

**INFLUENCE OF COMMUNICATION PRACTICES ON PERFORMANCE OF
PROFESSIONAL BASED SAVINGS AND CREDIT CO-OPERATIVE SOCIETIES IN
NAIROBI COUNTY: A CASE OF KIMISITU SACCO LTD**

BY

WAITHIRA DAVID KARANJA

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DECLARATION

This research report is my original work and has not been submitted for an award in this or any other institution.

Signature

Date

**Waithira David Karanja
L50/76663/2009**

This research report is submitted for examination with my approval as the candidate's supervisor.

Signature.....

Date.....

**Dr. Naomi Mwangi
Lecturer, Department of Distance Studies.
University of Nairobi**

DEDICATION

This research project is dedicated to my loving wife Gillian, for her constant encouragement and selfless support she has offered me all through my studies.

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LIST OF ABBREVIATION AND ACRONYMS

ADM	Annual Delegates Meeting
AGM	Annual General Meeting
GDP	Gross Domestic Product
ICT	Information Communication Technology
IFRS	International Financial Reporting Standards
KERUSSU	Kenya Rural Savings and Credit Cooperatives Societies Union
KIMISITU	Kilimo na Misititu denoting agriculture and forestry
KUSCCO	Kenya Union of Savings and Credit Co-operatives
MIS	Management Information Systems
MOCDM	Ministry of Co-operatives and Marketing Development
SACCO	Savings and Credit Co-operatives Societies
SPSS	Statistical Package for Social Sciences
SWOT	Strengths, Weaknesses, Opportunities, Threats

ABSTRACT

Professional based Savings and Credit Co-operatives (SACCOS) are integral to the economic development of this country. Unlike other co-operatives societies, professional based Saccos attend to specific staff and professionals such as accountants, nongovernmental organizations staff among others. This study sought to determine whether communication practices employed by professional based savings and credit co-operative societies influence their organization performance. The study was on Kimisitu Sacco Ltd in Nairobi County which caters for professionals from NGOs, international organizations and embassies. The study was guided by four objectives which were to establish the influence of different modes of communication on organization performance of professional based Saccos, to assess the extent in which use of technology in communication influence performance of professional based Saccos in Nairobi County, to determine the relationship of member training on communication and its influence on performance of professional based Saccos and to establish how internal communication procedures influence organizational performance of professional based Saccos. Literature reviewed shows that communication is an important aspect for organization's performance. It is the lifeblood to any organization. The target population of the study was 5,964 active Kimisitu members. For the purposes of this study, the researcher studied subjects in Nairobi County. Descriptive correlation survey design was employed in this research. Stratified simple sampling technique was used to identify the sample of 400 subjects whereby Nairobi County was divided into four strata. Primary data was collected through two questionnaires one targeting Kimisitu staff and the other targeting the members. Reliability of research instrument was done through test and retest method. Quantitative data was analyzed using descriptive statistics that included determination of mean, frequency and percentage occurrences while qualitative data was analyzed by thematic discussions drawn from research objectives. The study revealed that indeed modes of communication used by these Saccos influenced their organizational performance with 85% of the respondents indicating that they received most communication via email which suited them and hence they were able to make informed decisions on their investments in Kimisitu Sacco Ltd. The study further revealed a relationship between member training and increased organization performance with 92% of the respondents agreeing that training created all rounded members and 74% indicating that training forums increased their product knowledge and uptake. On use of technology in communication, the study 75% of respondents visited the website frequently to seek product information. Lastly the study revealed that internal communication practices contributed to higher performance and profitability as evidenced by a strong mean of 1.6. The study recommended that Kimisitu Sacco should diversify its modes of communication in order to meet member's needs. The Sacco also ought to adopt an open door policy to enhance employee engagement and enable clear information dissemination within its hierarchy. Lastly the study recommended that the government create exchange programs for Saccos within the industry for benchmarking and learning purposes with an emphasis on communication practices.

CHAPTER ONE INTRODUCTION

1.1 Background of the study

The Co-operative movement has its origins in Europe in the 19th century primarily in Britain and France. The industrial revolution and increasing mechanism of the economy, transformed society and threatened the livelihoods of many workers. The concurrent labor and social movements attempted to address issues resulting from changes in the economy at the time led to the birth of modern day co-operatives as we know them. By 1830, there were several hundred co-operatives. Some were initially successful, but most cooperatives founded in the early 19th century had failed by 1840 due to mismanagement, mergers and other challenges (Peacock, 2008).

According to Birchall (1997) the co-operative movement in Europe gradually evolved especially in 1990s where co-operative enterprises were formed successfully. Co-operative enterprises are now widespread, with one of the largest and most successful examples being the industrial Mondragon Cooperative Corporation in the Basque country of Spain. In many European countries, cooperative institutions have a predominant market share in the retail banking and insurance businesses. They are also hugely involved in marketing and management of the common goods, in countries such as Greece, Belgium among others.

In India, the Cooperative movement began in pre independence period and it is one of the largest in the world. Co-operative movement has made tremendous progress in every aspects of the Indian economy. Co-operative activities occupy a major place in the sphere of the Indian economy (Kamat, 2011). According to Kamat (2011), the co-operative movement was started with a limited scope of activities of rural credit but now it has entered in all fields of economic activity with social essence. Now the movement which has covered 100 per cent villages and 75 per cent rural households and functioning over 545,000 Co-operatives of various levels with membership coverage of 236 million and working capital of 34,00,555 million people inclusive of credit and non-credit co-operative societies. It has been playing a significant role in disbursing agricultural credit, distribution of agricultural inputs, providing market support, processing, etc. Co-operative movement has been recognized as an effective instrument for the economic development of the rural masses and for improvement in the socio-economic condition of the poor.

In Africa, co-operatives were introduced by colonial authorities in the pre independence Africa and therefore were viewed within colonial environment. The colonialists introduced mechanisms that would foster cooperative development including legal frameworks, promotional schemes and funding systems. These colonial efforts set the tone for cooperative development in Africa (Develtere, 2008). Cooperatives were mainly set up as marketing and distribution channels for farm produce such as coffee, tea milk cashew nuts etc. With time, cooperatives started providing credit facilities to farmers to help them purchase farm inputs to develop their land and livestock hence the reason why majority of cooperatives are agricultural based. According to Develtere (2008), there are over 150,000 cooperatives in Kenya, South Africa, Ghana, Egypt Senegal and Rwanda which are considered to have the highest cooperative penetration in Africa (Develtere, 2008).

According to Davis (1999), the genesis of co-operative movement in Kenya can be traced in the pre-independence period when the white settlers started the first co-operatives in Lumbwa valley Rift Valley province in 1908 (and Later on, in Central, Eastern and Nyanza provinces). Their aim was to acquire better and more efficient dairy and other agricultural production facilities and services. By 1963, there were 1,030 registered Co-operative Societies in Kenya and in 1966, a cooperative Societies Act was enacted which increased the government control over the co-operative movement (Davis, 1999).

The government, in the Sessional paper No. 8 of 1970 urged for the formation of crops based District Co-operative Unions by marketing co-operative societies so that they could organize and offer centralized services like training programs, banking and credit, transportation of produce, marketing of produce and sale of farm inputs. The Banking and Credit services were under Union Banking Sections' (UBSs) where members received their produce payments. These UBSs had no legal basis and with time a number of them collapsed due to transfer of funds to other loss making Union activities and general mismanagement, particularly poor lending. (Hedlund, 1988).

To further their development, the government further put in place various policy papers which appreciated the diverse role played by co-operatives in the national economy. These papers were; Sessional Paper No.10 of 1965 on "African Socialism and its application in the Planning and Management" paved way for the first Co-operative Act of 1966 (Cap.490) under which the self-help groups were then registered. This paper advocated for principles akin to those adopted by the co-operative movement and hence co-operatives were considered as a suitable vehicle with

appropriate framework to achieve aspirations of the majority of Kenyans in participating in economic development (GOK, 1965).

Sessional Paper No. 8 of 1970, urged for the formation of crops-based District Co-operative Unions by Marketing Co-operative Societies so that they could organize and offer centralized services like training programmes, banking and credit, transportation and marketing of produce and sale of farm inputs (GOK, 1970). Sessional Paper No. 1 of 1986 on “Economic Management for Renewed Growth” that set to renew the economic recovery and growth through a process of liberalization

The Sessional Paper proposed a number of fiscal and monetary policy reforms that were far reaching in terms of further opening up of the economy. It set off the process of undertaking far reaching institutional and structural reforms in the economy. (GOK, 1986)

Sessional Paper No. 6 of 1997 on “Co-operatives in a Liberalized Economic Environment outlined the government’s role as facilitative in nature i.e. create an enabling environment for cooperatives to operate. The other role was regulatory particularly in the formulation of policies and legislation. This meant no direct involvement in the running of the cooperatives. Liberalization saw the mergers and splits of various cooperative societies. They split into small uneconomic units. High levels of mismanagement mainly fueled this, and other factors beyond management’s control, like fluctuating market prices. Political influences could not be avoided and some individuals in management used their positions to gain political leverage. (Gamba and Komo 2006)

Presently the cooperative movement in Kenya is an important player in the social economic development of this country. Cooperatives cut across all sectors of the economy and provide an important framework for mobilization of both human and capital resources. With a membership of over 8 million in 13,000 registered cooperative societies, the Sacco sub sector in particular, has mobilized over Kshs. 230 billion from members of diverse backgrounds such as manufacturing, health, farming, education among others. There are also professional based co-operatives which cater for professionals in banking, accounting, and non-governmental organizations. In total, co-operatives contribute about 45% of the GDP and have created about 250 000 direct employment (MOCDM, 2011). In the financial sector, the savings and credit cooperatives (SACCOs) account for over 45% of the total registered Cooperatives, having grown from 3,627 in 2000 to 5,350 in 2008. SACCOs specialize in mobilizing savings and on lending

the same to the members. Over the same period, SACCOs have been the fastest growing cooperatives. The SACCOs are currently administered under a new Act and managed by the Sacco Societies Regulatory Authority (SASRA). The other 18% of the registered cooperatives cover housing, transport and other services (MOCDM, 2010).

Most Co-operatives in Kenya have not fully embraced effective communication practices that can help them to adapt easily to the ever changing business trends and compete favorably with other players in the financial sector, hence impacting greatly on their performance and remaining obscure. As a result cooperatives in Kenya have not fully exploited their potential. Udegbe, (2012) argues that communication is a life blood of organizations, as it is needed to exchange ideas, make plans and proposals, decisions among other important aspects. Once it stops organized activities ceases to exist and individual uncoordinated activity resumes.

1.2 Statement of the Problem

Co-operatives in Kenya operate in a very competitive financial environment largely dominated by commercial banks which offer similar products and conduct aggressive marketing. Banks also have a wide array of resources at their disposal and access to research and communication firms which help them further their agenda, something that most co-operatives in Kenya do not have.

Most professional based co-operatives in Nairobi County face myriad of challenges such as competition and limited resources. Their members are very informed, well educated, and very demanding. They are also clients of other financial institutions hence exposing them even further to competition. The former Ministry of Co-operatives and Marketing Development in its 2009-2013 marketing strategic plan identified inadequate resources, low staff capacity and lack of integrated marketing communication practices as some weaknesses affecting Saccos in Kenya (MOCDM marketing strategic plan, 2009-2013). The strategic plan further emphasized that there is limited promotion of initiatives such as provision of marketing information, building and communicating brands and low uptake of modern ICT technologies. This has had a negative effect on the way co-operatives market their products and services, communicate to their members, public and stakeholders and manage their business. As a result these Saccos have not fully taken advantage of emerging marketing opportunities through the web and internet that have transformed operations in other organizations through faster communication and cost reduction (MOCDM marketing strategic plan, 2009-2013).

Kimisitu Sacco Ltd caters for professionals drawn from nongovernmental sector, international organizations, embassies and foreign missions. Kimisitu Sacco Ltd is also a corporate based Sacco whereby, corporate have to be registered with it before their staff can become members. Kimisitu was started in 1986 at International Center for Research and Agro forestry (ICRAF) and back then admitted members from international organizations only. Currently the Sacco has about 325 organizations and over 6,200 members' country wide. Due to the nature of the sector in which it operates, some of its members are also in Diaspora. Collectively these members have amassed deposits worth Kshs 1.9 billion (Kimisitu annual report, 2012).

This growth has led to a myriad of communication challenges. The fact that the Sacco deals with diverse group of professionals cannot be understated. The Sacco in its 2009-2015 strategic plan identified communication to members, the public and other stakeholders as a major problem which was hampering its growth and penetration in the NGO sector. The strategic plan further noted that Kimisitu had not done any tangible advertisement, feature or newspaper pullout of its products and services in any main stream media since 2006 and that it relied solely on word of mouth and reputation for growth. (Kimisitu Strategic Plan, 2009-2015). In addition, the strategic plan further noted that Kimisitu Sacco had not embraced modern communication technologies which were important to efficient communication and service delivery. Kimisitu Sacco's supervisory committee annual report in 2011 also identified inadequate communication practices as a major risk and highlighted that the Sacco risked impeded growth due to lack of awareness of its products and services and obscurity in its main market segment. They also pointed out that this was main cause of discord between the Sacco and its members as they were not well versed with most policies, products and services due to lack of communication.

