Introduction

The tools used by the researcher to collect, arrange, compile, and analyze data in relation to the study topic questions are included in this section. Thus, it included the following subsections: target population, sampling and procedures, data processing process, validity and reliability of the research instrument, and study design.

3.1 Research Design

Research design refers to the strategy or plan that was employed to produce solutions for the research difficulties. A study determined what elements influence the expansion of Kenyan cooperative societies situated in rural areas. Descriptive research design was employed by the researcher. This is so because, according to Mugenda&Mugenda (2019), descriptive design is qualitative and aims to describe the situation as it is. As a scientific approach to inquiry, descriptive study involves gathering and evaluating data to characterize the terminology, circumstances, and connections related to a topic. The selected design was chosen because it enabled precise variable definition, facilitating the acquisition of comprehensive and precise study data. In order to find out what people think, believe, value, or feel—either for their own sake or to bolster a point of contention—a survey was carried out. A sample of potential respondents was chosen in order to draw conclusions that could be applied more broadly.

3.2 Target Population

According to Shahzad (2012), a research population is generally a large collection of individuals or objects that is main focus of a scientific query. As indicated in Table 1, the target population for this study consisted of 178 K-Unity Sacco employees who worked in support, middle, and top management levels.

Table 1: Target Population

Category	Target Population	Percentage (%)
Top Level Management	2	1
Middle Level Management	4	2
Support Staff	172	97
Total	178	100

Source: Author (2024)

3.3 Sample design and procedure

According to Stephen (2018), sampling is concerned with the selection of a subset of individuals from within a particular population to estimate characteristics of the whole population. Stratified random sampling was employed in this investigation. Mugenda and Mugenda (2019) state that in order to improve the degree of accuracy while estimating parameter, the method makes sure that various groups of a population are fairly represented in the sample. Furthermore, the stratified sampling approach, under all other circumstances, made use of the population's existing data. In other words, it produced a collection of diverse samples according to the variable under investigation. According to Mohammed (2016), the sample size is more accurate when the sample size is at 50% of the target population. Consequently, 89 members of the target population were chosen from each category, and the samples were split into two equal groups, as shown in Table 2.

Table 2: Sample Size

Category	Target Population	Sample Size	Percentage (%)
Top Level Management	2	1	1
Middle Level Management	4	2	1
Support Staff	172	86	98
Total	178	89	100

Source: Author (2024)

3.4 Data collection and procedure

3.4.1 Questionnaires

Primary data was gathered by the researcher through questionnaires. Many questions that needed to be typed and printed in the right format or order made up the questionnaire. Open-ended and closed-ended questions were asked. The responses to the open-ended questions offered pertinent justification. The respondents were given complete flexibility to choose the best option that best suited them, and closed-ended questions included a list of all potential answers. When answering a closed-ended question, participants must select "Yes" or "No." It also promotes a high response rate and allowed the researcher to get comparable data. For the primary data collection, the researcher self-administered the questionnaires.

3.4.2 Validity and reliability of research instrument

The appropriate departmental divisions of the organization grant approval to the researcher to distribute surveys. Surveys were pre-tested on respondents who weren't part of the target population in order to guarantee their validity and dependability. To identify any ambiguities or underlying issues from the respondents' comments and remarks, a carefully constructed but comprehensive questionnaire designed to elicit responses will be piloted. To guarantee the accuracy of the data, the questionnaires were completely revised and enhanced. By incorporating the opinions of top managers and supervisors who were tasked with eliciting specific information from respondents, it guaranteed the

legitimacy of the data. The completed study does not contain these responders. Prior to their final distribution, the questionnaires were revised.

3.5 Data Analysis Methods

To determine which of the feedback provided by the different respondents was the most accurate and high-quality, the data gathered from the field were evaluated and compared. It entails reviewing and analyzing the survey results as well as data from additional primary and secondary sources. Both qualitative and quantitative methods were applied to the data analysis. Text material was evaluated and its content was analyzed using the qualitative method. In the quantitative technique, tables and figures are used as diagrams to illustrate statistical quantities like frequencies and percentages.

3.6 Ethical Considerations on Research

3.6.1 Honesty

Be truthful in all of your scientific correspondence. Report data, findings, processes and procedures, and publication status truthfully. Never make up, misrepresent, or falsify data. Don't mislead the public, sponsors of your research, or other scientists.

3.6.2 Confidentiality

Confidentiality in research is concerned with keeping information provided by the respondents' secret (disclosing to third parties only with the respondent's permission). Throughout the examination, confidentiality will be carefully considered as one of the ethical problems in research. The primary goal of taking anonymity into account is to prevent respondents from providing misleading information or even from being so reluctant as to withhold crucial information that could be utilized in the study.

3.6.3 Carefulness

Avoid careless errors and disregard; critically and meticulously evaluate the work that you and your colleagues have done. Keep comprehensive records of everything relevant to the study, involving data collection, design, which is and correspondence with periodicals or institutions.

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND INTERPRETATION OF FINDINGS

4.0 Introduction

The evidence that the investigator gathered is examined in this section. The study's metrics are used for interpreting the results. The data was analyzed using tables, charts, and other descriptive statistics.

4.1 Presentations of Findings

4.2.1 Response Rate

Table 3: Response Rate

Category	Frequency	Percentage (%)
Response	85	96
Non-Response	4	4
Total	89	100

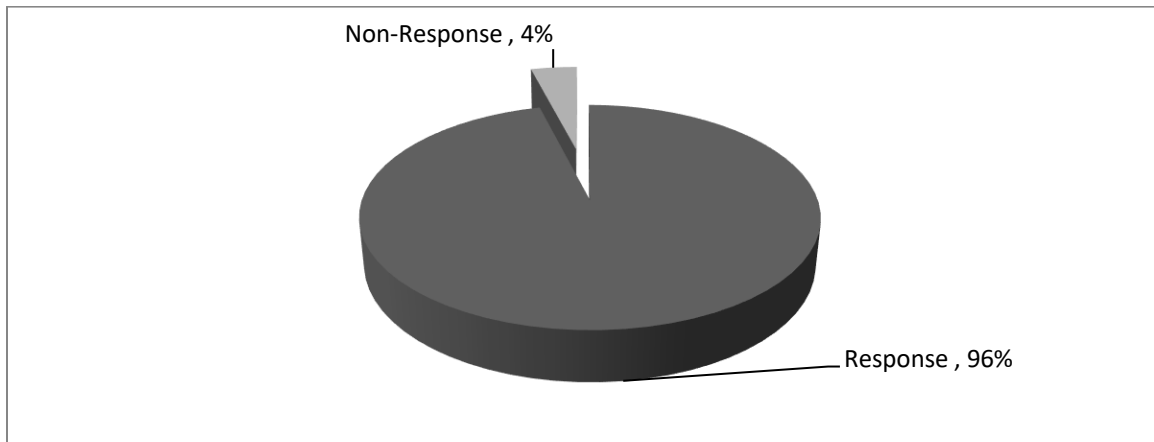


Figure 2: Response Rate

Figure 2 and Table 3 demonstrate the reply rate. The study found that 96% of respondents correctly filled out and returned the surveys, whereas 4% did not return them at all. The majority of the respondents were found to be able to participate in the research based on the data.

