INFLUENCE OF STRATEGIC PLAN IMPLEMENTATION ON PERFORMANCE OF SAVING AND CREDIT COOPERATIVE SOCIETIES IN NAIROBI COUNTY, KENYA

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A Project Submitted to the Institute of Postgraduate Studies of Kabarak University in Partial Fulfilment of the Requirements for the Award of Master in Business Administration (Strategic Management) Degree

KABARAK UNIVERSITY

NOVEMBER, 2025

DECLARATION

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Signed:  _____ Date:15th December, 2025

Paul Eric Oranga

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To the Institute of Postgraduate Studies:

The project, entitled **"Influence of Strategic Plan Implementation on Performance of Saving and Credit Cooperatives Societies in Nairobi County, Kenya,"** and written by **Paul Eric Oranga,** is presented to the Institute of Postgraduate Studies of Kabarak University. We have reviewed this project and recommend its acceptance in partial fulfillment of the requirement for the award of the Master of Business Administration (Strategic Management) Degree.

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DEDICATION

I dedicate this work to my wife, daughter, mother, father, siblings, extended family, and friends for their continued financial and moral support. They have been my pillar in my studies.

ABSTRACT

The Business environment is dynamic and changing rapidly, and organizations need to employ effective strategic Implementation planning to remain competitive and sustainable. Despite the strategic plans put in place, most SACCOs in Kenya haven't successfully executed them, a problem that has exposed their performance. The study was purposed to assess the impact of strategic plan implementation on the performance of SA CCOs in Nairobi County, Kenya, in terms of mission formulation, goal alignment, and resource allocation. The study employed a descriptive cross-sectional research design. All 46 licensed deposit-taking SACCOs in Nairobi County were targeted as the population in 2024 (SASRA, 2024). Yamane's Formula was used to obtain a sample of 84 individuals from the total population of 34. The research also employed stratified random sampling, where the sample size was allocated proportionally to the strata.The study measured content validity using Cronbach's Alpha. The research gathered quantitative data. The Statistical Package for the Social Sciences (SPSS) was employed to analyze quantitative data. The results of the structured questions were assessed using both descriptive and inferential statistics. The statistical analysis, presented as percentages and frequency tables, was provided. The correlation and regression analysis were part of inferential statistics. The correlation analysis was employed to establish whether the relationship between variables is positive and statistically significant at the generally accepted conventional considerable level of p value below 0.05; the results indicated that the relationship between SACCO performance and mission formulation ($r = 0.790$), goal alignment ($r = 0.805$), resource allocation ($r = 0.756$), and strategic control ($r = 0.854$) is positive and statistically significant. But the regression analysis showed that mission formulation ($\beta = 0.67$, $p = 0.037$), resource allocation ($\beta = 0.25$, $p = 0.00$), and strategic control ($\beta = 0.484$, $p < 0.00$) were the only significant predictors of SACCO performance. Goal alignment was strongly correlated with performance; however, the regression coefficient ($\beta = 0.043$, $p = 0.65$) was low, suggesting an indirect or secondary impact. The findings revealed that the chosen strategic management variables accounted for 8.7% of the variation in SACCO performance ($R^2 = 0.87$), indicating strong explanatory power. The research suggests that SACCO managers should prioritize a well-formulated mission to enhance competitiveness and attract investment. Effective performance requires the strategic use of financial, human, and technological resources. Management must introduce periodic monitoring of corrective actions. Goal alignment did not appear to have a significant influence on performance; however, it is essential to organizational coherence, which can be strengthened through better communication. The value of this work to theory and practice in the strategic management of the financial cooperative sector lies in its potential to provide essential insights into how SACCOs can enhance the execution of strategic plans to achieve higher performance.

Keywords: *Mission Formulation, Goal Alignment, Resource Allocation, Strategic Control, and Performance*

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LIST OF ABBREVIATIONS AND ACRONYMS

BSC	Balanced Scorecard
DT-SACCOs	Deposit-Taking SACCOs
KUSCCO	Kenya Union of Savings & Credit Cooperatives
M&E	Monitoring and Evaluation
NACOSTI	National Commission for Science, Technology and Innovation
RBV	Resource-Based View
SACCOs	Savings and Credit Cooperative Societies
SASRA	Sacco Societies Regulatory Authority
SPSS	Statistical Package for Social Sciences
WEF	World Economic Forum

CONCEPTUAL AND OPERATIONAL DEFINITION OF TERMS

Goal Alignment refers to the strategic process through which an organisation's activities and strategies are linked to its established goals (Jayantilal & Jorge, 202). Goal alignment has been operationalized through effective leadership, the alignment of long-term goals, and clear communication of strategy.

Mission formulation refers to a clear and formal definition of an organisation's purpose, its corporate principles, and strategic intent (Khalifa, 2012). Mission formulation has been operationalized using product offerings, organizational values, and geographic markets.

Performance determination of how well an organization has been able to attain higher monetary outputs relative to its expenses in a given period of operation (Tudose et al., 2022). Performance has been operationalized through working capital management.

Resource Allocation refers to the means through which organizational resources are distributed across different activities, tasks, projects, demands, or needs (Mwamba et al., 209). Resource allocation has been operationalized using the adequacy of human resources, strategic positioning of resources, and the efficiency of resource allocation.

Strategic Control is the process through which an organization applies to monitor and evaluate The execution of its strategic plan to ensure alignment with its long-term goals (Waweru & Smith, 2020).

CHAPTER ONE

INTRODUCTION

This chapter introduces the study on the influence of strategic plan implementation on the performance of Saving and Credit Cooperative Societies (SACCOs) in Nairobi City County, Kenya. It outlines the study's background, research problem, objectives, and hypotheses. The chapter also highlights the study's significance to key stakeholders, defines its scope, and notes the main assumptions, limitations, and delimitations that guided the research process.

1.1 Background of the Study

The current business environment is highly dynamic and complex (Andersen, 2020), driven by rapid globalization, technological advancements, and shifts in consumer preferences. Savings and Credit Cooperative Societies (SACCOs) are member-owned financial institutions that generate savings, offer low-interest credit, and provide several financial services (Kabaiku, 208). They promote financial inclusion by attracting savings from the masses and lending to low-income groups at affordable rates. In developed regions like the USA and Western Europe, such entities have shown resilience and often outperformed traditional banks through prudent investment and sound governance (Almeida, 2023).

Strategic management theory views strategic planning as involving environmental scanning, strategy formulation, implementation, and evaluation/control (Gutterman, 2023). Mission formulation and goal alignment represent the organization's planned strategy, but actual performance depends on execution. Strategy implementation is therefore crucial, as it is responsible for turning plans into action, allocating resources, making structural adjustments, and overseeing daily operations (Tefera & Abebe, 2024).

Without effective implementation, even sophisticated strategies remain theoretical and lack real impact.

The focus on implementation is justified because it is widely considered the most challenging and failure-prone stage. Research shows that performance gaps often arise not from poor strategies but from poor execution (Gutterman, 2023). This study emphasizes resource allocation and strategic control, as they form the essential link between planning and execution. Efficient resource use and strong control mechanisms help organizations improve productivity, service delivery, and financial outcomes (Tefera & Abebe, 2024). By focusing on implementation, the study identifies a practical and impactful lever to improve SACCO performance in volatile, aggressive market sectors.

In Sweden, the failure of credit unions' strategies to adequately support continuous product and service improvement has contributed to reduced product uptake, as rising customer complaints linked to poor service handling have increased (Cruz-Gonzalez, 206). In Brazil, insufficient staff training has increased operational errors and forced credit unions to pay substantial court fines, further eroding their income (Silva et al., 207). Additionally, in China, weak pricing strategies for uncompetitive products have discouraged customers, leading to higher costs associated with maintaining underperforming offerings (ILO, 207).

At regional and continental levels in Africa, SACCOs have become a crucial pillar of the financial system by extending savings and credit services to populations excluded from formal banking. The cooperative sectors in Ghana, Nigeria, and Uganda have expanded rapidly due to government support aimed at enhancing financial inclusion and reducing poverty. However, African SACCOs continue to face structural constraints such as weak governance, limited strategic planning, and sluggish economic environments, all of which reduce their long-term viability (Silva et al., 207; Cruz-Gonzalez et al., 205).

Challenges such as inflation, non-competitive interest rates, and outdated technology further erode their competitiveness and financial performance.

In this context, strategic planning becomes critical. Its effectiveness depends on how well organizations articulate their mission, align goals, allocate resources, and maintain strategic control. A clear mission statement provides the foundation for future strategy and helps prevent “mission drift,” a situation observed in some microfinance institutions that gradually shifted their focus toward wealthier clients (Khalifa, 202; de Souza et al., 202). For SACCOs in Nairobi, a well-defined and commonly understood mission helps ensure that all initiatives remain aligned with their core purpose.

Following mission formulation, goal alignment ensures that all activities and resources of the organization are aligned with achieving common objectives. This means that the organization should ensure there are no conflicts between its long-term strategic goals and short-term operational targets, and that effective communication is consistent at all levels of the organization (Jayantilal & Jorge, 202). Leadership plays a pivotal role in this regard, establishing a connection between daily activities and the global corporate vision. Evidence from studies conducted in Kenya, such as Maina's (209), shows that SACCOs, led by leaders who can align goals, exhibit a strong correlation between the strategies implemented and the financial outcomes observed. The absence of this alignment results in an organization’s initiative disintegrating, as it becomes impossible for them to take cohesive action, leading to the loss of resources and missed targets.

Resource allocation and strategic control are the two primary aspects that, when combined, lead to the successful implementation of a plan. (Mwamba et al., 209). An unsatisfactory distribution of resources could weaken a SACCO's ability to compete, especially when the lack of resources has been the reason for fewer technological innovation activities (Kapukha & Makau, 2023). Strategic control ensures the execution

of necessary oversight through continuous observation, assessment, and response, thereby maintaining the integrity of the plan's route (Waweru & Smith, 2020). This is the interplay between using goods most profitably and maintaining standards through continuous control, bridging the gap between setting targets and actual performance, which is necessary for SACCOs' operations in a competitive market.

1.1.1 Mission Formulation

Casselman and Sama (203) noted that when organizations experience mission drift—a shift in strategic intent it delays the development of the capabilities and resources needed in microfinance institutions, reducing the effectiveness of their interventions. De Souza et al. (202), in a longitudinal study of microfinance borrowers in Brazil, found that some institutions pursued win-win relationships that pushed them away from their missions by attempting to attract wealthier clients.

Segun (207) examined mission drift in Nigeria and found that many microfinance institutions avoided it by remaining committed to poverty alleviation and deep outreach. In contrast, Reiter and Peprah (204) reported challenges in Ghana, where clients frequently used loans for non-business needs such as nutrition, education, and housing—activities that are less sustainable and make mission adherence difficult.

In Kenya, Ogweno and Bula (2023) studied strategic formulation and performance in deposit-taking SACCOs in Nairobi County. Their inquiry recommended that SACCOs develop deliberate plans to commit to achieving their vision and mission, ultimately improving organizational performance.

1.1.2 Goal Alignment

Li et al. (2022) explored a research question regarding the effects of financial stability on capital leverage of microfinance institutions (MFIs) in China. Moreover, MFIs focused

on financial sustainability were better positioned to achieve goal congruence in their business operations.

Gatwiri and Obuba (2024) investigated the influence of structural positioning on the performance of certain microfinance institutes in Meru County, Kenya. They came to understand that these organisations' ability to align their goals with their business activities depended on focusing on internal business operations and creating a suitable work environment.

1.1.3 Resource Allocation

Wun (209) focused his research on how strategic planning impacts the organisational performance of microfinance institutions (MFIs) in Myanmar, suggesting that by implementing a well-structured strategic planning system, these organisations can make informed decisions about resource allocation to effectively address the different financial access problems faced by people experiencing poverty.

Alinska and Czepirska (208) researched public policy for the microfinance sector in Poland. They reported that adapting public policy to the set goals and available resources has enabled MFIs in the country to build strongholds against uncertainties. Their study emphasized that aligning public policy instruments with MFIs' operational realities enhances stability and strategic direction. The researchers noted that when policies support resource allocation and clearly articulate developmental goals, MFIs are better able to withstand external shocks such as regulatory shifts or economic downturns.

Alhassan and Nwagbara (202) conducted a comparative study on institutions, corruption, and the viability of the microfinance sector in Ghana and Nigeria, respectively, and noted that the common heritage in these two countries led to politicized local government resource allocations for MFIs. Their study revealed that powerful political actors often

influence the distribution of resources, directing funds toward preferred groups or individuals rather than to MFIs with the most significant operational need. This rent-seeking behavior compromised transparency and weakened the financial foundations of many MFIs.

Dube and Kwenda (2023) examined how credit risk management and the financial performance of microfinance institutions (MFIs) relate in South Africa and found that inefficient resource allocation led to ineffective credit management, which adversely affected their economic performance. Their research found that when institutions lack adequate resources to support successful credit evaluation processes and employee training and monitoring systems, loan screening is weak, leading to increased non-performing loans. Conversely, MFIs that strategically prioritized resource allocation toward competent personnel and credit risk systems recorded improved loan recovery rates and stronger financial sustainability.

1.1.4 Strategic Control

Nazariah et al. (2024) investigated the commercialization of microfinance by focusing on the deployment of management control to address institutional complexity in Southeast Asian MFIs. The study revealed that adopting a more commercial orientation compelled MFIs to integrate a hybrid business model, characterized by the combination of informal strategic controls inherent in their non-profit heritage and more formal strategic controls borrowed from more commercially astute corporate organizations. Muli (207) conducted a study on strategic management practices affecting the performance of MFIs in Kenya. She concluded that the organisations had achieved effective strategic control by further upgrading their systems and processes, thereby improving performance. This process has helped the MFIs refocus their businesses and achieve overall control over expenditures, thereby enhancing efficiency.

1.1.5 Performance of SACCOs

Nyor et al. (203) researched the performance of MFIs in Nigeria. They concluded that the most severe problem faced by these organisations was the inadequacy of their portfolio allocations, which, in turn, has limited their profitability and restricted the coverage of their products and services. The study on the determinants of financial inclusion impacting the economic performance of MFIs in Kenya was conducted by Owago (202). It was noted that, despite a significant increase in the number of deposit accounts and financial inclusion initiatives, MFIs have continued to incur losses due to the relatively small loan sizes granted to clients. The suggestion given to MFI was to broaden its client base by opening branches in various regions of the country, in addition to formulating effective policies concerning governance and management of investments and operating portfolios.

Ouma et al. (2024) looked into the connection between the stock features of firms and the financial performance of MFIs in Kenya, and it was revealed that there was a significant correlation between capital adequacy and economic performance; asset quality had a negative correlation with financial performance; management efficiency had no significant correlation with economic performance. Hence, the study recommended that MFIs undertake extensive training and capacity-building initiatives to improve decision-making and business effectiveness

1.1.6 Strategic Plan Implementation and the Performance of Savings and Credit Cooperative Societies

Strategic plan implementation is the phase in which an organization turns its formulated strategies into concrete actions, allocates resources, and introduces operational changes to achieve set objectives. It is the practical side of strategy—embedding strategic initiatives into everyday activities and ensuring that plans move from paper to practice

(Gutterman, 2023). Unlike formulation, implementation is far more complex because it requires managing people, adjusting structures, and strengthening control systems. For SACCOs, effective implementation involves translating a clear mission and aligned goals into improved member services, efficient loan processing, and stronger financial outcomes, effectively closing the gap between strategic intent and performance.

Extensive management research confirms that achieving any plan is more a matter of execution than of how well it is formulated. Even the most robust strategic plan is ineffective without disciplined and consistent implementation (Tefera & Abebe, 2024). In the SACCO context, this means deploying financial resources appropriately, coordinating staff efforts with strategic priorities, and continuously evaluating progress. When execution is weak, SACCOs face immediate declines in performance—seen in rising loan defaults, inefficient capital management, and weakened competitiveness.

Persistent performance challenges in Kenya's SACCO sector are closely linked to shortcomings in the implementation stage of the strategic planning process. Evidence shows that many SACCOs in Nairobi County prepare strategic plans but fail to operationalize them, resulting in recurring gaps between intended and actual results (Michira & Anyieni, 208; Mbogo, 2020). This implementation gap explains the continued prevalence of non-performing loans and low deposit mobilization despite existing strategies. Consequently, examining implementation—particularly mission execution, goal alignment, resource allocation, and strategic controls—offers the most direct way to address these performance challenges.

