

CORPORATE GOVERNANCE PRACTICES AND PERFORMANCE OF TEACHERS-BASED SAVINGS AND CREDIT COOPERATIVE ORGANIZATIONS IN CENTRAL REGION, KENYA

Mercy Nyawira Wachuka.

Master of Science in Development Finance, School of Business, KCA University, Kenya.

Dr. Brigitte Wabuyabo-Okonga.

Lecturer, School of Business, KCA University, Kenya.

©2025

International Academic Journal of Economics and Finance (IAJEF) | ISSN 2518-2366

Received: 1st November 2025

Published: 16th November 2025

Full Length Research

Available Online at: https://iajournals.org/articles/iajef_v5_i2_1_22.pdf

Citation: Wachuka, M. N., Okonga, B. W. (2025). Corporate governance practices and performance of teachers-based savings and credit cooperative organizations in central region, Kenya. *International Academic Journal of Economics and Finance (IAJEF) | ISSN 2518-2366*, 5(2), 1-22.

ABSTRACT

The study looked into the correlation between corporate governance strategies and the performance of teacher-based Savings and Credit Cooperative Organizations (SACCOs) in the Central Region of Kenya. It delved into four major determinants of corporate governance: board composition, leadership practices, member participation, and financial regulatory compliance. The research filled a significant research gap by providing evidence on the influence of governance weaknesses on small teacher-based SACCOs, including poor oversight, low participation, and heavy regulation.

The study adopted a mixed-method approach, using descriptive and explanatory research designs. The target study population was the teacher-based SACCOs in Central Kenya. A total of 384 respondents were identified through stratified and systematic sampling. Data collection was done through structured questionnaires, which were complemented by secondary administrative data in SACCO reports. The data was analyzed using SPSS, which generated descriptive statistics, correlation, and multiple regression to determine the correlation between the governance variables and performance indicators, including profitability, liquidity, and member satisfaction.

The findings indicated that the level of participation by the members significantly and positively influenced the performance of SACCOs ($r = 0.612$, $p < 0.05$; $\beta = 0.196$, $p < 0.001$). It also enhanced decision-making and accountability. Composition of the board, however, negatively influenced the performance ($r = -0.421$, $p < 0.05$; $\beta = -$

0.227 , $p < 0.001$). This was attributed to insider control and restricted autonomy. Board leadership practices ($\beta = 0.087$, $p = 0.112$) and financial regulatory compliance ($\beta = 0.003$, $p = 0.958$) were both found to be not statistically significant. Despite this, the findings indicate that the performance of smaller SACCOs was constrained by compliance costs. The regression equation ($R^2 = 0.102$) accounted for 10.2% of the variation in performance, with 4.763 units of baseline performance. The research recommends that the way to fix this is to enhance financial literacy, introduce independent directors, and redefine regulations that would reduce compliance costs.

The research presents new findings on corporate governance in teacher-based SACCOs, which is not a well-researched area in Kenya. It uses four theories: Agency, Stewardship, Stakeholder, and Resource Dependence, to describe performance results. The results provide practical advice to SACCO leaders and regulators like SASRA and policymakers. Enhancement of governance structures will foster sustainable performance, financial inclusion, and the welfare of members.

Key words: Corporate Governance, Board Composition, Leadership Practices, Financial Regulatory Compliance, Central Kenya, SACCO Performance, And Member Participation.

INTRODUCTION

Corporate governance refers to the use of specific structures and procedures to guide and control organizations, leading to accountability, transparency, and stakeholder involvement (Mayer, 2019; Keasey, Thompson, & Wright, 2019). Good governance practices, such as watchful board members, ethical leaders, and following all regulations, are important for preserving the institution's finances and overall performance. The manner in which a financial cooperative, such as Savings and Credit Cooperative Organizations (SACCOs), is managed determines how efficiently assets are utilized, the minimization of risks, and the loyalty between members. The cooperatives, such as SACCOs, are geared towards the interest of the members and socioeconomic empowerment as they are interested in maximizing the shareholders' wealth. Their administration is based on the principle of democratic control, one member one vote, and even-handed participation instead of the maximization of profits (ICA, 2023; Birchall, 2013; SASRA, 2023).

Organizations worldwide that have well-designed governance systems usually grow sustainably and win the trust of stakeholders (OECD, 2023). Meanwhile, in case of poor governance, mismanagement and fraud are more prevalent, along with a lack of internal controls, and they often result in the collapse of the organization (Waweru & Prot, 2019). In Kenya, SACCOs serve the poor and middle-income earners by providing credit, savings, and investment opportunities to them with ease. They are directed by the SACCO Societies Regulatory Authority (SASRA) and the Cooperative Societies Act, which places importance on governance, accountability, and compliance (SASRA, 2023).

Despite this growth, there have been various governance issues in many SACCOs in Kenya. Some of the governance issues are weak internal controls and bad selection of leaders in the SACCOs. During the election period, the popularity and not the competence is mainly the determinant of the individuals who join the board, and this compromises effective oversight. Research on deposit-taking SACCOs in Nairobi revealed that there is a strong and significant relationship between the quality of the board and the financial performance ($\beta = 0.750$, $p < 0.05$) (Agutu, 2022). Thus, it demonstrates that good leadership is a major determinant in every SACCO. Members' savings are also not secure without tighter mechanisms of accountability in every Corporate Institution. To resolve these issues, training on regulatory oversight is needed to the Board members.

The Kenyan government has, in recent years, introduced initiatives that are expected to transform SACCO governance. These changes involve the establishment of a deposit guarantee fund, tighter liquidity and capital requirements, and supervision (SASRA, 2023). Although such changes enhance security, they are more expensive in terms of compliance, especially for the small SACCOs. Any failure to satisfy the new requirements might be subject to merger or even closure of the SACCOs. What will occur to them in the coming years is dependent on how they adjust their structures to cope as members' deposits remain secured and deliver dependable services. In Central Kenya, the reforms present an opportunity and a challenge to

teacher-based SACCOs. Their future will rely on their ability to adapt their structures to remain efficient in safeguarding the savings of the members and delivering regular services.

Teacher-based SACCOs usually get their income through Teacher Service Commission (TSC) payments, and this implies that their member security is highly dependent on their cooperatives. In Kisii County, examining the performance indicators that are due to an increase in member participation in annual general meetings, formulation of policies and elections, loan recovery indicators, and liquidity have been enhanced when there is active participation of members (Oenga & Obuba 2024). A participatory approach to managing a SACCO also means that the members participate in defining the direction of the SACCO and keep the leaders accountable.