The committee further noted that there was lack of communication flow internally which led to low staff morale and sometimes errors that led to loss of revenue (Kimisitu annual report, 2011). According to NGO Coordination Board, there are over 6,000 nongovernmental organizations operating in Kenya (NGO Coordination Board, 2012). The fact that only 325 organizations are affiliated to Kimisitu Sacco since its inception in 1986 clearly shows that the Sacco has barely exploited its market segment which can largely be attributed to its low marketing communication activities.

Communication help further the strategic objectives of an organization because it is the vehicle used to enlist support of key publics to ensure that values of an organization are understood

(Gregory, 2010). It also fosters relationships with key publics who are ultimately responsible for the destiny of the organization for good or ill (Gregory, 2010). Good communication practices enhance opportunity for the organization to minimize threats by spotting problems or potential conflicts early and taking necessary mitigating action. Organizations that have good communication practices are able to influence behavior of their publics, consumers and other stakeholders. Communication also helps individuals and groups co-ordinate activities to achieve goals and it is vital in decision making, problem solving and change management processes (Rajhans, 2012).

According to Rajhans (2012) the way an organization communicates is also reflected in the morale, motivation and performance of employees and organization in general. Kimisitu Sacco Ltd must therefore seek to understand and address various communication needs of its diverse publics, using appropriate communication practices to achieve optimum organizational performance.

1.3 Purpose of the study

The purpose of the study was to determine the influence of communication practices on the performance of professional based savings and credit co-operative societies (Saccos) in Nairobi County.

1.4 Research objectives

This research sought to achieve the following objectives.

1. To establish the influence of modes of communication on performance of professional based Saccos in Nairobi County.
2. To assess the extent in which use of technology in communication influence performance of professional based Saccos in Nairobi County.
3. To determine the relationship of member training in communication and performance of professional based Saccos in Nairobi County.
4. To establish how professional based Saccos in Nairobi county internal communication procedures influence their overall performance.

1.5 Research questions

1. To what extent do modes of communication influence performance of professional based Saccos in Nairobi County?
2. To what extent does technology influence performance of professional based Saccos in Nairobi County?
3. To what extent members' training influences performance of professional based Saccos in Nairobi County?
4. How do internal communication procedures influence performance of professional based Saccos in Nairobi County?

1.6 Significance of the study

This study aimed at establishing the influence of communication practices used by professional based Saccos on their performance. With this knowledge, it would be possible to determine whether communication practices employed by these Saccos were effective and the influence they had on organizational performance. The study would also benefit the department of co-operatives in Kenya to advise Saccos on the best communication practices which they can use to enhance organizational performance. Lastly professional based Saccos could use the results of this study to improve their communication to their members, staff and other stakeholders in the sector and create awareness of their products and service hence increase their competitiveness in the financial industry.

1.7 Basic assumptions of the study

This study is based on the following assumptions;

1. The items in the questionnaire were understood by the respondents
2. The sample population chosen would agree to participate in the study and provide truthful and accurate information that would be useful to the study.

1.8 Limitations of the study

Due to the short time allocated, it was not possible to study members in all 320 organizations affiliated to Kimisitu Sacco Ltd country wide and therefore the researcher concentrated on members in organizations located in Nairobi County. Lastly, the few research books available on co-operatives in Kenya were found in government institutions. However the researcher

approached the Department of Cooperatives library that assisted him with helpful books and other resources.

1.9 Delimitations of the study

The researcher narrowed the scope to professional based savings and credit co-operative society's subsector (the researcher was a Kimisitu Sacco Ltd employee). Also to enable accuracy and access of information, the study concentrated its population on professionals and organizations affiliated to Kimisitu Sacco Ltd who patronize the Sacco's products and services.

1.10 Definitions of significant terms

Communication practices are modes and tactics that organizations use to pass their messages to intended audiences with an aim of positively influencing their behavior and attitudes towards the organization's products and services.

Internal communication procedures refer to mechanisms employed by an organization to ensure open and free flow of information both vertically and horizontally.

Member is a staff of a Kimisitu member organization who has applied and granted membership by Kimisitu Board of Directors, regularly saves and patronizes products and services of the Sacco.

Member organizations refer to organizations affiliated to Kimisitu Sacco Ltd which include nongovernmental organizations, foreign missions, international organizations embassies and other companies that have sought and granted membership.

Member Training refers to all activities undertaken by Kimisitu to educate members on its products, services, policies and bylaws. This may include but not limited to training forums, organization's visits, annual general meetings, champion forums among others.

Modes of Communication refers to various initiatives that Kimisitu uses to communicate to its members, public stakeholders and staff. These include notices, telephone, emails, brochures and flyers, website among other ways at its disposal.

Organizational performance comprises the actual output or results of an organization as measured against its intended outputs or goals and objectives.

Professional based Saccos refers to savings and credit co-operatives societies that caters for staff of various organizations who have come together with a common goal geared towards improving their livelihoods economically.

Technology refers knowledge and usage of tools, techniques, systems, and methods in an organization, to solve a problem, or achieve a goal or perform a specific function.

1.11 Organization of the study

This research project was organized as follows: Chapter one introduced the background of the study, statement of the problem, purpose of the study, objectives of the study, research questions, significance of the study, the basic assumptions, limitations, delimitations, and definitions of significant terms. Chapter two provides an in-depth literature review on influence of communication practices on organizational performance, conceptual framework, theoretical framework and the summary of literature reviewed.

Chapter three details the research methodology, research design, population of the study, sample size, the sampling procedure, data collection instruments, validity and reliability, and data analysis techniques and ethical considerations. Chapter four provides the analysis and interpretation of data collected. Finally, chapter five discusses the findings of the study, conclusions and recommendations and suggestions for further research and contribution to knowledge.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents literature related to communication and organizational performance; it also outlined various communication practices used by organizations and their influence on organization performance, theoretical and conceptual framework.

2.2 The concept of communication and organizational performance

Organizations can be seen as open social systems (Katz and Kahn, 1978) in which all of the components of the unit or system are interactive and interdependent (Goldhaber, 1986 in Fill, 2006). Modifying one part of a system and adjustments are made by all other components to accommodate change (Fill, 2006). According to Rajhans (2012) organizational communication has become far more complex and varied yet it is an important factor in overall organizational success and functioning. The way an organization communicates is reflected in morale, motivation and performance of its employees (Rahjans 2012).

Communication takes place in every level of organization hence it is the most dominant activity that an organization carries. Fundamentally, communication touches every aspect of organizations in that they are able to promote their products, educate their customers and make sales. Udegbe (2012) further points out that communication is needed in organizations to exchange information, exchange opinions, make plans and proposals, reach agreements, execute decisions, sending and fulfilling orders among other key organizational activities. Indeed when communication stops, organized and coordinated activity ceases and individuals return to dysfunctional distinct activities.

According to Kotler (2006) communication is the means by which firms attempt to persuade, inform and remind customers directly or indirectly about the products and brands which they sell. As such, communication is a “voice” of the brand and it is means by which it can establish dialogue and relationships with customers. Miller (2009) views an organization as containing five critical factors, namely existence of a social collectivity, individual and organizational goals, coordinating activity, organizational structure and the embedding of the organization within environment of other organizations. In all these factors, communication plays a central role in intersection and advancement of both organizational and individual goals so that the individual and the organization work together in fulfillment of these goals. It is also important in bringing

people together in an organization and creating relationships that are beneficial at all levels in the organizational structure and most importantly, relationships between the organization and other organizations, publics and stakeholders within its environment. We can therefore critically say that communication is the coordinating activity which helps interconnect all other activities in an organization. Communication is not just about sending simple messages to one or more receivers whose feedback is expected, it is about the intricate networks through which computers link to each other. It is the creation of meaning systems in families. Communication is about understanding a market segment to enhance persuasion and increase sales (Miller, 2009).

For organizations to perform optimally and realize the set goals and objectives, all stakeholders must exploit existing relationships within and without the organization. This is made possible by the amount of information that is exchanged at various levels. Fill(2006) while introducing relational communication theory, states that in an organization, communication events occur within a context or particular set of circumstances which not only influence the form of communication but also the nature and the way the communication is received and acted upon.. He further identifies four main contextual levels which are interpersonal, group, organizational and mass communication which forms part of a hierarchy whereby higher levels incorporate lower levels but add something new of their own (Fill, 2006). For example, where a manager has employees and assigns them a task which they must complete within set timelines (higher level to lower level communication), employees discuss the task among themselves and come up with a new and efficient means of accomplishing the task (interpersonal/group communication) and then revert to the manager with new information and a completed task (lower level to higher level communication).

Quoting Taylor and Altman (1987), Fill (2006) states that social penetration is an important aspect of relational communicational theory. Through disclosure of increasing amounts of information, about themselves, partners in a relationship (personal or organizational) develop levels of intimacy that serve to build interpersonal (inter organizational) relationships. The relationship moves forward as partners (organizations) reveal successive layers of information about each other, and as greater or breadth of information is shared, confidence grows. Fill concludes that this aspect of relational communication theory lies at the foundation of the development of trust, commitment and relational exchanges between organizations (Fill, 2006).

Therefore communication is important in persuading, moving, and convincing priority audiences and constituents to help an organization achieve its mission. How an organization articulates its mission, vision, values and desired outcomes determines whom it attracts as customers, employees and also whether it can leverage resources to achieve organization's mission. All these factors lead to higher organization performance.

Patterson and Radtke (2009) further highlights benefits of communication in an organization especially when put in a strategic framework. These benefits include setting priorities and clarifying future direction. As communication becomes integrated, staff members will approach their work in a new way routinely asking "whom are we trying to reach, what do we want them to do and how will we know if we have succeeded. The board members will have a framework for assessing the progress of the organization and determining how to integrate their efforts into organization's work. Communication also improves performance and stimulates creative thinking. When everyone on the staff and board understands why certain audiences are important and what actions the organization wants from those audiences, it is easier to focus planning and creativity on common objectives.

Communication helps build team work and expertise. When an organization highlights the synergy of communication activity with all aspects of its work, the staffs begin to share information in new ways. They look for ways to set priorities, coordinate resource allocation and improve internal communication. It also helps organizations use limited resources effectively. By setting clear consistent messages and determining priority audiences and dissemination strategies in advance of launching projects, staff members can maximize opportunities to combine messages and use certain communication vehicles with multiple audiences. For example while considering the value of investment against desired impact may encourage an organization to issue a straightforward financial report instead of spending scarce communication resources on a glossy annual report (Patterson and Radtke, 2009).

A number of important changes and trends have created the need and urge to integrate organizational communication for it to have desired impact and contribution to the overall organization performance. This has also seen the emergence of new forms of communications and media such as social media among other platforms. Today, most organizations are keen on cost cutting measures while at the same time seeking to deliver quality products and services that satisfy their market segment's needs and wants. Organizations have also seen the need for

greater levels of accountability and therefore have to tailor their messages in way that is cost effective yet delivers the message and have a desired impact on intended audiences. It is also important to note that the targeted audience is more informed and have options presented to it by rich information sources widely available to them. Organizations have also developed into more complex decision making units that require strategic communications at every level. This multi-level communication affects how the organization relates with its leadership (board and management) employees, customers, government agencies, other organizations within its industry among other stakeholders (Pelsmacker, 2004).

Pelsmacker (2004) further implies that traditional forms of communication especially mass media are becoming increasingly less effective. This has resulted to communication clutter which leads to increased irritation, and advertising avoidance behavior and to a situation whereby communication especially advertising) which in traditional, undifferentiated, and impersonalized media is less and less capable of attracting attention let alone convincing consumers. The same also happens when organization communicates internally using traditional communication forms such as pinned notices, memos and letters, which barely gets noticed by their intended audiences.

The need for integrated marketing strategies influencing behavior to drive the need for organizational products and services directly has further eroded the attractiveness of traditional mass media such as television, radio, magazines and newspapers. Using more and more channels and tools to reach the consumer effectively increases the need for integration of these tools (Pelsmacker, 2004).

2.3 Modes of communication and organizational performance

The environment under which professional based co-operative societies operate including the economic system, institutional structures , government policies and people values influence their development. Co-operative development has to be flexible to adapt to changes. Professional based Saccos like any other businesses have to pay attention to technology, global trends and in particular the dominance of multinational corporations which have increased competition even in the domestic markets of developing countries ((Kobia, 2011).

This means that these Saccos have to pay extra attention to how they communicate in order to achieve their intended objectives and perform optimally to give their shareholders an attractive rate of return. Professional based Saccos have also to put the necessary infrastructure including

ICT platforms and qualified personnel to drive the communication agenda in the organizations. In a study done at Kimisitu Sacco Ltd, a professional based Sacco in Nairobi in 2010; the Sacco invested about Kes 432,000 to enhance email communication in the society. This was done to address internal and external communication problems identified in a SWOT analysis done in 2009 by a contracted consulting company. These included communication breakdown between the Sacco its members and affiliated organizations which in turn was resulting to large member turnover as members withdrew to join competitor institutions they perceived to be more responsive to their needs. In addition, the Saccos products uptake was at its all-time low something which was directly connected to lack of product awareness again identified in the SWOT analysis (Kimisitu annual report, 2010).

Upon this investment, and other sustained communication efforts, the Sacco was able to reduce members' discontentment, increase product patronage and also membership grew from 2,873 in 2009 to 3,466 in 2010. Kimisitu was able to declare 33% increase in revenues (Kimisitu annual report, 2010). This shows a direct correlation between modes of communication used and this Sacco's performance. The Sacco also went ahead to incorporate other modes of communication such as use of social media, website as well as advocacy within its member organizations to create better understanding of its policies, products and services which have greatly benefited the Sacco.