Historically, SACCOs in Kenya trace their roots to 964, with Mariira Parish, Mwea Tabere, and VYA recognized as the earliest SACCOs (Willis et al., 2024). The model where members buy shares and borrow against them gained traction in the 980s. Government support for cooperative savings began in 969, encouraging SACCO

formation in ministries and departments, later extending to parastatals and local authorities by 975. Although growth steadily increased, many SACCOs became dormant due to widespread loan defaults, and by the early 970s, more than a third had collapsed (Willis et al., 2024).

The introduction of front-office services in the 990s contributed to SASACCO's sustainability by allowing members to save in dedicated accounts. However, these services initially lacked legal backing until 2008, when deposit-taking provisions were introduced. The establishment of SASRA in 200 further strengthened regulation. Under SASRA, SACCO membership rose from 76 in 205 to 359 in 2022, while total assets grew from KSh 342.85 billion to KSh 890.30 billion over the same period (SASRA, 2022).

SASRA (2022) reported that in 2022, Kenya had 359 regulated SACCOs 76 deposit-taking and 83 non-withdrawable deposit-taking whose membership grew by 7.02% from 5.99 million in 202 to 6.42 million in 2022. Deposits increased by 9.84% to KSh 620.45 billion, and total assets rose by 0.3% to KSh 890.3 billion. Agaba (2023) further noted that SACCOs contributed KSh 5 trillion to national GDP, directly employing about 500,000 people and facilitating self-employment for an additional 500,000. Net savings in 2022 stood at KSh 22.5 billion.

A closer evaluation of the sector, however, reveals a widespread implementation gap: SACCOs frequently develop strategic plans but fail to fully execute them, resulting in operational weaknesses and financial instability (SASRA, 2022). This gap is evident in misalignment between mission statements and daily operations, poor synchronization of departmental goals with strategic objectives, and inefficient resource use. Mumanyi (204) observed that many SACCOs lacked a vision aligned with the national Vision 2030 framework, showing a fundamental weakness in strategic grounding. Similarly,

inadequate resource allocation has constrained their ability to recruit skilled staff or invest in technology, thereby affecting service delivery (Muchomba, 208).

In essence, the performance challenges affecting SACCOs in Nairobi County stem from deficiencies in the implementation of strategic plans rather than from strategy formulation alone. Their inability to execute strategic plans—particularly in operationalizing the mission, aligning goals, deploying resources, and monitoring—has prevented them from achieving desired outcomes. This study is therefore warranted, as it seeks to empirically examine how implementation practices influence SACCO performance and to generate actionable insights that can help turn strategic plans into meaningful results.

1.2 Statement of the Problem

SACCOs, as part of Kenya's fiscal structures, contribute to economic growth and are prevalent across most sectors of the Kenyan economy. According to the Republic of Kenya's 203 report, nearly 63% of the Kenyan population is a beneficiary of the SACCO movement. However, performance issues have been a significant challenge for most SACCOs in Kenya, and a few have also faced operational risks arising from the rapid adoption of technology in service delivery (Kenya Financial Sector Stability Report, 208). However, the poor performance of SACCOs in Kenya is driven by the most severe problem of non-performing loans and low client deposits (KUSCCO, 208; SASRA, 2022). In addition, these cooperatives face issues such as the absence of institutional strategies and laws, a weak workforce that is usually incompetent in management, poor leadership by workers that fosters the application of unfair prices, poor governance, and political interference. As a result, the challenges have negatively impacted their performance, financial stability, and organizational stability (SASRA Report, 2022).

To coordinate the development and implementation of plans, the SACCO Managers in Kenya, particularly those in Nairobi County, should identify the resource gaps that need to be addressed to implement a competitive strategy. Mumanyi (204) had already recognized that the inadequacies in the strategic planning processes of SACCOs in Kenya were evident in the fact that most of these organizations lacked an identifiable vision related to the national strategic Vision 2030, which they had adopted holistically. This has almost always led to a strategic rethink due to mission drift. Muchomba (208) pointed out that, in general, SACCOs are unable to compete with large and resourceful companies in providing better working conditions for their staff, which has hindered their initiatives to attract and retain highly skilled staff, as well as their long-term plans, particularly in the context of creating new products and services.

The existing literature on the relationship between the implementation of a strategic plan and the financial performance of SACCOs in Kenya, and specifically Nairobi City County, has some gaps. Initially, several studies (Michira & Anyieni, 208; Mbogo, 2020; Mwangi & Wambua, 206) focused on different dependent variables, other than financial performance, which contributed to the conceptual gap. Some studies were based on organizations other than SACCOs (Gomera et al., 208; Opoku, 206; Agwu, 208), thereby creating contextual gaps. This research, therefore, aimed to bridge these gaps by providing a new perspective on the SACCOs' challenges in Nairobi City County in implementing strategic plans and solutions that enhance their financial performance.

1.3 Objectives of the Study

1.3.1 General Objective of the Study

The primary objective of this study was to evaluate the impact of strategic plan implementation on the performance of Saving and Credit Cooperative Societies in Nairobi County, Kenya.

1.3.2 Specific Objectives of the Study

The study specifically sought to:

i. To examine the influence of mission formulation on the performance of Saving and Credit Cooperative Societies in Nairobi County, Kenya.

ii. To analyse the influence of goal alignment on the performance of Saving and Credit Cooperative Societies in Nairobi County, Kenya.

iii. To assess the influence of the resource allocation on the performance of Saving and Credit Cooperative Societies in Nairobi County, Kenya

iv. To determine the influence of strategic control on the performance of Saving and Credit Cooperative Societies in Nairobi County, Kenya.

1.4 Research Hypotheses

The research hypotheses were:

$H0_1$: Mission Formulation does not have a statistically significant influence on the performance of Saving and Credit Cooperative Societies in Nairobi County.

$H0_2$:Goal Alignment does not have a statistically significant influence on the performance of Saving and Credit Cooperative Societies in Nairobi County, Kenya.

$H0_3$: Resource Allocation does not have a statistically significant influence on the performance of Saving and Credit Cooperative Societies in Nairobi County, Kenya.

$H0_4$: Strategic Control does not have a statistically significant influence on the performance of Saving and Credit Cooperative Societies in Nairobi County, Kenya.

1.5 Justification of the Study

This study is justified by the crucial role that effective strategic planning plays in ensuring the long-term survival and competitiveness of Saving and Credit Cooperative Societies (SACCOs). Many Kenyan SACCOs continue to struggle with unclear mission statements, poor goal alignment, weak resource allocation, and ineffective strategic oversight, which ultimately results in performance gaps despite having written strategic plans. By examining these weaknesses, the study provides evidence on how strategic planning practices influence both financial and operational outcomes, helping bridge the persistent disconnect between strategy design and performance.

Kenyan SACCOs have also been affected by rising non-performing loans and declining client deposits, which have contributed significantly to their instability (KUSCCO, 208; SASRA, 2022). Additional concerns including inadequate institutional policies, weak managerial capacity, untrained staff, ineffective leadership, governance failures, and political interference have further undermined their operational efficiency and economic sustainability (SASRA Report, 2022). For SACCO managers, particularly in Nairobi County, understanding existing resource gaps is essential before crafting competitive strategies. Earlier studies, such as Mumanyi (204), highlighted that many SACCOs operate with unclear visions that are not aligned to the country's Vision 2030, resulting in recurring mission drift. Muchomba (208) further emphasized that most SACCOs lack the capacity to compete with larger firms in attracting skilled personnel or supporting long-term strategic initiatives, especially in product and service development.

Nationally, this research supports Kenya's Vision 2030, which prioritizes financial inclusion and cooperative sector development as engines of economic growth and poverty reduction. Given that SACCOs play a key role in mobilizing savings, offering affordable credit, and enhancing community welfare, the insights generated from this

study will be valuable to policymakers, regulators, and managers seeking to strengthen governance, improve service delivery, and enhance competitiveness. The study is therefore both timely and nationally relevant.

1.6 Significance of the Study

This study is significant for different groups of people. The results of this study provide a point of reference for policymakers in the Government, the Central Office for Cooperatives, and the Ministry of Cooperative Development and Marketing, in particular. The results will guide them in creating new rules or enhancing existing ones to facilitate effective strategic planning in SACCOs. Strategic management professionals can acquire new knowledge and ideas from the research on how to create and execute the right strategic plan to increase the organization's financial performance. The third group of decision-makers in SACCOs can more easily understand and comprehend the findings. They can relate to the formation of the mission, the alignment of goals, and the allocation of resources as key factors in implementing the strategic plan, which in turn influenced the increase in organizational performance. Lastly, given the gaps uncovered by the study, there is a significant opportunity for researchers and scholars to contribute further to the current body of literature on the implementation of strategic plans and the financial performance of SACCOs.

1.7 Scope of the Study

This study aimed to investigate the influence of the application of strategic plans on the performance of SACCOs in Kenya. It elaborated on the performance of SACCOs in Nairobi County, using it as a case study. The research focused on independent variables, specifically three aspects of the company that supported the validity of the research hypothesis: mission formulation, goal alignment, and resource allocation. These variables were examined in relation to the dependent variable, performance.

The target population consisted of all 76 deposit-taking SACCOs registered in Kenya as of December 3, 2024. The primary data provision was through the administration of structured questionnaires to 76 strategic managers in the organizations. Among the theories applied in the study were the Balanced Scorecard Model, Financial Intermediation Theory, and the Resource-Based View theory. The study was conducted over four months from June 2025 to September 2025. A causal-descriptive design was employed to investigate the nature and extent of the cause-and-effect relationships among the variables. The researcher employed primary data collection methods, including questionnaires with ordinal-level responses and a 5-point Likert scale. Data quantification was performed using descriptive statistics, aided by the Statistical Package for the Social Sciences (SPSS) version 2. These results were presented as frequencies, tables, and percentages. The descriptive analysis involved computing the mean and (SD= the responses to the items in each variable.

1.8 Assumptions of the Study

The research relied on numerous assumptions. Initially, it was presumed that the chosen sample was representative of the population of Saving and Credit Cooperative Societies in Kenya and permitted generalization of the results. Furthermore, it was expected that the respondents would provide truthful, precise, and impartial responses to the questionnaire items; therefore, the collected data would be reliable. Lastly, the researchers assumed that the allocated period was sufficient to complete the tasks specified in the study's objectives.

1.9 Limitations and Delimitations of the Study

The study was limited in many aspects. It focused solely on implementing the strategic plan's three key points: mission formulation, goal alignment, and resource allocation. Therefore, it was recommended that further studies be conducted to investigate other

aspects of the strategy beyond those mentioned in the current study. The data were also collected from the Nairobi headquarters of the registered deposit-taking SACCOs, which may have limited access to the respondents. To solve this problem, the researcher provided his official identification and introductory letter to facilitate cooperation. Moreover, some people were reluctant to participate in the study; however, the researcher assured them that the research was conducted for academic purposes only and that they would not violate their privacy or confidentiality rights.

The study also had some specific delimitations. Firstly, the research was restricted to registered deposit-taking SACCOs in Kenya and thus excluded other types of financial institutions. Secondly, the research budget limited the number of participants in the study. Thirdly, the study was confined to a specific period, limiting the scope for further research. Lastly, a particular research design, i.e., a causal-descriptive research design, and the specific methods used in it might have limited the study's scope and depth in favor of other research approaches.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews literature from prior studies by various researchers and scholars. It presents the theoretical foundations and empirical evidence tied to the study objectives. The chapter also identifies research gaps and ends with a conceptual framework that shows the relationships among the study's key variables.

2.2 Theoretical Review

Theoretical frameworks help explain and understand research phenomena. This study uses three key theories: the Balanced Scorecard Model, the Resource-Based View, and the Financial Intermediation Theory. Together, these theories explain how strategic implementation drivers lead to organizational performance.

2.2.2 Balanced Scorecard Model

The Balanced Scorecard (BSC), created by Kaplan and Norton (992), is a strategic management system. It goes beyond solely financial measures to offer a balanced understanding of company performance. The BSC advises managers to use both "financial and non-financial metrics from four perspectives: financial, customer, internal business processes, and learning and growth" (Kaplan, 2009). A key feature is its emphasis on cause-and-effect relationships. It posits that investing in learning and growth such as employee training improves internal processes. This, in turn, enhances customer satisfaction and ultimately raises financial performance.

This theory aligns with the study's objectives by linking strategic activities to performance outcomes. For example, defining customer value propositions aligns with the customer's perspective. Goal alignment ensures internal processes support the

mission. Allocating resources to training and technology fits the learning and growth perspective. Finally, strategic control monitors performance across all these perspectives to keep the strategy on track. The BSC theory helps frame the independent variables as drivers of the system that lead to the dependent variable SACCO performance.

Though useful, the BSC has faced criticism. Some question if its cause-and-effect links are as direct as suggested, as the connection between non-financial investments and financial outcomes can be unclear and context-dependent (Norreklit, 2000). Also, it can be complex and resource-heavy for smaller organizations. Still, its focus on balanced measurement and strategic links is relevant. For this study, the BSC's idea that strategic action across dimensions drives performance supports the focus on the effects of SACCO practices on results.

2.2.2 Resource-Based View Theory

According to the "Resource-Based View (RBV), primarily developed by Barney (99), a firm's sustainable competitive advantage originates from its internal resources and capabilities that possess the characteristics of being valuable, rare, difficult to imitate, and non-substitutable (VRIN). Such resources may be tangible or intangible and represent the core with which organizations can build and implement successful strategies (Madhani, 200). The model shifts the emphasis from competition in the environment to the company's internal power, implying that high performance results from a firm's uniqueness and its efficient use of its resources.

The RBV is critically relevant to this study, particularly in relation to resource allocation and management. The theory justifies why the strategic use of financial, human, and technological resources is a key factor in SACCO performance. Efficient resource allocation enables SACCOs to develop valuable internal capabilities such as a skilled workforce or advanced IT systems gaining a competitive edge. A clearly stated mission

can serve as an organizational resource, guiding the development of these capabilities. Strategic control ensures resources are used effectively and remain aligned with strategic goals.

A key criticism of the RBV is that it can be static. It may overlook the dynamic capabilities needed to reconfigure resources in changing environments (Priem & Butler, 200). Defining and measuring "inimitability" can also be challenging in practice. Still, the theory's core premise is powerful: strategy implementation fails without the necessary resources. For SACCOs, which often compete with larger, more resource-rich banks, the RBV highlights the crucial importance of prudently allocating and managing their unique, member-based resources to achieve financial sustainability.

2.2.3 Financial Intermediation Theory

Financial Intermediation Theory was first introduced by Gurley and Shaw (956). It explains how institutions such as SACCOs channel funds from savers to borrowers. The theory holds that intermediaries lower transaction costs, reduce information asymmetries, represent depositors, and act as delegated monitors (Leland & Pyle, 977). SACCOs are deposit-taking institutions that efficiently manage savings and extend credit.

This theory explains why SACCOs exist and how they shape their performance. SACCO performance the dependent variable is measured by profitability, operational efficiency, and working capital management, reflecting how well they perform their intermediation role. The independent variables are strategic levers that strengthen this intermediation. A clear mission identifies the SACCO's market and purpose. Goal alignment directs all activities toward efficient lending and saving. Effective resource allocation provides the necessary capital and technology, while strategic control maintains loan book quality and financial health.

Critics have argued that the theory's traditional focus on banks and simple deposits/loans has been complicated by the rise of non-bank financial institutions and complex financial products (Scholtens & van Wensveen, 2003). However, its core principles remain valid for the cooperative banking model. By grounding the study in this theory, the performance of SACCOs is viewed not in a vacuum, but as a direct outcome of how well their strategic implementation supports their primary economic function as financial intermediaries.

2.3 Empirical Review

An empirical review is an evaluation of past literature in a given field. It structures responses to research questions using experience and rational judgment (Cooper & Schindler, 204). Alternatively, it involves concluding a specific inquiry through observation and data analysis (Beins, 203). Relevant past studies for the study variables are listed below.

2.3.1 Mission Formulation

Almeida (2023) examined how cooperative monetary institutions, including SACCOs and credit unions, navigated financial crises and how their strategic missions influenced resilience across developed economies. Using comparative financial analysis of historical data from the United States, the United Kingdom, and Australia, the study assessed resilience measures and strategic orientations through quantitative methods. Findings revealed that cooperatives with clearly articulated strategic missions and member-centred policies achieved stronger financial stability and steadier returns during downturns, demonstrating that mission clarity can enhance crisis response and member trust. However, this research focused exclusively on developed-economy contexts with mature regulatory frameworks and advanced financial markets, limiting its applicability

to emerging-market SACCOs. This gap highlights the requirement for empirical study on the practical design and impact of mission formulation in developing economies, a need addressed by the current Kenyan study.

