Analysis of The Board of Director Independence on The Financial Performance Deposit Taking Savings and Credit Cooperative Societies in Kiambu County, Kenya

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Abstract: **Over the recent past, the Savings and Credit Co-operative sector have experienced persistent poor financial performance due to poor adoption of board of director independence strategy. This is in spite of the fact that the sector is an important contributor of the economics growth in Kenya. There have been financial woes especially in the deposit taking Savings and Credit Co-operative's in Kenya that have been attributed to poor board of director independence strategy. The study's main purpose is to establish the effect of board of directors' and the performance of deposit taking Savings and Credit Co-operative's in Kenya. It was however guided by the following independent variables that are: board structure; board diversity; CEO duality; and directors' equity interest and financial performance of deposit taking Savings and Credit Co-operatives in Kiambu County. This study adopted mixed research methodology and correlational research design approaches. The target population was forty two registered and licensed Deposit-Taking Savings and Credit Co-operatives within Kiambu County Kenya. Census sampling technique was adopted in this study. Primary data was collected by use of structured questionnaires that was in five point non-comparative Likert scale. Pilot test was conducted from K-Unity DT-SACCO in Kiambu County through pre-testing the questionnaire on ten participants. Reliabilty was done through a random selection of ten (10) participants from K-Unity Sacco Limited in Kiambu County however the results were not part of the actual data analysis in this study. The reliability of 0.70 or higher (was obtained on a significant sample) was appropriate as a rule of thumb. Descriptive analysis was conducted using Statistical Program for Social Sciences (SPSS) that resulted to means and standard deviation; multiple regression analysis; and analysis of variance (ANOVA) tables. The respondents' consent was sought on the basis that anonymity and confidentiality was wholly ensured for the purpose of the study. This study found that board independence i.e. Board structure, Board Diversity, CEO Duality, Director's Equity positively influences financial performance of Dt-Sacco's in Kiambu County. It is recommended by the study that the board structure, board diversity, CEO duality, director's equity for financial performance should be characterized by an increase in gender balance of the board members, an increase in meetings, increased managerial ownership and improved equity of each director for improved financial performance of Dt-Sacco's.**

Key Words**: Board structure, Board Diversity, CEO Duality, Director's Equity, Financial Performance.**

I: INTRODUCTION

1.1 Background of the Study

Globally the purpose of Board of Directors' Independence has become strategic to enhance operations efficiency by applying the principles of corporate governance in modern business circles such as in United States of America and United Kingdom. To achieve sustainable operational efficiency, any organization should be able to adopt various governance practices, in which the failure of the management board to be effective in its supervisory function results in the spread of bad corporate structure and eventual corporate weakness (Bosse and Phillips, 2016).

One of the key issues facing SACCO is the implementation of proper governance structures (Qatawneh, 2015). Good governance can enhance SACCO's performance and support ensures long-term survival (Kenani and Bett, 2018). SACCO has been particularly involved in the topic of corporate governance, as it is perceived to be one of the lowest sectors of the industry (Ferreira and Krauter, 2014).

Nguyen and Nguyen (2016) postulate that there are many factors to ensure that regulation is at the forefront of the SACCO debate, in which the vast rise in various types of service providers translates into a larger number of customers and properties, as well as a more elaborate management structure, among the key ones. This is due to the functioning of SACCOs, which are becoming more and more expansive. In the 1990s, banks moved from one commodity (usually loans) to more robust banking institutions. Both public bodies should have constructive policies against the SACCOs (such as the recent introduction of SACCO Societies Regulatory Authority- SASRA in Kenya).

By verifying the Managing Board's autonomy, the Board of Directors of 481 Malaysian businesses put in extra effort in 2007 to improve liquidity management and boost the companies' financial standings, as stated in Foo and Zain (2010). The organization's board clearly demonstrated their competence and reliability. This proves that the board members are truly impartial and not beholden to the management of the company. Transparency in business practices is crucial to maintaining a positive image. The company's financial systems have the backing of the board of directors.

Epps and Ismail (2009) ascertain that having workers elected to the board of directors leads to substantial negative financial losses for companies. Contrary to the findings of Cybinski and Windsor (2013), who found that the small and medium size companies ASX300 have a stronger macroeconomic relationship with the CEO remuneration of large ASX300 companies (ASX). The study showed that independent managers play a critical role for the CEOs in larger public companies in the remuneration process, and remuneration was largely related to their performance.

Also, Cavaco, Crifo, Rebérioux, and Roudaut (2017) found that the Board's freedom was not related to management behaviour. Since the board of directors had no independent directors, the return of shareholders would not have changed. Qadorah and Fadzil (2018) concluded that Malaysia has a partnership with the Autonomous Board and the Monetary Flow Management Audit Committee, related corporate governance structures. This concerns the Board of Directors' lack of efficiency because the Chairman and Executive Directors are overwhelmingly powerful in Board matters. Leung, Richardson and Jaggi (2013) found family companies prefer to be packed with autonomous boards of directors. The rules regulating the structure of the One have the option to form an independent Board. The company may claim that it was unable to meet the requirement, and thus the failure to comply is understandable. According to the results, independent directors could evaluate the company's progress and worth.

Over a five-year period, a company's success was positively correlated with the number of non-executive directors it had (Fitriya, Fauzi and Locke, 2012). The effectiveness of a board declines as the number of non-management members increases. The Council's inability to cast a vote is attributable to the high potential of the block's owners. Several significant positive correlations with economic outcomes were found (ROA). In order to maximize profits, management must properly allocate resources, and the board of directors is responsible for monitoring this. Sheik et al. (2013) found a correlation between the number of non-U.S. citizens serving on a company's board of directors and the stock price performance of the company. This occurs because there are so few members on the External Board.

Few studies show that external managers like Armstrong, Core, and Guay (2014) do not affect a company's financial performance, and good corporate structure and solid financial outcomes are crucial (Armstrong, Core, and Guay, 2014; Carroll, and Buchholtz, 2014; Bosse, and Phillips, 2016; Ramachandran et al. 2015). Non-executive board members' financial performance has been shown to have a negligible effect in a small number of studies (Carroll, and Buchholtz, 2014; Bosse and Phillips, 2016; Ramachandran et al. 2015). Some situations, however, do not necessarily result in better financial results for the business, and these include: (Armstrong, Core, and Guay, 2014).

The board of directors is a relatively recent institution that has arisen to improve operational efficiency through the implementation of corporate governance principles. SACCOs are a rapidly expanding industry in Kenya. Transparency and efficiency in the management of depositor funds in accordance with corporate governance best practices are enhanced by the 2030 Vision Reforms in the financial sector, and thus are crucial to the successful implementation of the Strategic Plan. Considering that the vast majority of SACCOs have already implemented these policies, this research did not fill a knowledge gap; however, an assessment of the board's independence does affect its performance. The primary purpose of this research was to analyze how much power boards of SACCOs in Kenya have in relation to the success of these organizations.

1.1.1 Board of Director Independence

The term "autonomous director" refers to board members who have no vested interests in the company beyond their directorship. The board of directors in some businesses may include the company's founders or other shareholders. A company can avoid potential financial distress if its board of directors is highly autonomous (Bhagat and Jefferis, 2017). It has been contended that a company's governance system plays a role in the organization's responsiveness to environmental factors that impact financial performance.

It has been shown in this respect that well-run companies usually perform better and that strong autonomy from the management. A better way to work board of directors' independence structure allows an organization to draw funding, collect funds and improve the basis for firm financial success, according to Demsetz and Villalonga (2018). It is assumed that good governance creates gratitude and trust from investors.

Again, it is predicted that poorly managed companies will be less efficient. Claessens (2015) indicates that the poor independence of the Management Board does not only help to achieve low firm financial output and risky finance trends, but also leads to macroeconomic disruptions like the 1997 East Asia crisis. Other analysts suggest that for increasing investor trust and market liquidity, strong independence from the board of directors is important. Among the various plaintiffs of the company's cash balances, stock investors have also claimed that extra compensation should be paid due to the remaining value of their cases. Parker (2016) paradigm of the division of shareholder rights and control of management clarified that the question of the agency emerges, if there is a lack of authority/information to track and monitor the agent (manager) on the principal (shareholders), and if the salary of the principal and agent is not balanced.

It is well known that the expertise and knowledge of the Board of Directors will impact financial results by offering business perspectives and know-how on customer and supplier requirements. Managers with industry experience and the potential for stronger insight into strategic decision making have a significant positive effect on the valuation or output of the business, as stated by Faleye (2014), due to their greater knowledge of the market and superior intelligence about the industry through contacts. However, studies have not demonstrated how much a SACCO's bottom line is affected by a Board of Directors' ability to act independently and apply their expertise and experience. This research is intended to close that knowledge gap.

The autonomy of the Board of Administration has grown in favor in Kenya, as it has elsewhere. Companies' poor results have led to this situation. Due to corporate issues that have influenced The decisions have been made by the Board of Directors. Many different aspects of board independence, such as director equity interest, board structure, board diversity, and dual CEO roles, have been discussed. For the most part, studies have been done to assess how these elements affect business success. This dissertation set out to answer the question, "How does the independence of the board of directors affect the success of SACCO deposit-taking in Kiambu County, Kenya?"

1.1.2 Financial Performance of Deposit taking SACCOs in Kenya

To succeed monetarily, you need to make the most of your resources and work efficiently to hit your goals. Sales expansion, productivity gains, employee counts, and utilization of available capacity serve as stand-ins for actual performance. Despite its importance, the concept of financial performance remains poorly defined despite its widespread use as a dependent variable in the context of management activities (Richardetal, 2019). Return on equity (ROE) and return on assets (ROA) are two metrics used to gauge financial efficiency. According to Kariuki (2016), shareholder value is considered in the evaluation of financial performance, which occurs after the total cost has been determined.

Through the Board of Director independence enhances the overall performance of companies and increases accessibility to outside funding which contributes to sustainable economic development (Sarbah and Xiao, 2015) whilst reducing their susceptibility to financial crises (Narwal and Jindal, 2015). The Board of Directors' independence is nowadays supposed to be a good strategy that leads to long-term sustenance of businesses (Kishore, 2018). Hence, every entity needs to adhere to best practices for the Board of Director independence. Moreover, a sound Board of Director independence enhances financial performance and advances trust among shareholders and other stakeholders (Price, 2018). Therefore, the adoption of an effective Board of Director independence structures by businesses is essential in improving their performance whilst embracing sustainability.

Cooperatives are unique enterprises focused on the development of their members and the growth of the organization whereas corporates are self-centered and only concerned about making profits for their shareholders (Saxena, 2012). Cooperatives are distinguished from private entities through their governance and ownership by their members (Birchall, 2017). They are agents of socio-economic change geared towards the mutual benefit of their members. Cooperative governance is an act of steering cooperatively owned enterprises toward social, economic, and cultural success (Scholl and Sherwood, 2014). Hence, cooperatives leaders must have knowledge and ability to comprehend cooperative philosophy, own responsibility as well as rights and needs of their members. Sound governance of cooperatives is as essential as having effective management to run the affairs of cooperatives. Moreover, the performance of cooperatives is highly reliant on good governance practices (Dayanandan and Dagnachew, 2015).

In their research on the connection between good governance and the success of Kenyan financial institutions, Kamau, Machuki, and Aosa (2018) hypothesized that instituting an efficient Board of Director independence structure would boost financial performance. Studying the relationship between cooperative governance and the long-term success of SACCOs in Kenya, Kinyuira (2017) found that the former significantly improved the latter. Further, Kinyuira found that factors like board size, leadership, membership, equity interests of the Directors, transparency, and disclosure have significant effects on SACCO performance. Wagana and Karanja (2015) found that Managing Director independence is correlated with board diversity, board duality, and government ownership.

1.1.3 Deposit-Taking SACCO's in Kenya

An SACCO is a group of people in the same community who have banded together to increase their financial security. In 1840, as Britain was undergoing an industrial revolution, a group of people in the village of Rochdale known as the Rochdale pioneers established the first cooperative society (Ridley-Duff, 2015). The goal of the movement was to advance and protect working-class interests during the industrial revolution. Farmers' need to raise and organize their supply of agricultural inputs and market them led to the formation of agricultural cooperatives Savings and Credit by a new generation of pioneers in the 1860s. The ability to get credit in this way freed them from reliance on urban moneylenders and allowed them to strike out on their own (Blumberg, 2014).

Cooperatives were first introduced to Ghana in 1955 by a Roman Catholic priest in a town called Jirapa. He was inspired to create them after hearing about Savings and Credit Societies in Canada. Because of the magnitude of the problem, the movement banded together to help those in need who were having trouble financially but were unable to do so individually (Credit Co-operative Movement, 2006). In 1931, Kenya formally established cooperatives, marking the beginning of the country's cooperative movement. The Cooperative Ordinance Act was enacted in 1945 after numerous interventions from different groups, and the current Cooperative Society Act, Cap 490 of the law of Kenya was amended in 1977. (Lagat, Mugo, and Otuya, 2013). According to the law, a society can only be officially recognized if it has at least ten members, the vast majority of whom are also members of a community engaged in similar economic activities. The primary requirement for membership is the ability to contribute funds to a pool that will be used to make loans to other members at affordable interest rates. Equity Bank, Family Bank, and Unaitas are just a few of the Kenyan commercial banks that got their start as Saccos (Bruett, 2017). Kenya's Ministry of Cooperative Development and Marketing has historically overseen SACCOs. All of these functions have been handed over to the newly formed SASRA government agency.