Another success story is that of Co-operative Bank of Kenya which is a consortium of Saccos and is modeled around a professional Sacco model. According to Minishi (2012) the Co-operative Bank of Kenya which is the largest financial institution that mobilizes financial resources from the co-operative movement in Kenya embarked on a new business approach in 1995 that included strategic communication practices which included media messages, corporate social responsibility initiatives that received adequate media coverage and a rebranding exercise that positioned the bank as customer-focused, profit oriented and a dynamic business organization. As a result, bank's equity has been growing increasing almost four times to Kes 20.2 billion as at 2011 since 2006 and also has won various awards in the financial industry (Minishi, 2012).

Savings and credit co-operative is a powerful brand name. However there are challenges in creating and sustaining winning brand names. A good brand name requires research to find out how an organization or movement is perceived by its internal stakeholders and externally by

those it wishes to influence. This enables the development of a brand idea, a brand and communication strategy to various audiences (Kobia, 2011).

Professional based Saccos that have been able to employ strategic modes of communication such as interactive websites, email communication as well as engage communication professionals and media houses have been able to mobilize more funds as well as create adequate brand visibility and awareness of their products and services. In an interview with the Sacco Star April 2013 edition, a Credit Manager at Stima Sacco Ltd which caters for professionals in the electricity and energy sectors, emphasized that use strategies such as paid up TV and radio adverts, mail shots, website and social media as well as aggressive member education over a period of 3 months enabled the Sacco to exceed share subscription by 43% during a share mobilization exercise in 2011. The Sacco was targeting Kes 500 million but was able to raise Kes 713 million at the end of the exercise. (Kuscco Sacco Star April, 2013). In conclusion, modes of communication used by professional based Saccos have a greater impact on their profitability and general performance. They help create better understanding between these societies and stakeholders as well as increased brand visibility and products and services patronage which has immense benefits to these Saccos.

2.4 Use of technology in communication on performance of professional based Saccos

Technology is a major driving factor in social and economic growth and development in all countries. Organizations worldwide invest billions of dollars in technological innovations to improve their products, enhance communication and compete favorably in their respective sectors and business environment. The co-operative sector and more so professional based Saccos are not an exemption but also appreciate the need to embrace modern technologies to enhance their efficiency and service delivery. According to Coretec Ltd, a software company which is a major supplier of financial and information software to Saccos in East Africa, about 6 professional based Saccos with a base membership of over 30,000 members collectively invested an average of Kes 30 million between 2010 and 2011 on technology upgrade and acquisition of new financial and information systems(Coretec 2011). This shows that professional based Saccos consider technology as a major component in their efforts to increase profitability, enhance efficiency and communicate better with their customers and other stakeholders.

A report by Kenya Financial Sector Deepening (FSD) Programme on automation of Saccos and assessment of potential solutions indicated that in 2010 most Saccos and deposit taking micro finance institutions in Kenya had one or some other form for of MIS and financial software to

comply with Saccos and Societies Act of 2008. The other reason was to address challenges such as staff constraints and low budget while at the same time seeking to improve efficiency as well as improve quality and timeliness of their management information (FSD, 2010).

The report further indicated that Saccos that used MIS were able to increase efficiency, reduce manual effort and lower the risk of human error. The Saccos surveyed were also able to produce timely monthly financial reports in accordance with IFRS standards. In addition, they were also able to prevent delinquency by appraising loan applications following a rigorous process that was adapted to each loan product as well as monitor recovery of a portfolio of small business loans, where each borrower had a unique business that provides cash flow as collateral and means for repayment, so closely that delinquency was prevented. Also, automation enabled management to enforce compliance with agreed business processes and immediately identify deviation. This helped manage delinquency by ensuring that only eligible members could borrow loans. Additionally automation increased information access such that reports generated could be segmented providing insight to key value drivers such as growth, margin and delinquency per product, branch, month, week or day. The report concluded that that investment in automation have a significant and realizable positive net present value when fulfillment of regulatory requirements is coupled with improvement of business processes and increased use of data and intelligence for executive decision making(FSD, 2010).

Kobia (2011) while looking at the opportunities that exists for co-operatives asserted that technology will continue to drive economic growth in developing countries and therefore co-operatives should embrace it wholly. The mobile phone money transfer is fast becoming the preferred e-commerce service rivaling credit cards. The mobile money transfer technology MPESA and Airtel Money which are indigenous Kenyan innovations are rapidly changing conventional banking system and has especially improved transactions among the unbanked segments of communities. Other African countries are learning from Kenya, confirming that technology is a business enabler worth investing in (Kobia, 2011).

A taskforce report on strengthening the dairy co-operatives for efficient and effective production and marketing commissioned by MOCDM et al in 2010 identified ICT as the main driver of successful co-operative development. The report further called on Saccos to adopt ICT to exploit business opportunities and increase their preparedness and competitiveness, increase good reporting practices, transparency and accountability (MOCDM, 2010).

Therefore technology and more so communication technology has had a major impact on the performance of professional based Saccos and the co-operative movement in general. Saccos that have been quick to adopt technology have exploited numerous business opportunities, enhanced their competitiveness by providing innovative products to address their members' needs. In addition, there is increased transparency and proper reporting and also members are able to access information more easily (Kobia, 2011).

2.5 Member Training in Communication and organizational performance

Member training is an integral component in the co-operative movement here in Kenya and all over the world. Professional based Saccos are no exemption as the member remains the center of the Saccos activities. Members invest by contributing monthly contributions, patronizing the Saccos' products and also passing key resolutions that affect performance and direction of Saccos during annual general meetings (AGM) or delegates meeting (ADM). Therefore an educated member is an asset to the society as they are able to drive performance of their respective Saccos (MOCDM, 2010).

The need for member training was further asserted by a conference for co-operative leaders organized by the MOCDM's Education and Training division in June 2010. In a report by the conference, the participants stated the need for sustained member education in the co-operative sector to address challenges faced by the co-operative sector since its liberalization in 1997. The conference further stated that there was need for members to understand policy and legal environment need for higher capitalization which directly affect funding and performance to enhance their Saccos competitiveness in the business environment (MOCDM, 2010).

The conference resolved that co-operatives were sustainable business models owned, controlled and used by members who needed to be equipped with knowledge and skills to create understanding and synergy within themselves by harmonizing activities and policy direction. This would add value towards service delivery and improve the standard of living of members and help in poverty reduction (MOCDM, 2010).

In an interview with the Sacco Star April 2013, a KUSCCO publication, MOCDM Permanent Secretary Mr. Seno Nyakenyanya stated that the ministry values members' education in Saccos and has a structured policy for Saccos and co-operatives in addition to a fully-fledged Co-operative University College where members can get trained on various aspects pertaining to efficient running of co-operatives to ensure good performance. He further said that member

education and training is one of the seven co-operative principles that each co-operative society must follow. (Kuscco Sacco Star April, 2013).

Professional based Saccos in Kenya use variety of media and platforms for member training. One of the most popular media is the Sacco star a publication by KUSCCO. For example in April 2013 publication alone, the researcher counted 8 professional based Saccos which had been featured either in educative interviews or paid adverts that educated readers on benefits of belonging to these Saccos. This is by no means a small feat owing to the fact that the publication is distributed to over 3,000 Saccos countrywide. These Saccos were therefore able to train their members, the public and other stakeholders about their products and services as well as achieve adequate brand visibility which is important to performance of any organization. It is no wonder the financial results of some Saccos featured in the newsletter were impressive for the year 2012 due to these sustained training and marketing activities (Kuscco Sacco Star April, 2013)

In an article published at Kimisitu News July-September 2012 a quarterly publication by Kimisitu Sacco Ltd, Kimisitu chair Mr. Kennedy Auka highlighted the need for a training forum where he said that member training played a critical role in marketing, resource mobilization and addressing the challenges that modern Saccos were facing in the 21st century. He further stated that member training forums and modes provided a platform for members to network, communicate, exchange ideas and also grow together since they held common goals and interests resulting to better performance of the Sacco (Kimisitu News July-September, 2012).

This is further underlined by KERUSSU (2012) an umbrella body of rural Saccos in Kenya that believes that education and training is not only one of the cooperative principles but is a key activity of the sector. The Sacco sector requires enough knowledge and skills hence social empowerment, for the sector to survive and compete favorably well in the ever dynamic and competitive market. It is believed that education is the only tool to liberate organizations and this adds much value in the way our Saccos are run. Relevant skills and ability to utilize the same has great correlation to performance, thus the key reason as why the union capitalizes in this activity. (KERUSSU, 2012).

In conclusion, member training has greater impact on performance of professional based Saccos. This is because education not only empower members on the affairs of their respective Saccos but also members are also able to appreciate the need to run their organizations in a professional

manner, patronize products which lead to better performance and good returns. Training forums also provide a platform for members to communicate to their boards of directors on important aspects of strategy and direction that they feel their societies should take. Therefore, they are important sources of feedback from members and vice versa. Staff are also able to interact effectively since there is better understanding between them and members which reduce conflicts and discontentment. Also, regardless of the means Saccos use to train their members, whether it is through print and or electronic media, social media, meetings or education forums, the benefits cannot be understated (Davis,1999).

2.6 Internal communication procedures and organizational performance

Internal communication procedures play a critical role in performance of any organization. Employees and employers communicate at all times and at various levels and directions in the organizational structure regarding operations and general running of their organizations. This critical component of management cannot be understated as it has direct impact on organizational performance (Appleby, 1994). Professional based Saccos are not exempted from good internal communication procedures within their organizations and therefore any practice that is exercised in any sector can also be used as a gauge for best practices worth emulating for better results. Internal communication is important in enhancing relationships between the employer and employee and among employees, building teams, exchanging ideas, increasing productivity and product development.

Indeed, Hopkins (2006) states that where relationships exist and that employers realize that in environments where employees are able to move from one employer to another with relative ease, it is in the company's best interests to retain the smarter and more productive employees; doing all they can to communicate with them, inform them, influence them and enter into some sort of psychological contract with them is a wise move. Equally, in environments where employees have less chance to move, employers recognize that an unhappy and trapped employee is a potential liability. Organizations use various tools such as staff meetings, memos, emails, staff to staff newsletters, corporate newsletters among others.

Professional based Saccos in Kenya tend to focus more on affordable modes internal communication such as staff meetings, telephone, emails memos and letters which carry varying degree of messages. This is because these Saccos like other societies in Kenya operate within limited budgets and hence cost cutting is always top of their agenda (MOCDM, marketing

strategic plan 2009-2013). According to Gray and Larson (2006) internal communication flow is important as it helps staff across all levels to innovate, restore order resolve conflicts as well as develop new and better ways of doing things. The means and manner in which this communication is carried is a key determinant of whether communication will have positive or negative output. Where possible, internal communication should be on one on one forum as this is personal and helps assess responses and emotions which create better understanding.

Johnson (1996) give further insights on the issue such that where everyone has equal access to information and to everyone else; it's harder for anyone to feel that she's particularly privileged, or that she's being left out of the loop. It ultimately should lead to everyone feeling she's part of a team of equals, all of whom are treated similarly. Everyone feels respected and knows that his or her ideas are valuable. Indeed in organizations where internal communication is promoted, the benefits are immense. There is creation good team cohesion and understanding across organization and efficiency leading to good service delivery and satisfied customers.

Rabinowitz (2013) states that promoting internal communication is one of the most important things you can do to make sure that your organization runs smoothly and effectively. He further asserts that good internal communication will flourish if you can create an organizational climate of openness that is conducive to the free flow of communication and information in all directions; adjust your organization's systems or develop new ones to encourage, rather than discourage, internal communication; and create clear definitions of what needs to be communicated and by whom. Monitoring and adjusting your internal communication will help to maintain it at the level you need over the life of your organization (Rabinowitz, 2013). Therefore internal communication is essential for good performance of all organizations, professional based Saccos included. Where this is promoted, organizations are able to efficiently deliver services, enhance team work and give all staff a sense of belongingness. It also reduces human error within organization's departments and ensures conflicts and ineffective practices are identified early enough and effectively dealt with .The staffs also feel treated fairly and equitably and as a result they are able to give their best to the organization.

2.7 Theoretical Framework

A theoretical framework is an explanation of the research design used and describes the concepts, variables and theories underlying the study and the relationship among various variables (Ogula, 1998).

This research was based on structural functionalism theory. Functionalism, is a framework for building theory that sees society as a complex system whose parts work together to promote solidarity and stability hence functioning of the whole. This approach looks at society through a macro-level orientation, which is a broad focus on the social structures that shape society as a whole, and believes that society has evolved like organisms. This approach looks at both social structure and social functions. Functionalism addresses society as a whole in terms of the function of its constituent elements; namely norms, customs, traditions, and institutions (Babbie, 2010).

Farace (1977) views communicating and organizing as an application of structural functional systems theory in communication processes and represents one of the first comprehensive applications of systems theory in the field of communication studies. Organizations are seen as systems of at least two people with interdependence, input and throughput where communicators cooperate to produce a product by using energy, information and materials.

Miller (2009) while quoting Farace (1977) further asserts that information shared in this context is absolute i.e. Knowledge that is present in the system or distributed information which is diffused through the organization. In an organization there may be different structures, tasks, work and power relations and social communication. There are different networks roles between various groups in an organization that are created while communicating such as bridge where a member of the organization is linked to another, liaison-where a member connects two groups but is a member of neither and stand-alone group which is isolated from the rest(Miller,2009).