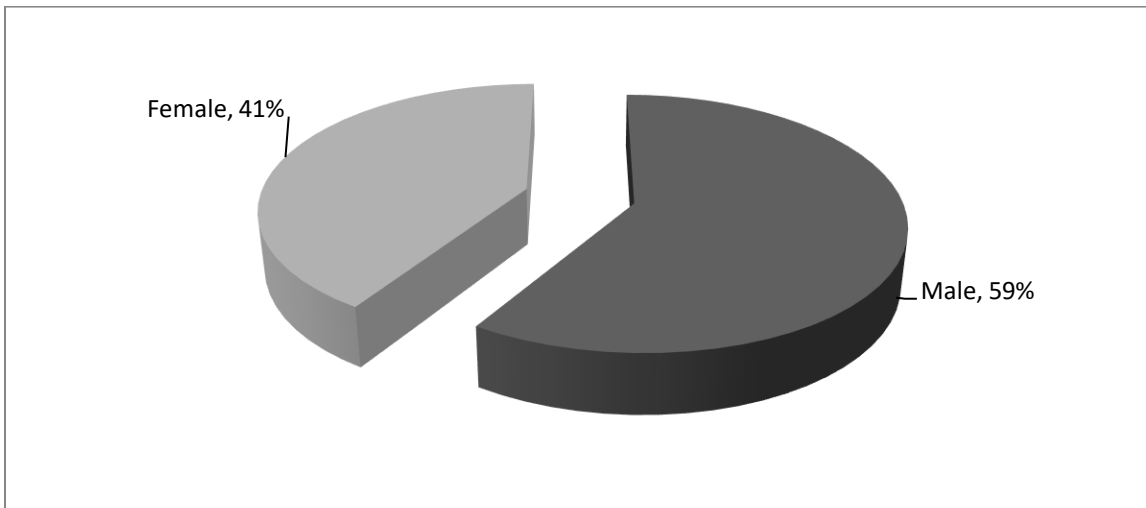
4.2.2 Gender Analysis

This section contains gender analysis the of the employees in the organization.

Table 4: Gender of Respondents

Category	Frequency	Percentage (%)
Male	50	59
Female	35	41
Total	85	100

Source: Author (2024)



Source: Author (2024)

Figure 3: Gender of Respondents

Analysis of gender is displayed in Figure 3 and Table 4. Fifty male respondents and the remaining thirty-five were female, according to the research. Out of the total responders, 41% female, 59% male. Men outstood women hence were likely men, based on this interpretation.

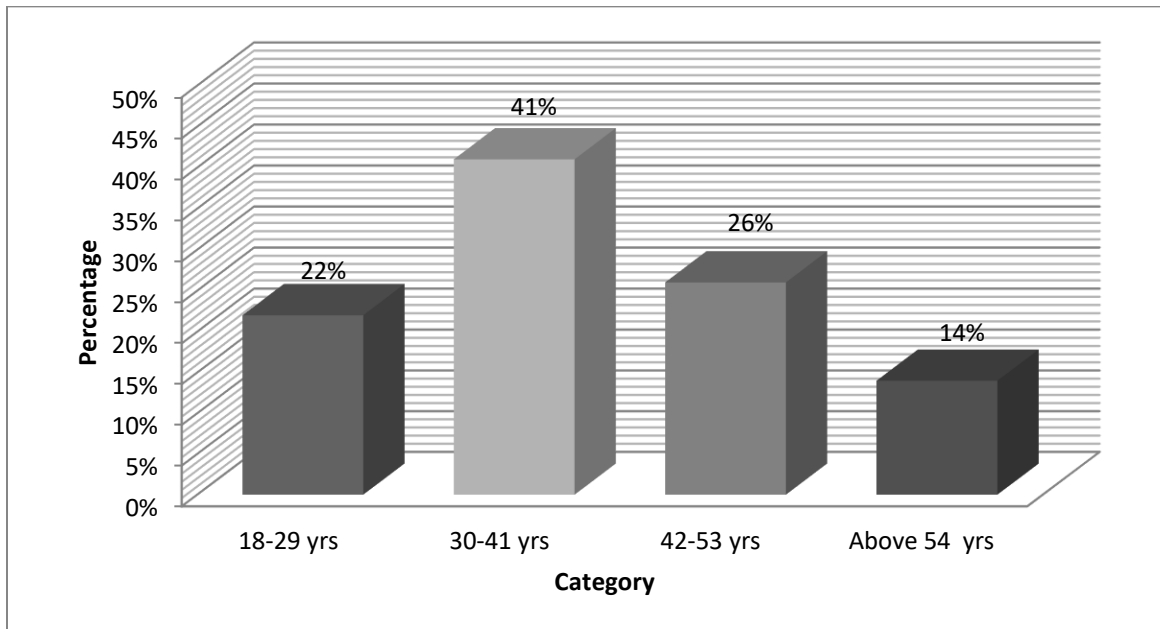
4.2.3 Age Analysis

This section contains age analysis the of the employees in company.

Table 5: Age Analysis

Category	Frequency	Percentage (%)
18 – 29 yrs.	19	22
30 – 41 yrs.	35	41
42 – 53 yrs.	22	26
Above 54 yrs.	9	11
Total	85	100

Source: Author (2024)



Source: Author (2024)

Figure 4: Age Analysis

Respondents' ages are displayed in Table 5 and Figure 4. These showed that 22% of responders were in the 18–29 age range; The age range of 41% was 30 to 41; 11% of

respondents were older than 54, and 26% were between the ages of 42 and 53. It is evident from the research that most of the respondents were between the ages of thirty and forty-one.