There are 162 commercial licensees or SACCO's are currently authorized and operational (SASRA, 2021). Of these 42 registered in Kiambu County mainly in Thika City, Juja, Kiambu City and parts of Kikuyu City (see Appendix VII). SACCO aims at providing benefits for its members by supporting social welfare. SACCO groups are a major player in gaining financial empowerment in Kenya (SASRA, 2021).

1.2 Statement of the Problem

Financial problems particularly attributed in SACCO deposits in Kenya have been widely affected. The board of directors has been the catalyst for poor financial performance, especially in Kiambu County. In 2018, financial performance effect of 89.2 percent of non-deposit taking (other than loan and trust companies) SACCO's was quite limited. However, there are some SACCO's had faced financial difficulties owing to persistent wrangles, collusion, and mismanagement culminating in bad performance and bankruptcy (SASRA Report, 2019). This argument provides explanation why cooperative progress reports are abundant than cooperative failure events (Matianyi and Ndirangu, 2019).

However, amid SASRA support for best corporate governance by local credit union, they have tended to perform poorly in terms of financials (Ndungu, 2016). The board wishes to increase financial results of business by fostering fairness, accountability and duty between employees. Confirmed by a substantial number of Deposit Taking SACCO's which has been unable to fulfill their financial commitments and financing their activities (Njenga, and Jagongo, 2019). In order to oversee their management activities, poor performance is partly due to poor board structure and the governance of cooperative societies becomes difficult (Kenani and Bett, 2018). SACCO deposits in Kiambu County are not an exception to the general problem of poor performance faced by most SACCO deposits in Kenya.

The effectiveness and accountability of SACCO's deposit-taking board of directors has been the subject of multiple studies. Romanian emerging economies were the focus of a survey by Borlea, Achim, and Mare (2017). According to the research, commonalities shared by effective Boards of Directors include a split between executive and non-executive members, the importance of member independence, and a focus on board member development. The financial performance of institutions can be affected by the makeup of the Board, according to research conducted by Bhaduri and Selarka (2016).

Banks in Nigeria were the focus of a risk management study by Oluwafemi, Israel, Simeon, and Olawale (2014). Locally, Mwangi and Ombui (2018) conducted a report on variables influencing the financial results of SACCO's deposit into Nairobi County, and they found that the structure of the SACCO Board had an impact on the performance of the SACCO. The study found that poor auditing mechanisms were a factor in the misuse of Sacco funds. The corporate governance and efficiency of selected private universities was reviewed by Muiru, Kyongo, and Onchomba (2018), and their findings indicated that the board's composition influenced SACCO financial decisions. Ndungu (2016) and Mathuva (2016) conducted a study in Nairobi County and found that the economic efficiency of selected savings and credit unions in Kenya is affected by insufficient marketing policies, limited goods and services, and a weak reputation. SACCOs' performance can often be attributed to a combination of luck and careful planning, but studies have been conducted to determine which factors are most important. Both the effectiveness of corporate governance and the returns on deposits at Kenyan Savings and Credit Cooperatives were the focus of the research. However, there is scant written evidence demonstrating how the Board of Directors' autonomy and financial performance affects things in Kiambu County, Kenya. Given the void, the study's objective was to investigate whether or not the autonomy of the board affected the profitability of the Savings and Credit Cooperatives in Kiambu County.

1.3 Purpose of the Study.

This study established the effects of Board of Director independence on the financial performance of deposit-taking SACCOs, with specific reference to Kiambu County.

1.4 Objectives of the Study

In particular, the study achieved the following specific objectives;

i. To establish the effect of board structure on the financial performance of deposit-taking SACCO's in Kiambu County.
ii. To assess the effect of board diversity on the financial performance of deposit-taking SACCO's in Kiambu County.
iii. To ascertain the effect of CEO duality on the financial performance of deposit-taking SACCO's in Kiambu County.
iv. To determine the effect of directors' equity interest on the financial performance of deposit-taking SACCO's in Kiambu County.
v. To determine the moderating influence of internal audit committee structure on the effect of the board of directors' independence on the financial

performance of deposit-taking SACCO's in Kiambu County.

1.5 Research Questions

The research study was guided by the following research questions;

i. What is the effect of board structure on the financial performance of deposit-taking SACCO in Kiambu County?
ii. What is the effect of board diversity on the financial performance of deposit-taking SACCO's in Kiambu County?
iii. What is the effect of CEO duality on the financial performance of deposit-taking SACCO's in Kiambu County?
iv. What is the effect of directors' equity interest on the financial performance of deposit-taking SACCO's in Kiambu County?
v. What is the moderating effect of the board of directors' independence on the financial performance of deposit-taking SACCO's in Kiambu County?

1.6 Significance of the Study

This study is of significance to the SACCO's since it provides the SACCO's with reference information for evaluating the effect of the Board of Director independence and financial performance in Kiambu County. It also provides insight on how they can improve their Board of Director structures to mitigate the future financial crisis and adapt to evolving business dynamics.

The study is of significance to the government, policymakers, for instance, the Sacco Societies Regulatory Authority (SASRA) to have policies and regulations for the board of directors' independence hence this information will facilitate the implementation of an effective Board of Director independence practices for deposit-taking SACCO's. The findings and conclusions will also pave the way in promoting the appropriate sound-board of the director's independence practices and standards of conduct for deposit-taking SACCO's.

For academics and researchers, this study is important because it contributes to the existing body of knowledge on SACCOs by clarifying the relationship between the Board of Director independence and the financial performance of deposit-taking SACCOs. In addition, the study would serve as a benchmark for future work and lay the groundwork for new avenues of inquiry.

1.7 Scope of the Study

The study examined the effect of director's independence and financial performance of DT-SACCOs in Kenya while focusing on Kiambu County, the study focused on DT-SACCO's in Kiambu County since it was among the 47 Counties in Kenya that was growing significantly to be an economic hub and it remits the highest level of revenue to the National Government (SASRA, 2021) not only that, DT-SACCO's had opened branches within the area to take the advantage and maximize the opportunity at the ground, so analysis findings was not necessarily the case. This study was limited in finding out the effect of board structure, directors' equity interest, CEO duality, board diversity, and deposit-taking SACCO's financial performance. Theoretical scope of Financial Agency Theory, Stewardship Theory, and Resource Dependency Theory was examined. The time scope of this study was from January 2018 to December 2022.

1.8 Study Limitations

The predicted drawback was that any of the 162 respondents polled did not return the survey questionnaire. This was a drawback, since some of the researchers perceived the requested details to be a violation of confidentiality that limits the possibility of further decisive study. Another disadvantage was that of persuading the busy officers of the DT-SACCO sampled to exchange details. Given such constraints, the researcher attempted to resolve the difficulties by seeking permission from the management of DT-SACCO to verify that reliable, appropriate and adequate data had been collected to prepare the way for a meaningful analysis.

1.9 Delimitations

The research study was delimited to only the deposit-taking SACCO's in Kiambu County. The scope of this research dealt with the influence of the director's independence of a deposit-taking savings and credit co-operative on the performance of Kiambu County.

1.10 Assumptions of the Study

This research assumes that the responses given by the DT-SACCO's participants was responses were true, fair and in no way exaggerated. Therefore, the respondents gave correct and original information.

In this study, the sample size was assumed to be a true representation of all DT-SACCO's in Kenya.

1.11 Operational Definitions of Key Terms

Board Diversity: refers to the various forms in a board room, these forms include skills, expertise, gender, and experience.

Board Independence: It is the condition that any or a majority of the board of directors, except as directors, have no association with the company.

Board of Directors: is a group of directors who are appropriate representatives of shareholders' interests and who may supervise management activities and exercise appropriate controls on behalf of shareholders.

Board Structure: is about the number of people on the board, their skills, ages, diversity and experience.

CEO duality: is a situation when the CEO or any executive doubles up as also the chairman of the board.

Deposit Taking SACCO's: is the acceptance to hold deposits on a daily basis by a business person or persons. According to this study, SACCO Deposit-Takings are those who provide bank services that accept deposits and issue loans.

Directors' Equity Interest: This refers to the amount of equity that a director has in DT-SACCOs.

Financial Performance: has to do with the efficient use of resources to attain goals. The proxy measures of this level are sales growth, productivity, employment, and capacity utilization.

Influence: refers to the capacity to affect the character or process of financial performance of deposit taking-SACCO.

SACCO's: Are all self-governing groups of citizens, collectively united into a collectively owned and democratically regulated organization to fulfill their shared economic, cultural and social needs and aspirations, licensed and recorded with the Sacco Societies Regulatory Authority (SASRA).

II: LITERATURE REVIEW

2.0 Introduction

This section covers theoretical review of literature, the empirical review of literature, the conceptual framework, a review of literature and a summary of the literature review.

2.1 Theoretical Review

Understanding the theoretical and practical implications of the relationship between the independent and dependent variables is important to creating a good theory (Grant and Osanloo, 2014). This was an analysis of a similar research field on an actual idea or represents a research concept. The three philosophies of stewardship, financial agency and resource dependence form the basis of this research.

2.1.1 Stewardship Theory

The theory of stewardship was first launched by Davis and Donaldson in 1991, and the theory assumes a close correlation between the organization's performance and the fulfillment of the principal (Slyke, 2017). The philosophy of stewardship has its origins in psychology and sociology. It presents executives as ethical curators who, in good faith and without self-seeking, would optimize a company's the profit/financial efficiency. The theory compares with the agency theory; that managers are outstanding stewards who, if given an incentive, act in accordance with the best interests of the organization and match their interests with those of the company, so there are no disputes between managers and owners.

In this regard, managers are corporate managers and managers working for shareholders, protecting shareholders and making money. Unlike agency theory, stewardship theory emphasizes not individualism and integrates their priorities into SACCO's. The stewardship point suggests that stewards are met and inspired to achieve corporate success (Slyke, 2017).

Although the hypothesis struggles to advance the incentive for those managers to accomplish the aims of SACCO, Smallman (2014) suggests that the gains would arise from corporate and individual target alignment to achieve organizational success. Achieving the goals of the business results in the interest of customers in a sense in which the administration of the board has a balance of forces. The theory of Stewardship, applicable to the agency, allows division forces, internal controls, and notion of CEO duality because there are traditional responsibilities that managers owe to stakeholders, according to Caldwell and Karri (2015). Stewardship, therefore, puts the company's long-term interests ahead of managers' self-interests, thus ignoring individualism and thereby aligning their ambitions with those of SACCO (Karra, 2016).

For the analysis, the principle of stewardship is important as it accounts for the division of powers, internal controls, and the concept of duality of CEO, the role of directors in equity, and the diversity of boards on the financial performance of SACCOs. Agents also have to trust, refrain from exercising excessive power over them and employ professional and trustworthy managers to succeed in the philosophy of theory. The basic foundations that sustain stewardship are trust, transparent dialogue, management empowerment, long-term focus, and performance development. The theory, however, conflicts with the theory of the agency by postulating that managers are outstanding stewards who, given an incentive, behave and match their interests with those of the company. Therefore, to preserve the credibility of SACCO as decision-makers, managers, and executives, SACCO is inclined to work to optimize financial results as well as the profits of shareholders.

2.1.2 Financial Agency Theory

Stephen Ross and Barry Mitnick developed the hypothesis in 1973 to explain how the theory of financial agencies applies to the research. This hypothesis posits that the agency raises the value of a shareholder, an unnecessary expense of the agency arises as management activities interfere with the desires of the shareholder. This would be the case if managers put their interests ahead of the interests of the owner, such as leveraging short-term earnings to gain a profit at the cost of long-term results. In accounting and finance literature, this hypothesis is commonly used; it is often used to forecast the financial performance of institutions on economic variants that stress the costs and benefits of the effect of SACCO director and agent (Kenani, and Bett, 2018). The independence of the Board of Directors and financial resources administration are the key factors pushing SACCOs to accept their activities as an entity. A financial agent is an entity contracted on behalf of the board of directors by a financial firm or a mobile network provider to handle customer transactions. It is the SACCO owner or employee who handles the transfers instead of a bank teller and helps customers to deposit, withdraw and move money, pay their bills, ask about the balance of the accounts or release government benefits or direct deposit from their employer (Pickens, 2019).

The theory of financial agency was aimed at the individual expressing the arrangement with the agency. This is where one party has assigned work on behalf of the principal to another party that undertook the duty. This is allowed to carry out lawful actions within its jurisdiction and not in its name, but for the principal (Pickens, 2019). In modern literature, though, there is an increasing perception that the two were odd bedfellows. An Insurance Broker is an agent working on behalf of another to purchase and sell. He owes an obligation to his principal, however, in fulfilling his role. The quality of treatment required is diverse; a licensed broker would expect a higher level of care than a part-time insurance provider (Kenani, and Bett, 2018).

The theory of the financial agency underpins the study in the arrangement of the board, the interest of directors on equity, and the duality of CEO on financial efficiency, the theory is of significance to the study as it determines that an organization consists of a contract between the economic property owners; the values and managers; and the agents responsible for utilizing and managing those resources. The philosophy of the financial agency, however, illustrates the difficulties faced by administrators who do not escape agents' services in handling their companies. In the philosophy of financial agencies, the agent works on the director's behalf. Also, the philosophy of financial agencies gives a framework for rich analysis that can support both the SACCOs and the internal auditing profession. The boards of directors are the agents while the values are the owners; therefore, it was assumed that the boards of deposit managers operate on behalf of shareholders rather than their benefits in SACCO's in Kiambu County.