Agaba et al. (2023), in their study of 50 deposit-taking SACCOs in Uganda, established that organisational values embedded in mission statements were central to strategy adoption and overall organisational performance. Their descriptive research design, supported by SPSS analysis, confirmed that strategy implementation is positively correlated with organisational outcomes. However, while this evidence highlights the centrality of values in mission statements, few studies have critically examined how these values directly shape innovation and growth within the financial cooperative sector. This raises a gap in understanding the extent to which organisational values in mission formulation drive competitiveness in diverse organisational contexts.

Otieno and Makau (202) investigated strategic management practices and the performance of deposit-taking SACCOs in Nairobi County, Kenya, using a descriptive cross-sectional survey of managers and inferential analysis with SPSS. Their study explicitly linked mission and vision clarity to strategic investment decisions, finding a strong positive association between mission-anchored product strategy and financial outcomes, including deposit growth and loan portfolio quality. Despite these findings, the authors primarily relied on perceptual survey data and cross-sectional correlations, which limited insight into the specific mechanisms by which mission formulation drives performance. Furthermore, they did not disaggregate mission components such as values, target markets, and product scope to determine which elements most strongly predict financial success.

2.3.2 Goal Alignment

Kipesha (2023) examined the influence of strategic management and goal alignment on the performance of microfinance institutions in Tanzania, employing a descriptive cross-sectional survey of 50 institutions and regression analysis. The research demonstrated that strong leadership practices particularly those that align organizational objectives across departments positively impacted financial sustainability and service quality. While the study showed that goal alignment contributes to improved institutional outcomes, it focused broadly on microfinance institutions. It did not isolate deposit-taking SACCOs or explore the detailed mechanisms through which goal alignment supports financial performance. The absence of a cooperative-specific perspective underscores the need for research in Kenya to examine how SACCOs align strategic objectives with operational practices within distinct cooperative governance structures (Kipesha, 2023).

Wamukota et al. (2022) provided additional evidence by examining the role of accounting information and communication controls on the financial performance of 22 Kenyan SACCOs through a mixed-methods approach combining questionnaires and financial statement analysis. Outcomes showed a strong positive association between effective communication of strategic goals and economic consequences, demonstrating that clarity in internal communication enhances goal alignment. Nevertheless, the study emphasized accounting systems rather than the broader strategic alignment framework, leaving unexplored how leadership and resource planning interact with communication to achieve holistic goal alignment. Addressing this gap, the current research in Nairobi investigates how these elements collectively influence SACCO performance.

2.3.3 Resource Allocation

Herath et al. (2023) showed a systematic literature review to assess the efficiency of resource allocation and its subsequent effect on the performance of microfinance

institutions worldwide. In line with the PRISMA criteria, they scrutinized 69 empirical journal articles published between 203 and 2023, seeking to understand how human, financial, and technical resources are allocated across business units. Their study found that the most significant institutional performance improvement resulted from the timely and fair distribution of resources, particularly through increased loan numbers and quality provided to clients. However, the review brought together evidence from various contexts and did not reveal the specifics of cooperative financial institutions in Africa, nor the operational realities of SACCOs. Without region-specific conclusions, one can only wonder how resource allocation efficiency would manifest in sub-Saharan Africa, where infrastructural and regulatory issues differ from those in more developed markets (Herath & Azeez, 2023).

Kapukha and Makau (2023) explored the strategic positioning of resources and their impact on the growth of microfinance institutions in Kenya, integrating the resource-based view, dynamic capabilities, and life-cycle theories into their discussion. Using a descriptive research design, their work focused on 300 MFI employees and gathered primary data from 72 respondents who were stratified and sampled and completed structured questionnaires. The analyses, supported by descriptive and inferential statistics, indicated that leading MFIs gained a competitive advantage through strategic resource allocation practices, such as promoting information technology, digitalizing services, and product differentiation. The concepts underlying the resource findings emphasized that resource availability was less critical than their deliberate use in achieving sustainable growth. However, the researchers only examined a broad range of microfinance institutions; thus, the deposit-taking SACCOs were not specifically considered, despite their distinct governance structures and member-driven objectives. This difference provides a reason to investigate how effectively strategic resource

placement can drive performance in local SACCOs that adhere to cooperative principles and are based in Nairobi (Kapukha & Makau, 2023).

Bii and Mwasiaji (2023) investigated competitive practices among microfinance banks in Nairobi City County, Kenya, to understand how resource allocation supports strategic implementation. Drawing on the balanced scorecard model and dynamic capabilities theory, they employed a descriptive research design and collected primary data using structured questionnaires from 85 staff members across 3 licensed deposit-taking microfinance banks. Their findings showed that customer focus, cost leadership, and product differentiation were key competitive strategies, all of which depended heavily on the careful allocation of human, financial, and technological resources. The study highlighted that the location and efficient deployment of these resources were essential for the successful execution of competitive strategies. Nonetheless, the focus on microfinance banks rather than SACCOs leaves unanswered how similar practices apply to cooperative financial institutions, which rely more heavily on member participation and democratic governance. The present study, therefore, extends these insights by investigating how Nairobi SACCOs allocate resources to achieve competitive performance outcomes (Bii & Mwasiaji, 2023).

2.3.4 Strategic Control

Strategic control is a process an organisation uses to monitor and assess the implementation of its strategic plan, ensuring it meets its long-term objectives (Waweru & Smith, 2020). Herath et al. (2023) evaluated strategic control systems within African microfinance institutions through a systematic literature review of 72 peer-reviewed articles published between 202 and 2022. Their synthesis revealed that African MFIs employing continuous strategic surveillance, real-time risk assessments, and adaptive planning achieved stronger financial sustainability and higher client retention rates. The

analysis highlighted that strategic control mechanisms must be dynamic and context-specific to respond to volatile economic environments prevalent in sub-Saharan Africa. However, the review essentially treated the continent as a homogeneous entity and did not provide detailed country-level analysis or a focus on cooperative-based SACCOs. This gap underscores the need to examine how strategic control influences performance in Kenya's distinct regulatory and cooperative environment. Such localized analysis can reveal how SACCOs balance strategic oversight with member-driven governance (Herath & Azeez, 2023).

In a study in Kenya, Gichuhi (2022) compared sustainable strategic management practices across Kenyan microfinance institutions, emphasizing the relationships among strategy formulation, evaluation, and control. Using stakeholder, resource-based, and resource dependency theories, the study targeted 54 registered MFIs and collected primary data via self-administered questionnaires, which were analyzed using SPSS. Results indicated that strategic control specifically, the continuous comparison of actual versus planned activities had a positive, significant relationship with institutional sustainability. Although the research demonstrated that practical strategy evaluation and control enhance financial and operational performance, it concentrated on MFIs rather than deposit-taking SACCOs, which operate under different member-driven governance structures. The lack of a SACCO-specific perspective necessitates focused research in Nairobi County to evaluate how strategic control mechanisms impact cooperative financial institutions. The present study addresses this gap by investigating how SACCOs implement strategic monitoring and corrective actions to improve long-term performance (Gichuhi, 2022).

Targeting a population of 2,226 management staff across 42 commercial banks, the research collected primary data from 23 respondents using semi-structured

questionnaires and analyzed it using descriptive and inferential statistics in SPSS. Findings revealed that strategic surveillance, special alerts, and premise controls were key mechanisms that enabled banks to detect issues promptly and take corrective actions. Although commercial banks differ structurally from SACCOs, this research demonstrates the importance of proactive strategic control systems in maintaining financial health and competitive advantage. Nevertheless, because the study focused on profit-oriented banks, it does not fully capture SACCOs' cooperative principles and member-centric operations. The current study, therefore, extends this line of inquiry to deposit-taking SACCOs, where member ownership and democratic governance may influence the design and effectiveness of strategic controls (Murunga & Deya, 2022).

2.3.5 Performance of SACCOs

Almeida (2023) conducted a study examining the resilience of SACCOs during financial crises, focusing on their investment behavior and operational prudence. The study was global in scope, analyzing cooperative financial institutions across developed economies, including the USA, UK, and Australia. Using comparative financial analysis and historical data, Almeida found that SACCOs outperformed traditional banks during crises due to conservative investment strategies and robust liquidity management. The research highlighted that SACCOs maintained profitability and operational efficiency by avoiding speculative ventures and emphasizing member-based lending. However, the study lacked insights into SACCOs in developing economies, particularly in Africa, where regulatory environments and financial literacy differ significantly. This gap underscores the need for localized studies in Kenya to investigate how SACCOs manage financial distress under varying economic conditions (Almeida, 2023).

Munene, Ndegwa, and Senaji (2020) investigated the relationship between board characteristics and financial distress among deposit-taking SACCOs in Nairobi County.

Employing a descriptive and inferential design, the study analyzed board tenure, composition, and education level using panel data from SASRA reports. Results indicated that board governance significantly influenced SACCO performance, with longer tenures and diverse educational backgrounds correlating with reduced financial distress. The study linked operational efficiency to strategic leadership and oversight. However, it did not delve into working capital components or profitability metrics, leaving a gap in understanding the financial mechanics behind SACCO's success. This necessitates a Kenyan study that integrates governance with financial performance indicators, such as working capital and profitability (Munene et al., 2020).

2.4.1 The Summary of Literature and Research Gaps

Table 11

Summary of Literature and Research Gaps

Author(s)	Focus of the Study	Findings of the Study	Gaps of the Study	How the Current Study Addresses the Gaps
Almeida (2023)	Examined how strategic mission clarity influenced the financial resilience of SACCOs and credit unions in developed economies during economic crises.	Found that clear, member-centred mission statements enhanced financial stability, reinforced member trust, and improved crisis response.	The study focused exclusively on developed economies with mature regulatory environments and did not examine how mission formulation operates in resource-constrained SACCOs in Africa.	The current study investigates mission formulation within Nairobi SACCOs, focusing on how mission components are designed, communicated, and operationalized in an emerging-market context.
Kipesha (2023)	Examined the effect of strategic leadership and goal alignment on the performance of microfinance institutions in Tanzania.	Demonstrated that strong leadership and aligned goals improved financial sustainability and service delivery.	The study examined general MFIs and did not isolate SACCOs or explore the internal processes that drive goal alignment in cooperative	The present study focuses specifically on deposit-taking SACCOs in Nairobi and examines how strategic goal alignment influences financial and operational

			institutions.	performance within cooperative governance structures.
Herath and Azeez (2023)	Conducted a systematic review on how efficient resource allocation affects performance in global microfinance institutions.	Revealed that the timely and equitable allocation of human, financial, and technical resources significantly improves institutional performance.	Review lacked Africa- and SACCO-specific insights and did not account for contextual differences in regulatory and infrastructural environments.	The current study analyzes resource allocation within Nairobi SACCOs to determine how efficient deployment of resources affects competitive and financial performance locally.
Gichuhi (2022)	Examined strategy formulation, evaluation, and control in Kenyan microfinance institutions.	Established that robust strategic control—especially comparing planned versus actual results—positively affects institutional sustainability.	Focused on MFIs, not SACCOs; did not evaluate how member-driven governance structures influence strategic control practices.	This study evaluates how strategic control mechanisms—including monitoring, feedback, and corrective action—affect SACCO performance under cooperative governance.
Munene et al. (2020)	Investigated the relationship between board characteristics and financial distress among Nairobi's deposit-taking SACCOs.	Findings showed that board experience, tenure, and education significantly reduced financial distress and improved operational efficiency.	The study did not examine broader financial performance indicators, such as profitability, working capital, or liquidity.	The current study incorporates both governance and financial performance metrics, enabling a more holistic assessment of SACCO performance drivers.

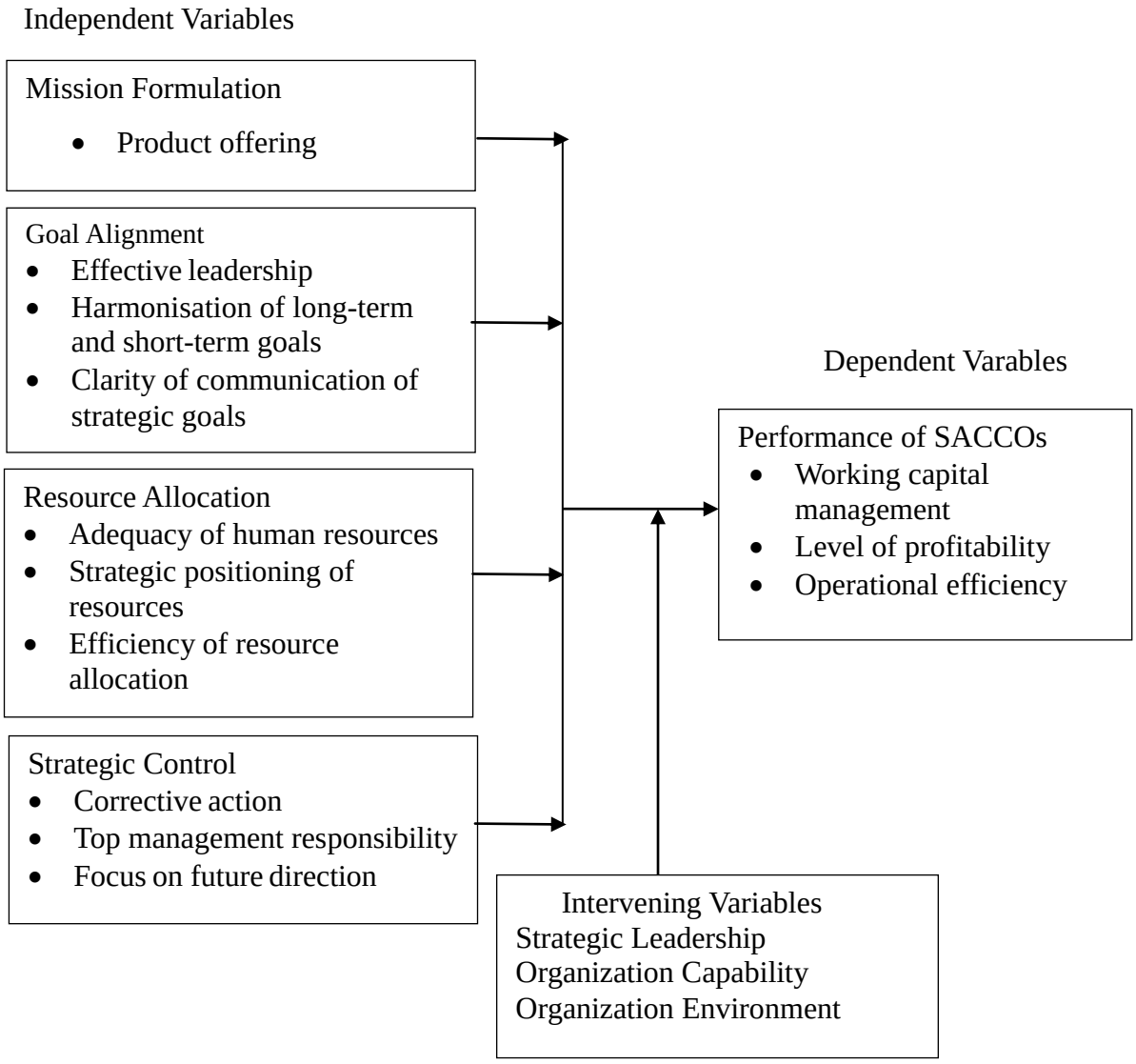
2.5 Conceptual Framework

Strategic plan implementation involves translating strategies and plans into actionable steps to achieve the desired goals. Organizational performance can be measured through various metrics, such as financial performance (profitability, ROA, ROE), operational

efficiency (cost-to-income ratio), loan portfolio quality, membership growth, and member satisfaction (Hrebiniak, 203). The study's conceptual framework is illustrated in Figure 1.

Figure 11

Conceptual Framework



Source: Authour, (2025)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter details the research design and methodology. It outlines the study's location, target population, sampling methods, and data collection tools. The chapter also addresses the trustworthiness and accuracy of these tools and describes the procedures for gathering, analyzing, and interpreting data.