4.2.4 Level of Education

Table 6 : Level of Education

Category	Frequency	Percentage (%)
Certificate level	17	20
Diploma level	31	37
Bachelor's level	25	29
Postgraduate level	12	14
Total	85	100

Source: Author (2024)

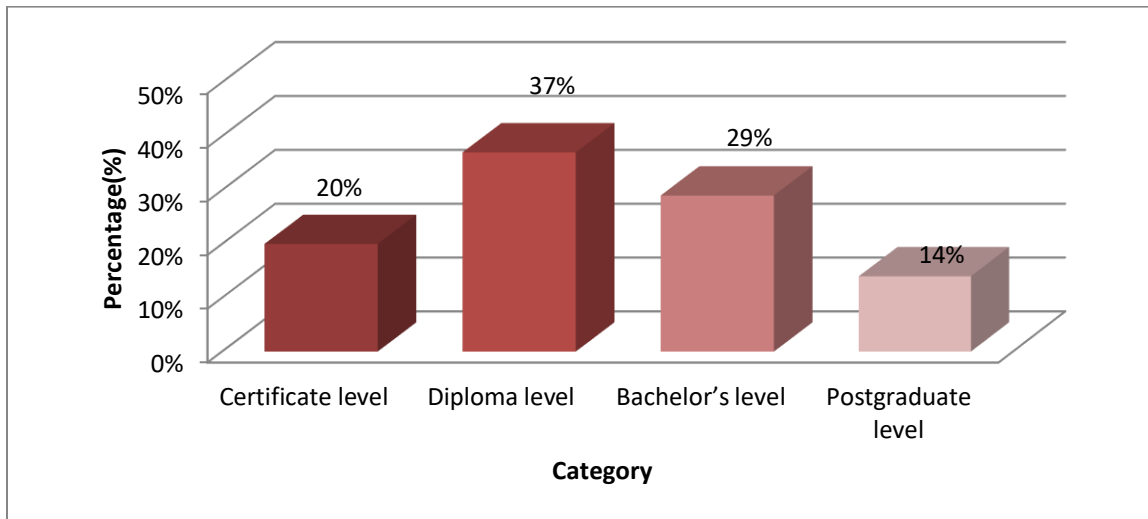


Figure 5: Level of Education

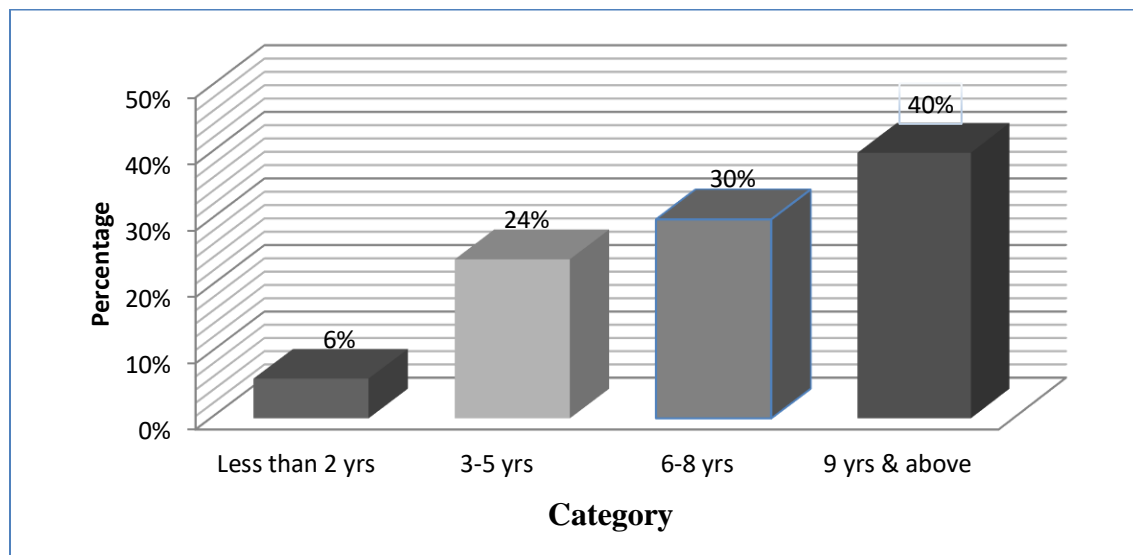
Figure 5 and Table 6 depict the educational attainment. The analysis showed that 20% of the population had completed a certificate program, 37% had completed a diploma program, 29% had completed a bachelor's degree, and 14% had completed a postgraduate program. The bulk of respondents in the organization have obtained diplomas, it can be stated.

4.2.5 Work Experience

This section contains work experience the of the employees in the organization.

Table 7: Work Experience

Category	Frequency	Percentage (%)
Less than 2 years	5	6
3-5 years	20	24
6-8 years	26	30
9 years & above	34	40
Total	85	100



Source: Author (2024)

Figure 6: Work Experience

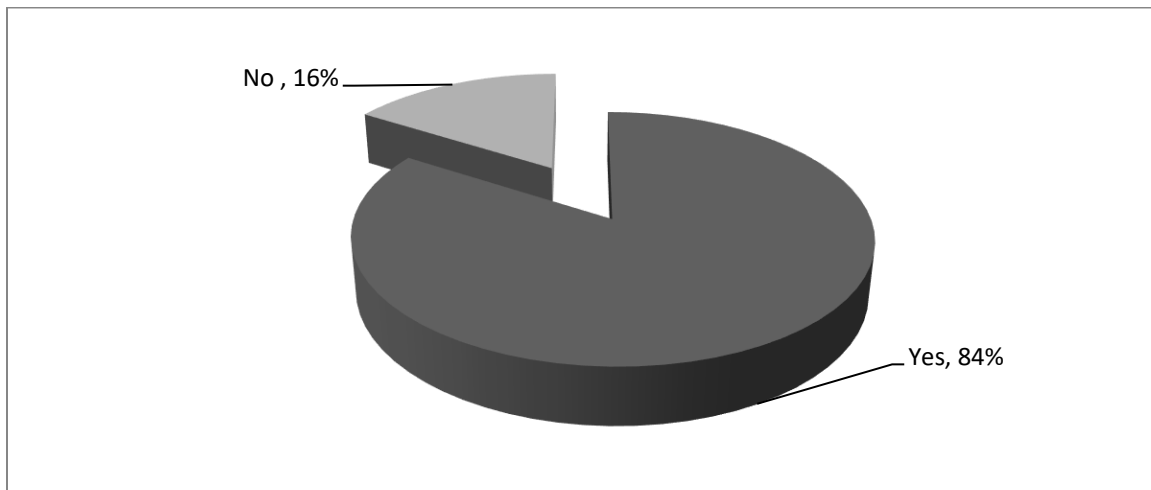
Table 7 and Figure 6 display the responses about the job expertise, accordingly. In this respect, the proportion of respondents who had worked for the company for less than two years was 6%, the proportion who had been employed for three to five years was 24%, the proportion who had been employed for six to eight years was 30%, and the proportion of respondents who had been employed for nine years or longer was 40%. These findings showed that the majority of the staff members had been with the company for nine years or more.