2.1.3 Resource Dependency Theory

Pfeffer and Salancik first proposed the principle of resource dependency in 1978, postulating the primary basis for the view that improved financial efficiency is correlated with interlocking directors of businesses. The main importance of this principle is that interlocks help organizations access the tools and knowledge required to maximize the financial efficiency of their SACCO (Casciaro and Piskorski, 2015).

A board interlock in this vein is a test of the capacity of a SACCO to protect vital resources. For eg, Adam, Hussein and Agyeman (2018) found companies intertwined with financial institutions improved with the freedom of the director towards financial efficiency. Birchall (2017) find that during periods of environmental instability, companies are more likely to nominate resourceful outside directors. Demsetz and Lehn (2017) found that if they are tied to strategic relevant businesses, outside directors will contribute to the decision process. Interlocking directors may promote the financial success of the company, the creation of alliances, and the successful acquisition of capital (Diaz, et al. 2017).

The theory of resource dependence was important for board diversity in the study's financial success as it demonstrates that interlocking directorates act as an intelligence transporter, contribute to the decision-making process, borrowing companies, and establishment of alliances. Directors who already sit on the boards of other SACCO are more likely to have access to different tactics and insider knowledge that is not otherwise open to outsiders. They may have better recommendations and guidance. Interlocking administrators foster operational coordination and minimize environmental ambiguity (Caldwell and Karri, 2015). Interlocking directors are, thus, a way of exchanging vital data and best practices.

2.2 Theoretical Framework

Figure 2.1 depicts the relationship between the autonomy of the Board of Directors and the financial performance of SACCOs, which is grounded in the stewardship theory pioneered by Davis and Donaldson in 1991, the financial agency theory developed by Ross and Mitnick in 1973, and the resource dependence theory proposed by Pfeffer and Salancik in 1978.

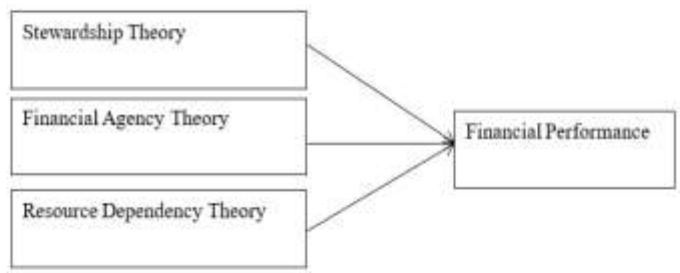


Figure 2.1: Theoretical Framework

Source: (Researcher, 2022)

2.3 Empirical Literature Review

The purpose of the empirical analysis of literature was to identify what had already been done and therefore to identify holes to be covered by the present research (Zikmud, Babin and Giffin, 2010).

2.3.1 Board Structure and Financial Performance

The board structure concept is based on Kyoa (2017) who postulates that it is a business procedure that distinguishes between those directors who retain management and those who do not. Adams (2017) performed an analysis using objective statistics and systematic questionnaires on banks' financial results in Asian countries. The research variables were board size, composition, freedom, and diversity. The Board structure definition is based on Kyoa (2017) who postulates that it is a corporate practice that distinguishes between those directors who hold management and those who do not. Adams (2017) performed an analysis using objective statistics and systematic questionnaires on banks' financial results in Asian countries. The research variables were board size, composition, freedom, and diversity. The study recommended that equity by shareholders is an effective indicator of the financial success system of banks by the board. This research was undertaken in Asia and cannot be extended to Kenya and especially to Kiambu County.

In a survey of cooperatives on financial results in the US, Franken, and Cook (2017), using descriptive methods and standardized questionnaires, the study showed that directors practicing the board system are improving financial performance. In Nigerian Cooperatives, Hakelius (2018) confirms Franken's findings that practicing an organized board and a high level of collaboration between directors and CEOs have had a beneficial impact on financial efficiency. In a SACCO study in Kilifi County, Ahmed and Rugami (2019) found that a competent, trained, and the organized board has a major influence on the production of SACCOs. It concluded that the board directors must have a framework that will allow them to meet the goals of financial efficiency.

In Kenya, Ruto, Naibei, and Cheruiyot (2017) conducted an investigation into the features impacting the Board of Directors, including the composition, organisation, degree of independence, and financial outcomes of selected DT-SACCOs in Kericho County. There were 34 uniform questionnaires distributed to the SACCOs in the city of Kericho. The analysis showed that the board composition increases the money the board members take in and the company's access to external markets. The study indicated that for better performance, the organization leveraged the multi-dimensional approach. In order to boost financial performance, underperforming SACCOs should also review their structure and extent of the board of directors' freedom.

Similarly, Kyoa (2017) published a report on the impact on organizational productivity of deposit-taking SACCOs in Kiambu County of corporate governance activities. One of the specific aims of the analysis was to evaluate the effects on productivity of SACCOs in Kiambu County of the Board of Director framework. The analysis targeted 15 DT-working SACCOs in the county of Kiambu. With the aid of SASRA's reported financial results for a period of five years spanning 2012-2016, the study used a census sapling. The results showed that the board's composition is linked to organisation's performance favorably. The research showed that improving the structure of the board increases the operating performance of SACCO depositors in Kiambu County. The study recommended that the successes of the management board should be defined by increasing the gender diversity of members of the board, changing academic credentials and increasing directorial independence.

In summary, assessment of board structure and financial performance has majorly observed studies in Asian Countries, Nigeria, and more importantly Kiambu County. However, these studies did not show the correlation either positive or negative between board structure and financial performance in Kenya; hence the need to bridge the existing knowledge gap.

2.3.2 Board Diversity and Financial Performance

In recent years, researchers have been very concerned about diversity. It can be defined as a diverse group of people with various skills, expertise, gender and life experience. Mishra (2016) found that people with different backgrounds and experiences have differing approaches to solving similar problems in his study of the Board of Diversity and Board of Efficiency in India. The researcher used secondary information to compare the board composition and the diversity of published journals and papers as part of a research exploration design. Diversity also comprises the heterogeneous composition of boards on training, experience, race, lifestyle, community, sex, age, race or religion and several other characteristics that distinguish individuals (Mishra, 2016). The fact that a successful committee requires a variety of skills, experience and expertise is also supported in India. Amoll (2015) investigated Kenyoan companies publicly traded and found that the Board's diversity had a considerable and positive effect on gender, age and education performance. Although these studies have been based on India and Kenya, no published Kiambu County research has been published.

Olude, Oloko and Olweny (2016) carried out a study on the impact of gender equality on Nigeria's financial output; took 34 companies into account for ten years, 2006 to 2015; using descriptive research designs and secondary data, the study revealed a positive and substantially low-value linear relationship. They also found that the gender composition of the board accounted for 4.3% of the income gap (ROA). In order to investigate the effects of gender-diversity on the financial performance of Spanish corporations, Campbell and Minguez (2008) examined the demands of a sample of firms that had joined the committee. The positive impact on the company's value on gender diversity has also been demonstrated by the board.

Viet (2018) performed an observational analysis in Vietnam on variables that affect governance processes and corporate financial performance. The relationships between independent variables were investigated using descriptive statistics and systematic questionnaires: board structure; diversity; composition; and dependent variable; financial results, restricted to Vietnam Stock Exchange-listed non-financial companies. The analysis found that after correcting for endogeneity, the proportion of outside directors was negatively associated with financial output. The study indicated that poor-performing companies appoint and diversify directors from multiple companies under pressure from dissatisfying shareholders to serve in a board; these findings should have been clarified.

Similarly, Palaniappan (2017) analyzed the determinants of corporate financial success in the Indian manufacturing sector related to board characteristics in corporate governance. This paper aimed to investigate whether the financial success of manufacturing firms in India is influenced by such board diversity, CEO duality, and scale. The research used a multiple regression model to build on data from 275 NSE companies from 2011 to 2015. An inverse relation between the level of board diversity and the success metrics of the businesses was confirmed by the finding. The analysis did not, however, provide all potential board features, i.e., the domination of major shareholders on the board and promoter's and institutional shareholding, to justify the success of the company. The study recommends that a further study expand the model to include additional aspects of the audit committee-based metrics to better understand the financial performance of companies.

Akinyomi (2016) in Nigeria has completed a study on the impact of the corporate financing structure. This thesis looks at the impact of Nigeria's financial success from the diversity and representation of the Board. The financial performance of these companies played a role in this research. Decertification is applied to discover the influence of output and variable inputs. Return is a description term the results demonstrate a strong connection between management functions, external board and the companies' financial results.

Bett and Kenani (2018) studied on the successes of SACCOs in Kenya. The diversity of management boards was used as a variable in corporate governance. A descriptive design was applied to this study. The performance of selected SACCOs was demonstrated with positive and significant effects (=0.348; p=0.000; M=3.71). In this study the performance of selected SACCOs in the diversity of the board of directors was distinct and substantial. According to the study, the members of the SACCO Board should be assessed and maintained by all SACCO owners and selected members critically.

In conclusion, board diversity and financial performance DT-SACCOs were vastly done on corporate governance in India, Kenya, Nigeria's, Spain, and Vietnam whilst this current study observes the Board of Director independence on financial performance in Kenya but with specific reference to Kiambu County to bridge the existing gap.

2.3.3 CEO Duality and Financial Performance

Duality of CEO is the situation where both the CEO and the chairman of an organization are in the same position (Yang and Zhao, 2013). If the CEO acts as the Board Chairman simultaneously, a Sacco is said to have a dual CEO. Most of this focus stems from the assumption that the duality of the CEO will make a difference in the financial success of SACCO. Disputes against CEO duality suggest that it adversely influences the efficiency of a company (Qadorah and Fadzi, 2018). The advocates of the dual board of directors argue that CEO duality has a beneficial impact on financial results, particularly for the newly formed Sacco.

Nazar (2014) examined the CEO's dual personality and how this affects Sri Lankan companies' financial performance listed on the Colombo Exchange. The return on assets (ROA) has been found to have a negative and significant impact. The results show that there is a situation in which the concept of duality among CEOs limits the withdrawal of the CEO by loss. If the CEO pursues his own interests at the expense of investors, the Agency's costs become a problem.

Yang and Zhao (2013) examined the duality, competition and financial impact of US CEOs. The findings suggest that companies that exercise duality as CEOs perform better and more deeply than those that do not practice duality in a competitive environment. The researchers concluded that duality among CEOs improves a company's performance. The study found that between 2007 and 2011, financial performance and CEO duality had a positive link, but no significant link between CEO duality and performance. A further study (Yasser, Mamun and Suriya, 2014) in Pakistan examined the CEO duality variable for the financial performance of public limited undertakings.

Qadorah and Fadzi (2018) have investigated coded companies' and Jordanian companies' financial performance (Board size duality and CEO). For the purpose of the study, the goal was to examine how well the management board correlated with the financial outcome. Based on these findings, the Board appears to have a robust partnership with ROA. While the CEO's duality may appear positive on paper, the positive/negative impact on ROA is considerable. Studies also indicate that there is no link between CEO duality and business performance.

In summary, observations on CEO duality and financial performance have been on non-financial firms in Colombo Stock Exchange in Sri-Lanka, public limited companies in Pakistan, and Jordan listed firms. Very limited studies had been mentioned that are referencing SACCOs and in Kenya, hence this current study was determined to bridge the existing gap.

2.3.4 Directors' Equity Interest and Financial Performance

The equity stake of management relates to the ownership of equity in a business by the board of directors (Uwuigbe, 2011). There is scanty research that has been performed on the financial output impact of director equity, but they have been inconclusive.

A research on the effects of corporate governance in both Albania and China was undertaken by Olayinka (2010) and Sanda (2010). They observed a negative and important association between corporate success and the possession of directors' shares using correlational study design and organized questionnaires. In comparison, another strand of literature found no proof of a link between financial results and the equity of directors. Demsetz and Lehn (2001) study of 511 organizations in the United States found no link between insider shareholding and accounting returns on organization performance.

In the banking sector of Nigeria, Ayorinde, Toyin and Leye (2012) studied corporate governance and performance. Through Pearson's corporate governance, intellectual capital and equity interest, they established a solid positive effect. According to the report, bank managers have incentives and rewards to help achieving an effective banking system.

The study found that the shareholding of directors has a positive coefficient of return on equity from the regression outcome with the help of descriptive statistics from SPSS. Okwuchukwu et al. (2015) carried out a study on corporate governance in Nigeria affecting the effectiveness of the banking sector. This study suggests that an improvement in the shareholding of directors would translate into improved results for banks.

Kiruri (2013) research into effects of the system of ownership on bank profitability in Kenya shows that domestic individual ownership by commercial banks, with the help of key collected data and descriptive statistics, has a significant positive impact on efficiency of commercial banks. The researchers argued that the management board's participation in the company's performance enables them to consider success indicators and also assists shareholders.

In conclusion, assessment on directors' equity interest and financial performance was vastly delved in commercial banks both global and local studies, moreover, there is no study done specifying Kiambu County hence revealing the knowledge gap that this current study intended to fill.

2.3.5 Moderation effect of Internal Audit Committee Structure on Board of directors independence and Financial Performance

According to Kouki (2018), looking into the causes and effects of financial performance for the Board of Directors on the property sector Comparative evaluation of the other countries in Japan's northern part There were three independent variables: independence of the board members, resources available funds, and execution ability. To put it another way, the findings showed that the board's independence was negligible, while the internal audit committee's structure improved the company earnings per share.