3.2 Design Research

This research employed a descriptive cross-sectional design, which is suitable because it allows the observation and measurement of variables in their natural setting at a single point in time without manipulation (Creswell & Creswell, 208). Quantitative data were collected from licensed deposit-taking SACCOs using structured questionnaires and analyzed using descriptive and inferential statistics. This approach provided a methodological framework for obtaining a snapshot of the strategies and their statistical relationships with performance outcomes. Thus, the research questions were answered effectively and efficiently.

3.3 Target Population

Burns and Grove (2003) describe the target population as all individuals or entities that possess the characteristics relevant to a study and are the primary beneficiaries of its findings. In this research, the target population consisted of the 46 licensed deposit-taking SACCOs (DT-SACCOs) in Nairobi County, Kenya. The managers and staff from these SACCOs 34 individuals in total formed the study population. They represented three key departments: Human Resources (46), Finance (68), and Operations (227), from which a representative sample was drawn. Selecting these units aligns with the governance and operational structures required by the Sacco Societies Regulatory

Authority (SASRA). SASRA's governance guidelines mandate a clear organizational structure, with separate departments responsible for credit, finance, and internal control. The Finance Department handles resource allocation, financial reporting, and capital adequacy, all of which are essential to strategic financial performance.

The Operations Department carries out the SACCO's core functions, including loan processing, member services, and daily operations, making its staff central to assessing goal alignment and operational efficiency. The Human Resource Department builds the organizational capacity required for strategy implementation through staffing, training, and performance management. For these reasons, managers and senior staff from these departments formed the target group, ensuring that data came from individuals directly responsible for executing the strategic plan and knowledgeable about the study variables. This strengthened the validity and reliability of the findings.

This group was therefore the most appropriate for the study, as their roles aligned directly with the research objectives. Their responses provided insight into the relationship between strategic plan implementation and SACCO performance. The observation units were the Human Resources, Operations, and Finance departments, from which the respondents were drawn.

Table 2

1Target Population

Category	Estimated Count
Human Resource	46
Finance	68
Operations	227
Total	34

3.4 Sampling Method and Sample Size

A sample is the subset of the target population that has been chosen to represent the whole group (Kothari, 206). According to Mugenda and Mugenda (2003), sampling is the primary source of reliable and valid information. In this study, the researchers employed stratified random sampling techniques for Human Resource, Finance, and Operations staff. The target population comprised 34 respondents. Stratification reduced bias by capturing the different roles and viewpoints within each category, while simple random sampling within strata ensured that all respondents had an equal chance of selection; thus, the validity and generalizability of the results were enhanced.

The Yamane (967) formula was used to determine the sample size, ensuring the study remained accurate and feasible at a 95% confidence level with a margin of error. Using these values, the study determined a sample size of approximately 84 respondents. This ensured each group had enough representatives and maintained statistical integrity.

The Yamane's Formula is provided below

$n=N+N(e)2$

Where:

n = sample size

N = population size = 34

e = margin of error = 0.05 (for 95% confidence level)

Therefore,

$n=34/+34(0.05)2$

$n=34/+34(0.0025)$

$n=34/+0.8525$

$n=34/.8525$

n≈84

Therefore, the Sample Size = 84

We distribute the sample proportionately by population percentage holdings as follows: We compute each category's percentage share and apply it to the sample size (84):

Table 3

Sample Distribution

Category	Population	% of Total	Sample Size
Human Resource	46	3.48%	25
Finance	68	9.94%	37
Operations	227	66.57%	22
Total	34	00%	84

3.5 Research Instruments

Primary data were collected through a structured questionnaire administered to the sampled SACCOs. The questionnaire was developed around the four objectives of the study and pre-tested to assess the quality of the questions, their relevance, and reliability (Mugenda & Mugenda, 2003). Most of the questions were close-ended and rated on a five-point Likert scale ranging from 5 (Strongly Disagree) to 1 (Strongly Agree) (Likert, 932). Questionnaires were preferred because they are easy to distribute, quick to analyze, standardized, and inexpensive (Kothari, 206).

3.5.1 Instruments Piloting

A small study was done in Mombasa County with 8 people. Those 8 people accounted for 0% of the total number of people (84) that the primary research planned to involve. Questions from the main study were tried out at Bandari Sacco Society Ltd. The company was chosen because it operates in a similar environment to Nairobi-based DT-

SACCOs. Still, it is outside the main study area, thereby minimizing the risk of contaminating the actual sample. The pilot study was conducted to evaluate the instrument's clarity, reliability, and feasibility. The information from the pilot study is not included in the final analysis.

Hassan et al. (2006) emphasize that pilot studies are the forerunners of primary studies, as they identify potential weaknesses, limitations, or ambiguities in research tools and processes, thereby improving precision and robustness in subsequent full-scale studies. The stepwise process of the pilot survey and the adjustment of the instrument were crucial for augmenting its face validity, relevance, and general reliability before the primary data collection phase.

3.5.2 Validity of the Instruments

Validity is a metric of how well a collection of data, such as a questionnaire, accurately represents the concept being measured. In other words, it is how well the instrument reflects the idea or construct under investigation, thereby making the results reliable and capable of producing valid conclusions (Mugenda & Mugenda, 2003; Kothari, 206). The research instruments were validated by content and construct validity.

Content validity was established through the review of experts, academic supervisors, and practitioners in the SACCO industry by sending the questionnaire to them. They thought that the questions were practical enough to measure the study variables of mission formulation, goal alignment, resource allocation, strategic control, and SACCO performance. Construct validity was improved by identifying the questionnaire items and the theoretical frameworks of the Balanced Scorecard, Financial Intermediation Theory, and Resource-Based View Theory, and by introducing indicators from prior peer-reviewed research to align with current circumstances.

Moreover, the pilot study, which involved 8 respondents from outside the main study area, was instrumental in refining the instrument by clarifying, improving the logical flow of, and making the items more relevant. All these actions were taken to make sure that the instrument was an accurate measure of the constructs and was appropriate for dealing with the study objectives.

3.5.3 Reliability of Instruments

Reliability is a measure of how well a questionnaire or a method of measurement can consistently give the same results when repeated. A reliable tool is one that, as defined by Segal and Coolidge (208), consistently yields the same results. Cronbach's alpha is commonly regarded as the most suitable indicator of internal consistency, ranging from 0 to 1. The closer the number is to, the higher the reliability. In the present study, the limit of 0.70 proposed by Taber (208) was considered the cut point for instrument reliability.

The reliability of the instruments used in the research was determined using the internal consistency method, which involved calculating Cronbach's alpha coefficient. The results demonstrated that the reliability coefficients for all variables in the study exceeded the threshold of 0.70, indicating a strong association among the items used to measure the constructs. This implies that the questionnaire items measured the same constructs across respondents and that respondents answered the items similarly. Additionally, the reliability of each questionnaire item exceeded the acceptable limit, indicating that the tool was ready for the primary data collection stage. By achieving high reliability, the study has minimized measurement errors, thereby increasing reproducibility and validity and strengthening the overall robustness of the research findings.

3.6 Data Collection Procedures

The entire data collection process required the permission of the Kabarak University Research Ethics Committee (KUREC). The investigator then obtained a university

introductory letter, which enabled him to obtain a research permit from the National Commission for Science, Technology, and Innovation (NACOSTI). The data collection team went to the field with all the approvals in place. A questionnaire was used to gather primary data; a 5-point Likert scale was employed (Cooper & Schindler, 204). This has been done through electronic questionnaires distributed via Google Forms. The selected respondents were then mailed the Google Forms. Electronic responses were also handled and counted.

3.7 Analysis and Presentation of Data

Data analysis is a systematic method of examining, cleaning, transforming, and modeling data to uncover patterns, relationships, and changes that provide significant insights for informed decision-making (Cooper & Schindler, 204; Mugenda & Mugenda, 2003). The data analysis in this study was aimed at answering research questions, testing hypotheses, and determining the impact of the implementation of the strategic plan, which is principally the development of the mission, goal alignment, and resource allocation on the performance of Savings and Credit Cooperative Societies (SACCOs) in Nairobi City County, Kenya.

The quantitative data collected using the questionnaires were initially checked for completeness and consistency, then coded and entered into the Statistical Package for the Social Sciences (SPSS) version 2 for analysis. Both descriptive and inferential statistical tools were used to achieve the study's aim. The data characteristics were summarized and described using descriptive statistics, which included frequencies, percentages, means, and standard deviations. Inferential statistics were also conducted to examine relationships and test hypotheses at the 5% significance level. The analysis used multiple regression to determine the joint and independent predictive effects of the independent variables on SACCO performance. The steps that have been completed in this exercise

included testing the model fit, which was done using the coefficient of determination (R-squared), testing the statistical significance of the model, which was done using Analysis of Variance (ANOVA/F-test), and testing the contribution of each predictor variable, which was carried out using beta coefficients and p-values. Both descriptive and inferential analysis results were presented in tables and graphs that were easy to understand, accurate, and easy to interpret. This organization of the findings made the results accessible to both academic and practitioner audiences, while also supporting the study's robustness and credibility.

The regression model was as follows.

$$Y = \beta 0 + \beta X + \beta 2X2 + \beta 3X3 + \beta 4X4 + \varepsilon$$

Where:

Y =Performance of SACCOS

X =Mission formulation

X2 =Goal Alignment

X3 =Resource allocation

X4 =Strategic control

β0 is the constant (intercept),

β, β2, β3, β4 are the Beta coefficients for each independent variable, and

ε is the error term.

3.8 Ethical Considerations

Resnik (203) stated that research ethics require scientific work to be guided not only by evidence and belief but also by ethical behaviour. Key ethical considerations include informed consent ensuring participation is voluntary and purposeful beneficence, anonymity, confidentiality, respect for privacy, and being sensitive to vulnerable groups,

such as not interviewing minors without guardian consent. To meet these ethical standards, the researcher followed several procedures. The University issued an official research letter granting permission to collect data. All respondents were provided with informed consent, and SACCO management was consulted before questionnaires were distributed to the respective departments. Participants were encouraged to give their views freely and to participate voluntarily. The researcher also confirmed that the information gathered would be used only for academic purposes. Confidentiality was strictly maintained, with no respondent identified by name. The study was carried out without discrimination, and participants were selected carefully.

CHAPTER FOUR

DATA ANALYSIS, INTERPRETATION, AND DISCUSSIONS

4.1 Introduction

This chapter provides a clear breakdown of the study's results. It begins by outlining the response rate and key demographic details of the respondents. It then presents the descriptive statistics for the main study variables before introducing the correlation and regression analyses. The chapter concludes by linking these findings to existing theories and past research, setting the stage for the conclusions and recommendations in Chapter Five.

4.1.1 Response Rate

The response rate is an essential metric in research, as it determines the representativeness and reliability of the data collected. Table 4.1 presents the response rate achieved in this study across the three targeted departments within SACCOs in Nairobi County: Human Resources, Finance, and Operations.

Table 41

Response Rate

Department	Target Sample	Actual Responses	Response Rate
Human Resources	25	23	90.2%
Finance	37	33	88.5%
Operations	22	08	88.7%
Total	84	64	89.%

Source: Researcher (2025)

The results in Table 4 shows that the study achieved an overall high response rate of 89.1%, indicating strong participation and the reliability of the findings across all departments. Human Resources had the highest rate at 90.2%, followed by Operations at 88.7% and Finance at 88.5%. Despite the most significant target sample, Operations

maintained high engagement. This response rate, well above the 80% benchmark, minimizes non-response bias and ensures the data for Chapter 4 is representative. Mugenda and Mugenda (2003) note that a 50% rate is adequate, 60% is good, and 70% or higher is perfect. According to Saunders et al. (209), bias occurs when non-respondents differ from respondents. The 89.% rate significantly exceeds the thresholds, supporting the credibility of the data and the robust generalizability of the study's conclusions.

4.1.2 Reliability Results

Table 5 presents the reliability results of the study variables using Cronbach's Alpha to assess internal consistency.

Table 5

Reliability Results

Variables	Cronbach Alpha	Total items
Mission Formulation	0.725	6
Goal Alignment	0.756	6
Resource Allocation	0.762	6
Strategic Control	0.82	6
Performance of SACCOs	0.732	6

Source: Survey Data (2025)

All variables recorded Cronbach's Alpha values above the accepted threshold of 0.7, indicating reliable measurement scales. Strategic control had the highest score ($\alpha = 0.82$), indicating strong item consistency, while mission formulation had the lowest ($\alpha = 0.725$), though still acceptable. These results confirm that the items measuring each construct mission formulation, goal alignment, resource allocation, strategic control, and SACCO performance are internally consistent and fit for further analysis. High reliability

enhances the credibility of the data and supports the use of these constructs to evaluate strategic management practices. The instrument was therefore suitable for examining the influence of strategic practices on SACCO performance.

4.2 Demographic Characteristics

Section 4.2 presents the demographic profile of the respondents, providing essential context for the analysis that follows. It highlights key characteristics, including gender, employment category, years of service, and familiarity with strategic planning. These details help clarify the participants' background and offer insight into how their experiences may influence the study's findings.

4.2.1 Gender Distribution of Respondents

To begin the demographic analysis, Table 4.3 shows the gender distribution of respondents.Understanding the gender composition is essential for ensuring representation of both male and female perspectives.

Table 6

Gender Distribution of Respondents

Gender	Frequency	Percentage
Male	89	54.3%
Female	75	45.7%
Total	64	100%

Source: Researcher (2025)

The data show that 54.3% of respondents were male while 45.7% were female, reflecting a relatively balanced gender representation. The slight male majority is consistent with Gichuhi's (2022) observation that SACCO leadership in Kenya has traditionally been male-dominated. Scholars such as Muriithi and Wachira (202) highlight that gender

diversity strengthens decision-making and organisational performance, while Maina (209) emphasizes the need for gender-responsive practices. Therefore, the representation of both men and women in this study contributes to more inclusive and well-rounded findings.

4.2.2 Category of Employment of Respondents

Table 7 shows respondent employment by department, reflecting the study's focus. This categorization clarifies whether responses came from staff members who can implement the strategic plan.

Table 7

Category of Employment of Respondents

Category of Employment	Frequency	Percentage
Human Resource Department	23	4.0%
Finance Department	33	20.1%
Operations Department	08	65.9%
Total	64	100%

Source: Researcher (2025)

The results show that most survey respondents were from the Operations Department (65.9%), followed by Finance (20.%) and Human Resources (4.0%). This reflects the structure of SACCOs, where Operations comprises the largest staff and handles daily service delivery. Since the data were collected from those responsible for enacting and overseeing strategic management practices, the findings are grounded in their direct experience, thereby enhancing the validity and relevance to the study's variables. Mwangi and Wambua (206) found that SACCO strategic plan outcomes rely mainly on middle and senior management, who align operations to strategic goals. This suggests that the data from this study reflect informed perspectives crucial for evaluating the

implementation of strategic plans.

4.2.3 Duration of Employment of Respondents

Table 8shows respondents' years of service, a key factor in their experience with strategic planning. Employees with longer tenures may have more profound insights into changes and trends.

Table 8

Duration of Employment of Respondents

Duration of Employment	Frequency	Percentage
Below 5 years	20	2.2%
Between 6 and 0 years	34	20.7%
Between and 5 years	66	40.2%
Above 5 years	44	26.8%
Total	64	99.9

Source: Researcher (2025)

Most respondents had worked for 5 years or less (40.2%) or over 5 years (26.8%), indicating a large share had extensive experience in their SACCOs. This strengthens the study's findings, as long-serving staff are well-versed in strategic planning and organizational change. Otieno and Makau (202) observed that employees with longer tenure give richer insights due to institutional memory and continuity. Including respondents with different lengths of service helps eliminate experience bias. This ensures the data includes the perspectives of both newer and more experienced employees. It gives a balanced view.

4.2.4 Respondents' Level of Familiarity with Strategic Planning

This table shows respondents' familiarity with strategic planning. Understanding this helps judge the quality of their feedback. Higher familiarity leads to more informed

opinions, thereby reducing the risk of conceptual misunderstandings.

Table 9

Respondents' Level of Familiarity with Strategic Planning

Level of Familiarity	Frequency	Percentage
Very Little	22	3.4%
Little	2	7.3%
Moderate	4	69.5%
High	6	9.8%
Total	64	00

Source: Researcher (2025)

The results indicate that a substantial majority of respondents (69.5%) rated their familiarity with strategic planning as Moderate. In comparison, 9.8% rated it as High, suggesting that nearly four out of five respondents (79.3%) possessed a fair to strong understanding of strategic planning processes. This level of familiarity strengthens the credibility and reliability of the data, as it reflects informed opinions on the strategic management practices under investigation. The low proportion of respondents with little or no familiarity (20.7%) helps reduce knowledge-based bias, ensuring that the findings are shaped by respondents who are adequately conversant with strategic processes. This pattern is consistent with the findings of Mwangi and Wambua (2016), who noted that greater familiarity with strategic management among staff enhances alignment between planning and performance outcomes. The inclusion of respondents with substantial strategic planning experience in this study ensures that the data reflect realistic, actionable insights into the effectiveness of strategic initiatives.