4.2. 6 Managerial Skills

This section indicates managerial skills response on the growth in rural based cooperative societies in Kenya.

Table 8: Whether managerial skills affect growth in rural based cooperative societies in Kenya

Category	Frequency	Percentage (%)
Yes	71	84
No	14	16
Total	85	100



Source: Author (2024)

Figure 7 : Whether managerial skills affect growth in rural based cooperative societies in Kenya

Table 8 and figure7 shows the effect of managerial skills on growth in rural based cooperative societies. Based on this, 84% of all respondents said that managerial abilities influenced the expansion of Kenya's rural cooperative societies. However, 16% of all respondents claimed that management expertise had little bearing on the expansion of Kenyan cooperative societies situated in rural areas. Therefore, it was concluded that managerial skills affect growth in rural based cooperative societies in Kenya.

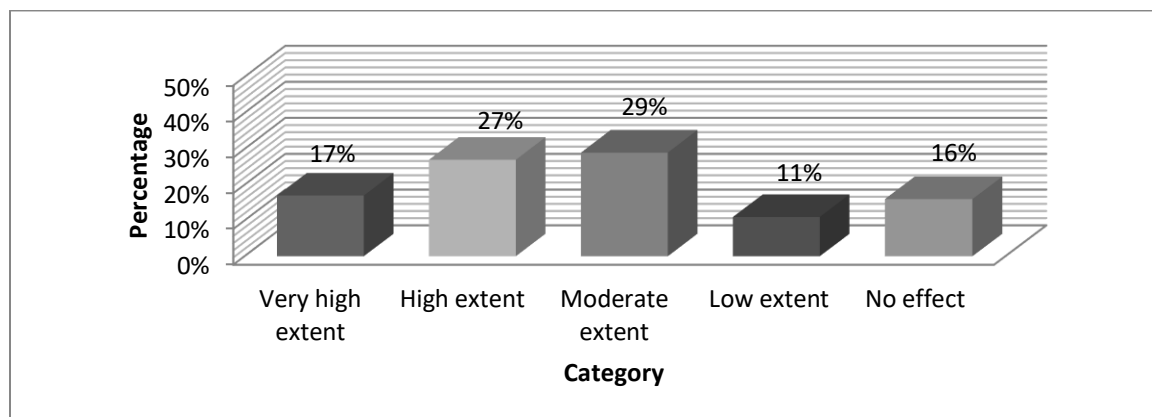
4.2.7 Managerial Skills

This section indicates managerial skills response on the growth in rural based cooperative societies in Kenya.

Table 9: Rating of Managerial Skills

Category	Frequency	Percentage (%)
Very high extent	14	17
High extent	23	27
Moderate extent	25	29
Low extent	9	11
No effect	14	16
Total	85	100

Source: Author (2024)



Source: Author (2024)

Figure 8: Rating of Managerial Skills

Their assessments on how managerial abilities affect the development of cooperative societies in Kenya's rural areas are shown in Table 9 and Figure 8. The analysis shows that 17% of respondents thought that managerial qualities had a very high impact, 27% thought that it was high, 29% thought it was moderate, 11% thought it was low, and 16% thought it had no effect. According to the study's findings, the majority of participants believed that managerial skills had a very good influence on Kenya's rural cooperative societies' development.

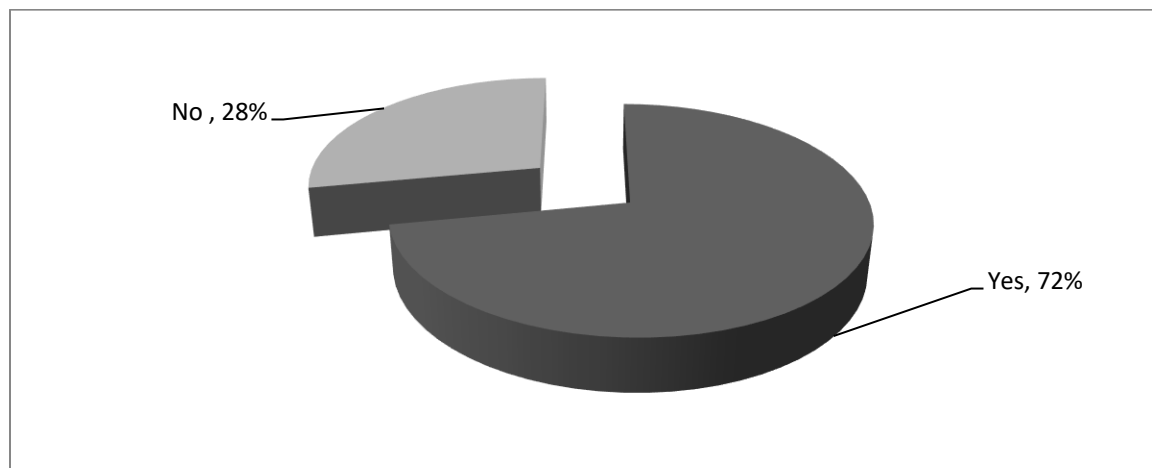
4.2.8 Staff Competence

This chapter indicates managerial skills response on the growth in rural based cooperative societies in Kenya.