Laskowska and Torgomyan (2016) studied the influence commercial banks have on corporate profitability when they have separate board of directorships from their shareholders. Profitability was significantly improved with a mixed, secondary, and descriptive data, in-depth research in relation to the commercial bank's audit committee's relative share ownership.

Vianney (2013) looked into how the Rwandan SACCO Internal Audit Committee impacted financial outcomes in the country. In order to investigate the aforementioned connection, the study opted for a descriptive methodology. Ten SACCOs that participated in the study provided the data. The data demonstrates that income per share in Rwanda was not a key performance indicator for Sacco. The research found that the size of the internal audit committee is a crucial factor in the success and sustainability of SACCOs. According to the findings, the Rwandan government should craft a policy that helps SACCOs thrive by providing them with regulatory certainty and other benefits. This research concludes that regulations do not affect the profitability of REITs.

Kimeu (2013) draws conclusions from his study of how different tax structures affect real estate firms. Forty-four companies with $500 million or more in revenue used the correlation tool during that time. According to the data, it was determined that a more independent Board of Directors was beneficial to the company's bottom line. The findings show that the real estate investment trust performs better after adopting an income per share methodology.

While the relationship between board independence and financial performance has been extensively explored in global and local studies of commercial banks and real estate, the current study aims to fill a gap in the literature by assessing this moderating effect.

2.4 Conceptual Framework

Concepts, as defined by Kombo and Tromp (2009), are abstract ideas extrapolated from concrete examples. According to Adam, Hussein, and Agyem (2018), a conceptual framework is a way for researchers to describe the logical development of a phenomenon. A variable is a metric of characteristics that assumes various values. The independent variable indicates the total influence arising from the influence of the dependent variable. In this study conceptual framework shows the effect of the independent variables that are board structure with its parameter (managerial ownerships), board diversity with its parameter (board gender diversity), and CEO duality with its parameter (number of meetings held); directors' equity interest with its parameter (equity by each director); while the intervening variable is internal audit committee structure with its parameter (internal audit committee size) whereas the dependent variable is the financial performance of deposit-taking SACCO's with its parameter (Return on Assets) as elaborated in figure 2.2.

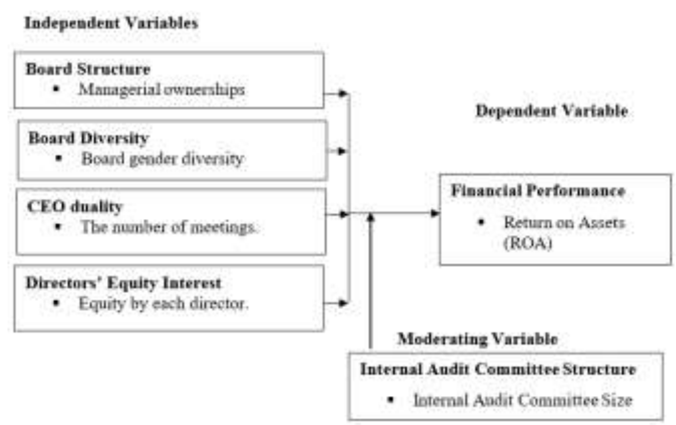


Figure 2.2: Conceptual Framework

Source: Researcher (2022)

2.5 Research Gap

This was a critical study of written sources or literature on a specific subject. It is an assessment of literature and offers a description, explanation, contrast, and evaluation of the research. The literature explored the theoretical context underpinning the research, including the theory of stewardship, the theory of financial agencies, and the theory of resource dependence. The theory of stewardship suggests a close effect of the organization's success and the happiness of the principal (Slyke, 2017). Financial agency theory is vastly used in accounting and finance literature; it's also used to predict the financial performance of institutions on the economic variants that emphasize the costs and the benefits of the SACCO director-agent relationship (Kenani, and Bett, 2018). The theory of resource dependency postulates that the primary basis for the perception that improved financial output is correlated with interlocking directors of companies (Casciaro and Piskorski, 2015).

The empirical review outlined delineated various studies and explored in diverse sectors. The empirical literature needs more research to be carried out to gather more information for future scholars to fill the existing knowledge gap. This research aimed to determine if and how SACCOs in Kenya that accept deposits fared better when their boards had more women, more men, or both women and men as CEOs and when directors had equity stakes in the company. There have been a number of studies, both international and domestic, that have focused on the impact of corporate governance practices and the independence of the Board of Directors on firm performance. These include Adams (2017), Mishra (2016), Nazar (2014), Olayinka (2010), and Sanda (2010). Thus, the current study set out to fill a knowledge gap by investigating the connection between the autonomy of the Board of Directors and the financial success of deposit-accepting SACCOs in Kiambu County.

2.6 Summary of Literature Review

Literature review observed the theoretical review, empirical literature review, conceptual framework and research gap. The next chapter will discuss the research methodology.

III: RESEARCH METHODOLOGY

3.0 Introduction

This section gives an overview of the research methods and plans to achieve the study objectives. This section covers research methodology with inclusive of research methods to be used in this current study.

3.1 Research Methodology

The methodology of research was described as the processes by which researchers characterize, explain and forecast a phenomenon in their work (Rajaseka, Philominathan and Chinnathambi, 2013). This research study adopted a mixed research methodology approach. The methodology used both quantitative and qualitative aspect that helps in an in-depth understanding of the study (Kothari and Garg, 2014). The adoption of the approach is appropriate since it develops knowledge, affect thinking, and helps in the measurement of the specific variables/ hypotheses/ questions.

3.2 Research Design

Research design is the organization that incorporates relevance to research purposes, for data collection and interpretation environments (Soeters, Shields and Rietjens, 2014). This study uses descriptive designs for the purpose of data collection, measurement and analysis. Creswell (2014) on descriptive research design defines the general approach by which the investigator wishes to integrate coherently and logically the different components of the study so as to ensure that the research problem was dealt with effectively. This design helped to evaluate the effect of the independence of the board on the financial performance of DT-SACCOs in Kiambu County.

3.3 Location of the Study

The geographical scope of the study was conducted in Kiambu County, Kenya where the selected SACCO's are diversified and varied in terms of a number of employees and performance of each organization.

3.4 Target Population

The population can be described as a complete collection of persons, cases, artifacts with some common measurable characteristics of a particular nature, distinct from other populations (Kothari and Garg, 2014). The researcher was established the number of registered DT-SACCOs in Kenya and there are 162 licensed DT-SACCOs present and running as of 1st January 2021 to 31st December 2021 in Kenya [See appendix VI] (SASSRA, 2021). However this study targeted only the DT-SACOOs in Kiambu County this was because it is the most strategic and fast-growing economic hub compared to other Counties in Kenya. Moreover Kiambu County has 43 licensed and published SACCOs present and running as of 1st January 2021 to 31st December 2021 in Kenya [See appendix VII] (SASSRA, 2021).

Table 3.1 Target Population

Category	Target Population
Dt-Sacco’s	43
Total	**43**

Source: (SASSRA, 2021)

3.5 Sampling Techniques and Procedures

The sampling frame includes a list of research population members from which a sample was taken (Bryman and Bell, 2007). According to Denscombe (2014), a good sampling frame should be relevant, complete, precise, and up-to-date. Census sampling was used in this study. This technique was used because it allows all members of a population to be studied (Sekaran and Bougie, 2011). The study was interested in the following unit of inquiry that was one board of directors, one internal director, and one internal auditor from each registered SACCO in Kiambu County representing a total of 129 participants from Deposit-Taking SACCOs in Kiambu County.

3.6 Sample Population

For this study, with the help of census sampling as mentioned in section 3.5 above it adopted a sample size of 129 participants from the 43 DT-SACCO's in Kiambu County.

The study used a 95% confidence level implying a 0.05 tolerance error.

Table 3.2 Sample Size

Category	Sample Size
Board of Director	43
Internal Director	43
Internal Auditor	43
Total	**129**

Source: (Author, 2022)

3.7 Research Instruments

Analysis questionnaires were included in this study to collect information. A questionnaire tells the respondent what is expected and prompts the desired answer to achieve the study goals (Creswell, 2014). The standardized questionnaire was being used as it included structured questionnaires (closed ended questions) with a list of questions for DT- SACCO's participants, to choose their most suitable response by ticking; and open-ended questions that allowed the participants to get even more opinions from the researcher. This framework would result in qualitative as well as quantitative details (Brace 2012). A five point Likert Scale was used, it showed the level of agreement of the participants.

3.8 Testing for Validity and Reliability

3.8.1 Validity of Instrument

Validity is often characterized as the degree to which an instrument calculates what it wants to calculate (McMillan and Schumacher, 2013). This was ensured through a pilot study where a pre-test was done before actual data collection. Cooper and Schindler contend that pilot testing helps in determining the accuracy of the information. This was done through a random selection of ten (10) participants from K-Unity Sacco Limited in Kiambu County however the results were not part of the actual data analysis in this study. To ensure validity utilization of face validity and the correlation between the variables was adopted. In order to ensure content validity, the researcher applied the supervisors' expert evaluation of the items included in the questionnaire. With regard to the validity of the construct, the correlations of items were evaluated. Evidence of validity contributed to the validity of the research.

3.8.2 Reliability of the Instrument

The reliability of this analysis was improved by pre-testing the questionnaire with the chosen sample K-Unity Sacco Restricted in Kiambu County, which was omitted from the main study. The use of Cronbach's Alpha would follow an intrinsic continuity strategy. Internal consistency was the measure of the durability to determine to what extent several test items that test the same construct yield the same results. Lower alpha values greater than or equal to 0.7 are more attractive. Creswell (2014) suggested that reliability of 0.70 or higher (obtained on a significant sample) was appropriate as a rule of thumb.

3.9 Data Collection Methods and Procedures

The researcher collected primary data from the representatives drawn from the sampled SACCOs. Each Sacco produced one board of director, internal director and the internal auditor was targeted. According to Kombo and Tromp (2009), primary data is appropriate because the information collected cannot be observed since they include personal characteristics, attributes, and policies, also the information needed can easily be described in writing.

Using good rapport and with the help of four research assistants who are degree graduates, the key informants were encouraged to attend for interviews because the letter states that the researcher has no secret agenda or ulterior motive for collecting data for the report. The participants were given enough time to answer the questionnaire.

3.10 Data Analysis Techniques and Procedures

Data analysis involves the estimation of such measures and the search for interaction dynamics between data classes (Cooper and Schindler, 2011). The study includes the organizing and interrogation of knowledge on how researchers can see patterns, identify topics, explore relationships, and create hypotheses, to make interpretations, to raise criticisms, or to produce theories. It also includes synthesis, assessment, analysis, categorization, hypothecation, contrast, and pattern finding (Orodho, 2012).

For quantitative results, the study of frequencies of any element, including all individual pieces of size, is carried out based on the Statistical Social Sciences Program (SPSS) Version 21, at different levels. It allows the data to screen to search for errors. Multiple regression analysis and variance analysis may also be used to evaluate means and standard deviations to construct tables. Quantitative data was represented by charts and tables. Qualitative data was studied with content analysis. The qualitative data was placed into themes which best represent the study objectives.

To establish the association between independent and dependent variables in this research, regression model was used:

$$Y = \beta o + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \varepsilon$$

Where;

Y is the dependent variable (Financial Performance of DT-SACCOs)

{β1, 2, 3, 4} = = These are Beta units representing the covariates.

B_0= constant coefficient.

ε = error term

X1 =Board Structure

X2 = Board Diversity

X3 = CEO Duality

X4 = Directors' Equity Interest

The coefficient estimates indicated the effect of beta if all other variables are stable, positive or negative. The findings of this analysis were verified at 95% confidence level and 5% relevant levels. If the p-value obtained by the analysis was much less than 0.05, therefore the result was important in describing the relationship. Otherwise, the model was only found uninteresting if the critical value is close to 0.05.

3.11 Ethical Considerations

Ethical dilemmas arise when there are two courses of action, each of which has moral implications. Researchers need permission and a letter of introduction from all applicable authorities before beginning fieldwork. The application was contingent upon receiving a letter of support and approval from Mount Kenya University and the National Commission for Science, Technology, and Innovation for Research (NACOSTI). The study's investigators went to the offices of the deposit-taking SACCOs' managers in Kiambu County to gain their approval to conduct the surveys there. Respondents' personal information and anonymity had to be protected, so they had to give their informed consent.

IV: RESEARCH FINDINGS AND DISCUSSION

4.0 Introduction

This chapter introduces data analysis and the findings as per the specific objectives of the study. This study established the effects of Board of Director independence on the financial performance of deposit-taking SACCOs, with specific reference to Kiambu County.

4.1 Response Rate

This research gave out 126 questionnaires to the one board of directors, one internal director, and one internal auditor of each of the 42 DT-Saccos in Kiambu County. The response rate was shown in table 4.1 below;

Table 4.1: Response Rate

Response Rate	Frequency	Percentage
Response	100	77.5%
Non-Response	26	22.4%
Total	126	100%

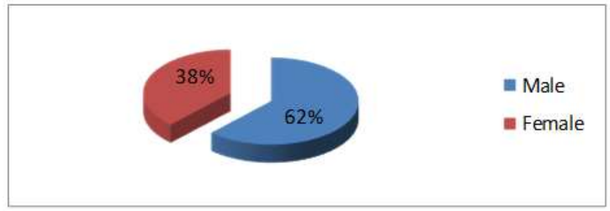
Source: (Researcher, 2022)

Based on the findings, there was a response rate of 100 (77.5%) who fully participated in this research while 26 (22.4%) cited busy schedules and did not participate in this research. Hence the response rate was high since 79.4% was the return rate; Howell (2013) stated that return rate of research data of 50% as adequate, 60% as good and above 70% as very good.