Finally, the theory states that communication in organizations is both functional and structural whereby it states that communication has functions such as production which deals with direction, coordination, control of task activities (what, when, how), innovation; which is the pathway through which suggestions and insights are communicated (generates change and new ideas in the system, and maintenance which preserves values and relationships necessary to keep system together. The structural aspect of communication deals with emergent patterns or

regularities in the transmission of messages in organizations i.e. who talks to who and also the flow of information through the organization (Farace, 1977).

2.8 Conceptual Framework

Conceptual framework can be defined as a set of broad idea and principles taken from relevant fields of enquiry and used to structure a subsequent presentation (Kombo and Tromp, 2006). It is a research tool aimed at assisting the researcher to develop awareness and understanding of the situation and communicate this.

Mugenda and Mugenda (1999) also defines conceptual framework as a hypothesized model identifying the concepts under study and their relationship. It demonstrates the inter relationships between variables of the study and is usually presented graphically or diagrammatically. The independent variables in this study were modes of communication, technology, member training and internal communication practices. Organization performance was the dependent variable. The intervening variables identified were Kimisitu affiliate member organizations, staff, board of directors and organizational contact persons.

According to literature reviewed earlier in this chapter, communication is an integral part of organizational success and performance. How an organization communicates and the modes it uses determine whether it is clearly understood by both its customers and staff. Indeed where staffs are able to access information they feel, respected, motivated and have a sense of responsibility and loyalty to the organization and the organization flourish. Member education helps members interact with their Sacco at the same create product awareness leading increased product uptake and hence profitability.

From the literature reviewed technology is instrumental in enhancing communication capabilities of professional based Saccos. The more they use it the better they are able to communicate with their members, staff, members and other stakeholders which amplify their competitiveness.

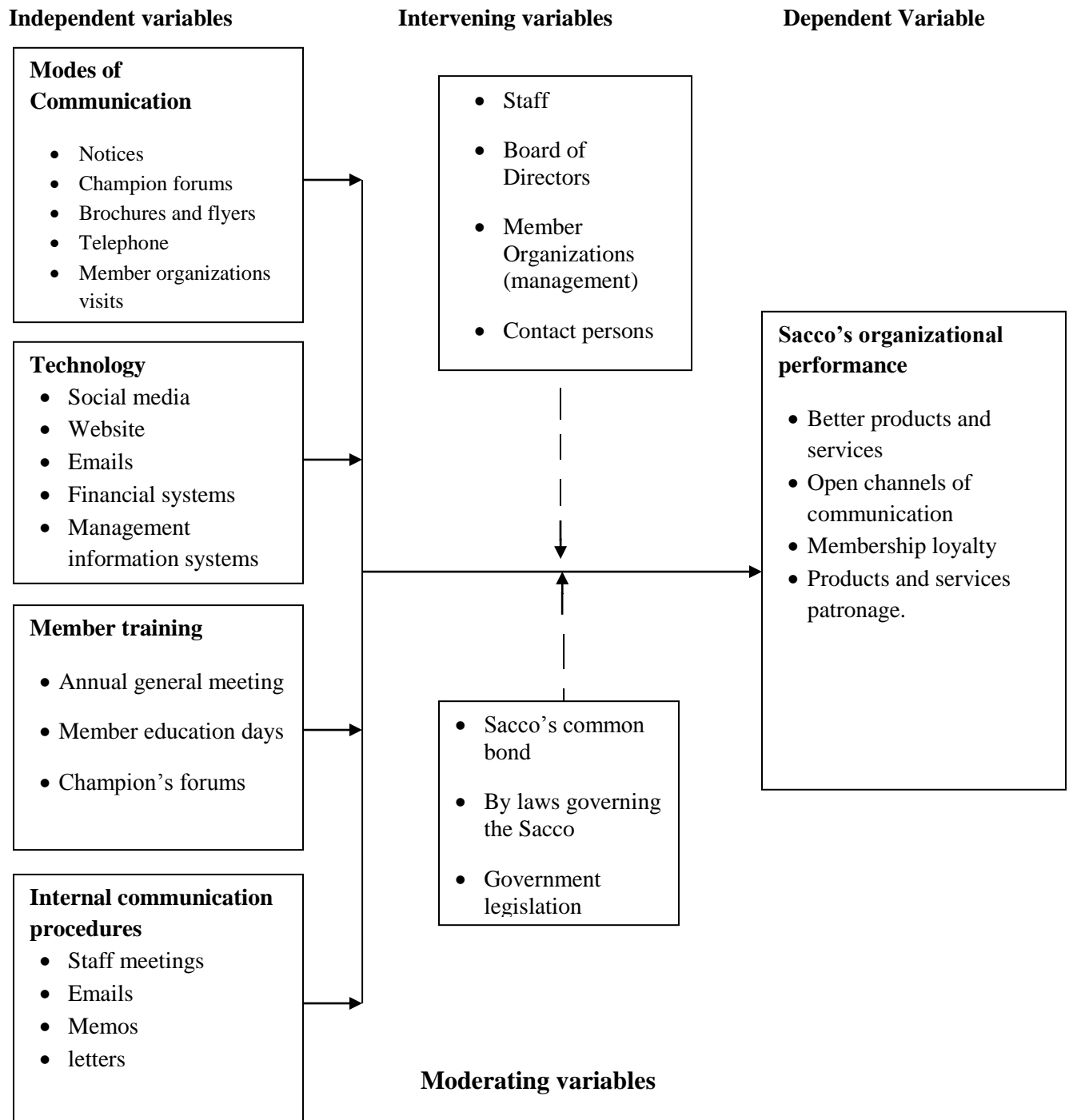


Figure 1 *Conceptual Framework on communication practices and their influence on organizational performance of professional based Saccos.*

2.9 Summary and Research Gaps

This chapter covered literature review on influence of communication practices on organizational performance of professional based Saccos. It described the concept of communication and organizational performance, highlighting the role of communication in organizational performance and clearly demonstrated that how an organization communicates determine whether its products, services, objectives and goals are understood by its customers, employees and other stakeholders that relate with the organization in one way or another.

The role of technology in communication was adequately covered and it is clear that professional based Saccos that have embraced technology in communication and general operations have higher performance, reduced human error and are better understood by their members and other stakeholders. Additionally, the literature reviewed highlighted the importance of member education in these Saccos, since they rely on members to patronize their products and services.

Internal communication procedures employed by professional based Saccos were accredited as key in ensuring smooth flow of information within the Saccos hence creating understanding of the goals, expectations and roles. This also led to team cohesion and synergy resulting to optimum performance.

The literature reviewed showed that although most professional based Saccos have embraced modern communication technologies which can help them communicate better with their members, the public and other stakeholders, they still need to do a lot more to benefit from these technologies. The literature reviewed showed that no research has been done to determine the impact of modern communication technologies in Sacco's communication practices. Therefore research should be done to determine how these Saccos can benefit from modern communication technologies. Additionally, the literature reviewed showed that most professional based Saccos have limited internal communication procedures due to the fact that they operate on limited budgets, and hence unable to put in place proper structures to support good internal communication practices, that encourage employee contributions and ideas exchange. This study identified that limited studies have been done on Saccos internal communication procedures and recommends that research to be done in order to determine how professional based Saccos can communicate internally in ways that encourage employee participation, build relationships and ideas exchange.

Finally, this chapter provides a theoretical framework on which this research is based on. It also provides a conceptual framework which outlines the relationship between the independent, intervening, moderating, and dependent variables. In conclusion communication practices such as modes of communication used, technology, member training and internal communication procedures influences the organizational performance of professional based Saccos but can be intervened by the staff, board of directors, affiliate organizations and their management as well as contact persons in these organizations. The Sacco's common bond and existing regulation also play a significant role in the performance of these Saccos.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research methodology applied in carrying out the research study. It also describes the research design, population of the study, sample size, the sampling procedure, data collection instruments, validity and reliability, and data analysis techniques and ethical considerations.

3.2 Research Design

According to Mugenda (2008) research design refers to overall conception of the study including description of all concepts, variables and categories, the relational propositions and the methods of data collection and analysis. It also refers to the process that the investigator will follow from inception to completion of the study. The researcher used descriptive correlation survey design which involves collecting information by interviewing or administering questionnaires hence suitable for extensive research. It is an excellent vehicle for the measurement of characteristics of a large population (Orodho, 2003).

According to Mugenda (2008) it is also concerned with assessing relationships among variables. It is based on the premise that if a statistically significant relationship exists between two variables, then it is possible to predict one variable using the information available on another variable. It is also useful in obtaining information concerning current status of phenomena and describes what exists with respect to variables or conditions in a situation (Koul, 1984). This design enabled the researcher to collect in depth information about the population being studied and also helped him analytically explain findings based on variables.

3.3 Target Population

Nachmias and Nachmias (1976) describe population as an aggregate of all cases that conform to some set of specifications. Sapford (2007) further defines population as the entire set about which we wish to make generalizations. This study targeted 5,966 active members and 20 staff of Kimisitu Sacco Ltd (Kimisitu annual report, 2012).

3.4 Sample Size and sampling procedure

Sampling is the process of selecting a number of individuals for a study in a way that the individual selected represents the large group from which they are selected (Chandran, 2003).

To determine the sample size, the Yamane (1967) formula was used and thus:-

$$n = \frac{N}{1 + Ne^2}$$

n = required responses

N = Population

e^2 = error limit

Applying the formula to the total Kimisitu members and staff population with an error of 5% and a confidence coefficient of 95% yielded a sample of

$$n = \frac{5966}{(1 + 5966) \times (0.05)^2}$$

$$n = \frac{5966}{5967 \times (0.0025)} = \frac{5966}{14.9175} = 399.93$$

Sample 400

In selecting the sample, the researcher opted to study subjects in member organizations located in Nairobi County. This was necessitated by the fact that member organizations affiliated to Kimisitu Sacco Ltd span across the country and therefore a lot of time and resources would have been required to study all of them and the researcher was limited in these.

For the purposes of this study, the researcher used stratified simple sampling technique to identify the sample whereby Nairobi County was divided into four strata which were: - Kilimani, Westlands, Eastlands and Karen/Ngong road based on the number of members located in these areas. The sample of 400 respondents was allocated proportionally according to the membership in each cluster. Rukwaru (2007) states that, this method is ideal where one divides the total population into at least two clearly defined sections by a single or multiple criteria. The technique ensures that subjects are selected in a way that existing sub-groups in the population are fairly but randomly represented within the sample (Mugenda, 2008).

Table 3.1 Members sample under study

Strata	Population	Sample in each strata	Sample
Westlands	374	374/720*(400)	207
Lenana Rd	99	99/720*(400)	55
City Centre	118	118/720*(400)	66
Ngong Rd/Karen	129	129/720*(400)	72
Total	720		400

The researcher also studied subjects within Kimisitu Sacco Ltd. The population of staff was 20 and therefore the researcher decided to study all of them. This was important as it would help in determining the relationship between internal communication procedures and organizational performance. For the purpose of this study, staff were grouped from the departments in which they worked as indicated in the table below.

Table 3.2 Kimisitu staff sample under study

Department	Population	Sample
Administration	4	4
Marketing	2	2
Loans	7	7
IT	1	1
Finance and audit	6	6
Total	20	20

3.5 Research instruments

Data was collected using two self-administered questionnaires, one for Kimisitu staff and the other for members. The questionnaires were administered to the respondents face to face by the researcher with the help of research assistants. Both open and close ended questionnaire consisting of 20 questions for the staff and 22 questions for individual members were used in the study. The researcher preferred to use a questionnaire over all other tools because it was convenient to administer to respondents scattered over a large area. It was also convenient for collecting information from a large population within a short period of time.

3.6 Validity of the Research Instruments

Validity for an instrument is about whether it gives accurate measures of what it purports to be measuring (Gomm, 2008). It is also the degree to which results obtained from the analysis of the data actually represents the phenomenon under study (Mugenda, 2003). The researcher sought assistance from the supervisor and two other experts in validating the value content of the instrument in reference to objective set out in the study. Modification and correction of items found ambiguous in eliciting correct information was done.

3.7 Reliability of Research Instruments

Gomm (2008) states that reliability is concerned whether the instrument gives accurate measures constantly, in the same circumstances. Mugenda (2003) states that pre testing a research instrument helps in enhancing the reliability of the instrument as being a consistent measure of the concept being studied and further propose that a pretest sample could be between 1% and 10% of the study sample depending on the size. In this study reliability of the instrument was established by test and retest technique. Test and retest technique involves administering the same instrument twice to the same group of subjects (Koul, 1984).

The questionnaire was administered to a group of individuals with the same characteristics as the actual sample size. The same questionnaire was repeated after two weeks to the same group of individuals. Scores obtained from both tests were correlated to get the coefficient. The computation yielded a coefficient of 0.8. The test is considered as reliable if it produces an internal consistency value of over 0.7(De Klerk, 2008).

3.8 Data Collection procedure

Two questionnaires were used to collect data in this study. One questionnaire targeted Kimisitu staff, while the other was for Kimisitu members. The researcher ensured that all questions addressed the four objectives of the study. The researcher then made copies of the questionnaires for final approval by the supervisor. Once approved, he obtained a letter of transmittal from the University of Nairobi and sought assistance from 10 Kimisitu member organizations identified in the defined strata. The researcher also sought permission from Kimisitu Sacco management and once this was granted, he then briefed his two research assistants of the study objectives and what was expected of them prior to the exercise and progressed to administer the questionnaires.