Table 10: Whether staff competence affects growth in rural based cooperative societies in Kenya

Category	Frequency	Percentage (%)
Yes	61	72
No	24	28
Total	85	100

Source: Author (2024)



Source: Author (2024)

Figure 9: Whether staff competence affects growth in rural based cooperative societies in Kenya

The impact of staff competency on the expansion of cooperative societies in Kenya's rural areas is demonstrated in Figure 9 and Table 10. According to the statistics, 28% of respondents stated that staff competence had no bearing on the development of cooperative societies in Kenya's rural areas, while 72% of respondents claimed it did. Consequently, it was determined that employee competency had an impact on the development of cooperative societies in Kenya's rural areas.

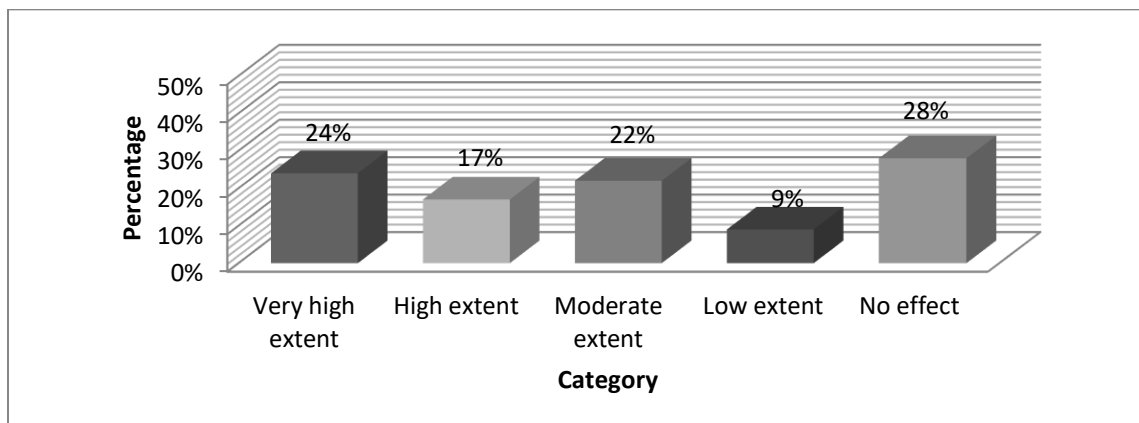
4.2.9 Rating of Staff Competence

This section indicates staff competence response on the growth in rural based cooperative societies in Kenya.

Table 11: Rating of Staff Competence

Category	Frequency	Percentage (%)
Very high extent	20	24
High extent	14	17
Moderate extent	19	22
Low extent	8	9
No effect	24	28
Total	85	100

Source: Author (2024)



Source: Author (2024)

Figure 10: Rating of Staff Competence

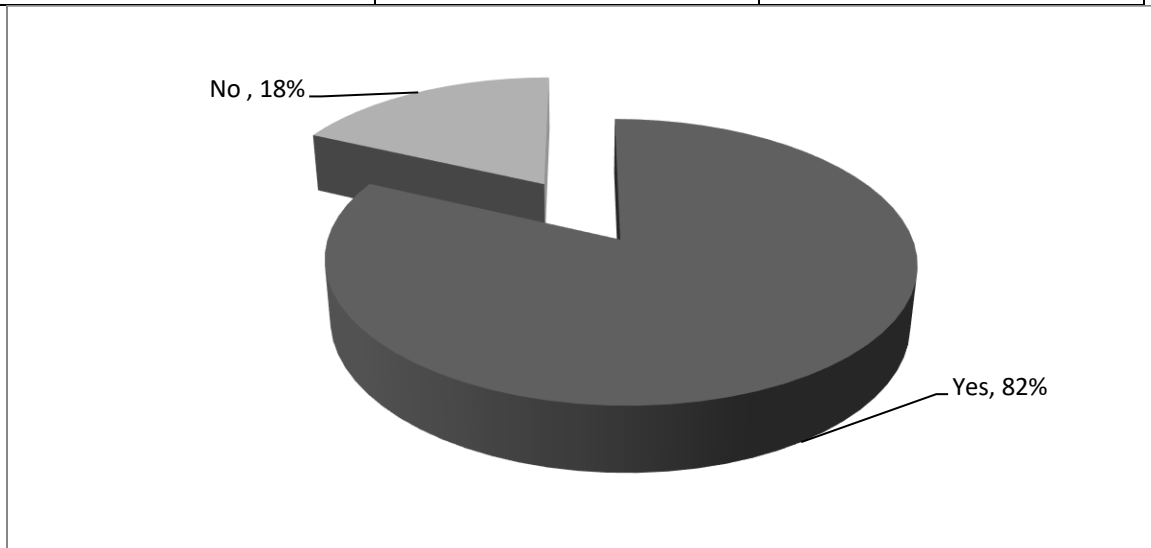
Table 11 and figure 10 show how they rated effect of staff competence on growth in rural based cooperative societies. According to the data, 24% of respondents thought staff competency was very high, 17% thought it was high, 22% thought it was moderate, 9% thought it was low, and 28% said it had no bearing. The results of the survey show that the majority of workers thought that staff competency had an impact on how Kenya's rural cooperative societies developed.

4.2.10 Interest Rate

This section indicates interest rate response on the growth in rural based cooperative societies in Kenya.

Table 12: Whether interest rate affect growth in rural based cooperative societies in Kenya

Category	Frequency	Percentage (%)
Yes	70	82
No	15	18
Total	85	100



Source: Author (2024)

Figure 11: Whether interest rate affect growth in rural based cooperative societies in Kenya Table 12 and figure 11 shows the effect of interest rate on growth in rural based cooperative societies. The analysis shows that 82% of respondents overall believed that interest rates have an effect on the development of cooperative societies in Kenya's rural areas, while 18% disagreed. Therefore, it was concluded that interest rate affect growth in rural based cooperative societies in Kenya.