4.2 Demographic Information

This study sought to get demographic information of the respondents, such as gender, highest level of education and training attained, their position in the Sacco, their marital status, period have been serving/working at the SACCO's, age of the respondents, current membership charges in their Saccos and how long has the Sacco been in existence. The responses were shown in the tables and figures that follow;

Figure 4.1: Gender



Source: (Researcher, 2022)

The findings shows that the male were the majority than female, this was shown by 62 (62%) and the female rate was shown by 38 (38%). This shows that the majority of male holds the managerial positions in the Dt-Sacco's in Kiambu County.

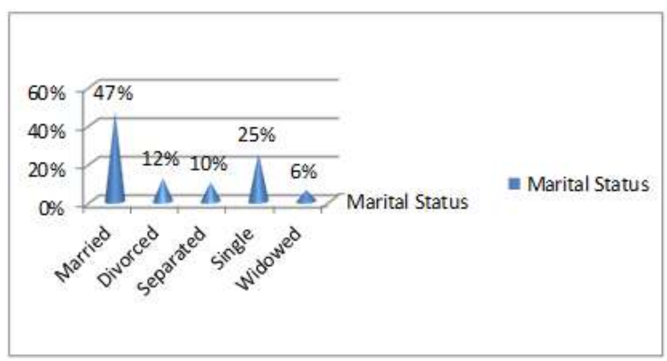
Table 4.2: Level of Education

Category	Frequency	Percentage
Bachelor Degree	75	75%
Master's Degree	25	25%
Total	100	100%

Source: (Researcher, 2022)

The respondents were asked to state their highest level of education and their response was as follows; there were 75 (75%) who had bachelor's degree level while 25 had Masters Level. There was none who had below degree level this is because all directors in the DT-Sacco's should have at least a degree level certificate, hence this shows that the participants gave rich information since they understood the research objective that was under investigation.

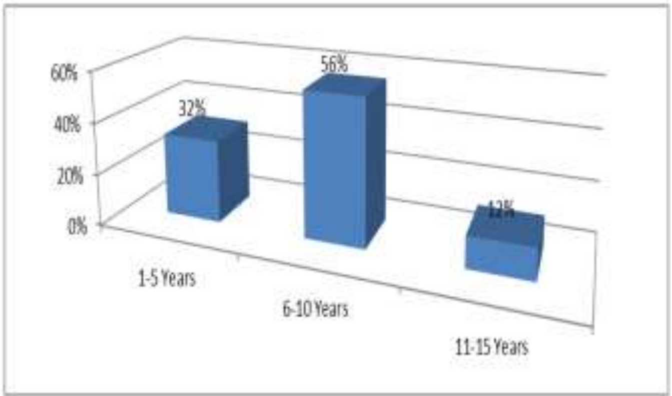
Figure 4.2: Marital Status



Source: (Researcher, 2022)

Figure 4.2 shows the findings on the marital status of the respondents and it was as follows, 47 (47%) were the majority whom were married, followed by 25 (25%) who were single, then 12 (12%) whom were divorced, 10 (10%) whom were separated and 6 (6%) whom were widowed.

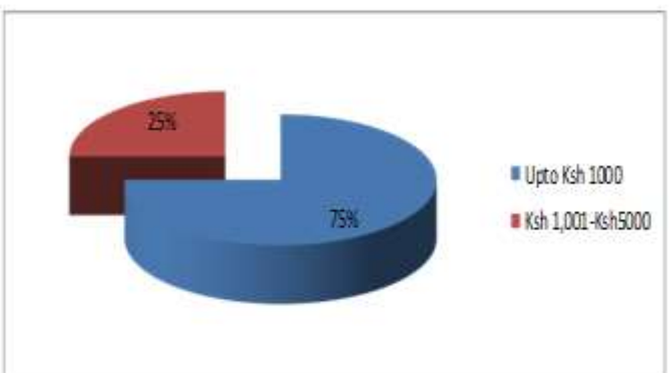
Figure 4.3: Work Experience



Source: (Researcher, 2022)

Figure 4.3 shows the period the participants have worked at the specific DT-Sacco's in Kiambu County, their response was as follows; the majority of the respondents shown by 56 (56%) had worked in the DT-Sacco's in a span of 6-10 years, followed by 32 (32%) in a span of 1-5 years and finally others worked for 11-15 years shown by 12 (12%). This shows that the majority had experience since they had worked in the DT-Sacco's for more than 6-10 years hence they had rich information under the study objectives.

Figure 4.4: Membership Fee



Source: (Researcher, 2022)

The Figure 4.4 shows the membership fee that members pays when wants to join the Dt-Sacco and the participants stated that the membership fee of Ksh. 1000 is required, this was shown by 75 (75%) in which it was the majority while 25 (25%) stated that Ksh 1,001-Ksh 5,000 is required. This shows that the majority has a minimum membership fee for its members and that's 75%, hence affordable membership fee is achieved.

4.3 Board Structure and Financial Performance

The primary purpose of this research was to determine whether or not deposit-accepting SACCOs in Kiambu County's financial performance differed depending on the composition of their governing board. Table 4.3 below displays the results as a means and standard deviations table;

Table 4.3: Board Structure and Financial Performance

Statement	N	Means	S.D
The number of shareholder ownership increases the efficiency of SACCO's	100	4.001	.991
Managerial ownerships challenges and disciplines management which in-turn influences financial position and profitability	100	4.991	.009
An expatriate managerial ownership has superior knowledge and is likely to improve the performance of a Sacco	100	4.921	.079
Managerial ownership is a more effective monitors of management	100	4.874	.126
SACCO's with less shareholder ownership is less profitable	100	4.731	.269
The number of managerial ownership has improved the effectiveness of the board in influencing the financial performance of the Sacco	100	4.225	.775
	Average	**4.624**	

Source: (Researcher, 2022)

Studies examining the relationship between board structure and DT-Saccos' financial performance in Kiambu County found that respondents strongly agreed that the number of shareholder ownership increases the efficiency of SACCOs (Means Score = 4.0001, Standard Deviation = 0.991). The majority of respondents (Mean Score = 4.991, Standard Deviation = 0.009) agreed that having managers who also own shares in the company is a good way to improve the company's financial position and profitability. With a mean score of 4.921 and a standard deviation of 0.079, the results showed that respondents agreed that expatriate managerial ownership of a Sacco would be beneficial due to the superior knowledge and expertise of its members. With a mean score of 4.874 and a standard deviation of only 0.126, the respondents were nearly unanimous in their belief that a managerial ownership structure is superior for monitoring top brass. Respondents generally agreed that saccos with fewer shareholders were less profitable (mean score 4.731%, standard deviation 0.269). The majority of SAC members (mean score 4.225, standard deviation 0.775) agree that the Board of Directors has increased its control over the SAC's financial performance.

With a mean score of 4.624, there was substantial consensus on all statements relating to board effectiveness and financial results. This demonstrates how the diversity of a SACCO's shareholder base improves its performance and management, which in turn affects the organization's bottom line. The board's ability to affect the Sacco's financial performance has been bolstered by an increase in the number of managers who own shares, and by the superior knowledge of the foreign managers who own those shares.

4.4 Board Diversity and Financial Performance

The study's secondary aim was to analyze how having a diverse board of directors affected the bottom lines of deposit-accepting SACCOs in Kiambu County. Table 4.4 below displays these results in a mean and standard deviation format;

Table 4.4: Board Diversity and Financial Performance

Statement	N	Means	S.D
The internal director's year of experience affects the financial performance of SACCO's.	100	4.137	.863
Having board gender diversity of the directors gives power to the decision making in the board meeting.	100	4.671	.329
Increasing the value of a share affects the finances of SACCO.	100	4.592	.408
Financial performance is related to the gender diversity in the company every year	100	4.452	.548
	Average	**4.463**	

Source: (Researcher, 2022)

According to statistics compiled from Kiambu County DT-Saccos, members are in agreement that the number of years of experience the internal director has affects the financial performance of SACCOs (Mean Score = 4.137, Standard Deviation = 0.863). The vast majority of voters agreed with the statement (Mean Score = 4.671, SD = 0.329) that having board gender diversity of the directors gives power to the decision making in the board meeting. The average rating for this statement was 4.592 (SD = 0.408), indicating that respondents agree that a higher share price for SACCO would be good for the business. With a mean score of 4.452 and a standard deviation of 0.548, respondents are unanimous that gender diversity in the workplace has a positive impact on profits.

Almost everyone agreed with statements about board member diversity and financial performance, with a mean score of 4.463. Hence, we can conclude that the Dt was successful. The success of a Sacco depends on its board of directors including members from a wide range of ages and backgrounds. There is a positive correlation between a diverse board of directors and improved decision making, leadership, and risk management.

4.5 CEO Duality and Financial Performance

The study's third goal was to analyze how dual-CEO structures affect the bottom lines of deposit-accepting SACCOs in Kiambu County. Table 4.5 shows the results as a table of means and standard deviations;

Table 4.5: CEO Duality and Financial Performance

Statement	N	Means	S.D
The age of the company determines CEO duality and financial performance of SACCO's	100	4.331	.669
The increased number of meetings has increased the financial performance of SACCO's	100	4.941	.059
Due to the many sessions held in the company, it has positively impacted the SACCO's financial performance.	100	4.793	.207
The meetings held have promoted accountability and facilitated division of responsibility in influencing the performance of the firm	100	4.451	.549
Non-CEO Duality promotes increased Board of Directors monitoring	100	4.893	.107
Non CEO Duality leads to efficient control by the Board of Directors	100	4.304	.696
	Average	**4.619**	

Source: (Researcher, 2022)

With a mean score of 4.331 and a standard deviation of 0.669, this study's survey of DT-Sacco members in Kiambu County indicates that respondents agree that a company's age is a significant factor in deciding whether or not its leadership structure includes a co-CEO. The majority of respondents (Mean Score = 4.941, Standard Deviation = 0.059) believe that the increased frequency of SACCO meetings has contributed to their increased financial success. The majority of respondents believe that the regular meetings have increased the SACCO's profitability, as evidenced by a mean score of 4.793 and a standard deviation of only 0.207. A mean score of 4.451 out of 5 (with a standard deviation of 0.549) indicates that respondents agree the meetings have increased accountability and simplified the allocation of responsibility for impacting the firm's performance. With a mean score of 4.893 and a standard deviation of 0.107, non-CEO duality was found to encourage more oversight by the board of directors. The majority of respondents agreed that a non-CEO duo would strengthen board oversight (mean score 4.304, standard deviation 0.696).

An average Means Score of 4.619 indicates widespread consensus that the claimed CEO Duality and financial performance are true. This demonstrates the positive effects on the company's performance when the CEO has both executive and supervisory responsibilities. Particularly in larger and more complex firms, which are both more difficult to monitor and have a larger budget for waste, CEO duality leads to increased agency costs (such as increased consumption of perquisites).

4.6 Director's Equity and Financial Performance

The study's fourth goal was to analyze how directors' equity interest affected the financial results of deposit-accepting SACCOs in Kiambu County. In the table below (Table 4.6), results are displayed as means and standard deviations;

Table 4.6: Director's Equity and Financial Performance

Statement	N	Means	S.D
Director's equity interest is significant for the company's business performance.	100	4.611	.389
The equity interests of the directors influence the company's profitability.	100	4.921	.079
Director's equity interests suggest the kind of investments the company should pursue.	100	4.538	.462
A wealth of maximization of the intellectual capital in the organization is influenced by the director's equity interests.	100	4.422	.578
Director's self-interest has a significant impact on the intellectual capital of the business.	100	4.693	.307
Director's equity interests determine how the company's' intellectual capital will be implemented in the organization.	100	4.537	.463
	Average	**4.620**	

Source: (Researcher, 2022)

The majority of DT-Sacco members in Kiambu County, Kenya agree that directors' equity interests significantly impact the financial performance of their businesses, as indicated by a mean score of 4.661 and a standard deviation of 0.389. All respondents agreed that directors' equity holdings can give insight into the best investments for a company (mean score 4.538, standard deviation 0.462). Directors' equity interests affect the value of a company's intellectual property, as indicated by a mean score of 4.422 (SD = 0.578) of total agreement from respondents. Respondents agreed that directors' self-interest has a significant impact on the company's intellectual capital, with an average score of 4.693 out of 7.0 and a standard deviation of 0.307. The majority of respondents (45.3% with a standard deviation of 0.46%) believe that the directors' equity interests are decisive in a company's implementation of intellectual capital.

There was substantial consensus in favor of the statements regarding Director's Equity and Financial Performance, with an average Means Score of 4.620. Directors' equity in the workplace implies they are accorded equal opportunities, compensation, and acceptance despite any differences they may bring to the table. It is about making the office a positive place for everyone to work. The lack of bias in the workplace can be attributed to the fair distribution of board seats.