Thereafter, with the help of two research assistants, he collected duly completed questionnaires, serialized and coded them in preparation for data analysis. Finally data analysis and discussion was done, followed closely by conclusions and recommendations.

3.9 Data Analysis

After data collection, all the variables (questions) were coded in the Statistical Package for Social Sciences (SPSS) awaiting data entry. The responses were entered into a data template after which the data was cleaned and later preliminary tests conducted. The researcher then used correlation, measures of central tendency and dispersion to analyze the data.

3.10 Ethical Considerations

Ethical issues were observed while carrying out this research. The researcher assured respondents that the study was purely for academic purposes only and that confidentiality and privacy would be upheld and as a result respondents were asked not to write their names. Furthermore, the researcher ensured to carry out the study with utmost honesty and integrity. The findings of the study were reported in a complete and honest manner and not manipulated to support a particular conclusion.

3.11 Operationalization of Variables

Operational definition of variables was analyzed as shown in Table 3.3

Table 3. 3 Operationalization of variables

Objective	Type of Variable	Indicators	Measuring scale	Approach of analysis	Research Instrument	Level of Analysis
To establish the influence of modes of communication on organization performance of professional based Saccos in Kenya	Independent Mode of Communication Dependent Organizational performance	<ul style="list-style-type: none"> • Notices • Champion forums • Brochures and flyers • Telephone calls • Member organizations visits 	Nominal	Qualitative Quantitative	Questionnaire	Descriptive
To assess the extent in which use of technology influence performance of professional based Saccos in Kenya.	Independent Use of technology	<ul style="list-style-type: none"> • Social media • Website • Emails • Financial systems • Management information systems 	Nominal	Qualitative Quantitative	Questionnaire	Descriptive

<p>To determine the relationship of member training on communication and its influence on performance of professional based Saccos in Kenya.</p>	<p>Independent Member training</p>	<ul style="list-style-type: none"> • Annual general meeting • Member education days • Champion's forums 	<p>Nominal Ordinal</p>	<p>Qualitative Quantitative</p>	<p>Questionnaire</p>	<p>Descriptive</p>
<p>To establish how professional based Saccos internal communication procedures influence their overall organizational performance.</p>	<p>Independent Communication procedures</p>	<ul style="list-style-type: none"> • Staff meetings • Emails • Memos • letters 	<p>Ordinal Nominal</p>	<p>Qualitative Quantitative</p>	<ul style="list-style-type: none"> • Observation • Questionnaire • interview 	<p>Descriptive</p>

CHAPTER FOUR DATA ANALYSIS, PRESENTATION AND INTERPRETATION

4.1 Introduction

This chapter presents findings of data collected from Kimisitu member organizations drawn from four strata's in Nairobi County which are Westlands, Karen/Ngong road, Lenana road and City Centre. It also presented data collected from Kimisitu Sacco Ltd staff. Data was collected through self-administered questionnaires which were issued by the researcher to member organizations located in these areas. The chapter starts with descriptive statistics, including demographic characteristics of respondents, frequency distribution tables and percentages while interpretation of the study results were given alongside the findings. The subheadings of the chapter are arranged according to research objectives which were; to establish the influence of different modes of communication on organization performance of professional based Saccos in Nairobi County assess the extent in which use of technology in communication influence performance of professional based Saccos, determine the relationship of member training in communication and its influence on performance of professional based Saccos in Nairobi County and lastly establish how professional based Saccos internal communication procedures influence their overall organizational performance.

4.2 Response rate

A total of 20 Kimisitu Sacco staff responded to the staff questionnaire representing 100% response rate while 235 out of initial target of 399 Kimisitu members responded to this survey. This was a 59% response rate. Mugenda (2003) states that, a response rate of over 50% is adequate for analysis and reporting.

Table 4. 1 Members response rate per cluster

Cluster	Population	Sample	Response rate	Percentage
Westlands	374	207	100	48%
Lenana road	99	55	50	91%
City Centre	118	66	42	64%
Ngong road/Karen	129	72	43	60%
Total	720	400	235	59%

4.3 Demographic characteristics of respondents

Among the Sacco members, males were significantly more represented (51.2%) compared to females who responded to the survey (48.8%) in the sample indicating some gender imbalance. Part of the reason for male dominance in the study was their availability to participate in the study. This could also be an indication that more males have embraced the co-operative movement. Additionally, most female respondents shied off from the survey referring the researcher to their male colleagues whom they perceived to understand Sacco matters better.

4.3.1 Age of the respondents

For Kimisitu Sacco staff, female respondents were more at 55% compared to males who stood at 45%. This was attributed to the fact that the Sacco has employed more women compared to men. It was also noted that majority of members who responded to this survey were of ages between 31-40 years (38.1%). Majority of Kimisitu Sacco staff (50%) were also in this age bracket.

Table 4.2 Age distribution of the respondents

	Kimisitu Members		Kimisitu Staff	
	Frequency	Percentage	Frequency	Percentage
Below 20	1	0.5	0	0
21-30	70	29.8	7	35
31-40	90	38.1	10	50
41-50	52	22.3	3	15
Above 50	22	9.3	0	0
Total	235	100	20	100

4.3.2 Education level of respondents

In terms of education profile, 37.7% of members had attained bachelor's degree level while 28.4% held postgraduate degrees in various fields. About 60% of Kimisitu Sacco Ltd staff had also attained bachelor's degrees while 30% had college certificates/diplomas. Only 5% of the staff had attained post graduate degrees. This showed that majority of members and staff of the Sacco were well educated and therefore able to understand activities of their Sacco as well as make strategic decisions on investments and operations of the Sacco respectively. Table 4.3 shows education levels of both staff and members.

Table 4.3 Education level

	Kimisitu Members		Kimisitu Staff	
	Frequency	Percentage	Frequency	Percentage
Primary School	2	0.9	0	0
High School	5	2.3	0	0
Vocational training/Polytechnic	13	5.6	1	5
College	58	24.7	6	30
Bachelor Degree	89	37.7	12	60
Post Graduate Degree	67	28.4	1	5
Experience	1	0.5	0	0
Total	235	100	20	100

4.3.3 Membership duration

Subsequently, it was noted that majority of members (49.8%) had been members of Kimisitu Sacco Ltd for less than five years. This can be attributed to job insecurity in the non-governmental organizations sector as most members tend to withdraw from the Sacco upon termination of their contracts. The sector has been vibrant in the last five years which led to numerous NGOs and aid agencies being formed to implement projects across the country and thus constantly employed staff who in turn joined the Sacco. Table 4.4 shows membership duration distribution.

Table 4.4 Membership duration

Membership duration	Frequency	Percentage
Below 5 years	117	49.8
5-10 years	93	39.5
10-20 years	23	9.8
Over 20 years	2	0.9
Total	235	100

4.3.4 Staff experience

Majority of Kimisitu Sacco staff (80%) had worked at the Sacco for less than five years while 20% had worked in the institution for over 10 years. This can be attributed to growth in the last

five years that necessitate hiring of new employees to cater for increasing number of members. Table 4.5 shows distribution of years of service among Kimisitu Sacco Staff.

Table 4.5 Years worked at Kimisitu Sacco

Years worked at Kimisitu Sacco	Frequency	Percentage
Below 5 years	16	80
5-10 years	2	10
10-20 years	2	10
Over 20 years	0	0
Total	20	100

4.4 Modes of communication for Kimisitu members

To establish the influence of different modes of communication on organization performance of professional based Saccos, the researcher sought to know whether the frequency and ways that Kimisitu Sacco uses to communicate to its members had in any way influenced its organizational performance.

The findings revealed that 41% of members felt that Kimisitu Sacco communicated to them frequently while 25% felt that the Sacco did not communicate as often. 27% stated that the Sacco rarely communicated to them and finally 7% stated that Kimisitu Sacco did not communicate to them at all.

Table 4.6 Frequency of communication

Frequency of communication	Frequency	Percent
Often	96	41
Not Often	60	25
Rarely	63	27
Not at all	16	7
Total	235	100

On probing the ways in which members received communication, 37% of respondents stated that they were communicated to via telephone while 63% of respondents stated that telephone was not used to communicate to them. The researcher further probed whether notices sent out to members were ideal modes of communication. 7% of members indicated that they received

notices from Kimisitu while 93% of members stated they had not received any notice from the Sacco, a clear indication that they were not effective way of member communication.

Additionally, 85% of respondents stated that they received most of their communication from Kimisitu through email while 15% indicated that they did not receive any communication via email. This indicates that this is the most effective mode of communication that most members of Kimisitu Sacco access. Lastly, the researcher sought to know whether there were other modes of communication that the Sacco uses to reach to its members. 19% stated that they received Sacco’s communication through Short Messaging System (SMS) but 81% indicated they did not receive SMS communication. The table below presents average mode of communication used by Kimisitu Sacco Ltd. to members.

Table 4.7 Average mode of communication used by Kimisitu Sacco to members

	Frequency	Percentage
Mode of communication		
SMS	31	13
Telephone	52	22
Notices	12	5
Email	138	59
E. portal	2	1
Total	235	100

The researcher also probed whether Kimisitu Sacco kept in touch with its member organizations through visits by its officers. 40% stated that indeed a Kimisitu Sacco official had visited them for the last 18 months while 60% of the respondents stated that they had not been visited by Kimisitu Sacco officials during the same period. In addition, respondents were asked to state whether they had attended a Kimisitu Sacco’s organization’s champion forum in the last 18 months, a forum meant to enhance relationship between the Sacco and its members. 29% of respondents indicated that they had attended the forum while 71% indicated that they did not attend the organization champion forum.

The researcher further enquired whether respondents had ever received a Kimisitu Sacco’s flyer or brochure. 73% of the respondents stated that they had indeed received a flyer or a brochure on the Sacco’s products while 27% said they had not received the flyer/brochure. The respondents were also requested to state whether they found the flyer/brochure informative or not. 64% of the

respondents indicated that the flyer or brochure they received was informative while 12% indicated it was not. About 22% did not respond to this question. This shows that brochures and flyers are an important tool of communication for Kimisitu Sacco members.

Respondents were also requested to state how often they sought information from Kimisitu. The findings revealed that 57% sought information from Kimisitu on a monthly basis while 32% sought information on need basis. 4% stated that they sought information weekly while 3% did this on a daily and quarterly basis respectively. About 1% stated that they sought information after 6 months or more.

Table 4.8 How often members seek information from Kimisitu Sacco Ltd.

Contact Frequency	Frequency	Valid Percent
Daily	7	3
Weekly	9	4
Monthly	134	57
when need arises	75	32
Quarterly	7	3
Six months or more	3	1
Total	235	100

Finally, the researcher probed the kind of information that respondents sought from Kimisitu. The findings revealed that majority of members 77.6% consulted the Sacco on information related to their accounts, while about 54.8 % contacted the Sacco on their loans application status. 38.1% sought information about Kimisitu products. Only 18.7% of the respondents indicated that they sought information about events organized by the Sacco.

4.5 Members training for Kimisitu members and Sacco's performance

To determine the relationship of member training on communication and its influence on performance of professional based Saccos, respondents were asked to state whether they had attended any member training session organized by Kimisitu Sacco Ltd. Majority of members (65%) indicated that they had attended a members training session organized by the Sacco while 35% of respondents stated that they had not attended any training session.

The researcher also sought to know how often members attended members training sessions organized by the Sacco. Overall majority of respondents (51.2%) indicated that they had

attended training for the last one year followed by 14% of respondents who indicated that they had attended a training session within the last two years. 1.4% said they had attended members training session within the last three years and lastly about 0.5% stated that they had attended a members training session within the last four years. Overall this shows that majority of Kimisitu Sacco members are keen to attend training forums organized by the Sacco. About 33% of the respondents did not answer this question.

Table 4.9 Members training frequency

Training frequency	Frequency	Valid Percent
Within the last Year	120	51.1
Within the last 2 years	33	14
Within the last 3 years	3	1.4
Within the last 4 Years	2	0.5
Did not answer	77	33
Total	235	100

Members were requested to rate training and related variables were measured on a five point Likert scale of 1=strongly agree to 5= strongly disagree. The researcher probed to know the extent to how frequent Kimisitu organizes training for its members, relevance of topics during training, frequency of training within member organizations, increase of knowledge on savings and credit products as a result of training sessions. Other aspects assessed were patronage of products as a result of member training, whether members found the training sessions helpful and would encourage other members to attend Kimisitu Sacco training sessions, ability to give feedback and lastly if Kimisitu training sessions created all round members. Table 4.10 shows respondents rating on Kimisitu Saccos' members' training.

Table 4.10 Members rating on Kimisitu Sacco members' training

	N	Mean on Likert scale 1- 5	Proportion % of agreement
Kimisitu organizes members training regularly	112	2.998	57%
Kimisitu trains members on relevant topics	135	2.345	69%
Kimisitu officials regularly visits our organization to train members	107	3.406	55%
Kimisitu's training has increased my knowledge about savings and credit products	144	2.271	74%
I find Kimisitu's training sessions helpful	142	2.27	74%
I patronized Kimisitu's products after a training session	122	2.51	65%
I will encourage other members from my organization to attend Kimisitu's training sessions	151	2.08	78%
I am able to give feedback to Kimisitu after training	99	2.809	51%
Training forums are important to members to create an all-round member	178	1.786	92%
Mean	132.2	2.5	68%

Findings overall indicate that 68% of members had affirmation that Kimisitu Sacco provided them with appropriate training. Members were content on topics discussed during training (69% agreement) which was also reaffirmed by increase in knowledge about savings and credit products at 74% agreement. However, members expressed discontent on the frequency of Kimisitu Sacco's training sessions collectively or within their organizations with a disagreement proportion of 57% and 55% respectively.