4.3 Descriptive Statistics

Section 4.3 presents the descriptive statistics for key variables in the study. The analysis includes measures such as means, standard deviations, and frequencies to provide a clear understanding of the distribution and characteristics of each variable.

4.3.1 Descriptive Statistics for Mission Formulation

Table 10 presents descriptive statistics on various aspects of mission formulation in SACCOs, including product and service innovation, product proposition, organizational culture, decision-making empowerment, market expansion, and geographic pricing strategies.

Table 10

Descriptive Statistics for Mission Formulation

Statement	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	Mean	Std Dev.
The Sacco has adopted innovative techniques of enhancing its product and service offering which has enabled it to enjoy competitive advantages over its rivals.	6 (3.7%)	18 (11.0%)	34 (20.7%)	72 (43.9%)	34 (20.7%)	3.67	1.04
The product proposition, as articulated in the mission statement of the organisation, has played a critical role in influencing investment in its products.	4 (2.4%)	12 (7.3%)	48 (29.3%)	62 (37.8%)	38 (23.2%)	3.72	0.98
The organisational culture has shaped the values of its members.	3 (1.8%)	13 (7.9%)	41 (25.0%)	65 (39.6%)	42 (25.6%)	3.79	0.98
The established organisational values have empowered the SACCO's managers to take informed decisions upon complete consideration of all the options.	6 (3.7%)	12 (7.3%)	46 (28.0%)	58 (35.4%)	42 (25.6%)	3.72	1.04
The organisation has extended its coverage to rural markets across the country which has enhanced the penetration of its products.	5 (3.0%)	5 (3.0%)	40 (24.4%)	75 (45.7%)	39 (23.8%)	3.84	0.93
The firm has set the prices of its products in accordance with the geographic segmentation of the targeted markets.	3 (1.8%)	8 (4.9%)	45 (27.4%)	73 (44.5%)	35 (21.3%)	3.79	0.90
Overall Mean and STD						3.74	1.01

Source: Researcher (2025)

The overall mean score of 3.74 indicates that respondents generally agreed that the SACCOs' mission formulation practices are effective in guiding product innovation,

market penetration, value-driven decision-making, and strategic pricing. A mean in the "agree" range (3.50–4.49) shows a positive perception of how mission formulation supports competitive advantage and strategic growth. The overall (SD= .0) reflects a moderate spread of opinions, indicating that while most respondents leaned toward agreement, there was some variation in the strength of their feelings about specific aspects of mission formulation. In practice, this suggests that although mission-related strategies are broadly embraced, certain areas, such as pricing by market segment or extending coverage to rural areas, may elicit differing views, warranting closer managerial attention.

The study findings indicate that SACCOs have increasingly adopted innovative techniques to enhance their product and service offerings, thereby gaining a competitive advantage. A significant proportion of respondents, 43.9% agreed and 20.7% strongly agreed, reported positively on innovation efforts, with a mean score of 3.67 and a standard deviation indicating moderate consensus among participants. The relatively low standard deviation reflects consistency in views across respondents. These findings align with Muchomba (208), who emphasized that digital tools and modern branch models strengthen SACCOs' adaptability in volatile financial environments. Therefore, innovation remains a key pillar in SACCO growth, sustainability, and member retention.

In addition, a clear product proposition was seen to influence investment decisions in SACCOs, as supported by 37.8% agreement and 23.2% strong agreement among respondents (mean = 3.72). The associated standard deviation was low, suggesting shared perceptions on the importance of strategic product messaging. This indicates that well-structured mission statements and product positioning strategies are crucial for enhancing trust and attracting both members and investors. Agaba et al. (2023) observed that SACCOs with compelling value propositions are more likely to form external

partnerships and attract funding. Clearly, mission clarity and product differentiation serve as key tools for establishing credibility and driving long-term investment growth.

The role of organisational culture in shaping SACCO values and member behaviours was also affirmed, with 39.6% of respondents agreeing and 25.6% strongly agreeing (mean = 3.79). The standard deviation in this case was low, indicating a high level of agreement on the impact of organisational culture. This finding suggests that shared beliefs, norms, and values enhance internal cohesion and promote strategic alignment. Additionally, 35.4% agreed and 25.6% strongly agreed that culture empowers SACCO managers in strategic choices (mean = 3.72), further highlighting its influence. The extension of SACCO coverage to rural markets was perceived positively by respondents, with 45.7% agreeing and 23.8% strongly agreeing (mean = 3.84), suggesting strong support for this outreach strategy. A relatively low standard deviation indicates consistent agreement that rural expansion promotes financial inclusion. Muchomba (208) emphasized that SACCOs are pivotal in increasing rural access to credit and promoting inclusive socio-economic growth.

Additionally, strategic pricing based on geographic segmentation received strong support (mean = 3.79), with 44.5% agreeing and 2.3% strongly agreeing. The low standard deviation again reflects consensus on this approach, indicating that region-specific pricing boosts affordability and profitability. Waithaka and Odollo (2024) affirm that this strategy allows SACCOs to compete effectively across diverse economic zones, enhancing outreach and sustainability.

4.3.2 Descriptive Statistics for Goal Alignment

Goal alignment is a strategic process that ensures an organization's activities and strategies are effectively linked to its established goals. Table 4.8 presents descriptive statistics on goal alignment within SACCOs, highlighting responses on various

indicators and their implications.

Table 11

Descriptive Statistics for Goal Alignment

Statement	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	Mean	Std Dev.
The SACCO has incorporated its corporate mission and vision owing to strong strategic leadership.	5 (3.0%)	4 (2.4%)	27 (16.5%)	82 (50.0%)	46 (28.0%)	3.98	0.91
Managerial capabilities were critic,aasce1 they enabl of effective leadership.	1 (0.6%)	10 (6.1%)	35 (21.3%)	85 (51.8%)	33 (20.1%)	3.85	0.83
The firm has term and long-term strategic financing objectives.	1 (0.6%)	9 (5.5%)	49 (29.9%)	62 (37.8%)	43 (26.2%)	3.84	0.90
The linkage enabled improved managerial efficiency.	1 (0.6%)	12 (7.3%)	42 (25.6%)	76 (46.3%)	33 (20.1%)	3.78	0.87
Accounting information control was established through the adoption of appropriate information communication systems.	2 (1.2%)	11 (6.7%)	46 (28.0%)	65 (39.6%)	40 (24.4%)	3.79	0.93
Strategy evaluation is significantly aligned with the firm's performance.	0 (0.0%)	11 (6.7%)	44 (26.8%)	66 (40.2%)	43 (26.2%)	3.86	0.89
Overall Mean and STD						3.84	0.87

Source: Researcher (2025)

The overall mean score of 3.84 indicates that respondents generally agreed that goal-alignment practices are well established in SACCOs, reflecting the effective integration of mission and vision, strong strategic leadership, and a clear linkage between short- and long-term objectives. A mean within the 3.5–4.49 range signifies a positive perception of how leadership, managerial capabilities, and accounting information systems contribute to harmonizing operations with strategic goals. The overall (SD= 0.87) indicates a low to moderate level of variation in responses, suggesting that most participants consistently recognized the presence of goal-alignment mechanisms, with only slight differences in the strength of their agreement. This pattern indicates that strategic leadership and

performance evaluation are widely accepted as key drivers of goal alignment. At the same time, minor disparities may arise from differences in information systems or financing strategies among SACCOs.

SACCOs have increasingly adopted innovative practices to enhance service and product delivery, thereby gaining a competitive edge. The results show that 64.6% of respondents agreed or strongly agreed with the statement that their SACCO had implemented creative delivery methods such as digital loans and mobile banking. The mean score was 3.67 (SD = .04), indicating a moderate level of agreement and slight variation in responses. This reflects a consensus that innovation has been instrumental in enhancing accessibility and customer satisfaction. The findings align with Wambua (202), who reported that innovation supports SACCO competitiveness by diversifying markets. Continuous investment in innovative strategies is therefore essential for sustaining relevance in the evolving financial landscape.

Regarding the product proposition, 6% of respondents agreed or strongly agreed that a clear product offering, as expressed in the SACCO's mission, influenced their investment decisions. The mean score was 3.72 and the standard deviation was 0.98, suggesting moderate agreement and consistency in views. This confirms that mission clarity and effective communication of product value are key factors in building confidence among investors and members. Otieno and Makau (202) emphasized that as SACCOs diversify services, articulating clear strategic messages in their mission becomes increasingly essential. Enhancing goal alignment through mission clarity will help attract investments and foster organizational growth.

Organizational culture emerged as a significant factor shaping members' values and behavior. A total of 65.2% of respondents agreed or strongly agreed that their SACCO's culture had a positive influence on member conduct. The mean was 3.79 and the standard

deviation was 0.98, indicating high agreement with relatively consistent responses. This affirms that strong cultural foundations promote cohesion, ethical standards, and member engagement. Agaba et al. (2023) observed that shared organizational values improve strategy alignment and performance. Promoting a positive culture within SACCOs thus enhances member loyalty, internal cohesion, and service delivery.

The study also found that organizational values enabled managers to make better strategic decisions. Sixty-one percent of respondents agreed or strongly agreed, with a (M= 3.72) and a (SD= .04), reflecting general agreement and some variability. This demonstrates that a value-driven environment fosters informed, consistent decision-making. Chepkwei et al. (207) support this finding, noting that values strengthen strategy implementation and governance in SACCOs. As a result, operational efficiency and strategic execution are enhanced across departments.

SACCOs have successfully expanded their coverage into rural markets, a move viewed positively by 69.5% of respondents. The mean response was 3.84 (SD = 0.93), indicating strong agreement and a high degree of consistency. This supports the strategy of targeting underserved regions to broaden membership and increase financial inclusion. Muchomba (208) emphasized the importance of rural expansion in enhancing product penetration and growth. Such geographic outreach promotes economic empowerment and strengthens SACCO relevance in underdeveloped areas.

On pricing strategies, 65.8% of respondents agreed or strongly agreed that their SACCOs employed geographic market segmentation to determine pricing. The mean was 3.79 (SD = 0.90), indicating a high level of agreement and consistent perceptions among respondents. Waithaka and Odollo (2024) note that geographic pricing segmentation enhances competitiveness and market responsiveness. Such pricing models help SACCOs balance inclusiveness with profitability across diverse markets.

Strategic leadership was also found to be central to aligning the SACCO's mission and vision with its operations. A strong 78% of respondents agreed or strongly agreed, resulting in a (M= 3.98) and a (SD= 0.9), indicating very high agreement and response consistency. This highlights the crucial role of leadership in shaping an organization's direction and strategic alignment. Maina (209) confirmed that visionary leadership enhances consistency between goals and performance outcomes in SACCOs. Leadership that fosters collaboration and clear communication ensures stakeholder involvement in decision-making.

Finally, managerial skills were reported to have a significant influence on leadership effectiveness, with 7.9% of respondents agreeing or strongly agreeing. The mean score was 3.85, with a standard deviation of 0.83, indicating high agreement and strong consensus. Nyaga et al. (202) found that skilled managers improve employee performance, governance, and strategic implementation. Competent managers are vital for informed decision-making, efficient operations, and long-term strategic success.

Strategy appraisal was also perceived as a strong contributor to SACCO performance, with 66.4% of respondents agreeing or strongly agreeing. The mean was 3.86 and the standard deviation was 0.89, indicating strong agreement and consistency in responses. This implies that regular evaluation of strategic activities improves adaptability and organizational results. Mwakalama (209) affirmed that consistent strategy review enhances competitiveness and responsiveness in SACCOs. Institutionalizing strategy assessment processes helps align activities with market changes and regulatory shifts, ensuring a more effective response.

4.3.3 Descriptive Statistics for Resource Allocation

Resource allocation is a fundamental aspect of financial institutions, including SACCOs, as it determines how resources are distributed to achieve organizational objectives. Table

12 presents the descriptive statistics on resource allocation within SACCOs, focusing on adequacy, positioning, and efficiency.

Table 12

Descriptive Statistics for Resource Allocation

Statement	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	Mean	Std Dev.
The incorporation of clear guidelines and mechanisms for resource allocation was essential to ensuring adequate allocation for the SACCO.	0 (0.0%)	10 (6.1%)	39 (23.8%)	71 (43.3%)	44 (26.8%)	3.91	0.86
Owing to increased competition amongst SACCOs in the country, the proportional allocation of government resources has continued to diminish, adversely affecting these organisations' ability to meet their operational mandates.	0 (0.0%)	10 (6.1%)	53 (32.3%)	65 (39.6%)	36 (22.0%)	3.77	0.86
For SACCOs to successfully implement growth strategies, they need to position their resources by investing in information technology, product differentiation, and service digitization.	0 (0.0%)	0 (6.1%)	41 (25.0%)	62 (37.8%)	51 (31.1%)	3.94	0.90
The implementation of competitive strategies has been moderated by the allocation of resources, including human, financial, and technical.	0 (0.0%)	12 (7.3%)	38 (23.2%)	76 (46.3%)	38 (23.2%)	3.85	0.86
To ensure resource efficiency, the SACCOs allocated human, financial, and technical resources on a timely basis to various business units, thereby improving their performance in terms of loan disbursements.	0 (0.0%)	6 (3.7%)	41 (25.0%)	70 (42.7%)	47 (28.7%)	3.96	0.83
By enhancing resource allocation efficiency, SACCOs have improved their risk portfolios, access to grants, and operational efficiency.	0 (0.0%)	10 (6.1%)	50 (30.5%)	76 (46.3%)	28 (17.1%)	3.74	0.81
Overall Mean and STD						3.89	0.86

Source: Researcher (2025)

The overall mean score of 3.89 indicates that respondents generally agreed that resource-allocation practices in the SACCOs are effective, reflecting strong mechanisms for setting clear guidelines, strategically positioning resources, and ensuring the timely deployment of human, financial, and technical assets. A mean close to 4.0 shows a positive perception that such practices enhance competitiveness, support growth strategies, and improve loan performance. The overall (SD= 0.86) indicates low variability in responses, suggesting that most participants consistently recognized the importance and adequacy of resource allocation, with only minor differences in the strength of agreement.

The study's findings revealed that incorporating clear guidelines and structured mechanisms for resource allocation is essential for ensuring adequate resources in SACCOs. A majority of respondents (43.3% agreed, 26.8% strongly agreed) supported this statement, yielding a mean (M) of 3.9 and a standard deviation (SD) of 0.86. The relatively low SD indicates that respondents shared similar views, reflecting a high degree of consensus on the effectiveness of structured resource allocation. These results suggest that most SACCOs have adopted policy-based frameworks to improve operational efficiency. Kimani et al. (2024) similarly found that clearly defined allocation policies significantly improved sustainability in microfinance institutions.

The study also revealed that increased competition among SACCOs has led to reduced government resource allocation, negatively affecting operational capacity. This was supported by 39.6% agreeing and 22.0% strongly agreeing, with a (M= 3.77) and an SD of 0.86. Again, the SD suggests moderate variability, indicating general agreement among respondents with only slight differences in perception. These findings are consistent with Mia et al. (206), who observed that diminishing external support undermined the stability of MFIs in Bangladesh.

For Kenyan SACCOs, this requires a shift towards internal revenue generation and strategic diversification of resources. Positioning of resources for growth strategies, particularly through investment in IT, product differentiation, and digital services, was also considered critical. The responses showed that 37.8% agreed and 3.% strongly agreed, with a (M= 3.94) and an SD of 0.90. While the mean reflects strong support, the slightly higher SD denotes moderate variation in perspectives, possibly due to differences in digital capacity across SACCOs. These findings align with those of Kapukha and Makau (2023), who demonstrated that SACCOs that prioritize innovation are better equipped to meet the evolving needs of their members and sustain their relevance.

Moreover, 46.3% agreed and 23.2% strongly agreed that effectively positioning human, financial, and technical resources enhances the execution of a competitive strategy. With a (M= 3.85) and an SD of 0.86, the responses exhibit high agreement and consistent understanding of the role of resource alignment in performance. The low SD indicates a shared perception across institutions, suggesting that most SACCOs recognize the need to align resources with strategic goals. Bii and Mwasiaji (2023) reinforce this finding, noting that SACCOs that synchronize their capabilities with market demands are more agile and adaptive. These results underscore the importance of strategic coherence in resource allocation.