4.7 Moderation effect of Internal Audit Committee Structure on Board of directors independence and Financial Performance

The fifth objective was on the effect of internal audit committee is a moderating determinant of the Board of Director independence and financial performance of DT-SACCOs in Kiambu County. Results were shown in means and standard deviation table as shown in Table 4.7 below;

Table 4.7: Moderation effect of Internal Audit Committee Structure on Board of director's independence and Financial Performance

Statement	N	Means	S.D
The size of the internal audit committee determines the effect of the board of director's independence and financial performance.	100	4.921	.079
The more the engagement with the internal audit committee with the directors influences the company's profitability.	100	4.874	.126
The Board of Director independence it's regulated by the internal audit committee.	100	4.731	.269
With an internal audit committee in the company financial performance is observed.	100	4.592	.408
Director's earning share is regulated by the internal audit committee.	100	4.452	.548
The internal audit committee determines how the company's' earnings per share will be implemented in the organization.	100	4.538	.462
	Average	**4.685**	

Source: (Researcher, 2022)

There was a moderate agreement among respondents that the size of the internal audit committee moderates the relationship between board independence and financial performance of DT-SACCOs in Kiambu County (mean score 4.921, standard deviation 0.079). The majority of respondents (Means Score 4.874, SD 0.126) agreed that communication between the internal audit committee and the board of directors has a sizeable impact on financial performance. With a mean score of 4.731 and a standard deviation of 0.269, respondents indicated that they agree the internal audit committee controls the independence of the Board of Directors. The high level of agreement shown by the survey shows that respondents are unanimous in their belief that the presence of an internal audit committee has positively impacted the bottom line (mean score 4.592, standard deviation 0.408). Directors' pay-per-share is set by the internal audit committee, with respondents agreeing on this point by a mean score of 4.452 (SD = 0.548). The average score (SD = 0.462) for the internal audit committee's contribution to the implementation of the company's earnings per share was 4.538.

Means Score 4.685 indicates that most respondents agree that a financially successful company will have a Board of Directors that is free from outside influence. Therefore, audit committees play a critical role in the financial reporting systems of publicly traded companies by supervising financial reporting, internal controls over financial reporting, and independent audits of these systems. The board of directors is responsible for keeping a close eye on the company's financial reports, audits, internal controls, and compliance with all laws and regulations.

4.8 Financial Performance

With a focus on Kiambu County, this research set out to determine how having an unbound Board of Directors affects the bottom line for savings and loan associations that accept deposits. Table 4.8 displays the results of a 5-point Likert scale analysis presented as means and standard deviations;

Table 4.8: Financial Performance

Statement	N	Means	S.D
Board structure influences return on assets	100	4.592	.408
Board diversity influences return on equity.	100	4.452	.548
CEO duality influences financial performance.	100	4.137	.863
Director's equity influences return on assets.	100	4.671	.329
Moderation effect of Internal Audit Committee Structure on Board of directors independence	100	4.351	.649
	Average	**4.441**	

Source: (Researcher, 2022)

The majority of respondents (mean score 4.592, standard deviation 0.408) agreed that the composition of the board of directors has an effect on the return on assets of deposit-taking SACCOs. The respondents averaged 4.452 out of 5 for the board's make-up, with a standard deviation of 0.548. The median score was 4.137, with the respondents nearly unanimous in their belief that having two CEOs has a negative impact on a company's bottom line. With a mean score of 4.671 and a standard deviation of 0.329, it is safe to assume that most respondents thought that ROA was impacted by the level of Director's equity. With a mean score of 4.351 and a standard deviation of 0.649, most respondents agreed that the composition of the Internal Audit Committee reduces the impact of the Board of Directors on the company's financial performance and independence.

The vast majority of respondents (Means Score = 4.351) agree that the company's Board of Directors operates independently and that it is profitable. This highlights the importance of board structure, board diversity, CEO duality, director's equity, and board independence for DT-Saccos in Kiambu County, as well as the impact of internal audit committee structure as a moderator on board independence.

4.9 Inferential Analysis

An inferential statistician uses a variety of statistical tools to draw conclusions about a population's characteristics based on a sample of that population's data. Descriptive statistics are a subset of both inferential and descriptive statistics. Data sets can be summarized using inferential statistics, while descriptive statistics can be used to draw conclusions about the population as a whole.

4.9.1 Regression Analysis

Regression is the name given to the statistical methods used to estimate the connections between a dependent variable and a set of independent variables. Analysis of variable relationships and forecasting of future relationships are both possible with this approach. Table 4.9 displays the findings of this study's application of multiple regressions to the question, Board of Director Independence affect the financial performance of DT-Saccos in Kiambu County.

Table 4.9 Model Summary

Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	0.433a	0. 651	0.555	1.79521
a. Predictors: (Constant) Board structure, Board Diversity, CEO Duality, Director's Equity, Internal Audit Committee Structure				

Source: (Author, 2022)

All of the variables had significant coefficients in order to model a regression equation. It was possible to use both predictor variables in a regression model because they had significant values. In other words, the five predictor variables can explain 65.1% of the variation in the response variable, financial performance, according to an R-squared value of 0.651. R2 at 0.651 appears to be an excellent predictor because it is so close to the value of one.

4.9.2 Analysis of Variance

This regression model's significance was evaluated using an Analysis of Variance (ANOVA). ANOVA Table 10 resultant value of F was compared to F critica1's value, which was determined using the values of the degrees of freedom, in order to determine its interpretation. We calculated F critical by consulting a F distribution table. Analysis of Variance (ANOVA) was used in the study's second phase to prove or disprove the m0de1s significance (ANOVA). Below is a table that summarizes the data.

Table 10: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	8.044	3	4.022	113.34	.009[b]
	Residual	3.226	96	.034		
	Total	11.270	99			
a. Dependent Variable: Financial Performance						

Source: (Researcher, 2022)

There was significant p-value obtained of 0.009, which was less than the significance threshold of =0.05, in a regression model predicting the relationship between DT-Sacco financial performance and independent variables (Board structure, Board diversity, CEO duality and director's equity) from the ANOVA table. For the F-value, which was 113.34, we can conclude that there is more variation between groups' mean values than there is variation in individual observations. Therefore, it implies that all methods aren't the same.

Table 4.11: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.24	9.352		5.781	.002
	Board structure	1.023	.025	.251	1.32	.001
	Board Diversity	2.346	.353	1.921	2.351	.005
	CEO Duality	1.359	.078	.321	1.876	.003
	Director's Equity	1.765	.082	.367	1.936	.006
	Internal Audit Committee Structure	1.436	.065	.342	1.672	0.003
a. Dependent Variable: Financial Performance						

Source: (Researcher, 2022)

From this table; using the regression model equation contemplated before i.e.

Y = βo + β1X1 + β2X2 + β3X3+ β4X4 + ε

Where;

Y is the dependent variable (Financial Performance of DT-SACCOs)

{β1, 2, 3, 4} = = These are Beta units representing the covariates.

B_0= constant coefficient.
ε = error term
X1 =Board Structure
X2 = Board Diversity
X3 = CEO Duality
X4 = Directors' Equity
$Y= 1.24 + 1.023X_1 + 2.346X_2 +1.359X_3 +1.765X_4 + \boldsymbol{\varepsilon}$

This means that DT-Saccos' financial performance would be 1.24 if all other factors were held constant. If everything else remains the same, a 1.023 unit change in financial performance would result from switching to a unit change board structure. A diverse board has been shown to increase financial performance by 2.346 units, all else being equal. If we hold all else constant except for a shift in CEO Duality, we see a 1.359 unit shift in financial performance. If all other variables remain the same, a change of one unit in Directors' Equity would have an effect on financial performance of 1.765%. When all other factors are held constant, a change of one unit in the moderating variable Internal Audit Committee Structure would lead to a change of 1.436 units in financial performance.

V: SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

Summary of the study's findings, conclusions, and recommendations are provided in this chapter. The purpose of the study established the effects of Board of Director independence on the financial performance of deposit-taking SACCOs, with specific reference to Kiambu County. Based on the results, a summary is prepared in accordance with the study objectives.

5.1 Summary of the Findings

The study's findings have been summarized below in accordance with the study's objectives. Means and standard deviation of responses from respondents were used to back up the findings.

The study found that all of the variables had significant coefficients. Because both predictor variables had significant values, they could be used in a regression model. In other words, according to an R-squared value of 0.651, the three predictor variables can explain 65.1 percent of the variation in the response variable, financial performance. Because it is so close to one, R2 of 0.651 appears to be an excellent predictor.

In a regression model predicting the relationship between DT-Sacco financial performance and independent variables (Board structure, Board diversity, CEO duality, and director's equity) from the ANOVA table, a significant p-value of 0.009 was obtained, which was less than the significance threshold of =0.05. We can conclude from the F-value of 113.34 that there is more variation in mean values between groups than there is in individual observations. As a result, it implies that no two methods are alike.

5.1.1 Board Structure and Financial Performance

With a Means Score of 4.001 and a Standard Deviation of 0.991, results from a survey of SACCO members in Kiambu County show that the vast majority agree that a larger number of shareholders leads to better SACCO efficiency. This finding is based on research into the relationship between the composition of SACCO boards and their organizations' bottom lines. Almost everyone who participated in the survey agreed that managerial ownerships challenge and discipline management, which in turn affects financial position and profitability (Mean Score = 4.991, Standard Deviation = 0.009). The respondents strongly agreed that expatriate managerial ownership possesses superior knowledge and is more likely to improve a Sacco's performance, as evidenced by a Means Score of 4.921 and a Standard deviation of 0.079. Based on the Means Score of 4.874 and Standard Deviation of 0.126, it is clear that the respondents agree that managerial ownership is a better management monitor. In a survey, respondents gave the statement, "Saccos with less shareholder ownership are less profitable," a Means Score of 4.731 and a Standard Deviation of 0.269. With a Means Score of 4.225 and a Standard Deviation of 0.775, the respondents were also very positive about the impact that increasing managerial ownership has had on the board's ability to influence the Sacco's financial performance.

Because the average Means Score was 4.624, the statements on board structure and financial performance were strongly agreed. This demonstrates that increasing the number of shareholders increases SACCO efficiency and discipline, which influences financial position and profitability. An expatriate managerial ownership has superior knowledge, and the board's effectiveness in influencing the Sacco's financial performance has improved as the number of managerial ownership has increased.

The study found that if all other variables remain constant, DT-financial Sacco's performance will be 1.24. When other factors are held constant, a unit change in board structure results in a 1.023 unit change in financial performance.

The findings agrees with Kyoa (2017); Adams (2017); Kyoa (2017); and Ruto, Naibei, and Cheruiyot (2017) who postulated that the board's composition is linked to organisation's performance favorably. The research showed that improving the structure of the board increases the operating performance of SACCO depositors in Kiambu County.

5.1.2 Board Diversity and Financial Performance

When asked how much they thought the year of experience of the internal director affected SACCOs' financial performance, respondents in Kiambu County gave a mean score of 4.137 and a standard deviation of 0.863. Most respondents (Means Score = 4.671, SD = 0.329) agreed that having more women and men on the board would improve decision-making. The respondents were nearly unanimous (Means Score = 4.592, SD = 0.408) in their belief that a rise in share price has a measurable effect on SACCO's bottom line. Respondents agreed on the value of a diverse workforce 100% of the time, with a mean score of 4.452 and a standard deviation of 0.548.

With a mean score of 4.463, there was extensive consensus on both the board's diversity and the company's financial performance. As such, it's clear that a Dt-success Sacco's depends on having a board of directors that represents a wide range of ages and walks of life. A diverse board of directors is crucial for effective decision making, direction, and risk management.

The research indicates that DT-financial Sacco will have a performance of 1.24 if all other factors remain the same. If other variables remained the same, a shift in board diversity could boost financial performance by 2.346 percentage points.

The results corroborated the conclusions of Mishra (2016), Amoll (2015), Olude, Oloko, and Olweny (2016), and Viet (2018), who all discovered that a more diverse board, comprised of members from a variety of professional and personal backgrounds, leads to better efficiency and financial results.

5.1.3 CEO Duality and Financial Performance

All respondents (mean = 4.331, std dev = 0.669) agreed that the age of a SACCO is directly related to its CEO duality and financial performance. Most respondents agreed that more frequent meetings have boosted SACCO financial performance, with a Means Score of 4.941 and a Standard Deviation of 0.059. The SACCO's financial performance improved as a result of the frequent sessions held within the company, as indicated by the Means Score of 4.793 and the Standard Deviation of 0.207. Respondents were unanimous that the meetings improved accountability and allowed for a clearer allocation of duties to influence the firm's performance, with a Means Score of 4.451 and a Standard Deviation of 0.549. Non-CEO Duality now has a Mean Score of 4.893 and a Standard Deviation of 0.107, suggesting that the Board of Directors is monitoring the company more closely. Results from this survey indicate that respondents are in agreement that non-CEO Duality leads to efficient Board of Directors control (Mean Score = 4.304, Standard Deviation = 0.696).

Because the statements on CEO Duality and financial performance had an average Means Score of 4.619, they were strongly agreed. This demonstrates how the company's performance improves when the CEO has both executive and supervisory powers. CEO duality results in increased agency costs (such as increased perquisite consumption), especially in larger and more complex firms that are more difficult to monitor and have a larger budget for waste.

The study found that if all other variables remain constant, DT-financial Sacco's performance will be 1.24. A 1.359 unit change in financial performance would result from a unit change in CEO Duality while keeping all other factors constant.

The findings agreed with Qadorah and Fadzi (2018); Nazar (2014); Qadorah and Fadzi (2018) found that the dual board of directors argue that CEO duality has a beneficial impact on financial results, particularly for the Dt-Sacco’s.