At the same time, members found Kimisitu Sacco training sessions helpful (74% agreement) and would encourage other members to attend training (78% agreement). There was also significant proportion of agreement that members patronized Kimisitu Sacco's products after attending training sessions (65% agreement). Conversely, members expressed discontent on their ability to provide feedback to the Sacco after training session (51% agreement). Overall, members (92% agreement) agreed that Kimisitu Sacco training forums are important to create all round members.

Members were also asked to recommend ways in which Kimisitu Sacco Ltd can improve training sessions. This was an open question in which respondents were required to give answers in their

own words. Responses provided were coded into categories such as frequency of training, speakers, relevance of topics, training space and time and communication about training and others. Majority of members (26%) recommended that Kimisitu Sacco should hold regular training sessions either at a central place or within its member organizations.

Additionally, 13% of members recommended that the Sacco should diversify its training topics and train members on investment topics. This was closely followed by 12% of members who stated that the Sacco should diversify on speakers during training sessions to include speakers from across all industries. This shows a close relationship between the quality of speakers and topics which members are trained on during the training sessions. About 6% of members recommended that Kimisitu to be notifying its members in advance about the training dates either through SMS, email or website to ensure more members attend the training sessions. 3% of members recommended that Kimisitu Sacco keeps its training sessions short and conduct them on venues with ample space. The remaining members who responded to this question gave varied responses ranging from conducting a training needs assessment, budgetary increment on members training budget, organizing education tours for members among others.

4.6 Use of technology in communication and Sacco's performance

To assess the extent in which use of technology in communication influence performance of professional based Saccos, the researcher investigated the level of interaction between Kimisitu Sacco members and various communication technologies availed to them by the Sacco. The researcher probed how frequent did members visit Kimisitu Sacco's website to seek information. Findings indicate that 4% of respondents visited the website on a daily basis, while 37% did it on a weekly basis. Majority of the respondents (47%) visited Kimisitu Sacco's website monthly, while 7% of the respondents indicated that they did not visit the Sacco's website at all. A further 5% of the respondents did not answer this question.

The researcher further sought to know how members rated the Sacco's website in terms of updated and relevant information, user friendly features, meeting members' needs, appeal and aesthetics, and lastly marketing Kimisitu Sacco Ltd. The related variables were again measured on a five point scale of 1= excellent to 5=very poor. This was necessary to measure the content, accessibility and relevance of information that Kimisitu communicates to its members through its website.

Findings revealed that overall majority of Kimisitu Sacco members (75% agreement) rated the Sacco’s website as good in terms of relevant information, friendly features, appeal and aesthetics and marketing function.

Table 4.11 Members rating of Kimisitu Sacco’s website

	N	Mean on Likert Scale of 1=Excellent-5=Very poor	Proportion% of agreement
Updated and relevant Information	142	2.16	73%
User friendly features	155	2.03	79%
Meeting members' needs	145	2.12	74%
Appeal and aesthetics	146	2.11	75%
Marketing Kimisitu Sacco Ltd	144	2.12	74%
Mean	146	2.1	75%

It was imperative to investigate the level of members’ awareness of their Sacco’s presence in social media. Such inquiry would shed more light on effectiveness of some technologies that Kimisitu Sacco uses to communicate to its members and also noting that social media has become an integral mode of communication in modern day organizations. The researcher investigated the level of awareness of Kimisitu Sacco’s presence in the social media platforms such as Twitter and Facebook.

The findings revealed that 79% of the respondents did not know that the Sacco had Facebook and twitter accounts while 19% indicated that they were aware that Kimisitu Sacco had these social media accounts. This is a clear indication that members have not been sensitized well enough by the Sacco about the existence of these communication technologies. About 2% of the respondents did not give their views on this question. The researcher also sought to know whether Kimisitu Sacco communicated to its members through social media. 95% of the respondents stated that the Sacco did not communicate to them via social media platforms while 5 % indicated that Kimisitu Sacco indicated that communicated to them through social media. This shows that Kimisitu Sacco has not effectively utilized its social media platforms to the benefit of members.

Members were also requested to recommend ways in which Kimisitu Sacco can improve social media communication to make it more effective. Since this was an open ended question, responses were coded into categories such as being pro-active on social media, advertising on

social media platforms to create awareness, members' involvement and employing/ outsourcing to a resource person to manage social media accounts.

Majority of members (30%) of members recommended that Kimisitu Sacco opens social media accounts such as Facebook and Twitter accounts. This reaffirmed the outcome on the previous question, that majority of respondents did not know that Kimisitu Sacco was operating social media accounts. 18% who responded to this question recommended that the Sacco needs to be more proactive on its social media accounts such as Facebook and Twitter by posting regularly, inviting members to like their page and linking members emails to the accounts. About 9% of the respondents called on the Sacco to advertise itself in the social media using paid slots to create awareness about itself and its products and services.

Subsequently, about 7% of the respondents stated that members' involvement, in content generation and member recruitment was important in improving social media communication. Additionally, 3% of the respondents recommended that Kimisitu Sacco should consider employing a social media executive or outsource their social media accounts to firms that manage social media. 33% of the respondents did not answer this question.

4.7 Members views on Kimisitu Sacco communication practices

The table below presents the findings of members rating and validity of various statements regarding Kimisitu Sacco's communication practices.

Table 4.12 Members' views on Kimisitu Sacco's communication practices

	N	Mean	Std Deviation	Skewness	Std error of skewness
I receive regular updates from Kimisitu	206	2.44	0.869	0.151	0.169
Kimisitu staff responds to my enquiries timely	206	2.23	0.692	0.82	0.169
I regularly receive Kimisitu's newsletter and brochures	198	2.89	0.64	-0.255	0.173
Staff are well informed on Kimisitu's products and services	207	2.1	0.766	1.919	0.169
Kimisitu staffs advise members in a courteous and polite manner.	207	2.07	0.686	2.459	0.169
Information shared by Kimisitu staff is trustworthy	204	2.17	0.861	2.341	0.17

Kimisitu’s website is informative and educative	204	2.15	0.961	1.919	0.17
Kimisitu staff regularly visit our organization to educate members	203	3.06	0.939	0.379	0.17
Kimisitu shares her important information like annual reports and financials with members	202	2.11	0.836	1.384	0.171
I am able to make decisions about my account from information shared by Kimisitu	205	2.05	0.67	1.229	0.17
I apply for loans based on information received from Kimisitu	205	2.08	0.723	1.529	0.17
Information shared has helped me increase my investments in Kimisitu.	206	2.09	0.714	1.903	0.169
Kimisitu uses appropriate media to communicate to her members	205	2.88	1.266	0.442	0.17
How Kimisitu communicates directly affects member’s participation in the Saccos affairs	203	2	0.884	1.648	0.171

Findings overall indicated that members agree that how Kimisitu Sacco communicates directly affects members participation in the Sacco’s affairs. This was evidenced by a strong mean of 2, standard deviation of 0.884 and skewness of 1.648 which is a strong agreement with the statement. Also, there was strong agreement on product knowledge and advice to members as most members who responded to this question agreed that staff were well informed of products and services and members also considered information which staff shared as trustworthy. This was evidenced by means of 2.1 and 2.17 respectively.

Members also seemed to agree that staff responded to their queries timely as indicated by a mean of 2.23 and standard deviation of 0.692. In addition members agreed that they applied loans and made account and investment decisions based on information shared to them by the Sacco. This was evidenced by means of 2.08, 2.05 and 2.09 respectively. This shows that, useful trustworthy information dissemination was important in helping members make decisions that encouraged product uptake and hence enhanced the Kimisitu Sacco Ltd.’s performance.

However, the media and frequency in which the Sacco used to communicate to its members remain a point of concern. Members who responded to this statement disagreed that Kimisitu uses appropriate media to communicate to her members. This was evidenced by a mean of 2.88 and a standard deviation of 1.266. Members also refuted that Kimisitu staff visited member organization to inform and educate members. This statement returned a disagreement mean of 3.06 and standard deviation of 0.939. Members also disagreed to some extent that they received regular updates from the Sacco as evidenced by a mean of 2.44 and standard deviation of 0.869 and that they regularly received newsletters and brochures from the Sacco as depicted by a mean of 2.89 and standard deviation of 0.64. These findings show that there is a clear gap on information dissemination channels which the Kimisitu Sacco needs to address to ensure that its external communication is effective and reach all members.

4.8 Recommendations to improve external communication

The table below presents findings of members’ recommendations that Kimisitu Sacco Ltd can use to improve external communication. This was an open ended question where respondents were requested to give ways in which they thought that the Sacco could improve its external communication, more so with members. The responses were coded and analyzed.

Table 4.13 Recommendations to improve external communication

Response	Frequency	Percentage
Staff training	7	4
Advertise	19	11
Regular updates	60	36
Diversify media	37	22
Database clean up	27	16
Communicate through organizations representatives	12	7
Outsourcing and hiring communication professionals	6	4
Total	168	100

Findings indicate that majority of respondents (36%) recommended that Kimisitu Sacco Ltd should regularly update its members on all important matters of the Sacco. This would help them make important decisions on their investments hence increase the Sacco’s performance. Respondents in a previous inquiry had stated that information shared by Kimisitu had enabled them to increase their investments.

A further 22% of respondents recommended that Kimisitu Sacco Ltd should diversify media of communication and reduce its reliance on email communication. A previous enquiry in the study had shown that 85% of respondents received most of their communication from the Sacco via email. In addition 16% of respondents recommended that the Sacco should clean its members' contacts database to ensure that they had current members contact details. This would ensure that members received communication from the Sacco whenever it was sent. 11% of respondents recommended that Kimisitu Sacco Ltd. should advertise itself in the mainstream media i.e. radio television, newspapers, internet etc. This would not only help market it, but would also notify members important details such as meetings and training, new products, that the Sacco wanted its members to receive especially those who did not have access to emails.

About 7% of the respondents recommended that Kimisitu Sacco Ltd. should communicate through organizations representatives. This would ensure that the Sacco's message was received and distributed only to staff who were Kimisitu members, especially in instances where the Sacco did not have updated contact details of members belonging to a particular organization. 4% of respondents recommended that staff be trained on communication skills to help them communicate better with members. Lastly 4% of respondents recommended that Kimisitu should consider either hiring a communication professional or outsource to a communication firm. This would provide it with necessary communication expertise needed to engage both members and other stakeholders.

4.9 Correlation coefficients of independent and dependent variables

A correlation analysis of the independent variables which were modes of communication, member training and technology were measured against factors such communication frequency (regular updates) and increased investments identified as indicators or organizational performance. Table 4.14 presents the findings from this analysis.

Table 4.14 Correlation coefficients of independent and dependent variables

		Modes of communication	Technology	Member training
Modes of Communication	Pearson Correlation	1	-.042	.482**
	Sig. (2-tailed)		.543	.000
	N	215	215	215
Technology	Pearson Correlation	-.042	1	.040
	Sig. (2-tailed)	.543		.557
	N	215	215	215
Member training	Pearson Correlation	.482**	.040	1
	Sig. (2-tailed)	.000	.557	
	N	215	215	215
I receive regular updates from Kimisitu	Pearson Correlation	-.236**	-.093	.076
	Sig. (2-tailed)	.001	.185	.277
	N	206	206	206
Information shared has helped me increase my investments in Kimisitu	Pearson Correlation	.004	-.074	-.042
	Sig. (2-tailed)	.951	.291	.552
	N	206	206	206

Findings from the above analysis indicate that there is a positive correlation between mode of communication, and member training as evidenced by a coefficient of r^2 .0482. This means that communication methods used to educate members have a positive impact on overall training. Additionally, there is also a slightly positive correlation between increased investments by members and modes of communication (coefficient r^2 .004). This also reinforces the premise that how information is conveyed plays key role to increased investments to the Sacco. It also supports findings of an earlier enquiry where members indicated that they increased their investments based on the Sacco's communication to them. An earlier inquiry in the study had also shown that members patronized the Sacco's products after attending training forums where there was a proportion of agreement of 65%.

4.10 Internal communication procedures' influence on performance

The researcher also sought to establish how professional based Sacco's internal communication procedures influence their overall organizational performance. This inquiry would shed more light on the role that communication within organization played on overall performance. The researcher probed on modes of communication used by staff to communicate to each other and externally to members, their interaction with communications technology availed to them by the Kimisitu Sacco Ltd, and lastly communication within the Sacco's hierarchy.

Findings indicated that majority of staff (75%) communicated internally to other staff through telephone followed closely by email communication at 65%. This was affirmed by the fact that Kimisitu Sacco Ltd has a small workforce of 20 employees and therefore staff were likely to call and write only when they wanted to keep records or issue instructions especially in case of supervisors. About 15% of the respondents indicated that they communicated to other staff through staff meetings. This shows that some staff in the Sacco were rarely in the office to communicate with other staff in either of previous two modes.