Strategic planning could be considered as one of the most efficient SACCO components of governance. Effective boards not only regulate compliance but also direct new growth by diversifying products, entering the digital environment, and creating risk-management policies. In a review conducted in the year 2024 on deposit-taking SACCOs, it was reported that SACCOs that had formalized strategic plans experienced the impacts of liquidity shocks better compared to the SACCOs that focused on short-term remedies (Karuoya & Waithaka, 2023). The overview of the process, hence, strategic foresight is a part and parcel of governance.

Sustainable governance of SACCOs does not merely have to do with compliance with the rules, but rather it is anchored on ethical leadership and professional responsibility. Boards that focus on integrity, implement sound lending policies, and embrace sound investment choices have a greater chance of preserving members' savings and keeping stability. The failure of the Metropolitan National SACCO shows how dangerous it is to ignore such principles. It was found that there was widespread mismanagement, such as the fake payments of dividends, inconsistent loan payments, which started with KSh 49 million clearing through one teller, and the issuance of loans totaling more than KSh 7 billion to members who did not exist. These activities caused thousands of members to lose a lot of money (Kilonzo & Munene, 2020). As indicated in the case, ethical governance goes beyond law, and the leaders must be responsible custodians of the lifetime savings entrusted in them.

In SACCOs where teachers depend mostly on remittances from the Teachers Service Commission (TSC), failing to manage their money toward the goals can risk the whole institution breaking down. The performance and sustainability of SACCOs depend on having professional boards, making strategic plans, and encouraging members to participate.

Statement of the Problem

Savings and Credit Cooperative Societies (SACCOs) are recognized for their role in financial inclusion, thus boosting members' economic status. According to WOCCU (2023), more than 375 million people across the world use credit and savings services offered by SACCOs. As an example, the total assets of Tower SACCO have risen to Ksh 23.2 billion in 2023, with the total assets of Mentor SACCO increasing to Ksh 254.6 million during the same period (Tower SACCO, 2024). The rate of asset growth, combined with governance and risk-management

issues at a sector-wide level, begs questions of efficiency and sustainability, and cooperative governance frameworks centered around the members.

Despite this importance, this sector suffers from weak governance. For example, in the year 2023, 14 SACCOs were registered under controlled management by SASRA because of their liquidity crisis, as a result of poor review by the board, fraud, and inadequate internal controls (SASRA, 2023). In particular, Metropolitan National SACCO was cited for mismanagement and fraudulent actions resulting in a loss of over KShs 12 billion between the years 2010 and 2023. Further, the SASRA Supervision Report (2024), provides that on average, the non-performing loan (NPL) ratio in the deposit-taking SACCOs had reached approximately 8 percent, which is over the prudential limit of 5 percent, signifying the increasing credit-risk exposure in the sector. Again, in spite of the 10 percent capital adequacy minimum requirement of overall assets, SASRA has warned that not all SACCOs are well capitalized and compliant.

Recent research indicates that weak internal controls, incompetent board members, the lack of clarity in roles, and participation are major governance problems in many small SACCOs in Kenya (Mwango, 2019; Onunga, 2022; FSD Kenya, 2023). The lack of strong governance structures tends to expose members to the lack of access to timely and affordable credit, compelling them to resort to digital and informal lenders with a higher interest rate and less favorable repayment terms. The FinAccess Household Survey 2021 (CBK, KNBS, and FSD Kenya, 2021) provides evidence that most salaried workers, such as teachers, have turned to digital loans as their cooperative institutions have become unresponsive to their credit requirements, placing them in a vulnerable situation of facing financial stress.

The theoretical frameworks, such as Agency Theory and the Transaction Cost Economics (TCE) on the other hand, only describe the nature of governance in profit-oriented corporate institutions and therefore fail to address the dual nature of the cooperative model of financial sustainability and member well-being. There is hence a governance paradox in teacher-based SACCOs where the leaders have to reconcile the fiduciary responsibility with the democratic participation of the members. This research fills in both the empirical gap, which is the scarcity of measurable evidence about the roles of governance and performance in teacher-based SACCOs and the conceptual gap, the lack of theoretical explanation of cooperative governance, by investigating the relationships between board composition, leadership practices, member participation, and regulatory compliance and the performance of teacher-based SACCOs in the Central Region of Kenya.

Research Objectives

- To determine the effect of board composition on the performance of teacher-based SACCOs in Central Kenya.
- To find the effect of leadership practices on the performance of teacher-based SACCOs in Central Kenya.
- To examine the effect of member participation in shaping the performance of teacher-based SACCOs in Central Kenya.

- To determine the effect of financial regulatory compliance practice on the performance of teacher-based SACCOs in Central Kenya.

LITERATURE REVIEW

Empirical studies in this research heavily relied on theories for their foundation. The research adopted Agency Theory, Stewardship Theory, Stakeholder Theory, and Resource Dependence Theory for its foundation. Agency theory was initiated by Michael C. Jensen and William H. Meckling in 1976. It gives insight into the relationship between principals and agents in different organizations where principals act on behalf of the shareholders or members, while agents act on behalf of the principals. In the context of teacher-based SACCOs, the theory shows that there are inherent conflict situations whenever the decision-making power is delegated by the members of the SACCO, who are teachers by all standards. The main idea is that there may be a conflict of interest between an agent and the principal, which results in wastage of resources, improper utilization of funds, and sometimes even loss-making propositions (Jensen & Meckling, 1976). This divergence of interests is quite evident, especially in SACCOs, since members depend on the board and management to protect their deposits and ensure the sustainability of the organization.

According to Beasley (2012), the central objective of agency theory focuses on resolving two main issues: conflicting interests between managers and SACCO members (teachers) and potential opportunistic actions by managers who possess privileged information. SACCO managers tend to select personal benefits that exceed those of teachers who are SACCO members, thus creating inefficiencies within the system. As per this theory, independent boards, internal control, as well as structural regulations act as a mechanism against conflicting interests between managers and teachers SACCO members. In their view, Davis, Schoorman, and Donaldson (2017) have noted that managers of teacher-based SACCO can make decisions that advance their self-wealth at the expense of the organization's existence. The authors Jensen and Meckling (1976) emphasize that SACCO managers should be monitored when making risky investments to validate that they follow members' intended directions. The agency theory recommends that regulators should enforce strict oversight together with member participation in decision-making to solve the identified issues. Strong managerial incentive programs linked to SACCO's financial success enable governance structure improvements (Beasley, 2012). Agency Theory applies to SACCOs, which are teacher-based, as it offers a guide to comprehending how effective governance mechanisms- like oversight, incentives, and member participation can minimize the conflict of interests and maximize financial performance.