5.1.4 Directors Equity and Financial Performance

With a mean score of 4.661 and a standard deviation of 0.389, respondents strongly agreed that a director's equity interest is important for the company's business performance, according to the findings on the effects of Director's Equity and financial performance of DT-in Sacco in Kiambu County. Directors' equity interests do impact company profitability, as agreed upon by the vast majority of respondents (4.921 to 0.079). Results showed that 100% of respondents agreed that a director's equity interests are an indicator of the appropriate types of investments for the company to pursue (mean score 4.538, standard deviation 0.462). Respondents were unanimous in their belief that a director's equity interests impact the wealth maximization of the company's intellectual capital, with a mean score of 4.422 and a standard deviation of 0.578. Respondents agreed, with a Mean Score of 4.693 and a Standard Deviation of 0.307, that a director's private motivations can have a significant impact on a company's intellectual capital. Respondents were also very confident that the directors' equity interests would be used to implement the company's intellectual capital within the organization, giving this question a mean score of 4.537 and a standard deviation of 0.463.

Because the average Means Score was 4.620, the statements on Director's Equity and financial performance were strongly agreed. Because of the director's equity in the workplace, directors are given equal opportunities, pay, and are accepted for their differences. It's all about creating a welcoming and safe environment where everyone can succeed. The absence of any form of discrimination at work is ensured by the equity of directors.

The study found that if all other variables remain constant, DT-financial Sacco's performance will be 1.24. When Directors' Equity is changed by one unit while all other factors remain constant, financial performance changes by 1.765 units.

This findings agreed with Ayorinde, Toyin and Leye (2012); Okwuchukwu et al. (2015); and Kiruri (2013) who found that board's equity in the company's performance enables them to consider success indicators and also assists shareholders.

5.1.5 Moderating effect of Internal Audit Committee Structure on Board of directors independence and Financial Performance

Almost everyone who took the survey agreed that the size of the internal audit committee affects the independence and financial performance of the board of directors (Mean Score = 4.921, Standard Deviation = 0.079). The Means Score is 4.874 and the Standard Deviation is 0.126, indicating that the involvement of the internal audit committee with the board of directors has a significant effect on the company's profitability. With a mean score of 4.731 and a standard deviation of 0.269, most people agreed that the Board of Director's independence is overseen by the internal audit committee. The majority of respondents (59.2%; standard deviation: 0.408) strongly agree that the company has an internal audit committee that monitors financial statements. Means Score = 4.452, Standard Deviation = 0.548, 100% of respondents agree that the internal audit committee has the final say on the directors' earnings per share. The internal audit committee should decide how the company's earnings per share will be used internally, as voted on by the staff (Means Score = 4.538, SD = 0.462).

With a Means Score of 4.685, there was broad consensus that the Board of Directors' autonomy was a critical factor in the company's financial success. By monitoring financial reporting, internal controls over financial reporting, and independent audits of these systems, audit committees play a crucial role in the financial reporting processes of publicly traded companies. The board of directors is accountable for monitoring the company's internal controls, as well as ensuring that the company complies with all applicable laws and regulations.

The results are consistent with those of Kimeu (2013), Laskowska and Torgomyan (2016), Vianney (2013), and Kouki (2018), all of whom found that the composition of the internal audit committee had a substantial impact on financial results.

5.2 Conclusion

As per the study findings the conclusions were discussed in regards to the specific objectives of this study;

5.2.1 Board Structure and Financial Performance

In order to determine the strength and nature of the relationships between the independent variables and the dependent variable, regression analysis was used. SACCO board structure in Kenya's Kiambu County is influenced by the variables under the model, according to a regression analysis. Financial performance is positively correlated with board structure, and thus it can be concluded that improving aspects of managerial ownership in Kiambu County deposit taking SACCOs will increase their return on assets.

5.2.2 Board Diversity and Financial Performance

Dt-SACCOs in Kiambu County's financial performance has a positive correlation with board diversity, according to correlation results. Dt-SACCOs' financial performance improves significantly when board independence practices are improved. Dt-SACCO Societies in Kiambu County's financial performance is positively influenced by board independence, according to the results of a regression study. As a result of the findings, the researchers concluded that treating shareholders in a diverse manner increases shareholder confidence and commitment in SACCOs, contributing directly to the organizations’ performance.

5.2.3 CEO Duality and Financial Performance

SACCOs' financial performance was improved by incorporating CEO Duality into the board and implementing key governance practices that uphold the rights of shareholders, according to the study.

5.2.4 Directors Equity and Financial Performance

Dt-SACCOs in Kiambu County's growth can be attributed to improved board independence practises such as monitoring financial performance of the SACCO, participating in strategic decisions of the SACCO, and giving the board freedom to determine SACCO's financial state.

5.2.5 Moderating effect of Internal Audit Committee Structure on Board of directors independence and Financial Performance

Financial and board autonomy are both enhanced by Dt-SACCOs in Kiambu County. Financial reporting, internal controls over financial reporting, and independent audits of such systems are all areas that the audit committees of publicly traded companies are tasked with supervising.

5.3 Recommendations

Based on the conclusion the following recommendations were made as follows;

5.3.1 Recommendation for Practice

The independence of the board of directors (Board structure, Board Diversity, CEO Duality, Director's Equity) serves to monitor the management of a Dt-Sacco. Management practices that are effectively controlled by the board of directors will improve the financial performance of the Dt-Sacco. It is impossible for an organization's assets and underlying framework to function properly without a board that takes on administrative and oversight responsibilities. Individuals on the board of directors should have a thorough understanding of the threats the organization faces, as well as the methods used to monitor, check, and control those threats.

5.3.2 Recommendation for Policy

The financial performance of a Dt-Sacco is generally improved by putting management power and freedom on the board. As a result of their relevant expertise and skills, the board of directors can have a significant impact on a Dt-Sacco's financial performance, as the findings show. It is recommended by the study that the board structure, board diversity, CEO duality, director's equity for financial performance should be characterized by an increase in gender balance of the board members, an increase in meetings, increased managerial ownership and improved equity of each director for improved financial performance of Dt-Sacco's in Kiambu County.

5.4 Suggestion for Further Research

The purpose of this research was to examine the relationship between the financial success of deposit-accepting SACCOs in Kiambu County and the presence or absence of an independent Board of Directors. The authors recommend conducting the study again with Kenyan Dt-Saccos to see how the addition of chief executive officer duality and director equity interest affects financial performance.

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APPENDICES

Appendix I: Introduction Letter

Dear Respondents,

RE: PERMISSION FOR RESEARCH

As part of the academic requirement for graduation at Mount Kenya University, I am required to research my specialization to build up more knowledge for future expectations. I am therefore researching the effect of the board of director's independence on the financial performance of deposit-taking savings and credit co-operative in Kiambu County. Your company has been selected as an appropriate source of study information. I would therefore ask you to allow this study to be carried in your institution.

Yours Faithfully,

Mary Katheu Nzomo

Mobile: 0725671708

Appendix II: Consent Form for Participation in Research

Effect of Board of Directors Independence and Financial Performance of Deposit Taking Savings and Credit Co-Operative in Kiambu County

Dear Participant,

I invite you to participate in my research study on the "Analysis of the effect of Board of Directors Independence on the Financial Performance of Deposit Taking Savings and Credit Co-Operative in Kiambu County". I am already enrolled in the Master's Degree in Accounting and Finance Business Management and am working on my Master's Project. The study aims to establish the Analysis of the effect of Board of Directors Independence on the Financial Performance of Deposit Taking Savings and Credit Co-Operative in Kiambu County. The enclosed questionnaire was designed to gather information on the aforementioned study topic.

Your participation is entirely voluntary in this research project. You may decline completely or leave any questions that you do not want to answer blankly. Beyond those encountered in everyday life, there are no known risks to participation. Your answers will remain confidential and anonymous.

Please contact the INVESTIGATOR if you have any questions about this research study; Mary Katheu phone No. 0725671708 or my supervisor Dr. Bancy Wawira Muchira, Business and Economics School, University of Mount Kenya - THIKA campus. If you have concerns about your rights as a research subject, please contact the Secretary, Mount Kenya University, Ethical Review Committee, P.O Box 342 - 01000, Thika.

Thank you for your assistance.

CONSENT

I read the information and understood them, and I had the chance to ask questions. I know my contribution is voluntary, and without any reason or charge, I will withdraw at any time. I agree that I can receive a copy of this consent paper. I believe that I should volunteer to participate in this study.

Signature of the Participant.................... Date..

Signature of the Investigator.................... Date ....

Appendix III: Questionnaire

This questionnaire is designed to collect information and learn more about the "**Analysis of the Effect of Board of Director independence and Financial Performance of Deposit Taking Savings and Credit Co-Operative in Kiambu County."** Your participation is very important and yet voluntary. The information obtained will only be used for academic purposes and shall be treated with confidentiality (Kindly tick where appropriate).

Part I: Demographic information

Please tick (✓) that which is correct

1. What is your gender?

   Male ( ) Female ( )

2. Highest Level of education and training attained?

   Bachelor Degree ( ) Other professional course ( )

   Master Degree ( )

3. What is your Marital Status?

   Married ( ) Divorced ( ) Separated ( )

   Single ( ) Widowed ( )

4. How long have you been serving/working at the SACCO's?

   1 - 5 years ( ) 6 - 10 years ( ) 11 - 15 years ( )

5. What are the current membership charges in your Sacco? Please tick (✓) appropriately (in Ksh.)

   i. Up to 1,000 ( )
   ii. 1,001 – 5,000 ( )
   iii. 5,001 – 10,000 ( )
   iv. Over 10,000 ( )

Part II: Board Structure and Financial Performance

6. The board structure is a key determinant of the Board of Director independence on the financial performance of DT-SACCOs in Kiambu County.

   Kindly indicate your level of agreement on the following statements using the 5 Likert Scale where; 5= Strongly Agree, 4 = Agree; 3= Neutral; 2= Disagree and 1= Strongly Disagree.

   Please tick (✓) appropriately.

Statement	5	4	3	2	1
The number of shareholder ownership increases the efficiency of SACCO's					
Managerial ownerships challenges and disciplines management which in-turn influences financial position and profitability					
An expatriate managerial ownership has superior knowledge and is likely to improve the performance of a Sacco					
Managerial ownership is a more effective monitors of management					
SACCO's with less shareholder ownership is less profitable					
The number of managerial ownership has improved the effectiveness of the board in influencing the financial performance of the Sacco					

7. In your own opinion, what are the other parameters in the board structure of the Board of Director independence on the financial performance of DT-SACCOs in Kiambu County?

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……………………………

Part III: Board Diversity and Financial Performance

8. Board diversity is a key determinant of the Board of Director independence on the financial performance of DT-SACCOs in Kiambu County.

Kindly indicate your level of agreement on the following statements using the 5 Likert Scale where; 5= Strongly Agree, 4 = Agree; 3= Neutral; 2= Disagree and 1= Strongly Disagree.

Please tick (✓) appropriately.

Statement	5	4	3	2	1
The internal director's year of experience affects the financial performance of SACCO's.					
Having board gender diversity of the directors gives power to the decision making in the board meeting.					
Increasing the Value of a share affects the finances of SACCO.					
Financial performance is related to the gender diversity in the company every year					

9. In your own opinion what are the other parameters in board diversity of Board of Director independence on financial performance of DT-SACCOs in Kiambu County?

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……………………………

Part IV: CEO Duality and Financial Performance

10. CEO duality is a key determinant of the Board of Director independence on the financial performance of DT-SACCOs in Kiambu County.

Kindly indicate your level of agreement on the following statements using the 5 Likert Scale where; 5= Strongly Agree, 4 = Agree; 3= Neutral; 2= Disagree and 1= Strongly Disagree.

Please tick (✓) appropriately.

Statement	5	4	3	2	1
The age of the company determines CEO duality and financial performance of SACCO's					
The increased number of meetings has increased the financial performance of SACCO's					
Due to the many sessions held in the company, it has positively impacted the SACCO's financial performance.					
The meetings held have promoted accountability and facilitated division of responsibility in influencing the performance of the firm					
Non-CEO Duality promotes increased Board of Directors monitoring					
Non CEO Duality leads to efficient control by the Board of Directors					

11. In your own opinion what are the other parameters in CEO duality of Board of Director independence on financial performance of DT-SACCOs in Kiambu County?

………
………
………
……………………………………………………………

Part V: Directors' Equity Interest and Financial Performance

12. Directors' equity interest is a key determinant of the Board of Director independence on the financial performance of DT-SACCOs in Kiambu County.

Kindly indicate your level of agreement on the following statements using the 5 Likert Scale where; 5= Strongly Agree, 4 = Agree; 3= Neutral; 2= Disagree and 1= Strongly Disagree.

Please tick (✓) appropriately.

Statement	5	4	3	2	1
Director's equity interest is significant for the company's business performance.					
The equity interests of the directors influence the company's profitability.					
Director's equity interests suggest the kind of investments the company should pursue.					
A wealth of maximization of the intellectual capital in the organization is influenced by the director's equity interests.					
Director's self-interest has a significant impact on the intellectual capital of the business.					
Director's equity interests determine how the company's' intellectual capital will be implemented in the organization.					

13. In your own opinion, what are the other parameters in Directors' equity interest of the Board of Director independence on the financial performance of DT-SACCOs in Kiambu County?

………
………
………
……………………………………………………………

Part VI: Moderating Internal Audit Committee Structure on Board of directors independence and Financial Performance

14. The internal audit committee is a moderating determinant of the Board of Director independence and financial performance of DT-SACCOs in Kiambu County.