The researcher probed further to know how effective staff perceived the said modes of communication. Majority of staff (60%) perceived the modes of communication used to communicate internally as effective while 35% of staff perceived them as very effective. This could be a pointer that due to availability and accessibility of both emails and telephone services in the Sacco made it easier for staff to communicate with them internally.

On communication and technology, the researcher enquired whether staff had access to social media. This enquiry was important to determine whether staff were exposed to emerging communication technologies which have become pertinent in almost all organizations. About 85% of staff indicated that they had access to social media while 15% indicated that they did not. The researcher sought to know what social media platforms that staff accessed. 80% indicated that they had Facebook accounts, while 20% stated that they also accessed twitter. About 50% of staff stated that they also accessed LinkedIn, a career networking site. This indicates that Kimisitu Sacco's employees were keen on social media platforms that would help them network for career development as well as keeping in touch with their social circles.

The researcher probed further to know whether staff used social media to communicate to members and fellow staff. This inquiry would have revealed the extent to which social media was embraced at Kimisitu Sacco as a communication tool. Findings revealed that 90% of staff indicated that they did not use social media at all either to communicate to staff or members while 10% of staff indicated that they used social media to advise members on Kimisitu Sacco's products.

Additionally, the researcher explored the extent to which Kimisitu Sacco staff interacted with the Sacco's website. Findings revealed that 50% of staff indicated that they visited the website often. Further observation showed that these staff were from loans and customer service departments who often referred to the website while advising customers on matters regarding their accounts. About 40% of staff indicated that they visited the Kimisitu Sacco's website very often. Observations indicated that these staff were drawn from IT, internal audit and marketing departments who often required to carry out checks or post regular updates to the website.

The researcher also wanted to know why staff visited the website. 50% of staff indicated that they visited the website to advice members while 20% stated that they visited the website to learn about the Sacco's products. Lastly, the remaining 30% indicated that they visited the website to check security measures, update, review updates for audit purposes and address members' queries. Table 4.15 shows the frequency of interaction with the Sacco's website.

Table 4.15 Staff interaction with Kimisitu Sacco's website

	Frequency	Percent
Very Often	8	40
Often	10	50
Not all	2	10
Total	20	100

4.10.1 Significance of email communication to Kimisitu staff

The researcher requested staff to state whether they had access to email in the office. This inquiry was important because the Sacco had invested significantly on technology in 2011 to enhance office automation and communication. All staff (100%) stated that they had access to email in the office. In addition, all staff (100%) also reaffirmed that email was important to their work. Subsequently, the researcher probed to know the kind of communication that staff did

through email. Since this was an open ended question, responses were coded and analyzed as depicted in table 4.16 below

Table 4.16 Reasons why Kimisitu staff used email

Email use	Frequency	Percentage
Advising members	9	45
Internal with colleagues	5	25
Product education to customers	2	10
Sending statements	2	10
Official correspondence with suppliers	2	10
Total	20	100

4.10.2 Kimisitu staff and supervisors communication practices

The researcher inquired from staff how their supervisors communicated to them. Such inquiry was important to determine the level of communication interaction between staff and management. All staff (100%) indicated that their supervisors communicated to them through email and telephone respectively. About 20% also stated that they were communicated face to face and lastly 10% indicated that their supervisors communicated to them through staff meetings. This shows that there is little face to face interaction between staff and their supervisors at Kimisitu Sacco.

4.10.3 Kimisitu staff internal communication practices

The table below presents the findings of staff rating validity of various statements regarding Kimisitu Sacco’s internal communication practices.

Table 4.17 Staff internal communication practices

	N	Mean	Standard Deviation	Skewness	Standard error of skewness
I am satisfied with communication I have with my colleagues at Kimisitu	20	2	0.459	0	0.512
The communications I have with my colleagues at Kimisitu are open and flowing	20	2	0.649	0	0.512
I receive information from my colleagues about management actions, accomplishments/failures before I hear from my supervisor	20	2.45	0.759	2.191	0.512

I often lack appropriate communication tools to help me perform my job properly	19	3.11	0.459	0.524	0.524
Information I receive from my colleagues is trust worthy	20	2.3	0.979	2.313	0.512
Information I receive from my colleagues help me do my job properly	18	2.22	1.114	1.804	0.536
I am satisfied with the quality and amount of information I receive about our strategy and goals	20	2.15	0.875	1.779	0.512
I receive information about my job performance	20	2.1	0.718	0.796	0.512
My communication with my supervisor is open and flowing	20	2.5	1.051	1.208	0.512
Our internal communications results in higher employee engagement.	20	2.25	0.851	1.745	0.512
Information received from my supervisor is trustworthy	20	2	0.795	2.796	0.512
Our internal communications contribute to Kimisitu Sacco's performance and profitability.	20	1.6	0.503	-0.442	0.512
Overall information flow at Kimisitu Sacco is sufficient.	20	2	0.459	0	0.512

Overall findings indicated that Kimisitu Sacco staff strongly agree that internal communication contribute to the Sacco's performance and profitability as evidenced by a mean of 1.6 and a standard deviation of 0.503 with no skewness. This was a strong agreement which emphasized the importance of good internal communication practices. There was also a high level of agreement that information flow within Kimisitu is sufficient as indicated by a mean of 2 and a standard deviation of 0.459. This showed that information generally flowed well across various departments. Staff also refuted that they lacked appropriate communication tools to perform their duties properly as evidenced by a strong mean of 3.11 and standard deviation of 0.499.

However the study found out that there are inadequacies in communication flow and openness between staff and their supervisors as evidenced by a mean of 2.5 and a high standard deviation of 1.051. This also seemed to support a previous statement that staff received information from colleagues on management actions, accomplishments and failures before hearing them from their

supervisors. This inquiry returned a mean of 2.45 and standard deviation of 0.759. In addition, there seemed to some extent of disagreement that internal communication practices resulted into higher employee engagement as evidenced by a mean of 2.25 and a standard deviation of 0.851.

A previous enquiry in this study found out that majority of staff (100%) stated that their supervisors communicated to them via telephone and only 20% of the staff stated that their supervisors communicated to them face to face. This can explain why employees said there is lack of openness, low level of staff engagement and low quality and amount of information that staff receive to help them contribute towards the strategy and goals of the organization.

4.10.4 Kimisitu staff communication tools

The researcher sought to know whether staff felt that the Sacco had provided them with necessary communication tools to help them carry out their duties. Such inquiry was important as it would shed light on whether there were gaps in staff communication tools which affected their work and by large Kimisitu Sacco's organization performance. Findings indicated that majority of staff (85%) felt that the Sacco had provided them with the necessary communication tools while 15% of staff felt that they were not issued with the necessary tools. This is a pointer that the Sacco had made efforts to invest in communication tools to enable staff perform their duties and hence drive organizational growth.

4.10.5 Internal communication challenges

Staff were also requested to state challenges which they experienced while communicating internally. Since this was an open ended question, responses were coded and analyzed as depicted in table 4.18 below.

Table 4.18 Internal communication challenges

Challenge	Frequency	Valid Percent
Delayed feedback	7	35
Unapproachable managers	5	25
Timed telephone calls	3	15
Emails timeout	2	10
Lack of clear instructions	3	15
Total	20	100

The above findings show that a huge proportion of staff (35%) stated that delayed feedback was their main challenge. This delayed feedback ranged from some supervisors not giving timely

feedback to their staff to inter departmental feedback delays which tended to slow the work process hence affecting productivity. Also 25% stated that their managers were unapproachable which could at times affect staff decision making and productivity hence overall affecting organizational performance.

4.10.6 Recommendations to improve internal communication

Lastly, the researcher requested staff to recommend ways in which Kimisitu Sacco could improve internal communication for optimum organizational performance. Since this was an open ended question, responses were coded and analyzed. 45% recommended that timely feedback within the staff, management and inter departmental be given a priority. This was not surprising since about 35% had stated delayed feedback as their main challenge in the previous question. 25% of staff recommended that a communication training be conducted to equip all staff with necessary communication skills to enable them communicate effectively internally.

In addition, 10% of staff recommended that there be open communication channels between the management and other staff. Such channels would greatly improve decision making rate as well as enhance staff productivity besides improving working relationships between staff and their supervisors. Finally, 15% of staff collectively recommended that managers should communicate and engage employees more often. This way, staff would feel as part of the team and be willing to contribute ideas and innovations more often. Lastly 5% of staff recommended that they be equipped with more communication tools to help them communicate effectively internally.

4.10.7 Correlation coefficient on factors influencing internal communication practices

A correlation analysis of factors influencing internal communication practices within Kimisitu Sacco was done. This was essential to determine the relationship between internal communication practices and organization performance. Table 4.19 presents the findings from this analysis.

Table 4.19 Correlation coefficient on factors influencing internal communication practices

		Our internal communications results in higher employee engagement	Our internal communications contribute to Kimisitu Sacco's performance	Overall information flow at Kimisitu Sacco is sufficient	Communication Channels
Our internal communications results in higher employee engagement	Pearson Correlation	1	.246	.135	.095
	Sig. (2-tailed)		.295	.571	.691
	N	20	20	20	20
Our internal communications contribute to Kimisitu Sacco's performance	Pearson Correlation	.246	1	.228	.064
	Sig. (2-tailed)	.295		.333	.788
	N	20	20	20	20
Overall information flow at Kimisitu Sacco is sufficient	Pearson Correlation	.135	.228	1	-.352
	Sig. (2-tailed)	.571	.333		.128
	N	20	20	20	20
Communication Channels	Pearson Correlation	.095	.064	-.352	1
	Sig. (2-tailed)	.691	.788	.128	
	N	20	20	20	20

Findings from the analysis indicate that there is a positive correlation between internal communication channels and employee engagement and Sacco's performance as evidenced by coefficient r^2 .0135. This indicates a relationship between both variables and that internal communication channels used in an organization encourages employee engagement. However there is also a slight negative correlation between overall information flow within the Sacco and communication channels as evidenced by coefficient of r^2 -.0352 (Likert scale 1=strongly agree and 5= not sure). This supports earlier findings in the study which showed that there were inadequacies in communication flow between staff and supervisors.

CHAPTER FIVE

SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of key findings, a comparative discussion and conclusions based on research objectives. The chapter concludes with recommendations of the study and suggestions for further research in areas of communication and organization performance.

5.2 Summary of the study

This study purposed to investigate the influence of communication practices on organizational performance of professional based savings and credit co-operative societies in Kenya with a case of Kimisitu Sacco Ltd, a Sacco for NGO and diplomatic missions' professionals. The study had four objectives which were to establish the influence of different modes of communication on organization performance of professional based Saccos in Nairobi County, assess the extent in which use of technology in communication influence performance of professional based Saccos, determine the relationship of member training on communication and its influence on performance of professional based Saccos in Nairobi County and lastly establish how professional based Saccos internal communication procedures influence their overall organizational performance. The study employed descriptive correlation survey design and targeted 5,966 active members and 20 staff of Kimisitu Sacco Ltd.

On modes of communication, 85% of the respondents stated that they received most of their communication from the Kimisitu Sacco through email showing that it was the most preferred mode of communication by the Sacco. However most members do not seems to receive this communication due to obsolete member details database as 36% recommended that Kimisitu should regularly update members' records while 22% recommended that Kimisitu Sacco should diversify modes of communication to reduce reliance on email communication.

The study also revealed that that there is indeed a relationship of member training and increased organization performance. Findings indicate that 92% of respondents overall agreed that training forums were important to create all round member while 74% agreed that training sessions conducted by Kimisitu Sacco Ltd increased their product knowledge and uptake hence contributing to higher organizational performance.

The study also investigated Kimisitu Sacco Ltd.'s use of technology in communication. Findings indicated that Kimisitu Sacco members interacted frequently with the Sacco's website with 75% of respondents rating the website on relevant information and marketing. However 79% of the respondents were not aware of the Saccos presence in the social media platforms such as twitter and Facebook an indicator that Kimisitu Sacco Ltd could be missing numerous marketing opportunities presented by social media.

Lastly on internal communication practices, the study revealed that Kimisitu Sacco staff strongly agreed that internal communication contribute to the Sacco's performance and profitability as evidenced by a strong mean of 1.6 and a standard deviation of 0.503 with no skewness. However the study found out that there were inadequacies in communication flow and openness between staff and their supervisors as evidenced by a mean of 2.5 and a high standard deviation of 1.051.

5.3 Discussion of the findings

The study revealed that modes of communication used by professional based Saccos indeed influenced their organization performance. The study assessed the frequency, the modes of communication and communication material distributed by Kimisitu Sacco Ltd to its members. Although 42% of the respondents stated that the Sacco communicated to them regularly, majority of the respondents felt otherwise which indicates that Kimisitu Sacco needs to improve its frequency of communication to its members. This was reaffirmed by 36% who recommended that Kimisitu ought to be updating members regularly on a later inquiry in the study.

On modes of communication 85% of the respondents alluded that they received most of their communication from the Kimisitu Sacco through email. This was not surprising noting that the Sacco had made significant investment on email platform as alluded earlier in the study to enhance this mode of communication. The findings agree with the Saccos annual report which showed that upon significant investment on email and other modes of communication such as social media platforms there was reduced members' discontent, increased product patronage and increase in revenues by 33% due to easy access of information (Kimisitu annual report, 2010). However, respondents in a later inquiry recommended that Kimisitu Sacco need to diversify to other modes of communication and reduce its reliance on emails. This is because the nature of jobs of the respondents meant that they are mostly in the field with limited access to emails and they wanted to be updated on the Sacco's affairs all the time. Earlier studies had shown that organizations that employ strategic diversified communication practices such as media, public

relations, brand positioning, idea and visibility enabled them to appeal to various stakeholders and audiences hence improving overall organization performance (Kobia, 2011).