The stewardship theory, established by Donaldson and Davis (1989), presents an alternative to agency theory by asserting that managers serve as organizational stewards devoted to supporting their company and its relevant stakeholders. According to stewardship theory, managers experience fulfillment when meeting organizational targets, and they work based on trust and long-term relationships to merge managerial objectives with organizational success for long-term performance. In the case of teacher-based SACCOs in Central Kenya, whose governance problems have occasionally threatened performance, this process of capacity building supports the stewardship view by enabling leaders to become the responsible

custodians of member resources. The application of Stewardship Theory to teacher-based SACCOs is that trust, accountability, and ethical leadership play a crucial role in the management of the resources of the members. It describes how leaders should be responsible custodians who put the welfare of the members first and not themselves. This strategy reinforces transparency, increases member confidence, and promotes sustainable organizational performance in teacher-based SACCOs.

Stakeholder theory was developed by Freeman (1984) and posits that corporate governance models demand that businesses support shareholders, employees, suppliers, customers, and government regulators and serve the general community. In the context of teacher-based SACCOs, this theory postulates that accountability should be equal to or greater than the number of groups of actors with claim rights (Freeman 1984). For instance, whereas the members may be interested in financial gains and the availability of credit facilities, the regulators may be concerned with compliance with financial standards and management of risks. The theory assumes that only organizations that meet the conflicting interest needs can deliver sustainable success. A recent body of research on cooperative governance shows that stakeholder-oriented practices enhance stability and trust. Olando, Jagongo, and Mbewa (2012) established that the SACCOs that frequently involved members in the consultative meetings and decision-making processes did better economically and had minimal conflicts. According to the theory, sustainability is achieved when the needs of all these stakeholders are balanced and met, and not only on financial returns. When this theory is applied in teacher-based SACCOs, inclusive decision-making, transparency, and equitable service delivery are fostered, and this aspect will enhance trust and long-term member loyalty.

The Resource Dependence Theory (RDT) proffered by Pfeffer and Salancik (1978) holds that organizations cannot act on their own but have to rely on outside resources for sustenance and development. According to the theory, boards of directors play a central role in obtaining such resources for the success of an organization. A key aspect of RDT is the composition of the board of directors, as this is critical in acting as the boundary spanner due to its role in acquiring essential resources. It entails ensuring that different professional backgrounds, particularly in the areas of financial, education, and regulatory services, are obtained from the regional director of teacher-based SACCOs. Regulatory compliance is indeed another area of complete dependence where SACCOs are dependent on the existence of other agencies to seal the deal on the work and management. Research by SASRA (2023) suggested that SACCOs that developed close working relationships with regulators by proactively disclosing and training against sanctions and operational flexibility. This implies that resource dependence cannot be dissociated with financial inputs only, but also legal legitimacy and credibility, which have to be actively managed by its boards. Resource Dependence Theory applies to teacher-led SACCOs since it emphasizes the influence of the availability and manipulation of important resources on performance in organizations, including capital, regulatory support, and savings of members.

Empirical Review

The effects of corporate governance practices are manifested in how the organizations are run in terms of efficiency and demonstrated through the level of accountability and fairness. According to Mayer (2019), governance plays the part of ensuring business processes are well-managed, which is also shared by Keasey, Thompson, and Wright (2019). According to Karanja and Maina (2020), member participation as a governance tool for SACCOs are usually in the form of an Annual General Meeting, where members deliberate on the performance of the SACCO, financial position, and plans. The members participate in providing new ideas for new policies and strategies considered to have the potential to enhance the operations of the cooperatives.

According to Chesire (2021), board composition entails the size, diversity, expertise, as well as gender balance and independence. This spectrum of backgrounds and capabilities provides a match between oversight and direction, and facilitates a fit between supervision and direction. In so doing, the proper structure of the board facilitates strategic guidance necessary to match the SACCO's priorities with members' interests. The principal role of the board is setting policies, and oversight as well as establish a framework that ensures the operations of the SACCO are in the best interest of the members. Empirical studies indicate that the effectiveness of a board composition does not come from mere existence but is dependent on structural and behavioral features. These features, such as diversity and professional competence, enhance oversight, innovation, as well as response to the needs of the members.

Leadership effectiveness is important for SACCOs' success as it provides a proper framework for adequate oversight, a platform for the development of robust strategic direction, and accountability. Empirical studies over the years consistently indicate that leadership effectiveness significantly influences SACCO performance. However, the studies point to several challenges that undermine this impact when leadership quality is lacking. Njoki et al. (2024) determined that while transformational leadership improves staff motivation, it lacks the structure required for prudent financial management in SACCOs.

A study conducted by Karanja et al. (2020) also emphasized the impact of the performance of the leaders, indicating that it has a direct effect on how the members perceive the way they are represented. The findings showed that all factors of board composition (demographic background, gender, region, and professional expertise) had positive relationships with the sense of leadership by the members. The researchers came up with the conclusion that the members who feel that their interests are represented by the board tend to trust the SACCO and have a high likelihood of being active.

Leadership qualities such as a wide range of expertise and knowledge are significant factors that influence SACCO performance. Individuals who have an excellent financial, legal, economic, or cooperative management background are valuable members (Karanja & Maina, 2020). The researchers randomly selected 45 teacher-based SACCOs in the country, with the sampling criteria being unique member demographics and role in the teacher financial landscape. The information was gathered by means of surveys and structured interviews of

SACCO leaders. The study involving the use of descriptive and inferential statistics discovered that such well-versed members assist SACCOs in devising strategic investment alternatives, formulating sound risk management policies, and eventually achieving long-term sustainability.

Regulatory compliance within SACCO management entails adherence to laws, standards, regulations, and guidelines as set out by regulatory agencies. In Kenya, SACCOs are primarily regulated by the SACCO Societies Regulatory Authority (SASRA). According to Kilonzo and Munene (2020), regulatory compliance transcends SACCO management to aspects including capital reserves ceilings, lending limits, transparency in financial reporting, and measures to contain money laundering. Wangari (2018) investigated the effect of governance practices on SACCO performance. The research involved 40 SACCOs nationally and used both quantitative and qualitative methods of data collection. The correlations, trends, and repeated topics were determined employing descriptive statistics, regression analysis, and thematic analysis. The results showed that there is a significant positive correlation between effective governance practices and SACCO performance. SACCOs that had sufficient internal control systems and appropriate governance practices as stipulated in the financial regulatory framework, exhibited greater operational efficiency and growth.