Kindly indicate your level of agreement on the following statements using the 5 Likert Scale where; 5= Strongly Agree, 4 = Agree; 3= Neutral; 2= Disagree and 1= Strongly Disagree.

Please tick (✓) appropriately.

Statement	5	4	3	2	1
The size of the internal audit committee determines the effect of the board of directors independence and financial performance					
The more the engagement with the internal audit committee with the directors influences the company's profitability.					
The Board of Director independence it's regulated by the internal audit committee.					
With an internal audit committee in the company financial performance is observed.					
Director's earning share is regulated by the internal audit committee.					
The internal audit committee determines how the company's' earnings per share will be implemented in the organization.					

15. In your own opinion, what are the other parameters in moderating the internal audit committee on the Board of Director independence on the financial performance of DT-SACCOs in Kiambu County?

    ………
    ………
    ……………………………………………………………………………

Part VII: Financial Performance

16. The study aimed to establish the effects of Board of Director independence on the financial performance of deposit-taking SACCOs, with specific reference to Kiambu County.

    Kindly indicate your level of agreement on the following statements using the 5 Likert Scale where; 5= Strongly Agree, 4 = Agree; 3= Neutral; 2= Disagree and 1= Strongly Disagree.

    Please tick (✓) appropriately.

Statement	5	4	3	2	1
Board structure influences return on assets					
Board diversity influences return on equity.					
CEO duality influences financial performance.					
Director's equity influences return on assets.					

Thank you very much for your participation

Appendix IV: Ethical Review Committee Certificate

Mount Kenya University

MKU

DIRECTORATE OF GRADUATE STUDIES

MBA/58223/2014

3rd March, 2022

The Director, Research Coordination Division
National Commission for Science, Technology & Innovation
Utalii House, 8th & 9th Floor
P.O Box 30623- 00100
NAIROBI

Dear Sir/Madam,

RE: MARY KATHEU NZOMO – REGISTRATION NO. MBA/58223/2014

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

The title of her research is *"Analysis of the Board of Director Independence on the Financial Performance Deposit Taking Savings and Credit Cooperative Societies in Kiambu County, Kenya."*

She has been cleared by the University's Ethics Review Committee (Certificate attached) and now has to proceed to the field to collect data for her research between March, 2022 and May, 2022.

Any assistance accorded to her will be highly appreciated.

Thank you.

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

Dr. Samuel M. Karenga Ph.D
Director, Graduate Studies
Enc.

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Appendix V: NACOSTI License

REPUBLIC OF KENYA

NATIONAL COMMISSION FOR
SCIENCE,TECHNOLOGY & INNOVATION

Ref No: **212879**

Date of Issue: **31/March/2022**

RESEARCH LICENSE

This is to Certify that Ms.. Mary Katheu Nzomo of Mount Kenya University, has been licensed to conduct research in Kiambu on the topic: ANALYSIS OF THE BOARD OF DIRECTOR INDEPENDENCE ON THE FINANCIAL PERFORMANCE DEPOSIT TAKING SAVINGS AND CREDIT COOPERATIVE SOCIETIES IN KIAMBU COUNTY, KENYA for the period ending : 31/March/2023.

License No: **NACOSTI/P/22/16610**

212879

Applicant Identification Number

Director General
NATIONAL COMMISSION FOR
SCIENCE,TECHNOLOGY &
INNOVATION

Appendix VI: List of Registered Deposit-Taking SACCO's in Kenya

No.	DT-SACCOs
1.	2NK SACCO Limited
2.	Afya SACCO Limited
3.	Agro-Chem SACCO Limited
4.	Airports SACCO Limited
5.	All Churches SACCO Limited
6.	Amica SACCO Limited
7.	Ardhi SACCO Limited
8.	Asili SACCO Limited
9.	Azima SACCO Limited
10.	Bandari SACCO Limited
11.	Baraka SACCO Limited
12.	Baraton University SACCO Limited
13.	Biashara SACCO Limited
14.	Biashara Tosha SACCO Limited
15.	Bi-High SACCO Limited
16.	Bingwa SACCO Limited
17.	Boresha SACCO Limited
18.	Capital SACCO Limited
19.	Centenary SACCO Limited
20.	Chai SACCO Limited
21.	Chuna SACCO Limited
22.	Comoco SACCO Limited
23.	Cosmopolitan SACCO Limited
24.	County SACCO Limited
25.	Daima SACCO Limited
26.	Dhabiti SACCO Limited
27.	Dimkes SACCO Limited
28.	Dumisha SACCO Limited
29.	Eco-Pillar SACCO Limited
30.	Egerton SACCO Limited
31.	Elimu SACCO Limited
32.	Enea SACCO Limited
33.	Faridi SACCO Limited
34.	Fariji SACCO Limited
35.	Fortitude SACCO Limited
36.	Fortune SACCO Limited
37.	Fundilima SACCO Limited
38.	GDC SACCO Limited
39.	Golden Pillar SACCO Limited
40.	Good Faith SACCO Limited
41.	Goodway SACCO Limited
42.	Gusii Mwalimu SACCO Limited
43.	Harambee SACCO Limited
44.	Hazina SACCO Limited
45.	Ilkisonko SACCO Limited
46.	Imarika SACCO Limited
47.	Imarisha SACCO Limited
48.	Invest and Grow (IG) SACCO Limited
49.	Jacaranda SACCO Limited
50.	Jamii SACCO Limited
51.	Joinas SACCO Limited
52.	Kencream SACCO Limited
53.	Kenpipe SACCO Limited
54.	Kenversity SACCO Limited
55.	Kenya Achievas SACCO Limited
56.	Kenya Bankers SACCO Limited
57.	Kenya Highlands SACCO Limited
58.	Kenya Police SACCO Limited
59.	Kimbilio Daima SACCO Limited
60.	Kingdom SACCO Limited
61.	Kipsigis Edis SACCO Limited
62.	Kite SACCO Limited
63.	Kitui Teachers SACCO Limited
64.	Kolenge Tea SACCO Limited
65.	Koru SACCO Limited
66.	K-Pillar SACCO Limited
67.	K-Unity SACCO Limited
68.	Kwetu SACCO Limited
69.	Lainisha SACCO Limited
70.	Lamu Teachers SACCO Limited
71.	Lengo SACCO Limited
72.	Mafanikio SACCO Limited
73.	Magadi SACCO Limited
74.	Magereza SACCO Limited
75.	Maisha Bora SACCO Limited
76.	Mentor SACCO Limited
77.	Metropolitan National SACCO Limited
78.	MMH SACCO Limited
79.	Mombasa Port SACCO Limited
80.	Mudete Factory Tea Growers SACCO Limited
81.	Muki SACCO Limited
82.	Mwalimu National SACCO Limited
83.	Mwietheri SACCO Limited
84.	Mwito SACCO Limited
85.	Nacico SACCO Limited
86.	Nafaka SACCO Limited
87.	Nandi Farmers Sacco
88.	Nanyuki Equator SACCO Limited
89.	Nation SACCO Limited
90.	Nawiri SACCO Limited
91.	Ndege Chai SACCO Limited
92.	Ndosha SACCO Limited
93.	New Forties SACCO Limited
94.	Nexus SACCO Limited
95.	Ng'arisha SACCO Limited

96.	Noble SACCO Limited
97.	NRS SACCO Limited
98.	NSSF SACCO Limited
99.	Nufaika SACCO Limited
100.	Nyala Vision SACCO Limited
101.	Nyambene Arimi SACCO Limited
102.	Nyati SACCO Limited
103.	Ollin SACCO Limited
104.	Patnas SACCO Limited
105.	Prime Time Sacco
106.	PUAN SACCO Limited
107.	Qwetu SACCO Limited
108.	Safaricom SACCO Limited
109.	Sheria SACCO Limited
110.	Shirika SACCO Limited
111.	Shoppers SACCO Limited
112.	Simba Chai SACCO Limited
113.	Siraji SACCO Limited
114.	Skyline SACCO Limited
115.	Smart Champions SACCO Limited
116.	Smart Life SACCO Limited
117.	Solution SACCO Limited
118.	Sotico SACCO Limited
119.	Southern Star SACCO Limited
120.	Stawisha SACCO Limited
121.	Stima SACCO Limited
122.	Suluhu SACCO Limited
123.	Supa SACCO Limited
124.	Tabasamu SACCO Limited
125.	Tabasuri SACCO Limited
126.	TAI SACCO Limited
127.	Taifa SACCO Limited
128.	Taqwa SACCO Limited
129.	Taraji SACCO Limited
130.	Tembo SACCO Limited
131.	Tenhos SACCO Limited
132.	Thamani SACCO Limited
133.	The Apple SACCO Limited
134.	Times-U SACCO Limited
135.	Tower SACCO Limited
136.	Trans- Elite County SACCO Limited
137.	Trans Nation SACCO Limited
138.	Trans-Counties SACCO Limited
139.	Trans-National Times SACCO Limited
140.	Ufanisi SACCO Limited
141.	Ukristo Na Ufanisi Wa Anglicana SACCO Limited
142.	Ukulima Saco Society Ltd
143.	Unaitas SACCO Limited

96.	Noble SACCO Limited
97.	NRS SACCO Limited
98.	NSSF SACCO Limited
99.	Nufaika SACCO Limited
100.	Nyala Vision SACCO Limited
101.	Nyambene Arimi SACCO Limited
102.	Nyati SACCO Limited
103.	Ollin SACCO Limited
104.	Patnas SACCO Limited
105.	Prime Time Sacco
106.	PUAN SACCO Limited
107.	Qwetu SACCO Limited
108.	Safaricom SACCO Limited
109.	Sheria SACCO Limited
110.	Shirika SACCO Limited
111.	Shoppers SACCO Limited
112.	Simba Chai SACCO Limited
113.	Siraji SACCO Limited
114.	Skyline SACCO Limited
115.	Smart Champions SACCO Limited
116.	Smart Life SACCO Limited
117.	Solution SACCO Limited
118.	Sotico SACCO Limited
119.	Southern Star SACCO Limited
120.	Stawisha SACCO Limited
121.	Stima SACCO Limited
122.	Suluhu SACCO Limited
123.	Supa SACCO Limited
124.	Tabasamu SACCO Limited
125.	Tabasuri SACCO Limited
126.	TAI SACCO Limited
127.	Taifa SACCO Limited
128.	Taqwa SACCO Limited
129.	Taraji SACCO Limited
130.	Tembo SACCO Limited
131.	Tenhos SACCO Limited
132.	Thamani SACCO Limited
133.	The Apple SACCO Limited
134.	Times-U SACCO Limited
135.	Tower SACCO Limited
136.	Trans- Elite County SACCO Limited
137.	Trans Nation SACCO Limited
138.	Trans-Counties SACCO Limited
139.	Trans-National Times SACCO Limited
140.	Ufanisi SACCO Limited
141.	Ukristo Na Ufanisi Wa Anglicana SACCO Limited
142.	Ukulima Saco Society Ltd
143.	Unaitas SACCO Limited

144.	Uni-County SACCO Limited
145.	Unison SACCO Limited
146.	United Nations SACCO Limited
147.	Universal Traders SACCO Limited
148.	Ushuru SACCO Limited
149.	Vihiga County Farmers SACCO Limited
150.	Viktas SACCO Limited
151.	Vision Africa SACCO Limited
152.	Vision Point SACCO Limited
153.	Wakenya Pamoja SACCO Limited
154.	Wakulima Commercial SACCO Limited
155.	Wanaanga SACCO Limited
156.	Wananchi SACCO Limited
157.	Wanandege SACCO Limited
158.	Washa SACCO Limited
159.	Waumini SACCO Limited
160.	Wevarsity SACCO Limited
161.	Winas SACCO Limited
162.	Yetu SACCO Limited

Source: (SASRA, 2021)

Appendix VII: List of Registered Deposit-Taking SACCO's in Kiambu County

1. Afya SACCO Limited
2. All Churches Sacco
3. Baraka SACCO Limited
4. Bananahill SACCO Limited
5. Biashara SACCO Limited
6. Bingwa SACCO Limited
7. Carriers SACCO Limited
8. Daima SACCO Limited
9. Dimkes SACCO Limited
10. Enea SACCO Limited
11. Faraji SACCO Limited
12. Fortune SACCO Limited
13. Goodway SACCO Limited
14. Chai SACCO Limited
15. Jacaranda SACCO Limited
16. Kiambuu SACCO Limited
17. Kenya Canners SACCO Limited
18. Joinas SACCO Limited
19. Kwetu SACCO Limited
20. K-Unity SACCO Limited
21. Mentor SACCO Limited
22. Metropolitan National SACCO Limited
23. Ollins SACCO Limited
24. Mweitheri SACCO Limited
25. Nawiri SACCO Limited
26. Nufaika SACCO Limited
27. Nyala SACCO Limited
28. Orient SACCO Limited
29. Smart Champions SACCO Limited
30. Solution SACCO Limited
31. Southern Star SACCO Limited
32. Stake Kenya SACCO Limited
33. Suba Teachers SACCO Limited
34. Tai SACCO Limited
35. Taifa SACCO Limited
36. Tower SACCO Limited
37. Unison SACCO Limited
38. Wakulima Commercial SACCO Limited
39. Wanachi SACCO Limited
40. Wevarsity SACCO Limited
41. Yetu SACCO Limited
42. Winas SACCO Limited
43. Kenversity Sacco Limited

Source: (SASRA, 2021)