4.2.11 Rating of Interest Rate

This chapter indicates interest rate response on the growth in rural based cooperative societies in Kenya

Table 13: Rating of Interest Rate

Category	Frequency	Percentage (%)
Very high extent	21	24
High extent	14	17
Moderate extent	16	19
Low extent	19	22
No effect	15	18
Total	85	100

Source: Author (2024)

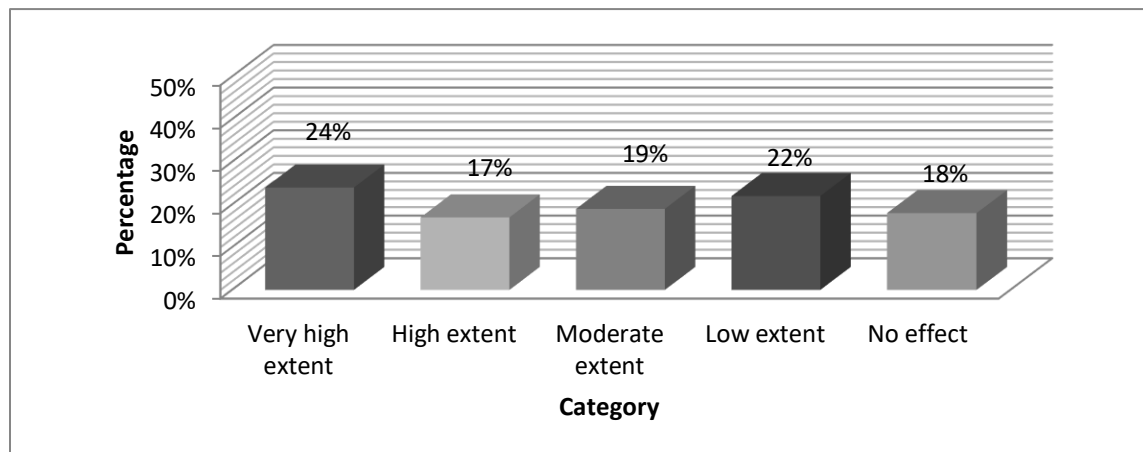


Figure 12: Rating of Interest Rate

Source: Author (2024)

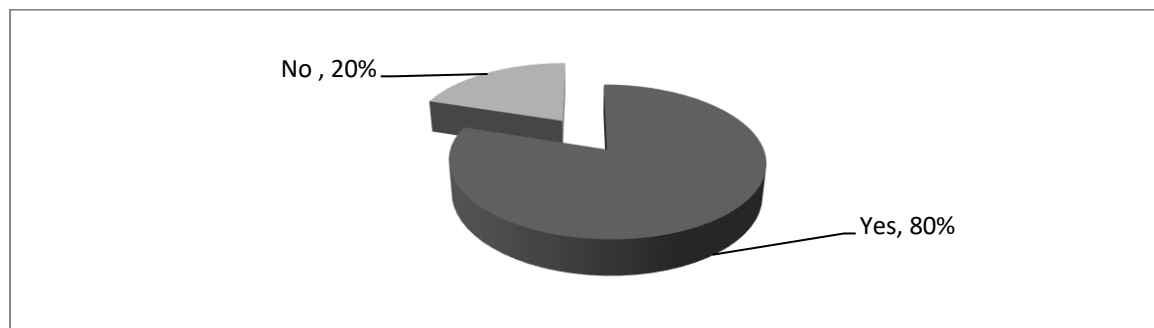
Table 13 and figure 12 show how they rated effect of interest rate on growth in rural based cooperative societies in Kenya. According to the survey, the interest rate had a very high extent of impact (24%), a high extent (17%), a moderate amount (19%), a low extent (22%), and no effect (18%) among all respondents. The research findings indicate that development of rural cooperative societies is influenced by the interest rate that is valued by the majority.

4.2. 12 Information Technology

This section indicates information technology response on the growth in rural based cooperative societies in Kenya

Table 14: Whether information technology affects growth in rural based cooperative societies in Kenya

Category	Frequency	Percentage (%)
Yes	68	80
No	17	20
Total	85	100



Source: Author (2024)

Figure 13: Whether information technology affects growth in rural based cooperative societies in Kenya

Table 14 and Figure 13 show how technological innovation has affected the development of cooperative societies with their main offices located in rural Kenya. Considering this,

80% of the participants stated that information technology had an effect on. In contrast, 20% of all respondents claimed that information technology had little bearing on the expansion of Kenya's cooperative societies situated in rural areas. Therefore, it was concluded that information technology affects growth in rural based cooperative societies in Kenya.

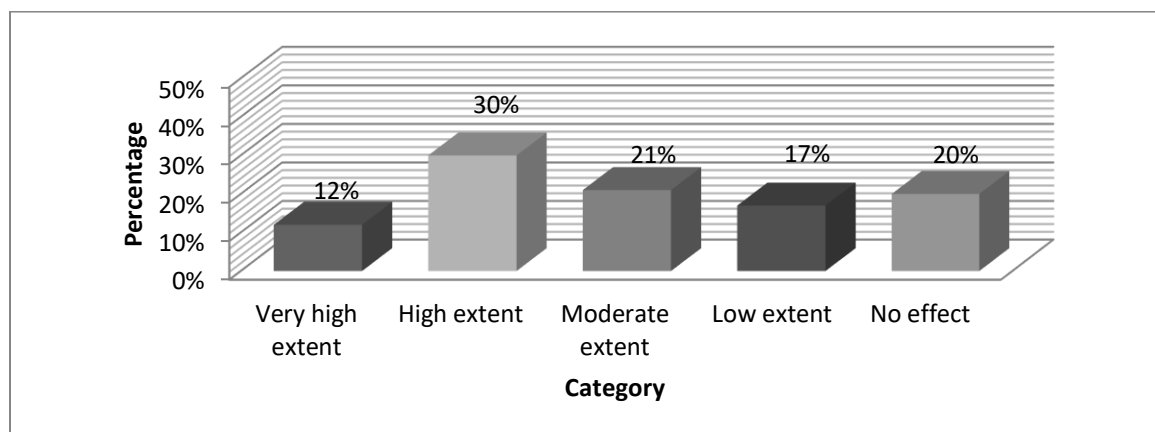
4.2.13 Information technology

This section indicates information technology response on the growth in rural based cooperative societies in Kenya

Table 15: Rating of Information Technology

Category	Frequency	Percentage (%)
Very high extent	10	12
High extent	26	30
Moderate extent	18	21
Low extent	14	17
No effect	17	20
Total	85	100

Source: Author (2024)



Source: Author (2024)

Figure 14: Rating of Information Technology

Their assessments of how information technology has affected the growth of cooperative societies with their main offices located in rural Kenya are shown in Table 14 and Figure 13. The data shows that 12% of respondents overall thought information technology had a very high impact, 30% thought it was high, 21% thought it was moderate, 17% thought it was low, and 20% thought it had no effect. According to the study's findings, the majority of participants believed that information technology had a significant influence on the growth of rural cooperative societies in Kenya.