Nevertheless, Omolo (2022) showed a different perspective and concluded that the expenditure of regulatory compliance could decrease the money to lend and innovate, eventually restricting the services to the members and dragging down the development. However, stricter regulatory thresholds normally unintentionally marginalize small SACCOs that lack adequate resources for system upgrades to meet SASRA standards. This results in reduced access to formal financial services and, in the end, hampers their performance.

RESEARCH METHODOLOGY

A mixed methodology approach was employed during this study, using descriptive and explanatory research designs. This enabled going beyond determining the relationship between variables to further determine the causality and degree of association between the variables. Molina-Azorin et al. (2021) view explanatory research as primarily concerned with understanding the cause-and-effect relationship between variables, with the methodology going beyond mere descriptions and explaining reasons behind observed phenomena. The study targeted directors, management, and employees of the SACCOs with a focus on six SACCOs in the Central Region of Kenya. These are: Orient in Thika, Mentor in Murang'a, Ollin in Kirinyaga, New Fortis in Nyeri, Tower in Nyandarua, and Unison in Laikipia. The sampling technique employed was stratified and systematic sampling techniques to select respondent participants and ensure that the sample selected is representative of the population. The sample size was 384 respondents determined through the Cochran formula. Systematic sampling was used to select every 5th member of the SACCO entering the SACCO offices on a specific day, with the process being repeated until the required number for each SACCO was attained.

The researcher utilized a structured questionnaire to collect primary data. The tool was paper-based and administered in person to the sampled group. The choice of the structured questionnaire was driven by its efficiency and scalability, suitability for primary data, as well as standardization and objectivity. Literature review, on the other hand, provided historical and contextual data. To ensure the capture of complete data and logical flow, the questionnaire was structured into five main sections, designed to build trust, organize content, and triangulate.

RESEARCH RESULTS AND FINDINGS

The descriptive statistics involved diagnostic test analysis of missing data, outlier analysis, and tests of normality (Tabachnick & Fidell, 2019). The missing data approach used frequencies and percentages to reveal data that is missing in each variable, and in this case, the researcher used methods like imputation, data cleaning, and omitting incomplete data depending on the nature. Z-scores were used to determine the outlier detection, and the Shapiro-Wilk Test was employed to determine the normality of the data. Correlation diagnostic tests involved basic assumptions of linearity on two variables- the dependent and independent variables. A linear trend implies that Pearson correlation could be used, but non-linear ones would entail the use of Spearman's rank correlation (Hair et al., 2019).

Diagnostic Tests

From the results, the VIFs of the predictors were between 1.101 and 1.253, which were acceptable as they were all lower compared to the generally accepted value of $VIF < 5$. On the same note, the tolerance values were all greater than 0.79, which was greater than the minimum acceptable level of 0.2. The model shows a statistical significance, $F(4, 360)$ of 10.268, $p < .001$, meaning that the predictors altogether were associated with a substantial proportion of SACCO performance. The participation of members ($p = .001$), board composition ($p = .001$), innovation and digital governance ($p = .013$) had strong influences, whereas the effectiveness of the board leadership ($p = .398$) did not have a significant impact. These findings indicate that the issue of multicollinearity was not relevant in the model; that is, each predictor variable had a distinct explanatory power in SACCO performance. Thus, the regression estimates can be seen as valid, and the impacts of the participation of members, the composition of the board, the leadership efficiency of the board, and the innovation and digital governance of the SACCO can be discussed with certainty.

According to the model summary, the predictors, including member participation, board leadership effectiveness, board composition, and innovation and digital governance, are considered to explain the variance in the SACCO performance ($R^2 = .102$) by 10.2 percent, and the adjusted $R^2 = .092$ after adjusting the number of predictors. The correlation coefficient ($R = .320$) indicates that there is a positive but low relationship between corporate governance practices and SACCO performance. The standard error of the estimate (.365) is used to indicate the average deviation between the observed values and the regression line, which means that although governance factors play a role in performance, a significant percentage (89.8%) of the variation is affected by other factors, as shown in Table 1:

Table 1: Model Summary

Model Summary^b					
Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate
1	.320 ^a	.102	.092		.365

The residual statistics indicate that the average of the predicted values of the SACCO performance was close to an average of 4.82 (SD =.123), which indicates that the model predictions were close to the average. The value of the residuals was 0.000, as the regression is supposed to have, and the values were -1.071 to 0.442, which means that not all of the predictions were close to the observed values; some underestimation was present. The standardized residuals were between 2.121 and -2.935 in the acceptable range of ± 3 , hence the presence of no extreme outliers can alter the model. The standard deviation of the residuals (.363) is also relatively small, which also confirms that the model adequately fits the data,

Data Analysis and Presentation

Data analysis involved both descriptive and inferential statistical approaches. Regression and multiple regression analyses were applied to test the relationships of corporate governance and the performance of teacher-based SACCOs. The regression model incorporated independent variables as identified in the research conceptual framework and provided insights into how these factors impacted performance. The SPSS statistical software was applied to the analysis. The regression model used in the study was as follows:

$$TSP = \beta_0 + \beta_1 BC + \beta_2 LE + \beta_3 FRC + \beta_4 MP + \varepsilon$$

Where:

TSP represents Teacher-Based SACCO Performance

BC represents Board Composition

LE represents Leadership Effectiveness

FRC Represents Financial Regulatory Compliance

MP represents Member Participation

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5$ represents Regression Coefficients while

ε represents the Error Term.

Descriptive Statistics

The overall findings show that the SACCO members actively participate in the governance of the SACCOs, with a participation mean score of 3.91 in annual general meetings. The reports also show that participation in the making of major decisions and chances of serving in committees had mean scores of 3.76 and 4.18, respectively. Fair access to participate in committees (M = 4.18, SD = 0.679) was judged as highest and could be attributed to diversity and equality observed in the way the SACCOs govern themselves.

The active participation by members in AGMs ($M = 3.91$, $SD = 0.658$), decision-making about loans and investments ($M = 3.83$, $SD = 0.747$) may arise from member interest in the strategic and operational aspects of the organization. On the other hand, and despite confidentiality and anonymity being emphasized, the tight clustering of means between 3.68 and 3.78 may suggest social desirability bias, as SACCO officials positively rate their organizations. The findings, however, show a neutral rating of clarity of financial reports ($M = 3.76$, $SD = 0.779$), meaning that there is a need to enhance financial communication and literacy on the financial reports by members. These findings are consistent with Njiru (2018), who concluded that the direct impact contributing to SACCO performance is that of engaging the members in the governance process. Other Similar conclusions were made by Gitonga, J., & Githinji, M. (2021).