In terms of efficiency, 42.7% of respondents agreed and 28.7% strongly agreed that timely resource allocation improves unit-level performance, especially in loan processing. The mean score was 3.96, and the SD was 0.83, the lowest among all items, indicating a very high level of consensus and minimal variability in responses. This suggests that the importance of timely resource distribution is universally recognized across the SACCOs studied. Herath et al. (2023) also reported that timely resource

allocation is crucial for enhancing operational performance and fostering stakeholder trust in MFIs.

Lastly, the study found that improved resource allocation efficiency has strengthened SACCOs' risk portfolios and operational capacity. A total of 46.3% agreed and 7.% strongly agreed, with a (M= 3.74) and an SD of 0.8. The low SD implies that respondents' views were closely aligned, showing that most participants recognized the broader benefits of efficient resource use. Zineelabidine et al. (2024) found similar results in MFIs, where structured allocation practices enhanced risk management and grant access. This finding suggests that SACCOs that allocate resources strategically are more resilient and better positioned to attract funding.

4.3.4 Descriptive Statistics for Strategic Control

Strategic control is crucial for ensuring that an organization remains aligned with its strategic objectives through continuous monitoring and corrective actions. Table 4.0 below presents the descriptive statistics for strategic control in SACCOs, detailing the extent to which various aspects of strategic control are implemented.

Table 13

Descriptive Statistics for Strategic Control

Statement	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	Mean	Std Dev.
Through rigorous evaluations, the SACCO has been able to take corrective action on issues that were discovered promptly.	1 (0.6%)	7 (4.3%)	44 (26.8%)	63 (38.4%)	49 (29.9%)	3.93	0.89
Strategic control was established through continuous comparisons of actual and anticipated activity execution.	0 (0.0%)	13 (7.9%)	36 (22.0%)	83 (50.6%)	32 (9.5%)	3.82	0.84
The commitment demonstrated by top management in driving the strategy's implementation enabled the SACCO to perform acceptably.	0 (0.0%)	11 (6.7%)	49 (29.9%)	66 (40.2%)	38 (23.2%)	3.80	0.87
Top management ensured optimal strategic management through situational analysis, strategy formulation, implementation, and evaluation.	3 (1.8%)	8 (4.9%)	40 (24.4%)	75 (45.7%)	38 (23.2%)	3.84	0.90
Owing to increased competition, the organisation's management was compelled to adopt a long-term approach, focusing on the organisation's future.	1 (0.6%)	9 (5.5%)	38 (23.2%)	77 (47.0%)	39 (23.8%)	3.88	0.86
The SACCO ensured optimal strategic control by renewing its focus on future goals.	1 (0.6%)	11	40 (24.4%)	70 (42.7%)	42 (25.6%)	3.86	0.90
Overall Mean and STD						3.85	0.87

The overall score (M = 3.85) indicates that respondents generally agreed that strategic control practices are effectively applied in SACCOs, suggesting a strong commitment to continuous evaluation, corrective action, and long-term planning. A mean in the 3.5–4.49 range reflects positive perceptions that management regularly compares actual versus planned activities, drives the implementation of strategy, and focuses on future

organizational goals to remain competitive. The overall (SD= 0.87) indicates low to moderate variability, suggesting that most participants shared similar views, with only slight differences in the strength of their endorsements. These results indicate that strategic control is consistently recognized as a key driver of SACCO performance.

The results show that with practical assessments, SACCOs have been able to provide timely corrective action on identified operational challenges, as reflected by a mean score of 3.93 and a (SD= 0.89. A majority (68.3%) of respondents agreed or strongly agreed that their SACCOs regularly oversee operations to detect and address potential issues proactively. This finding aligns with Waithaka and Odollo (2024), who observed that SACCOs that institutionalize operational assessments reduce risks and inefficiencies, contributing to stronger financial performance. The implication is that SACCOs that embed regular assessments into their operational routines enhance risk management and operational resilience.

Furthermore, the findings indicate that strategic control is achieved through continuous comparison of actual and planned performance, as shown by a mean score of 3.82 and a (SD= 0.84, with about 70.% of respondents agreeing or strongly agreeing. This highlights the importance of regular performance evaluation as a key tool for adaptive management. The result mirrors the work of Kapukha and Makau (2023) found that continuous evaluation enabled MFIs to align operations with dynamic environmental demands. The implication is that SACCOs that regularly assess and benchmark their performance can more effectively adapt to changing market conditions and maintain a competitive edge.

The commitment of top management in driving strategy implementation was also highlighted, with a mean score of 3.80 and a (SD= 0.87), where over 63% of respondents agreed or strongly agreed. This finding reinforces the notion that leadership plays a

pivotal role in the successful execution of strategy. It resonates with Lotay (206), who demonstrated that management commitment in MFIs was critical for translating strategy into actionable outcomes, thereby improving organisational performance. The implication is that SACCOs with committed leadership are better positioned to implement strategies effectively and achieve performance goals.

The study further revealed that top management ensures optimal strategic management through structured processes, including situational analysis, strategy formulation, implementation, and evaluation, as reflected by a (M= 3.84) and a (SD= 0.90). Approximately 68.9% of respondents agreed or strongly agreed with this statement. These findings are consistent with

Owing to increased competition, SACCO management has been compelled to adopt a long-term strategic outlook, with a (M= 3.88) and a (SD= 0.86), and nearly 70.8% of respondents supporting this view. The implication is that SACCOs must continuously innovate and align their strategies with emerging market trends to maintain a competitive position.

Finally, the findings show that SACCOs achieve optimal strategic control through a sustained focus on future goals, as indicated by a mean score of 3.86 (SD = 0.90) and 68.3% of respondents in agreement. This reflects the critical role of forward-looking strategic control mechanisms in guiding organisational direction. The findings align with Zineelabidine et al. (2024), who highlighted that forward-looking strategies and innovative control mechanisms position MFIs for sustainable growth amid industry disruptions. The implication is that SACCOs that adopt a future-oriented strategic posture are better placed to achieve long-term success and resilience.

4.3.5 Descriptive Statistics for Performance of SACCOs

Performance is a key determinant of the sustainability and competitiveness of SACCOs, influencing their ability to provide financial services to members effectively. Table 4. presents descriptive statistics on various factors affecting SACCO performance, including repayment performance, working capital management, portfolio allocations, loan sizes, and management efficiency.

Table 14

Descriptive Statistics for Performance of SACCOs

Statement	SD F (%)	D F (%)	N F (%)	A F (%)	SA F (%)	Mean	Std Dev.
The SACCO experienced poor repayment performance due to insufficient pressure on borrowers to repay loans, resulting in working capital challenges.	4 (2.4%)	5 (13.0%)	22 (3.4%)	89 (54.3%)	44 (26.8%)	4.00	0.87
Larger organisations tended to require better working capital management to operate efficiently.	4 (2.4%)	6 (3.7%)	23 (4.0%)	99 (60.4%)	32 (9.5%)	3.9	0.83
The inadequacy of its portfolio allocations has limited the organisation's profitability and restricted the coverage of its products and services.	4 (2.4%)	4 (2.4%)	22 (13.4%)	91 (55.5%)	43 (26.2%)	4.01	0.85
Owing to the relatively small loan sizes taken by its clients, the SACCO has persistently incurred losses despite an appreciable increase in deposit accounts.	3 (1.8%)	6 (3.7%)	23 (4.0%)	94 (57.3%)	38 (23.2%)	3.96	0.83
Management efficiency was not significantly associated with financial performance.	5 (3.0%)	7 (4.3%)	22 (3.4%)	83 (50.6%)	47 (28.7%)	3.98	0.93
Overall Mean and STD						3.97	0.85

The overall (M= 3.97) indicates that respondents generally agreed that the SACCOs' financial performance is strongly shaped by factors such as loan repayment enforcement, working capital management, portfolio allocation, and loan size dynamics. A mean close to 4.0 reflects a consistently positive acknowledgment that these performance issues are significant and require active management attention. The overall (SD= 0.85) indicates low variability in responses, suggesting that participants held broadly similar views about the impact of these factors on SACCO performance. This pattern suggests that while most respondents recognize the challenges of repayment pressure and portfolio adequacy, there is general consensus that improving management efficiency and capital allocation is critical to sustaining profitability and service coverage.

The results indicate that poor repayment performance has significantly undermined SACCO working capital, with 81.1% of respondents agreeing or strongly agreeing that insufficient borrower pressure contributed to this challenge (M = 4.00, SD = 0.87). This finding suggests that weak loan recovery mechanisms impair financial liquidity, constraining the SACCO's capacity to extend further credit and meet member demands. The outcome is consistent with Kapukha and Makau (2023), who highlighted that robust loan monitoring systems reduce default rates and enhance institutional resilience.

Working capital management was identified as a critical determinant of operational efficiency, with 79.9% of respondents agreeing or strongly agreeing (M = 3.91, SD = 0.83). This aligns with Gichuhi (2022), who observed that SACCOs with well-defined working capital policies consistently achieve higher levels of financial performance and operational stability. Effective working capital management ensures liquidity, reduces reliance on costly external borrowing, and enhances the institution's ability to deliver timely financial services.

The study also revealed that inadequate portfolio allocations constrained SACCO profitability and limited their capacity to diversify product and service offerings, with 81.7% of respondents agreeing or strongly agreeing (M = 4.0, SD = 0.85). This outcome supports Lotay (206), who demonstrated that optimal portfolio allocation is essential for enhancing financial growth and competitiveness within SACCOs and other MFIs. Diversified portfolios enable SACCOs to spread risk, enhance returns, and more effectively respond to member needs.

The results further indicated that small loan sizes contributed to persistent losses despite increases in deposit accounts, with 80.5% of respondents agreeing (M = 3.96, SD = 0.83). The findings suggest that SACCOs should explore strategies such as product innovation, scaling loan volumes, and bundling services to enhance loan profitability while meeting members' needs.

Finally, the results indicate that management efficiency was not significantly associated with financial performance, although 79.3% of respondents agreed or strongly agreed (M = 3.98, SD = 0.93). This contrasts with the findings of Okafor (2015), who reported a strong positive correlation between management efficiency and the financial success of microfinance institutions. The discrepancy may reflect the influence of external factors, such as regulatory reforms, economic volatility, or market competition, that affect SACCO performance beyond management's control.

4.4 Correlation Analysis

Table 15 presents the Pearson correlation coefficients between mission formulation, goal alignment, resource allocation, strategic control, and SACCO performance. The results show statistically significant positive correlations between all the variables at the 0.01 level.

Table 15

Correlation Analysis

		Performance of SACCOs
Mission Formulation	Pearson Correlation	.790
Mission Formulation	Sig. (2-tailed)	.000
Mission Formulation	N	164
Goal Alignment	Pearson Correlation	.805
Goal Alignment	Sig. (2-tailed)	.000
Goal Alignment	N	1
Resource Allocation	Pearson Correlation	.756
Resource Allocation	Sig. (2-tailed)	.000
Resource Allocation	N	164
Strategic Control	Pearson Correlation	.854
Strategic Control	Sig. (2-tailed)	.000
Strategic Control	N	164
Performance of SACCOs	Pearson Correlation	1
Performance of SACCOs	Sig. (2-tailed)	
Performance of SACCOs	N	164

Source: Researcher (2025)

The results indicate a strong positive correlation between mission formulation and goal alignment ($r = 0.9120$, $p < 0.01$), suggesting that clearly defining a SACCO's mission substantially enhancesgoale alignmens. These findings are consistent with Okafor's (2015) emphasis that an effective mission statement serves as a strategic compass, guiding decision-making and unifying organizational efforts toward common goals.

A similarly strong correlation exists between mission formulation and resource allocation ($r = 0.912$, $p < 0.0$), indicating that SACCOs with well-defined missions are more efficient in distributing their resources. Zineelabidine et al. (2024) similarly observed that mission-driven resource strategies enhance operational efficiency and reduce

wastage. SACCOs that integrate mission formulation into their strategic decision-making can therefore optimize resource utilization, improve service delivery, and achieve greater financial resilience.

The study also found a robust correlation between goal alignment and resource allocation ($r = 0.912$, $p < 0.01$), indicating that effective goal alignment facilitates more effective resource distribution. This highlights the importance of ensuring congruence between strategic objectives and operational strategies, enabling SACCOs to channel resources to the areas with the most tremendous impact. Lotay (2016) supported this view, demonstrating that organizations that build strong goal alignment mechanisms achieve superior resource utilization, thereby enhancing financial stability and competitiveness.

The analysis further revealed that strategic control showed a positive and significant correlation with all other strategic management practices, with the strongest association with SACCO performance ($r = 0.854$, $p < 0.01$). The result mirrors findings by Murunga and Deya (2022), who reported that SACCOs that implemented robust strategic controls achieved stronger financial outcomes due to enhanced accountability and responsiveness to environmental changes.

Lastly, SACCO performance exhibited strong positive correlations with mission formulation ($r = 0.790$, $p < 0.01$), goal alignment ($r = 0.805$, $p < 0.01$), and resource allocation ($r = 0.756$, $p < 0.01$), confirming that strategic management practices collectively influence financial and operational success. These results align with Mutai's (2012) findings, which showed that organizations that integrate strategic planning, performance monitoring, and resource alignment achieve superior competitive positioning and resilience.

4.5 Diagnostic Tests

This section presents the diagnostic test results used to assess the validity and reliability of the regression model examining the relationship between strategic management practices and SACCO performance.

4.5.1 Durbin-Watson

The Durbin–Watson statistic was used to test for autocorrelation in the residuals, which is crucial for verifying the independence of errors in regression analysis.

Table 16

Durbin-Watson

Model	Durbin-Watson
1	1.220

a. Predictors: (Constant), Strategic Control, Mission Formulation , Resource Allocation , Goal Alignment

b. Dependent Variable: Performance of SACCOs

Source: Researcher (2025)

The results in Table 16 shows a Durbin–Watson statistic of 1.220, which is slightly below the ideal benchmark of 2.0, indicating mild positive autocorrelation in the residuals. This suggests that the model's residuals are not entirely independent, though the degree of correlation remains within an acceptable range for cross-sectional data. According to Field (2018), Durbin–Watson values between 1.0 and 3.0 generally indicate that autocorrelation is not severe enough to compromise the reliability of the regression. The presence of mild autocorrelation may be attributed to typical patterns of managerial and operational behavior across SACCOs, where strategic processes tend to exhibit similar trends. Nonetheless, because the value is near the lower acceptable limit, the regression model can still be considered statistically sound and suitable for further interpretation.

4.5.2 Collinearity Statistics

This section presents the results of the collinearity diagnostic test, which assesses whether the independent variables in the regression model are excessively correlated, potentially distorting coefficient estimates. The Variance Inflation Factor (VIF) and tolerance values were used to determine the presence and severity of multicollinearity among the predictors.

Table 17

Collinearity Statistics

Model	Model	Collinearity Statistics	Collinearity Statistics
Model	Model	Tolerance	VIF
	(Constant)		
1	Mission Formulation	.146	6.862
1	Goal Alignment	.115	8.686
1	Resource Allocation	.205	4.872
1	Strategic Control	.354	2.828

The results in Table17 indicate that Mission Formulation (VIF = 6.862) and Goal Alignment (VIF = 8.686) exhibit relatively high VIF values, suggesting moderate multicollinearity, whereas Resource Allocation (VIF = 4.872) and Strategic Control (VIF = 2.828) fall within acceptable limits. According to Hair et al. (2019), VIF values below 10 and tolerance values above 0.1 are considered acceptable, indicating that although some variables are interrelated, they do not pose a severe threat to model validity. The moderate correlation between mission formulation and goal alignment could be attributed to their conceptual closeness, as both reflect strategic intent and organizational direction. However, since all VIF values remain below the critical threshold of 10, multicollinearity does not significantly affect the regression results.

4.5.3 Residuals Statistics-Assumptions of Normality, Linearity, and Homoscedasticity

This section presents the residual statistics, which assess the accuracy, distribution, and stability of the regression model used to predict SACCO performance. Residual diagnostics help determine whether the assumptions of normality, linearity, and homoscedasticity are satisfied.

Table 18

Assumptions of Normality, Linearity, and Homoscedasticity

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.8891	5.0086	3.749	.76404	164
Residual	-.16956	1.02860	.00000	.36157	164
Std. Predicted Value	-2.425	1.658	.000	1.000	164
Std. Residual	-4.632	2.810	.000	.988	164

a. Dependent Variable: Performance of SACCOs.