4.2 Chapter Summary

A thorough summary of the study's findings was provided in this chapter, which also included comments and research findings. It featured a thorough examination of participant demographics, including tenure, education level, and gender. The chapter also looked at the links between the independent and dependent variables of the study, shedding light on their interactions and outcomes. The chapter concluded by addressing the challenges encountered during the research, offering a reflection on the study's limitations and the implications for future research.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This portion summarizes the research findings, conclusions, suggestions, and calls for additional research pertaining to the development of cooperative societies in Kenya's rural areas.

5.2 Summary of Findings

One of the most crucial aspects of growth for Kenyan cooperative societies situated in the countryside is managerial abilities. In Kenya, the majority of respondents agreed that managerial skills have an impact on the growth of rural cooperative societies. They rated this impact as follows: very high (17%), high (27%), moderate (29%), low (11%), and no effect (16%).

As per the overwhelming majority of respondents, one of the most crucial variables influencing the expansion of cooperative societies in Kenya's rural areas is staff competence. Very high extent (24%), high extent (16%), moderate extent (22%), low extent (9%), and no affect (28%), were the ratings given to the response. The study's conclusions indicate that employee competency has an impact on the development of cooperative societies in Kenya's rural areas.

Interest rates have been proven to have an impact on the growth of cooperative societies in Kenya's rural areas. Very high extent was assessed by 24%, high extent by 17%, moderate extent by 19%, low extent by 22%, and no effect by 18% of respondents to the survey.

One of the most significant factors influencing the development of cooperative societies based in Kenya's rural areas is information technology. The majority of respondents said that information technology has an impact on the development of rural cooperative societies in Kenya. They rated this impact as follows: very high extent 12%, high extent 30%, moderate extent 21%, low extent 17%, and no effect 20%.

5.3 Conclusions

Majority of the respondents revealed that managerial skills affect growth in rural based cooperative societies in Kenya. The study concludes that managerial skills is a key factor

on growth in rural based cooperative societies in Kenya and should be taken into considerations when evaluating managerial skills on growth in rural based cooperative societies.

Majority of the respondents revealed that staff competence affects growth in rural based cooperative societies in Kenya. The study concludes that stakeholder's participation is a key factor on growth in rural based cooperative societies in Kenya and should be taken into considerations when evaluating stakeholders' participation on growth in rural based cooperative societies.

Most of interviewees revealed that interest rate impacts growth in rural based cooperative societies in Kenya. The study concludes that interest rate is a key factor on growth in rural based cooperative societies in Kenya and should be taken into considerations when evaluating interest rate on growth in rural based cooperative societies in Kenya.

Most of interviewees revealed that information technology affects growth in rural based cooperative societies in Kenya. The study concludes that information technology is a key factor on growth in rural based cooperative societies in Kenya and should be taken into considerations when evaluating information technology on growth in rural based cooperative societies in Kenya.

5.4 Recommendations

5.4.1 Managerial Skills

The study recommends that the organizations need to implement regular training programs to improve the managerial skills of cooperative leaders. This should include financial management, strategic planning, and decision-making skills. Effective leadership is crucial for guiding the cooperative's growth and ensuring sustainable development. Encourage the adoption of best management practices from successful cooperatives. This includes efficient resource allocation, transparent governance, and accountability measures. Strong management can foster trust among members and drive collective growth.

5.4.2 Staff Competence

The study recommended that the organizations need to invest in continuous professional development for staff, including certifications in cooperative management, customer service, and financial literacy. A well-trained and knowledgeable staff can enhance operational efficiency and member satisfaction. Introduce incentive programs to motivate staff to perform better and align their goals with the cooperative's objectives. Competent and motivated staff are essential for driving the cooperative's growth and achieving its long-term goals.

5.4.3 Interest Rate

The study recommends that the organizations need to regularly review and adjust interest rates on loans and savings to remain competitive. Offering attractive rates can encourage more members to save and borrow, leading to increased capital circulation within the cooperative. Develop flexible loan products that cater to the specific needs of rural members, such as agricultural loans with seasonal repayment plans. Tailoring interest rates and loan terms to the members' economic activities can enhance their participation and the cooperative's growth.

5.4.4 Information Technology

The study recommends that organizations need to invest in digital financial services, such as mobile banking and online platforms, to improve accessibility for members, especially in remote areas. This can facilitate savings, loan disbursements, and repayments, making the cooperative more efficient and member-friendly. Implement robust data management systems to enhance record-keeping, track member contributions, and analyze financial performance. Efficient use of IT can streamline operations, reduce errors, and provide valuable insights for decision-making, thus fostering growth.

5.5 Suggestions for further study

Since the study could not cover all the factors influencing the growth of rural cooperative societies in Kenya, the researcher saw a need for additional research. It was suggested that future research cover topics like company policy, interest rates, and managerial skills that would be beneficial to the current study. Therefore, it is recommended that additional research be done in groups other than K-Unity Sacco.

REFERENCES

- Adebiyi, E. (2014), *market Management*: 11th Edition, Irwin Publishers, Birmingham, UK
- Ademba, K. (2017) *Principles of Marketing and Management*, 10th Edition, Prentice Hall, Harlow, England
- Akole, B. (2012), *Loan Savings*, 2nd Edition, Hofstra Publications, New York, USA
- Armstrong, B. (2015), *customer satisfaction*, 2nd Edition, Kogan page limited, Florida, U.S.A
- Baker, B. (2018), *Customer Satisfaction*, 2nd Edition, Kogan page limited, Florida, U.S.A
- Barnard, J. (2015) *New Technology Systems*, 2nd Edition, Hofstra Publications, New York, USA
- Beeharry, E. (2017), *Market Management*: 11th Edition, Irwin Publishers, Birmingham, UK
- Boen, B. (2015), *Customer Satisfaction*, 2nd Edition, Kogan page limited, Florida, U.S.A
- Branch, H. (2018) *Market Regulation Policy*, 7th Edition, Prentice Hall, New Delhi,
- Coate, B. (2015), *organizations management*, 2nd Edition Tam,
- Cole, K. (2015) *Principles of Marketing and Management*, 10th Edition, Prentice Hall, Harlow, England
- Co-operative Bank of Kenya, J. (2010) *New Technology Systems*, 2nd Edition, Hofstra Publications, New York, USA
- Evans, H. (2011) *Market Regulation Policy*, 7th Edition, Prentice Hall, New Delhi,
- Fama, C. (2015), *Cost Accounting Theory and Practice*, 10th edition, Publisher Prentice Hall, New Delhi, India
- Felicia, C. (2015) *World Class Marketing Management: The Key to Market Success*: 7th Edition, McGraw Hill Publishers, and London, UK
- Gardeklint, B. (2009), *customer satisfaction*, 2nd Edition, Kogan page limited, Florida, U.S.A
- Guto, A. (2015) *Business Financial Theory and Practice*, 3rd Macdonald and Evans Publishers, Boston, USA