Leadership ethics recorded a high result ($M=4.16$, $SD=0.792$), showing a high perception of transparency, accountability, and moral behavior among the SACCO members on the boards' leadership. The availability of leaders to members to provide them with feedback was also rated highly ($M = 4.15$, $SD = 0.708$), which implies that democratic leadership practices were evident through open communication and member engagement. Compliance with long-term goals got an intermediate mark ($M = 3.78$, $SD = 0.841$), which could be considered quite decent. However, the same needs to be enhanced through strategic orientation. These results concur with the findings made by Mishra and Manju (2013), who concluded that ethical leadership leads to increased organizational trust and sustainable performance, and match the provisions of Stewardship Theory (Donaldson & Davis, 1989), which underlines the commitment of leadership to the long-term goals.

Adaptability to new challenges had the lowest scores at $M = 3.51$, $SD = 0.842$, which showed that there was limited ability to flexibly change strategies, especially in the event of technological change, regulation changes, and competition. This could be attributed to the large size of the boards or excessive bureaucracy. The lack of flexibility, as observed by Kiriinya and Nyariki (2023), can constrict the decision-making process and might explain the reasons behind the low ratings. It's however noticeable that in spite of the confidentiality and anonymity assurance, means are clustered, with a range of between 3.51 and 4.16 pointing to possible desirability bias, as SACCO officials positively rate their organizations.

In general, the descriptive statistics show that SACCO boards are more attentive to democratic leadership practices (transparency, accountability, accessibility) than to strategic and adaptive practices (long-term orientation, responsiveness to change). The comparatively greater dispersion of answers on adaptability and strategic alignment also indicates that there is a variance in the way members of SACCO view board leadership in different institutions. The descriptives for Board Leadership Practices.

Diversity of skills within the board was good ($M = 4.26$, $SD = 0.883$), and it was perceived that the multi-disciplinary nature of the skills of the directors enhances the skill of decision making. The limit of board member terms was also rated high ($M = 4.34$, $SD = 0.644$), which means the necessity to renew and refresh the leadership, and the inflow of new perspectives. Diversity

in gender and age ($M = 4.11$, $SD = 0.620$) and high frequency of governance training ($M = 4.02$, $SD = 0.604$) were also ranked high, showing that diversity and regular training are appreciated governance processes.

However, the inclusion of non-SACCO members as directors received a lower mean score ($M = 2.90$, $SD = 0.921$), which means that there is the potential of conflict of interest or less attention to the needs of the members. These findings concur with Kyere and Ausloos (2021), who concluded that the diversity of the boards assists in organizational performance by offering wider perspectives and connections. Nonetheless, the relatively low rating of external directors proves the caution of Jensen and Meckling (1976) that the absence of independent control or an excess of insiders may result in agency risks.

The level of the SASRA requirements adherence ($M = 3.73$, $SD = 0.713$) and fraud prevention mechanisms ($M = 3.72$, $SD = 0.723$) were put on a positive note, yet it was somewhat lower than that concerning the board leadership. Internal audits ($M = 3.68$, $SD = 0.749$) and transparent financial reporting ($M = 3.73$, $SD = 0.886$) were considered moderately high, as well, which indicates that the degree of regulatory compliance and accountability practices is high, generally.

These findings are comparable to Mwaura et al. (2025), who ascertained that SASRA regulations enhanced liquidity and quality of loans in the SACCOs. Nevertheless, it's evident that despite measures to ensure confidentiality and anonymity, means are clustered, with a range of between 3.68 and 3.73, pointing to possible desirability bias, as officials positively identify with their organizations. According to reports in the industry (Sacco World, 2024), the compliance cost can prove to be a burden to smaller SACCOs, restricting innovation. This means that SACCOs are also concerned with regulatory compliance, which may come at the expense of flexibility in responding to an increase in competition and rivalry. Moreover, the higher standard deviations of transparency in the financial reports are indicative that the experiences of the members in accessing information may differ across SACCOs, which suggests a potential opportunity to have more standardized disclosure practices.

The analysis of the factors of innovation and digital governance indicates that the best score was enhanced transparency due to the digital strategy implementation ($M = 4.72$, $SD = 0.529$). This implied that the implementation of technology was highly appreciated. Nevertheless, the impact of digital governance on performance ($M = 1.47$, $SD = 0.630$) was evaluated as lower because of the reversed Likert coding of this item, i.e., respondents mostly agreed with the statement. The results are consistent with OECD (2023), which proved that innovation strategies enhance the competitiveness of SACCOs. Research by Gichuki (2021) also demonstrated that the use of ICT increases competitiveness and service delivery.

The analysis of SACCO performance indicates that the highest score was in the loan default management ($M = 4.58$, $SD = 0.763$). This indicated that there were good credit control policies and recovery mechanisms in the SACCOs. The loan terms were also highly satisfying ($M =$

4.07, SD = 0.807), meaning that the interest rates were very competitive, as well as the repayment schedules. There was also moderate to strong performance in financial performance as far as profitability is concerned (M = 3.74, SD = 0.693).

Liquidity maintenance had the lowest mean (M = 3.33, SD = 0.650), signifying that there was a possibility of problems linked to fulfilling short-term cash flow needs. The score is high on loan default management, which is consistent with Maina et al. (2024), who concluded that effective loan-loss provisioning represents an important strategy to improve the SACCO financial performance. Additionally, the low score of liquidity maintenance is consistent with the findings of Otworko and Maina (2022), who determined that the effect of liquidity risk is direct, thus the criticality of appropriate liquidity management practices.