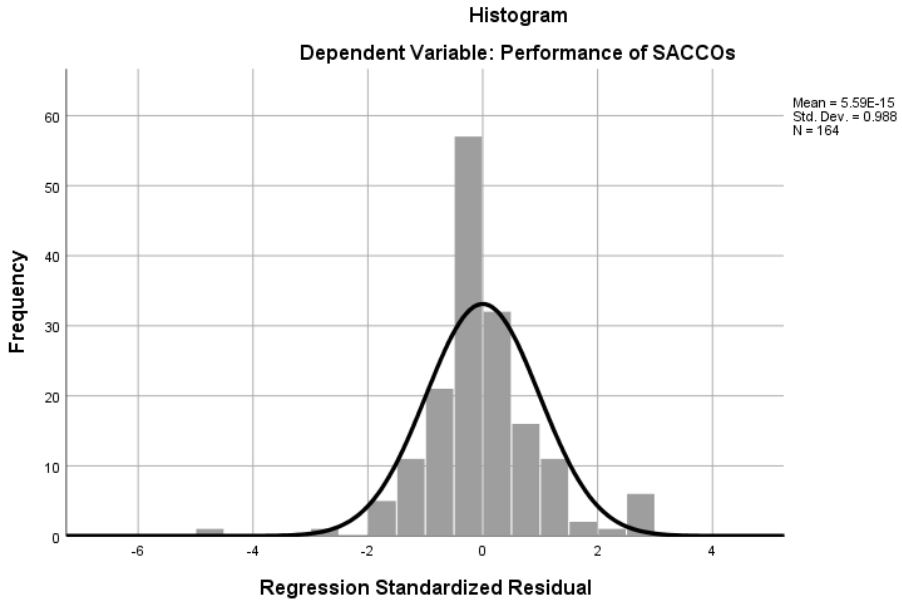
As shown in Table18, the predicted values range from 1.8891 to 5.0086, with a (M= 3.7419 and a (SD= 0.76404, indicating that the model's expected outcomes are consistent and centered around the observed mean. The residuals range from -.169561 to 1.02860 with a (M= 0.00000, confirming that the model is unbiased, as the prediction errors are evenly distributed around zero. Additionally, the (SD= the residuals) 0.36157) indicates that the deviations between predicted and actual values are minimal, suggesting a good model fit.

The standardized residuals range from –4.632 to 2.810, suggesting no extreme outliers that could distort regression estimates. According to Field (2018), when residuals are normally distributed and centered near zero, the regression model can be considered reliable and valid. These results therefore confirm that the regression assumptions are

met, supporting the conclusion that the model provides credible and consistent estimates of SACCO performance.

Figure 2

1Performance of SACCOs



4.6 Regression Analysis

Section 4.6 focuses on the regression analysis conducted to assess the relationship between the implementation of strategic plans and the performance of SACCOs. Regression analysis was conducted to determine the predictive influence of the strategic plan implementation variables on SACCO performance.

4.6.1Model Summary

The regression model was highly effective in explaining the variance in SACCO performance. As shown in Table 4.6, the independent variables (mission formulation, goal alignment, resource allocation, and strategic control) collectively accounted for a substantial portion of the change in performance.

Table 19

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.904a	.87	.82	.36609	1.220

a. Predictors: (Constant), Strategic Control, Mission Formulation, Resource Allocation, Goal Alignment

b. Dependent Variable: Performance of SACCOs

The R-value of 0.904 shows that there is a strong positive correlation between the predictors and the dependent variable. Moreover, the R-squared value of 0.817 indicates that 81.7% of the variation in SACCO performance can be attributed to these strategic management practices. The adjusted R-squared of 0.812, which accounts for the number of predictors, also supports the model's ability to explain SACCO performance. The Durbin-Watson statistic of 1.220 indicates that there is no substantial autocorrelation in the residuals; hence, the regression model is appropriately fitted, and there is no issue of serial correlation. These results underscore the importance of effectively implementing the strategic plan as a key driver of SACCO performance, which aligns with Okafor's (2015) research, which established that mission-driven strategies are major contributors to financial stability and growth.

The regression result, with an R^2 of 0.817, indicates that 81.7% of the variations in SACCOs' performance in Nairobi County can be attributed to the implementation of strategic plan variables, including mission formulation, goal alignment, resource allocation, and strategic control. The remaining 18.3% of the unexplained variance, however, suggests that other factors affecting SACCO performance have not been accounted for in the current model. These variables could include leadership effectiveness, technological adoption, regulatory compliance, member engagement, or

competitive market dynamics.

4.6.2 ANOVA Results

The Analysis of Variance (ANOVA) was used to test the overall statistical significance of the regression model. The results, presented in Table 20 determine whether the model provides a better fit to the data than a model with no predictors.

Table 20

ANOVA Results

Model	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	95.52	4	23.788	177.490	.000b
	Residual	21.310	59	.134		
	Total	116.461	163			

The model is statistically significant at the 1% level, as indicated by the F-statistic of 177.490 and the corresponding p-value of 0.000. It means that strategic management practices, such as mission formulation, goal alignment, resource allocation, and strategic control, as a set of variables, have a significant impact on SACCO performance. The regression sum of squares (95.152) is significantly larger than the residual sum of squares (21.310); hence, the SACCO performance model is strongly supported by the data. The empirical results corroborate those of Murunga and Deya (2022), who found that strategic controls and goal alignment contribute significantly to the financial performance of financial institutions. They should, in fact, SACCOs leverage on the pivotal role of strategic management as a key driver of economic success and long-term sustainability, given the importance of the regression model.

4.6.3 Regression Coefficients

The regression coefficients detail the individual influence of each strategic implementation variable on SACCO performance, providing the specific insights needed to test the study's hypotheses. The results are presented in Table 21.

Table 21

Regression Coefficients

Model	Model	Unstandardized Coefficients	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
Model	Model	B	Std. Error	Beta	t	Sig.
1	(Constant)	.284	.314		2.123	.035
1	Mission Formulation	.167	.079	.186	2.098	.037
1	Goal Alignment	.043	.096	.045	.454	.651
1	Resource Allocation	.251	.072	.261	3.488	.001
1	Strategic Control	.484	.057	.484	8.489	.000

a. Dependent Variable: Performance of SACCOs

The multiple regression model was

$$Y = \beta 0 + \beta X + \beta 2X2 + \beta 3X3 + \beta 4X4 + \varepsilon$$

This can be represented as:

$$Y= 0.284 + 0.67(X) + 0.043(X2) + 0.25(X3) + 0.484(X4) + \varepsilon$$

The regression analysis indicated that strategic control is the most significant statistically and the strongest positively influencing factor of SACCO performance, with the corresponding regression coefficient (β) being 0.484 and the p-value 0.000. A p-value of 0.000 clearly indicates that the result is statistically significant at the 95% confidence

level, implying that there is less than a 0.05% probability that the given relationship is due to chance. The β value of 0.484 indicates that strategic control will increase SACCO performance by 0.484, assuming other factors remain constant. It underscores the necessity of a robust monitoring system, including continuous monitoring, prompt corrective actions, and performance evaluation frameworks. The authors' argument aligns with Murunga and Deya (2022), who asserted that organizations with well-established strategic oversight frameworks achieve high efficiency, accountability, and performance results.

Moreover, resource allocation was a significant factor in SACCO performance, with a β of 0.261 and a p-value of 0.001. A p-value below 0.05 indicates statistical significance at the 95% confidence level and a reliable relationship. The β coefficient of 0.26 means that a one-unit increase in resource allocation would result in a 0.261-unit increase in SACCO performance, assuming all other variables remain constant. This demonstrates that the effective utilization of financial, human, and technical resources can significantly enhance service delivery, organizational productivity, and even financial returns. In the same vein, Gichuhi (2022) concluded that continuous resource planning and allocation are the primary pillars of microfinance operations and a key source of competitive advantage for leaders.

The development of the organization's mission had a positive influence on SACCO performance, which was also statistically significant, albeit smaller in magnitude, with a β of 0.186 and a p-value of 0.037. Since the p-value is less than 0.05, the result is statistically significant at the 95% confidence level. The β coefficient indicates that a one-unit increase in mission formulation is associated with a 0.186-unit increase in SACCO performance, all else equal. It suggests that a clear, well-communicated mission statement can bring the organization's staff together and foster employees' awareness of

the overall business strategy. Agaba et al. (2023) found that mission-led planning creates coherence and direction, but its influence is more substantial when combined with other strategic frameworks.

As such, SACCOs should not only ensure the clarity of their missions but also, through company-wide actions, demonstrate that they live by them. On the other hand, goal alignment had no statistically significant effect on SACCO performance, as evidenced by the regression coefficient ($\beta = 0.045$) and the p-value (0.65). The large p-value suggests that the relationship is not statistically significant at the 95% confidence level, and that any observed effect may be due to chance. The very low β value also indicates extremely weak predictive power, suggesting that while goal alignment is conceptually useful, it does not have a significant independent effect on SACCO performance in this model. The reasons could be that the company's goals are not consistently communicated, that implementation strategies are weak, and/or that the institutions investigated have their objectives stated but not practiced. Although goal alignment was found to be insignificant in this study, it should not be entirely ignored, as it can still provide internal cohesion and support long-term planning when integrated adequately with actionable strategies.

4.7 Testing the Research Hypotheses

The section examines the impact of each independent variable on SACCOs' performance in Nairobi County, Kenya. Hypothesis testing was conducted through multiple regression analysis, and the significance of each predictor was assessed based on the p-values presented in the regression coefficients table.

4.7.1 Mission Formulation and Performance of SACCOs

The initial hypothesis (H0) maintained that Mission Formulation had no statistically significant influence on the performance of Savings and Credit Co-Operative Societies in

Nairobi County. The regression results indicate that mission formulation has a significant and positive influence on performance ($\beta = 0.67$, $t = 2.098$, $p = 0.037$). As the p-value (0.037) is less than 0.05, the null hypothesis is rejected, confirming that mission formulation significantly influences SACCO performance.

The rejection of H0 indicates that clear mission formulation is crucial to SACCO performance. This aligns with the Resource-Based View (Barney, 986), which posits that an organization's vision and mission are the primary drivers of resource allocation, ultimately leading to a competitive advantage. The findings concur with Ogweno and Bula (2023), who established that SACCOs in Nairobi become more competitive by aligning their operations to well-articulated mission statements. Therefore, mission formulation provides strategic clarity and helps deepen the organization's direction, thereby serving as a major driver of financial performance.

4.7.2 Goal Alignment and Performance of SACCOs

The second hypothesis (H_{02}) suggested that Goal alignment does not statistically significantly influence the performance of Savings and Credit Co-Operative Societies in Nairobi County, Kenya. The regression results indicate that the β coefficient for goal alignment is 0.043, but its p-value (0.65) is greater than 0.05, indicating that the relationship is not statistically significant. Therefore, the null hypothesis is retained, indicating that goal alignment has no significant effect on SACCO performance in Nairobi County. This corroborates the view of Mwaniki et al. (208), who argued that aligning short- and long-term objectives improves financial results only when there is strong leadership and sufficient resources. The findings suggest that goal alignment is a prerequisite for performance enhancement, but it is not enough to drive performance on its own; organizational culture thus plays a mediating role, converting goal alignment into increased staff commitment and strategic cohesion.

4.7.3 Resource Allocation and Performance of SACCOs

The third hypothesis (H03) stated that resource allocation would have no statistically significant influence on the performance of Savings and Credit Co-Operative Societies in Nairobi County, Kenya. According to the regression output, resource allocation is both a positive and statistically significant factor ($\beta = 0.25$, $t = 3.488$, $p = 0.00$). As the p-value (0.00) is lower than the 0.05 threshold, the null hypothesis is rejected, indicating that resource allocation has a significant impact on SACCO performance.

H03 was rejected, implying that the effective allocation of financial, human, and technological resources is a prerequisite for SACCO performance. This finding aligns with the Resource-Based View, which emphasizes the efficient utilization of rare and valuable resources as a source of sustained competitive advantage. The findings are consistent with those of Kapukha and Makau (2023), who posited that strategically positioning resources in SACCOs leads to growth and financial sustainability. Hence, resource allocation remains the foundation of strategy implementation, which in turn directly leads to improvements in profitability, liquidity, and efficiency.

4.7.4 Strategic Control and Performance of SACCOs

Fourth hypothesis (H_{04}) assumed that strategic control has no statistically significant impact on the performance of Savings and Credit Co-Operative Societies in Nairobi County, Kenya. However, the regression results indicate that strategic control is the factor that accounts for the most significant and positive change in the organization's performance ($\beta = 0.484$, $t = 8.489$, $p = 0.000$). Since the p-value (0.000) is significantly less than 0.05, the null hypothesis is rejected, thereby confirming that strategic control is a crucial factor in SACCOs' performance. The rejection of H04 implies that SACCO performance is significantly influenced by the presence of fully functional monitoring and evaluation systems. This is consistent with the Balanced Scorecard model (Kaplan &

Norton, 992), which emphasizes the role of continuous feedback loops in facilitating the implementation of strategy and achieving performance. Murunga and Deya (2022) also found similar results, positing that corrective action and monitoring led to improvements in financial outcomes for Kenyan financial institutions. Therefore, strategic control serves as an enabling mechanism that facilitates a period of adjustment to improve efficiency, reduce risk, and maintain competitiveness.

Table 22

Hypothesis Testing Summary

Hypothesis	P-Value	Decision
$H0_1$: Mission formulation does not have a statistically significant influence on SACCO performance	0.037	Rejected
$H0_2$: Goal alignment does not have a statistically significant influence on SACCO performance	0.651	Upheld
$H0_3$: Resource allocation does not have a statistically significant influence on SACCO performance	0.001	Rejected
$H0_4$: Strategic control does not have a statistically significant influence on SACCO performance	0.000	Rejected

CHAPTER FIVE

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

5.1 Introduction

This chapter concludes the study by summarizing key findings, drawing conclusions, and providing recommendations. It begins with an overview of the main findings, presents conclusions, and offers practical suggestions for improving SACCO performance. Lastly, it suggests areas for further research to build on the current study's findings and insights.

5.2 Summary of the Findings

5.2.1 Mission Formulation

The study established that mission formulation has a significant positive influence on SACCO performance. Descriptive analysis yielded an overall (M= 3.74 (SD = 1.01), indicating a consensus that clear mission statements, well-defined organizational values, and product propositions aligned with the mission enhance competitiveness. Correlation analysis showed a strong, positive, and significant association between mission formulation and performance ($r \approx 0.60$, $p < 0.05$). Regression results revealed a positive standardized coefficient ($\beta \approx 0.28$, $p < 0.05$), indicating that improvements in mission clarity and communication directly lead to increased financial and operational outcomes. These results confirm that SACCOs with explicitly articulated missions and value-driven strategies achieve stronger growth and market penetration.

5.2.2 Goal Alignment

Goal alignment recorded an overall (M= 3.84 (SD = 0.87), reflecting respondents' agreement that harmonizing short- and long-term objectives, supported by strategic leadership and robust information systems, is well-embedded in SACCO operations. Correlation results indicated a significant positive relationship with performance ($r \approx 0.62$, $p < 0.05$). Regression analysis returned a strong standardized coefficient ($\beta \approx 0.3$, p

< 0.05), confirming that integrating corporate mission and vision into daily activities and aligning financing objectives across time horizons significantly improves efficiency and profitability. The findings highlight goal alignment as a key driver of sustainable financial performance.

5.2.3 Resource Allocation

For resource allocation, the overall mean was 3.89 (SD = 0.86), signifying agreement that SACCOs use clear guidelines, strategically position resources, and ensure timely deployment of human, financial, and technological inputs. Correlation analysis revealed a positive, significant association with performance ($r \approx 0.59$, $p < 0.05$). Regression results yielded a positive standardized coefficient ($\beta \approx 0.27$, $p < 0.05$), indicating that the efficient and transparent allocation of resources—especially investment in information technology and product differentiation—enhances loan disbursement, risk management, and profitability. These outcomes confirm that strategic resource allocation is essential for sustaining growth and competitiveness.