- Hugh et al, T. (2015) *Ethical Theory and Stakeholder Related Decisions: The role of Stakeholder Culture*. *Academy of Management Review* 2007, Vol. 32, No. 1, 137–155
- Kohls, C. (2012), *Cost Accounting Theory and Practice*, 10thedition, Publisher Prentice Hall, New Delhi, India
- Kowls, J. (2012).*The Regulation Policy in Kenya*. Nairobi, Smallholder project.6th Edition, Macmillan publishers, Nairobi Kenya
- KUSCC, M. (2015), *Quality of Service Management*, 2nd Edition, Baba BarkhaNath Printers, New Delhi, India
- KUSCCO, E. (2016), *Market Management: 11th Edition*, Irwin Publishers, Birmingham, UK
- Lyson, D. (2018) *Service Delivery*, 2nd Pitmen Publishing, New York, USAIndia
- Michael, M. (2019) *Market Research Techniques*, 2ndEdition Pearson publishers, New Delhi, India
- Microfinance House Ltd, J. (2016) *New Technology Systems*, 2nd Edition, Hofstra Publications, New York,
- Modigliani, M. (2016), *market management*, 2nd Edition, Eastern Economy Edition Ph, New Delhi, India
- Muchemi, B. (2015), *Loan Savings*, 2nd Edition, Hofstra Publications, New York, USA
- Mudibo, C. (2019) *Customer Service* 7th edition, Prentice Hall, New York, U.S.A
- Mugenda, O. &Mugenda, A. (2003) *Research Methods – Quantitative & Qualitative Approaches*, ACTS publisher, Nairobi, Kenya
- Mwaura, E. (2010), *Market Management: 11th Edition*, Irwin Publishers, Birmingham, UK
- Mwaura, P. (2015) *Service Provision Management*, 1stEdition McGraw Hill Education, London, UK
- Obuon,P. (2018) *Ethical Skills and Management*, 1stEdition McGraw Hill Education, London, UK
- Ochieng, N. (2018) *Basic Marketing*, 12th Edition, McGraw-Hill Communication, New York, USA

- Ondieki et al, C. (2011) *World Class Marketing Management: The Key to Market Success*: 7th Edition, McGraw Hill Publishers, and London, UK
- Ondieki et al, Y. (2016). *A Modern Inventory Manager*, 5th Edition, Hong Kong Publishers, Hong Kong, China.
- Osoro, G. (2015), *Government Regulations Act 2007*, 1st Edition, Nairobi: Government Printers, Nairobi, Kenya
- Pandey, K. (2019) *Principles of Organizational Management*, 13thGlobal Edition, UK
- Porter, H.(2015) *Market Regulation Policy*, 7th Edition, Prentice Hall, New Delhi,
- Rasheed, M. (2015) *Market Research Techniques*, 2ndEdition Pearson publishers, New Delhi, India
- Robinson, K. (2019) *Principles of Organizational Management*, 13thGlobal Edition, Person Education, New Jersey, UK
- Tache, H. (2017), *Government Regulations Act 2007*, 1st Edition, Nairobi: Government Printers, Nairobi, Kenya
- Tehrani, S. (2014) *Government Regulations*, 2ndEdition, Prentice Hall, New Jersey, USA
- Wanyama, E. (2018), *Fundamentals of Government Policies and Operations Management*, 4th Edition, McGraw Hill, New York, USA
- WOCCU, M. (2015) *Market Research Techniques*, 2ndEdition Pearson publishers, New Delhi,

APPENDICES

APPENDIX II QUESTIONNAIRE

The purpose of this questionnaire is to assist the researcher in determining the factors that contribute to the formation of cooperative societies in Kenya's rural areas. Kindly indicate your response by checking the corresponding box or writing in the designated field.

SECTION A: GENERAL QUESTIONS

Please check the relevant box to indicate your response to each of the following questions, or fill in the blanks with your reasoning.

1. Indicate your gender

Male { }

Female { }

2. Age in years

18- 29 years { }

30- 41 years { }

42- 53 years { }

Above 55 years { }

3. What is your highest level of education?

Certificate level { }

Diploma level { }

Bachelor's level { }

Postgraduate level { }

4. How long have you worked in the organization?

Less than 2 years { }

3- 5 years { }

6- 8 years { }

12 years and above { }

SECTION B: MANAGERIAL SKILLS

5.) Does managerial skills affect growth in rural based cooperative societies in Kenya?

Yes { }

No { }

Explain Please

.....

6) To what extent does managerial skills affect growth in rural based cooperative societies in Kenya?

Very high extent { }

High extent { }

Moderate extent { }

Low extent { }

No effect { }

Please Explain.....

.....

SECTION C: STAFF COMPETENCE

7) Does staff competence affect growth in rural based cooperative societies in Kenya?

Yes { }

No { }

Explain Please

.....

8) How does staff competence affect growth in rural based cooperative societies in Kenya?

Very high extent { }

High extent { }

Moderate extent { }

Low extent { }

No effect { }

ExplainPlease.....
.....

SECTION D: INTEREST RATE

9) Does interest rate affect growth in rural based cooperative societies in Kenya?

Yes { }

No { }

ExplainPlease.....
.....

10) To what extent does interest rate affect growth in rural based cooperative societies in Kenya?

Very high extent { }

High extent { }

Moderate extent { }

Low extent { }

No effect { }

ExplainPlease.....
.....

SECTION E: INFORMATION TECHNOLOGY

11.) Does information technology affect growth in rural based cooperative societies in Kenya?

Yes { }

No { }

ExplainPlease.....
.....

12) How does information technology affect growth in rural based cooperative societies in Kenya?

- Very high extent { }
- High extent { }
- Moderate extent { }
- Low extent { }
- No effect { }

Please Explain.....
.....
.....

Thank You for Your Cooperation