Inferential Statistics

Analysis of correlation shows that the effectiveness of the board leadership has significant positive correlation with member participation ($r = .316$, $p < .01$), board composition ($r = .148$, $p < .01$) and adherence to SASRA regulations ($r = .194$, $p < .01$). This means that the more the participation of the members, the greater the governance attributes in SACCOs. The board composition is positively correlated with the Board Leadership Practices ($r = .243$, $p < .01$), and this indicates that the more diverse and skilled the board is, the more effective the board leadership is perceived to be, as shown in Table 2:

Table 2: Correlation Analysis

Correlations		Member Participation	Board Leadership Practices	Board Composition	Compliance with SASRA Regulations
Member Participation	Pearson	1	.316**	.148**	.194**
	Correlation				
	Sig. (2-tailed)		.000	.005	.000
	N	364	364	364	364
Board Leadership Practices	Pearson	.316**	1	.243**	-.050
	Correlation				
	Sig. (2-tailed)	.000		.000	.340
	N	364	368	368	368
Board Composition	Pearson	.148**	.243**	1	-.112*
	Correlation				
	Sig. (2-tailed)	.005	.000		.031
	N	364	368	368	368
Compliance with SASRA Regulations	Pearson	.194**	-.050	-.112*	1
	Correlation				
	Sig. (2-tailed)	.000	.340	.031	
	N	364	368	368	368

Board composition is, however, weakly and negatively related to compliance ($r = -.112$, $p < .05$) as shown in Table 4.17. This indicates that certain aspects of composition may reduce regulatory compliance-possibly due to a reduced independence. The insignificance of the relationship between leadership effectiveness and compliance ($r = -.050$, $p = .340$) implies that

leadership perceptions do not always imply compliance performance. These results are in line with Myeza et al. (2024) who reported that when member engagement is high, there is a synergy on governance, yet also in line with Jensen and Meckling (1976), who warned that agency risks may be present in some cases when board structure is involved.

According to the regression model as shown in Table 4, the participation of the SACCO members is a positive predictor of SACCO performance, and it is a statistically significant one ($\beta = 0.196, p < .001$), which implies that the greater the participation of the members, the higher the performance outcomes will be. This is in line with the posits of stakeholder theory which holds that agency success is driven by the extent of all stakeholders' participation. The findings therefore, validates the theory that active stakeholder involvement translates into improved agency performance. For the Teacher-based SACCOs, this suggests that mechanisms such as AGM and feedback frameworks are important for sustained growth and stability.

The composition of boards is statistically significant and a negative predictor ($B = -0.227, p < .001$), meaning that the current structure of boards is a limiting factor to performance, which could be due to too much insider representation or insufficient independent oversight. This may be attributed to internal over-representation, mainly teachers, and limited professional diversity. In conformity to Resource Dependent Theory, the results can be interpreted to show that board diversity not supported by functional governance processes inhibit performance, and SACCOs must thus, mix internal members with external professionals to broaden resource networks and enhance strategic insights. The negative effect of board composition also points to the concerns by the Agency Theory that boards dominated by insiders may lack independence, and hamper oversight.

Board Leadership Practices ($\beta = 0.087, p = .112$) and compliance with SASRA regulations ($\beta = 0.003, p = .958$) as shown in Table 3 did not demonstrate statistically significant impacts, which is to say that although these variables are significant, they may have their effects indirectly or need to be accompanied by other governance practices to translate to performance gains. These findings are in line with the Stakeholder Theory formulated by Freeman (1984) that active participation is a performance driver, and the negative coefficient of the board composition is in line with the caution of the Resource Dependence Theory that diversity without the presence of proper governance processes may not have the desired effect. From the perspective presented, formal leadership structures and compliance mechanisms must be supported by monitoring and accountability frameworks. SACCOs, therefore, are encouraged to formulate governance systems that eliminate opportunistic behavior. Further, the insignificance of board leadership effectiveness implies that though leadership play a policy role and ensure guidance, stewardship functions is eroded by insufficient professional training. This means that Teacher-based SACCOs must invest in leadership training, with focus on accountability and strategic foresight, to enable them to act as stewards for SACCO savings and ultimate sustainability.

Table 3: Regression Analysis

Coefficients ^a					
		Unstandardized Coefficients		Standardized Coefficients	
Model		B	Std. Error	Beta	t
1	(Constant)	4.763	.076		62.887
	Member Participation	.115	.032	.196	3.585
	Board Leadership Practices	.044	.028	.087	1.591
	Board Composition	-.116	.027	-.227	-4.336
	Compliance with SASRA Regulations	.001	.027	.003	.052

The Regression Model is given as follows: $TSP = \beta_0 + \beta_1 BC + \beta_2 LE + \beta_3 FRC + \beta_4 MP + \epsilon$

Where:

TSP represents Teacher-Based SACCO Performance

BC represents Board Composition

LE represents Leadership Effectiveness

FRC Represents Financial Regulatory Compliance

MP represents Member Participation

$\beta_1, \beta_2, \beta_3, \beta_4$ represents Regression Coefficients while

ϵ represents the Error Term.

From the results, $\beta_0 = 4.763$, $\beta_1 = .196$, $\beta_2 = .087$, $\beta_3 = -.227$, $\beta_4 = .003$ and $\epsilon = 0.076$

Therefore, the Regression Model becomes

$$TSP = 4.763 + 0.196BC + 0.087LE - 0.227FRC + 0.003MP + 0.076$$

Overall, the model show that the intercept value of 4.73 puts the baseline performance at 4.763 units, which suggests that a moderate level of performance is not dependent on corporate governance, possibly due other factors such as SACCO size, loyalty by members, and market stability. The positive board composition coefficient, $\beta_1 = .196$, indicates that well-structured boards positively contribute to the performance of boards through policy directions, leadership effectiveness with a coefficient of $\beta_2 = .087$ indicate small though positive influence. This means that though leadership is essential, its direct contribution may be small due to indirect effects working through motivation and other organizational frameworks.

Financial regulations with a coefficient of $\beta_3 = -0.227$ imply that unit increase in regulatory compliance is associated with a 0.227-unit decrease in performance. This implies that increased regulatory constraints short-term performance, especially among small teacher-based SACCOs that endure high compliance costs, and limited capacity to meet regulatory standards. Finally, member participation with a coefficient of $\beta_4 = .003$ and error term $\epsilon = 0.076$, respectively, shows that a unit increase in member participation contributes to a 0.003unit improvement in

performance, with the error term showing that most of the variation in SACCO performance is explained by the regression model.

Summary of Key Findings

The study determined that member contributions within the SACCO positively and significantly impacted the SACCO's performance. The research findings also point out that too much influence by the SACCO members might result in unfavorable lending decisions. Inimitable finding of the research shows the uniqueness of paying attention to financial literacy as the major inhibitor for members to actively and effectively participate in SACCO management. The analysis shows that performance was significantly negatively correlated with board composition

The findings of the research indicate a negative correlation due to insider dominance and a lack of any independent oversight. The findings on Board Leadership Practices show that the statistical effect on performance was not significant. The results of the study indicate that the democratic leadership practice is being rated as a significant factor influencing performance, but the adaptive and strategic practices are not as strong, which makes them less effective in total.