5.2.4 Strategic Control

Strategic control achieved an overall (M= 3.85 (SD = 0.87), indicating broad agreement that SACCOs practice continuous monitoring, corrective action, and long-term planning. Correlation analysis showed the strongest, significant positive association with performance ($r \approx 0.63$, $p < 0.05$). Regression analysis yielded the highest standardized coefficient ($\beta \approx 0.34$, $p < 0.05$), underscoring that rigorous evaluation, top-management commitment, and forward-looking strategic oversight are potent predictors of financial and operational success. This positions strategic control as the most influential of the four components examined in strategic plan implementation.

5.3 Conclusions

5.3.1 Mission Formulation

The study concludes that mission formulation is a significant positive determinant of SACCO performance. This finding strongly aligns with the Resource-Based View (RBV), which posits that intangible resources, such as a clearly articulated mission and organizational values, are vital strategic assets (Barney, 99). A well-defined mission serves as a rare and valuable resource, guiding the development of unique capabilities and ensuring that all organizational activities are coherent and purpose-driven. Therefore, the clarity provided by mission formulation directly enhances competitive positioning and financial outcomes by focusing the SACCO's resources and efforts on a unified strategic path.

5.3.2 Goal Alignment

The study concludes that while goal alignment is strongly correlated with performance, its direct predictive power in the regression model was not statistically significant. This nuanced finding can be interpreted through the lens of the Balanced Scorecard (BSC) model. The BSC emphasizes that goals must be translated into measurable objectives across different perspectives to drive performance (Kaplan & Norton, 992). The results suggest that while SACCOs may align in principle, the critical cause-and-effect linkages from aligned goals to specific operational metrics and, finally, to financial results may be weak or inadequately measured. Thus, goal alignment may function more as a necessary enabling condition rather than a direct driver, requiring a more robust implementation via a structured framework, such as the BSC, to realize its full impact.

5.3.3 Resource Allocation

The study concludes that resource allocation is a significant and positive predictor of SACCO performance. This finding provides direct empirical support for the core tenets

of the Resource-Based View (RBV). The efficient and strategic deployment of financial, human, and technological resources constitutes the practical activation of a SACCO's valuable and rare assets. As the RBV theorizes, it is not merely the possession of resources but their strategic allocation that creates a sustainable competitive advantage (Madhani, 200). For SACCOs, prudent resource allocation directly translates into enhanced service delivery, improved risk management, and superior financial returns, fulfilling their intermediary role more effectively.

5.3.4 Strategic Control

The study concludes that strategic control is the most potent predictor of SACCO performance. This result strongly supports the Balanced Scorecard's principle of strategic feedback and learning. Effective strategic control through continuous monitoring and corrective action ensures that the SACCO's intermediation activities remain efficient, risks are contained, and the strategy dynamically adapts to changing circumstances. It is the mechanism that closes the loop between strategy formulation and execution, safeguarding assets and ensuring long-term sustainability.

5.4 Recommendations

Based on the conclusions of this study, the following recommendations are proposed to enhance the implementation and performance of strategic plans in SACCOs.

5.4.1 Policy Recommendations

Based on the finding that mission formulation has a significant positive influence on SACCO performance, it is recommended that SACCO management regularly revisit and refine their mission statements. These statements should clearly articulate the organization's strategic goals, reflect innovation in products and services, and align with emerging market trends. A strong mission helps unify internal efforts and enhances the SACCO's appeal to members and investors.

Although goal alignment showed a strong correlation with performance, the regression results indicated that it does not significantly predict performance outcomes. This suggests a disconnect between strategic goals and their implementation. SACCO Leadership teams should therefore prioritize developing actionable strategies, improving internal communication, and enhancing staff involvement to ensure that organizational goals are not only well-articulated but also effectively implemented across all operational levels.

Given the significant relationship between resource allocation and SACCO performance, boards should oversee the development of efficient, transparent, and data-driven resource allocation frameworks. Financial, human, and technological resources should be directed to areas with the highest potential impact. Investing in capacity-building, technological upgrades, and market research will enable SACCOs to respond dynamically to their members' needs and address operational challenges.

The study found that strategic control had the most decisive influence on SACCO performance. Regulatory bodies such as SASRA should encourage and guide SACCOs to implement comprehensive strategic control systems, including regular performance monitoring, risk assessments, and feedback mechanisms. Supervisory authorities can further support SACCOs by providing training and capacity development, and by standardizing performance evaluation frameworks.

The overall findings suggest that strategic management practices have a significant impact on SACCO performance. Policy makers in the cooperative sector should invest in programs that build managerial capacity in mission formulation, goal alignment, resource management, and strategic control. Strengthening human capital across SACCOs will ensure more effective implementation of strategic plans, leading to improved financial outcomes and service delivery.

5.4.2 Recommendations for Further Research

Future research could examine how digital transformation and fintech integration moderate the relationship between strategic plan implementation and SACCO performance. While the current study highlighted the importance of mission formulation, goal alignment, resource allocation, and strategic control, it did not explore how emerging technologies such as mobile banking platforms, artificial intelligence, and blockchain reshape the strategic execution process. Investigating these technological dimensions could reveal whether digital adoption strengthens or weakens the predictive power of strategic management practices on financial outcomes.

Another area for further study is the role of member participation and cooperative governance structures in shaping the effectiveness of strategic plan implementation. SACCOs differ from traditional financial institutions due to their democratic, member-driven nature, which can influence decision-making speed, accountability, and resource allocation. A qualitative or mixed-methods study focusing on how member engagement affects mission clarity, goal alignment, and strategic control would provide deeper insight into the human dynamics that underpin successful strategy execution.

Researchers could also extend this work by conducting a longitudinal study across different counties or regions in Kenya to capture the temporal effects of implementing strategic plans. The present research was cross-sectional and limited to Nairobi County, which restricts the ability to observe causal changes over time. Tracking SACCOs over several years would help establish whether improvements in mission formulation, goal alignment, resource allocation, and strategic control lead to sustained financial performance and resilience to economic shocks.

Finally, a comparative study between Kenyan SACCOs and similar cooperative financial institutions in other East African countries, such as Uganda, Tanzania, or Rwanda, would

broaden understanding of regional dynamics. Such research could reveal contextual differences in regulation, culture, and market structure that influence the effectiveness of strategic management practices, offering practical lessons for policymakers and managers operating in diverse cooperative environments.

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APPENDICES

Appendix I: Introductory Letter

Dear Respondent,

My name is Paul Eric Opiyo Oranga, a student at Kabarak University pursuing a Master of Business Administration (Strategic Management) degree. I am conducting a research study entitled "Influence of Strategic Plan Implementation on the Performance of Savings and Credit Co-operative Societies in Nairobi County, Kenya."

I kindly request your assistance in completing the questionnaire. The information you provide will be used solely for academic purposes and will be treated with the utmost confidentiality.

Thank you for your assistance

_____

Paul Eric Opiyo Oranga

Appendix II: Research Questionnaire

Section A: Background

What is your gender? □ Male □ Female

What is your category of employment?

□ Strategic Manager □ Ass. Strategic Manager

What is the duration of your employment?

□ Below 5 years

□ Between 6 and 0 years

□ Between 5 years

□ Above 5 years

What is your level of familiarity with strategic planning?

- □ Very Little

□ Little

□ Moderate

□ High

□ Very High

Section B: Influence of Mission Formulation on the Performance of SACCOs.

Provide a check mark (√) for the most suitable response on mission formulation. SD – Strongly Disagree, D - Disagree, N - Neutral, A - Agree, SA - Strongly Agree.

	Statement	SD	D	N	A	SA
	The Sacco has adopted innovative techniques to enhance its product and service offerings, enabling it to gain a competitive advantage over its rivals.					
	The product proposition, as articulated in the organisation's mission statement, has played a critical role in influencing investment in its products.					
	The organisational culture has shaped its members' values.					
	The established organisational values have empowered the SACCO’s managers to take informed decisions after fully considering all options.					

	The organisation has expanded its coverage to rural markets across the country, thereby enhancing the penetration of its products.					
	The firm has set product prices in line with the geographic segmentation of its targeted markets.					

Section C: Influence of Goal Alignment on the Performance of SACCOs.

Provide a check mark (√) for the most suitable response for Goal Alignment. SD – Strongly Disagree, D - Disagree, N - Neutral, A - Agree, SA - Strongly Agree.

	Statement	SD	D	N	A	SA
	The SACCO has incorporated its corporate mission and vision owing to strong strategic leadership.					
	Managerial capabilities were critical, enabling effective leadership.					
	The firm has harmonised its short- and long-term strategic financing objectives.					
	The linkage between short-term and long-term organisational goals has enabled improved managerial efficiency.					
	Accounting information control was established through the adoption of appropriate information communication systems.					
	Strategy evaluation is significantly aligned with the firm's performance.					

Section D: Influence of Resource Allocation on the Performance of SACCOs.

Provide a check mark (√) for the most suitable response for Resource Allocation. SD – Strongly Disagree, D - Disagree, N - Neutral, A - Agree, SA - Strongly Agree.

	Statement	SD	D	N	A	SA
	The incorporation of clear guidelines and mechanisms for resource allocation was essential to ensuring adequate allocation for the SACCO.					
	Owing to increased competition amongst SACCOs in the country, the proportional allocation of government resources has continued to diminish, adversely affecting these organisations' ability to meet their operational mandates.					
	For SACCOs to successfully implement growth strategies, they need to position their resources by investing in information technology, product differentiation, and service digitization.					
	The implementation of competitive strategies has been moderated by the allocation of resources, including human, financial, and technical resources.					
	To ensure resource efficiency, the SACCOs promptly allocated human, financial, and technical resources to various business units, thereby improving their performance in terms of loan disbursements.					
	Through enhanced resource allocation efficiency, SACCOs have improved their risk portfolios, access to grants, and operational efficiency.					

Section E: Influence of Strategic Control on the Performance of SACCOs.

Provide a check mark (√) for the most suitable response for Resource Allocation. SD – Strongly Disagree, D - Disagree, N - Neutral, A - Agree, SA - Strongly Agree.

	Statement	SD	D	N	A	SA
	Through rigorous evaluations, the SACCO has been able to take corrective action on issues that were discovered promptly.					
	Strategic control was established through continuous comparisons of actual and anticipated activity execution.					
	The commitment demonstrated by top management in driving the strategy's implementation enabled the SACCO to perform acceptably.					
	The top management had ensured optimal strategic management through situational analysis, strategy formulation, strategy implementation, and strategy evaluation.					
	Owing to the increased level of competition, the organisation's management was compelled to adopt a long-term approach, focusing on the organisation's future.					
	The SACCO ensured optimal strategic control by renewing its focus on future goals.					

Section F: Performance of SACCOs.

Provide a check mark (√) for the most suitable response for Performance. SD – Strongly Disagree, D - Disagree, N - Neutral, A - Agree, SA - Strongly Agree.

	Statement	SD	D	N	A	SA
	The SACCO experienced poor repayment performance due to insufficient pressure on borrowers to repay loans, leading to working capital challenges.					
	Larger organisations tended to require better working capital management to operate efficiently.					
	The inadequacy of its portfolio allocations has limited the organisation's profitability and restricted the coverage of its products and services.					
	Owing to the relatively small loan sizes taken by its clients, the SACCO has persistently incurred losses despite an appreciable increase in deposit accounts.					
	Management efficiency was not significantly associated with financial performance.					

Appendix III: KUREC Clearance Letter

KABARAK UNIVERSITY RESEARCH ETHICS COMMITTEE

Private Bag - 20157
KABARAK, KENYA
Email: kurec@kabarak.ac.ke

Tel: 254-51-343234/5
Fax: 254-051-343529
www.kabarak.ac.ke

OUR REF: KABU01/KUREC/001/07/05/25

Date: 12th May, 2025

Paul Eric Opiyo Oranga
Reg. No: GMB/ON/1458/09/17
Kabarak University,

Dear Paul,

RE: INFLUENCE OF STRATEGIC PLAN IMPLEMENTATION ON PERFORMANCE OF SAVINGS AND CREDIT CO-OPERATIVE SOCIETIES IN NAIROBI COUNTY-KENYA.

This is to inform you that ***KUREC*** has reviewed and approved your above research proposal. Your application approval number is ***KUREC-070525.*** The approval period is 12***/05/2025 – 12/05/ 2026.***

This approval is subject to compliance with the following requirements:

i. All researchers shall obtain an introduction letter to NACOSTI from the relevant head of institutions (Institute of postgraduate, School dean or Directorate of research)
ii. The researcher shall further obtain a RESEARCH PERMIT from NACOSTI before commencement of data collection & submit a copy of the permit to **KUREC.**
iii. Only approved documents including (informed consents, study instruments, MTA Material Transfer Agreement) will be used
iv. All changes including (amendments, deviations, and violations) are submitted for review and approval by ***KUREC***:
v. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to ***KUREC*** within 72 hours of notification;
vi. Any changes, anticipated or otherwise that may increase the risk(s) or affected safety or welfare of study participants and others or affect the integrity of the research must be reported to ***KUREC*** within 72 hours;
vii. Clearance for export of biological specimens must be obtained from relevant institutions and submit a copy of the permit to KUREC;
viii. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal and;
ix. Submission of an executive summary report within 90 days upon completion of the study to ***KUREC***

Sincerely,

Prof. Jackson Kitetu PhD.
KUREC-Chairman

Cc Vice Chancellor
DVC-Academic & Research
Registrar-Academic & Research
Director-Research Innovation & Outreach
Institute of Post Graduate Studies

Appendix IV: NACOSTI Research Permit

REPUBLIC OF KENYA

NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Ref No: 415781

Date of Issue: 08/June/2025

RESEARCH LICENSE

This is to Certify that Mr.. Paul Eric Opiyo Oranga of Kabarak University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: INFLUENCE OF STRATEGIC PLAN IMPLEMENTATION ON PERFORMANCE OF SAVINGS AND CREDIT CO-OPERATIVE SOCIETIES IN NAIROBI COUNTY-KENYA for the period ending : 08/June/2026.

License No: NACOSTI/P/25/4174438

415781

Applicant Identification Number

Deputy Director
NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Verification QR Code

NOTE: This is a computer generated License. To verify the authenticity of this document, Scan the QR Code using QR scanner application.

See overleaf for conditions

Appendix V: Evidence of Conference Participation

KABARAK UNIVERSITY

Certificate of Participation

Awarded to

PAUL ERICK OPIYO ORANGA

For successfully participating in the 15th Annual Kabarak University International Research Conference held on 1st-2nd July 2025 and presented a paper entitled ***"Influence of Strategic Plan Implementation on Financial Performance of SACCO's in Nairobi County, Kenya"***

Conference Theme

Sustainable Business Models In The Era Of Artificial Intelligence For Youth Empowerment

Prof. Patrick Kibati
Dean, School of Business & Economics

Dr. Phillip Nyawere
Director - Research, Innovation and Outreach

Kabarak University Moral Code

As members of Kabarak University family, we purpose at all times and in all places, to set apart in one's heart, Jesus as Lord.

(1 Peter 3:15)

Kabarak University is ISO 9001:2015 Certified

Appendix VI: List of Publication

The Strategic JOURNAL of Business & Change MANAGEMENT
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INFLUENCE OF STRATEGIC CONTROL ON THE PERFORMANCE OF SAVING AND CREDIT COOPERATIVE SOCIETIES IN NAIROBI COUNTY, KENYA

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ABSTRACT

Strategic control plays a pivotal role in ensuring that strategic plans are effectively executed and remain aligned with an organization's long-term goals. In the context of Saving and Credit Cooperative Societies (SACCOs), strategic control entails systematic monitoring, evaluation, and corrective actions aimed at improving operational efficiency, profitability, and sustainability. Despite the existence of elaborate strategic plans, many SACCOs in Kenya continue to experience persistent performance gaps. This paper examines the influence of strategic control on the performance of SACCOs in Nairobi County, Kenya. The study adopted a descriptive cross-sectional research design targeting 176 licensed deposit-taking SACCOs. Data were collected using structured questionnaires and analyzed using descriptive and inferential statistics through SPSS. Correlation results showed a strong positive relationship ($r = 0.854$, $p < 0.05$) between strategic control and SACCO performance, while regression analysis confirmed strategic control ($\beta = 0.484$, $p < 0.001$) as a significant predictor of performance. The findings affirm that continuous monitoring, timely evaluation, and corrective interventions significantly enhance SACCO efficiency and competitiveness. The study recommends institutionalization of comprehensive control systems, regular performance audits, and adaptive learning to strengthen SACCO sustainability. Future studies should explore the moderating effect of leadership style and technology adoption on the relationship between strategic control and performance.

Keywords: *Strategic Control, Monitoring, Evaluation, Corrective Action, SACCO Performance*

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