Financial regulatory compliance did not have any significant effect on the performance. The relatively high responses related to compliance with SASRA regulations, internal audits, and prevention of fraud, but there were areas of weakness in the operations related to the cost of compliance and uniformity in transparency. However, unlike research reporting strong positive impacts on compliance, the result shows that the impact of benefits is indirect and situational, and especially so among smaller teacher-based SACCOs facing barriers to resources.

Digital governance enhanced transparency and participation by members, and it had a good impact on. The adoption rate in this study is high; this could be an indication that there could be good infrastructure on the side of the teacher-based SACCO in Central Kenya, as compared to other regions. Loan default management and member satisfaction got the strongest performance, but poorer results in profitability and the maintenance of liquidity. The role played by the members and digital governance is the most contributing factor to SACCO performance. Member participation is a key SACCO performance driver whose input is limited by literacy levels in financial literacy differences, and inequality in access to governance processes.

Conclusion

This study concluded that proper corporate governance, particularly that of member engagement and e-Innovation, is central to the sustainable performance of teacher-based SACCOs. The findings revealed that although SACCO boards seem to possess good democratic practice in the leadership, such as transparency, accountability, and accessibility, they also exhibit poor adaptive and strategic practices, especially to technological changes, regulatory changes, and competition. However, the insider Dom of boards, inflexible management, and high cost of compliance clearly pose significant obstacles to the maximization of the level of performance outcomes.

With the proposed recommendations in place, the financial sustainability, transparency, and competitiveness will be enhanced, and this will bring about growth and resilience to SACCOs across Central Kenya and beyond. In doing this, SACCOs will be able to stand tall as credible financial institutions that can manage to support the welfare of their members even as the financial environment changes fast. Through effective governance reforms, not only will the efficiency of operations be enhanced, but long-term mutual trust will be established between the members and the leadership. Finally, not only will the efficiency of operations be improved through effective governance reforms, but long-term mutual trust will be created between the leadership and the members.

Recommendations

The management of SACCO will need to raise the level of financial literacy of the members and improve the financial reporting to ensure that the members are motivated to engage in making informed decisions. The admission of independent directors should be prioritized to increase control and strategic potential and reduce dominance threats among insiders. The flexibility of leadership must be built through continuous learning and education in managing and incorporating the practices of digital transformation. The management can also streamline the decision-making process as another way to eliminate any form of extra bureaucracy, which must be effective and receptive. It will also enhance interaction and provision of services to the members by increasing the availability of friendly and cheap digitalized platforms and enhancing transparency and efficiency in operations.

To policymakers and regulators, specifically SASRA, relationships to meet compliance should be made fit to the capability of the small SACCOs, which will lessen the financial burden and enable them to remain competitive. The incentive systems must be structured in a manner that will encourage the adoption of digital forms of governance that will, in turn, foster innovation and organizational efficiency at the government service delivery level. This also implies that the state should not only prescribe diversity obligations on boards but also demand independent representation in the boards, and it is also supposed to have the objective of improving governance and ensuring there is proper strategic management in the SACCO sector.

Teachers Service Commission (TSC) should ensure timely remittances by having strong payroll and transfer mechanisms to avoid the disruption of liquidity and facilitate SACCOs in meeting their financial requirements as soon as possible. The TSC is also supposed to liaise with SACCOs to consider options of income diversification, like the Front Office Services Activities (FOSA) to non-teacher members, and hence eliminate overreliance on payroll deductions. Also, there is a need to actively involve SACCO leaders in policymaking to co-develop models to facilitate the embrace of digital governance and achieve transparency to meet national goals of cooperative development.

Based on the research findings, the researcher proposes comparative studies on SACCOs from other blocks in the country. This will assist in leveling the divergences in conditions and in determining the contributing factors from the different environments. Future research on the

impact of governance reforms in the long term would be much more informative about the role played by regulators and compliance authorities. Further research can be instituted to evaluate how much SACCOs can embark on innovation, harmonizing with regulatory requirements, especially in low-resource environments. The other fields of study can also incorporate an emphasis on gender diversity as an indicator of good governance and good performance, therefore providing empirical evidence-based arguments to support policy formulation.

REFERENCES

- Adams, R. B., & Ferreira, D. (2023). Women in the boardroom and their impact on governance and performance. *Journal of Financial Economics*, 94(2), 291–309. <https://doi.org/10.1016/j.jfineco.2007.10.007>
- Agutu, A. (2022). Effect of corporate governance on the financial performance of SACCOs in Nairobi County. Nairobi: Kenyatta University.
- Asienga, E., Mugo, R., & Karanja, S. (2023). Regulatory pressure and SACCO performance in Kenya. *African Journal of Finance and Policy*, 11(2), 144–162.
- Beasley, M. S. (2012). An empirical analysis of the relation between the board of director composition and financial statement fraud. *The Accounting Review*, 71(4), 443–465.
- Birchall, J. (2013). *Resilience in a downturn: The power of financial cooperatives*. International Labour Organization.
- CBK & FSD. (2023). Annual report on SACCO sector performance in Kenya. Central Bank of Kenya & Financial Sector Deepening. <https://www.centralbank.go.ke>
- Claessens, S., Fan, J. P. H., & Wong, K. (2021). Corporate governance and firm performance: Evidence from East Asian economies. *Journal of Financial Economics*, 99(2), 193–211. <https://doi.org/10.1016/j.jfineco.2010.08.005>
- COSO. (2023). Internal control — Integrated framework. Committee of Sponsoring Organizations of the Treadway Commission.
- Creswell, J. W., & Creswell, J. D. (2023). Research design: Qualitative, quantitative, and mixed methods approaches (6th ed.). SAGE Publications.
- Donaldson, L., & Davis, J. H. (1989). CEO governance and shareholder returns: Stewardship theory or agency theory? *Australian Journal of Management*, 16(1), 49–64.
- FSD Kenya. (2024). Financial inclusion report. Financial Sector Deepening Kenya.
- Gitonga, J., & Githinji, M. (2021). *Financial planning practices and risk management in Kenyan SACCOs*. *Strategic Journal of Business & Change Management*, 8(3), 112–125. <https://www.strategicjournals.com/index.php/journal/article/download/3237/3051>
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2019). Multivariate data analysis (8th ed.). Cengage Learning.

- International Cooperative Alliance (ICA). (2023). *Cooperative identity, values and principles*. <https://www.ica.coop>
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs, and ownership structure. *Journal of Financial Economics*, 3(4), 305–360.
- Kangogo, F., & Jagongo, A. (2021). Corporate governance practices and financial sustainability of SACCOs in Nairobi County, Kenya. *Journal of Business and Finance*, 8(3), 77–92.
- Karanja, P., & Maina, M. (2020). Member participation and performance of SACCOs in Kenya. *International Journal of Cooperative Studies*, 9(1), 41–52.
- Kariuki, S., & Ondieki, A. (2020). Corporate governance practices and SACCO performance in Kenya. *African Journal of Business Management*, 14(7), 235–245.
- Keasey, K., Thompson, S., & Wright, M. (2019). *Corporate governance: Accountability, enterprise and international comparisons* (2nd ed.). Wiley.
- Kiaritha, H. (2023). *Domestic savings and cooperative finance in Kenya*. Nairobi: Kenya Institute for Public Policy Research and Analysis (KIPPRA).
- Kilonzo, J., & Munene, P. (2020). Financial regulatory compliance in SACCOs: The Kenyan experience. *Journal of Financial Regulation and Compliance*, 28(4), 567–584.
- Kiriinya, M., & Nyariki, J. (2023). Board size, experience and performance of SACCOs in Kenya. *African Journal of Accounting and Economics*, 10(2), 101–118.
- KUSCCO. (2022). *Building SACCO resilience through diversification*. Kenya Union of Savings and Credit Cooperatives.
- Mayer, C. (2019). *Prosperity: Better business makes the greater good*. Oxford University Press.
- McDonald, D., & Puxty, A. (1979). An organizational perspective on corporate governance. *Accounting, Organizations and Society*, 4(1–2), 53–65.
- Mishra, S., & Manju, K. (2013). Ethical leadership and organizational trust. *Journal of Business Ethics*, 112(3), 597–608.
- Mohamed, A., & Bett, S. (2024). Leadership challenges and SACCO performance in Garissa County, Kenya. *East African Journal of Social Sciences*, 14(1), 22–35.
- Mugenda, O. M., & Mugenda, A. G. (2003). *Research methods: Quantitative and qualitative approaches*. Acts Press.
- Mugenda, O. M., & Mugenda, A. G. (2020). *Research methods: Quantitative and qualitative approaches*. ACTS Press.
- Mwango, J. (2019). Corporate governance and performance of SACCOs in Kenya. *Journal of Cooperative Studies*, 7(2), 11–24.

- Mwaura, Mercy Njoki & Mukanzi, Clive & Kimani, Maina (2025). Liquidity Regulation Compliance and Financial Performance of Deposit-Taking Savings and Credit Cooperative Societies. *European Journal of Business and Management*.
- Nair, A., & Panda, B. (2021). Corporate governance reforms and firm value in emerging markets. *International Journal of Corporate Governance*, 12(2), 157–174.
- Njoki, C., Njoroge, E., & Ouma, B. (2024). Transformational leadership and SACCO staff motivation in Kenya. *Journal of Management and Development*, 15(2), 50–67.
- Njoroge, J., & Nasieku, T. (2022). Mobile and internet banking efficiency in SACCOs in Meru County, Kenya. *Journal of Business and Economic Development*, 9(4), 201–215.
- Njunwa, P., Wanjiku, M., & Gathuru, D. (2023). Digital transformation and performance of SACCOs in Nairobi County. *African Journal of Economics and Finance*, 13(1), 88–101.
- Nkegbe, P. K., & Ustarz, Y. (2020). Governance and performance of rural banks in Ghana. *Journal of African Business*, 21(3), 357–375. <https://doi.org/10.1080/15228916.2019.1607144>
- Obala, F., Miroga, J., & Nambuswa, C. (2025). Governance practices and SACCO performance in Nyanza Region, Kenya. *Journal of Cooperative Management*, 12(1), 99–112.
- OECD. (2023). *OECD Corporate Governance Factbook 2023*. Paris: OECD Publishing. <https://doi.org/10.1787/9789264236882-en>
- Olando, C., Mbewa, M., & Jagongo, A. (2012). Financial practice as a determinant of growth of SACCOs' wealth in Kenya. *International Journal of Business and Social Science*, 3(24), 204–219.
- Oenga, E., & Obuba, P. (2024). *Factors influencing the organizational performance of deposit-taking SACCOs in Kisii County, Kenya*. **International Journal of Applied Research in Business and Management**, 2(1), 45–60. <https://www.wrpublishing.org/index.php/ijarbm/article/view/113>
- Onunga, R. (2022). Governance weaknesses and liquidity risks in small SACCOs in Kenya. *Nairobi Journal of Cooperative Studies*, 5(1), 77–90.
- Parliament of Kenya. (2023). *Report of the Departmental Committee on Education on SACCO remittances by TSC*. Government Printer.
- Post, C., & Byron, K. (2015). Women on boards and firm financial performance: A meta-analysis. *Academy of Management Journal*, 58(5), 1546–1571.
- PWC. (2024). *Annual corporate governance survey*. PricewaterhouseCoopers.
- Republic of Kenya. (2024). *SACCO supervision annual report*. SACCO Societies Regulatory Authority.
- SACCO Societies Regulatory Authority (SASRA). (2023). *Deposit-taking SACCO supervision report*. <https://www.sasra.go.ke>

- Sacco Societies Regulatory Authority (SASRA). (2023). *Sacco supervision annual report 2023*. Nairobi, Kenya: SASRA.
- Sacco Societies Regulatory Authority [SASRA]. (2024). *Sacco supervision annual report 2024*. Nairobi, Kenya: SASRA.
- Saunders, M., Lewis, P., & Thornhill, A. (2019). *Research methods for business students* (8th ed.). Pearson Education.
- Shleifer, A., & Vishny, R. W. (1997). A survey of corporate governance. *The Journal of Finance*, 52(2), 737–783.
- Tower SACCO. (2024). *47th annual general meeting report (2024 financial year)*. <https://www.towersacco.co.ke/wp-content/uploads/2024/01/Tower-AGM-2024.pdf>
- Wangari, C. (2018). Governance practices and SACCO performance in Kenya. *Journal of Economics and Cooperative Development*, 5(2), 74–89.
- Waweru, N., & Prot, T. (2019). Corporate governance failures and financial performance of Kenyan SACCOs. *African Journal of Accounting and Finance*, 8(1), 21–38.
- WOCCU. (2023). *Global credit union statistical report*. World Council of Credit Unions.