The study also revealed that there is indeed a relationship of member training and increased organization performance. Findings indicate that 92% of respondents overall agreed that training forums were important to create all round member while 74% agreed that training sessions conducted by Kimisitu Sacco Ltd increased their product knowledge and uptake. This shows that training and increasing members' knowledge increased product patronage and subsequently profitability to the Sacco. These findings reaffirm earlier studies done by the then Ministry of Co-operatives and Marketing Development (MOCDM) which stated the need for sustained member education to address challenges and help members understand products, policies and need for higher capitalization which directly affect funding and performance of Saccos (MOCDM, 2010). In addition, an article published at Kimisitu News, July-September,2012 had demonstrated that member training played a key role in marketing, resource mobilization and also enabled members to network, communicate, exchange ideas leading to overall growth of the Sacco (Kimisitu News, July-September,2012).

The study also investigated Kimisitu Sacco Ltd.'s use of technology in communication. The researcher probed members' interaction with the Sacco's website and social media platforms. Findings revealed that Kimisitu Sacco members interacted with the Sacco's website relatively well and frequently. About 37% of the respondents interacted with the website weekly while 47% did it on a monthly basis. This shows that Kimisitu Sacco members are keen on obtaining regular and updated information from their Sacco to help them make informed decisions on their investments.

Subsequently, findings revealed that overall majority of Kimisitu Sacco members (75% agreement) rated the Sacco's website as good in terms of relevant information, friendly features, appeal and aesthetics and marketing function. This indicated that members were able to easily navigate through the website pages and obtain information they were seeking. This is positive as it enhances product knowledge and uptake hence increased profits for the Sacco. The findings assert Kobia, (2011) who states that Saccos that have been quick to embrace technology have exploited numerous business opportunities, by providing and showcasing innovative products. They have also enhanced transparency and proper reporting by enabling members to access information more easily (Kobia, 2011).

However the study revealed that majority of respondents (79%) were unaware of Kimisitu Sacco Ltd.'s presence in the social media platforms of Twitter and Facebook and did not use them to communicate to its members. Earlier in the study, Pelsmacker (2004) had indicated that traditional forms of communication especially mass media were becoming less effective and there was need for organizations to use more integrated channels and tools including social media to reach the consumer more effectively. This point out that Kimisitu Sacco could be missing on marketing opportunities presented by social media especially when millions of Kenyans access social media through their mobile phones on daily basis.

On internal communication practices, the study revealed that Kimisitu Sacco staff strongly agreed that internal communication contribute to the Sacco's performance and profitability as evidenced by a strong mean of 1.6 and a standard deviation of 0.503 with no skewness. This finding supported observations made by Appleby (1994), where he stated that employee/employer communication is a critical component of management and has a direct impact on overall organizational performance. However the study found out that there were inadequacies in communication flow and openness between staff and their supervisors as evidenced by a mean of 2.5 and a high standard deviation of 1.051.

Staff largely stated that, they received information from colleagues on management actions, accomplishments and failures before hearing them from their supervisors. In addition, there seemed to some extent of disagreement that internal communication practices resulted into higher employee engagement as evidenced by a mean of 2.25 and a standard deviation of 0.851. The lack of openness and trust between staff and their supervisors could be detrimental to staff productivity and contribute to low organization performance.

The study further revealed that majority of staff (100%) stated that their supervisors communicated to them via telephone and not face to face .This can explain why employees said that there is lack of openness, as low level of staff engagement and low quality and amount of information that staff receive to help them contribute towards the strategy and goals of the organization. Rabinowitz (2013) states that, good internal communication will flourish if you create an organizational climate of openness that is conducive to the free flow of communication and information in all directions within the organization.

5.4 Conclusions of the study

From the data analysis, it is evident that communication practices employed by professional based Saccos indeed influence their organizational performance. The mode and frequency of communication by Kimisitu Sacco Ltd to its members, helped members keep up with the Sacco affairs and make key investment decisions such as increase their deposit contributions and loans uptake leading to profitability of the Sacco.

Member's training contributes to organizational performance of professional based Saccos. It is through training that the Kimisitu Sacco communicates about its products, services and policies to members. Indeed members were able to increase their investments after training and therefore leading to growth of the Sacco. Additionally, modern communication technologies play an important role in not only to the Kimisitu Sacco's role of disseminating information to members, but also creating awareness about its products and services to the wider audience. Therefore Kimisitu Sacco needs to fully exploit all opportunities available in communication technology and digital space.

Lastly, there exist a relationship between internal communication and organization performance. Better communication synergies between employees and their supervisors lead to better employee engagement and quality flow of information. Employees also feel appreciated by their supervisors and are free to contribute ideas that lead to growth of the Sacco. This also boosts their morale enabling them serve customers even better. Therefore open communication should be encouraged to foster better working relationships in the work place, where all staff are involved for better team work and organization growth.

5.5 Recommendations

This study recommends the following.

1. Kimisitu Sacco Ltd and indeed all professional based Saccos should diversify their modes of communication and stop over reliance of usual methods of communication such as emails, notices and others. Members' needs will keep evolving due easily accessible information, availability of other investment alternatives and increased competition to other players in the finance industry. Therefore, Kimisitu Sacco Ltd will need to improve communication dissemination methods and exploit opportunities presented by social media platforms such as Facebook, Twitter, and LinkedIn among others. The Sacco will need to be more vibrant in

these platforms to market its products and services especially to the youth who dominate the social media.

2. To foster better employee communication across the organization, Kimisitu Sacco Ltd should adopt an open door policy where junior staff can easily access and engage their supervisors. This will ensure better employee engagement, enable clear information dissemination and build trust between the junior staff and management. Supervisors also need to learn team management and communication skills, encourage their juniors to share thoughts with them without fear of reprisal even where there are divergent opinions.
3. To create visibility and market products to its members and the general public, Kimisitu Sacco and indeed all professional based Saccos will need to utilize mainstream advertising platforms such as radio, television and newspapers. Despite emergence of new media such as digital media, mainstream media still remains relevant in reaching out to mass market. Well-structured and executed marketing and advertising campaigns in these media will go a long way in market education, creating visibility and drive Kimisitu Sacco's product uptake.

5.6 Suggestions for further research

1. This research focused on influence of communication practices on organizational performance of professional based savings and credit co-operative societies in Kenya. However, professional based Saccos are not the only institutions that communicate to professionals who are members of these Saccos. The study recommends that further studies be conducted to investigate communication practices of other institutions such as micro finance institutions and investments groups.
2. Further studies should also be conducted on how professional based Saccos can benefit from technological advances made in communication especially new media and also how they can benefit from them for optimum organization performance.
3. Lastly, it is recommended that comparative studies be conducted on influence of communication practices on organization performance of professional based Saccos in Kenya and India. This is because India has the largest co-operative movement in the world and lessons learnt from this study will be vital in improving communication practices for the entire co-operative industry in Kenya.

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APPENDICES

Appendix 1 Letter of Introduction

David Karanja
P.O Box 14-00100
Karuri, Kenya

TO

.....
.....
.....
.....

Dear Sir/Madam

RE: DATA COLLECTION FOR ACADEMIC PURPOSES

I am undertaking a research for my Master of Arts Degree in Project Planning and Management at the University of Nairobi. My area of study is on influence of communication practices on organizational performance of professional based savings and credit co-operative societies in Kenya.

Please answer the questions in the questionnaire honestly and completely. The information that you will give will be treated with utmost confidentiality and used for the purpose of academic research only.

Thank you.

David Karanja
Phone no 0724 281524
Email: davkaranja@yahoo.com

Appendix 2: Letter to Kimisitu Sacco Management requesting permission for data collection

25th September 2013

David Karanja
C/o University of Nairobi
School of Continuing Education
Extramural Department

Peter Waithaka
Chief Executive Officer
Kimisitu Sacco Ltd
P.O Box 10454-00100

Dear Peter,

RE: RESEARCH AND DATA COLLECTION FOR ACADEMIC PURPOSES

I hereby request your permission and any assistance that you may accord me to carry out data collection at Kimisitu Sacco Ltd in partial fulfillment of my ongoing M.A Project planning and Management. My topic is titled “**Influence of communication practices on organizational performance of professional based Savings and credit co-operative societies in Nairobi County. A case of Kimisitu Sacco Ltd.**”

Data will be collected by administration of two questionnaires, one for staff and the other one for members between **October 7th and 19th 2013**. This data will be used for academic purposes but I intend to share my final report with Kimisitu Sacco Ltd so that they can consider implementing recommendations that will be drawn from the discussions and findings. My sample frame is 100 subjects drawn from Kimisitu staff and members from 12 organizations in Nairobi region.

I believe that the findings of this research project will provide important insights of how we communicate and the impact on our organization performance.

I look forward to your positive response.

Regards

David Karanja

Appendix 3 Questionnaire for Kimisitu Staff

Please answer the questions freely. The information you provide will be treated with utmost confidentiality and will only be used for academic research purposes by the researcher himself

Section 1: Demographic information

1. Age
Below 20 []
21-30 []
31-40 []
41-50 []
Above 50 []

2. Please state the highest level of education you have achieved/attained

Primary School [] High school [] Vocational training/Polytechnic []
College [] Bachelor's Degree [] Post Graduate Degree []
Any other.....

3. Gender
Male [] Female []

4. Please state your department.....

5. How long have you worked for Kimisitu Sacco Ltd?
Below 5 years []
5-10 years []
10-20 years []
Over 20 years []

Section 2: Modes of Communication

6. What ways of communication do you use most to communicate internally to other staff?
Telephone []
Email []
Memos []
Letters []
Staff Meetings []
Others. Please state.....

7. What ways of communication do you use most to communicate externally to members?
Telephone []
Email []
Letters []
Others. Please state.....

8. How effective are the above internal and external communication ways?
Not effective [] Effective [] Very Effective [] Not Sure []

Section 3: Communication and technology

9. Do you have access to social media?

Yes [] No []

If Yes, which ones?

Facebook [] Twitter [] LinkedIn [] Google+ [] Others/Please specify.....

10. Please state how you use social media to communicate to members and staff

11. How often do you visit Kimisitu Sacco's website?

Very often [] Often [] Not at all []

12. Why do you visit Kimisitu's website?

To advise members []

To learn about products []

To download forms []

Other/Please explain.....

13. Do you have access to email?

Yes [] No []

14. If yes, please state the kind of communication you do through email

15. Do you think email is important to your work?

Yes [] No []

Section 4: Internal Communications

16. What ways of communication does your supervisor use to communicate to you?

17. In a scale of 1-5 please agree/disagree with the following statements regarding your communication practices with your supervisor

	1	2	3	4	5
	Strongly agree	Agree	Disagree	Strongly disagree	Not sure
I am satisfied with communication I have with my colleagues at Kimisitu					
The communications I have with my colleagues at Kimisitu are open and flowing					
I receive information from my colleagues about management actions, accomplishments/failures before I hear from my supervisor					
I often lack information to perform my job properly					
Information I receive from my colleagues is trust worthy					
I often lack appropriate communication tools to help me perform my job properly					
Information I receive from my colleagues help me do my job properly					
I am satisfied with the quality and amount of information I receive about our strategy and goals					
I receive information about my job performance					
My communication with my supervisor is open and flowing					
Our internal communications results in higher employee engagement.					
Information received from my supervisor is trustworthy					
Our internal communications contribute to Kimisitu Sacco's performance and profitability.					
Overall information flow at Kimisitu Sacco					

is sufficient.					
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18. Do you think that Kimisitu Sacco has provided you with necessary communication tools?

Yes []

No []

19. What challenges do you experience in your internal communications?

20. What recommendations can Kimisitu implement to improve its internal communications?

Thank you

Appendix 4: Questionnaire for Kimisitu Members

Please answer the questions freely. The information you provide will be treated with utmost confidentiality and will only be used for academic research purposes by the researcher himself

Section 1: Demographic information

Age	Below 20	[]
	21-30	[]
	31-40	[]
	41-50	[]
	Above 50	[]

1. Please state the highest level of education you have achieved/attained

Primary School []	High school []	Vocational training/Polytechnic []
College []	Bachelor's Degree []	Post Graduate Degree []
Any other.....		

2. Gender

Male []	Female []
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3. How long have you been a member of Kimisitu Sacco Ltd?

Below 5 years	[]
5-10 years	[]
11-20 years	[]
Over 20 years	[]

Section 2: Modes of communication

4. How often does Kimisitu Sacco Ltd communicate to you?

Often	[]
Not often	[]
Rarely	[]
Not at all	[]

5. How does Kimisitu Sacco Ltd communicate to you?

Telephone	[]
Notices	[]
Emails	[]
Others/ Please specify.....	

6. Has Kimisitu Sacco officials visited your organization in the last 18 months?

Yes []	No []
---------	--------

7. Have you attended Kimisitu Sacco's organization's champion forum in the last 18 months?

Yes []	No []
---------	--------

8. Have you ever received a Kimisitu Sacco's flyer/brochure?

Yes [] No []

If yes, was the flyer/brochure informative?

Yes [] No []

9. How often do you seek information from Kimisitu?

- Daily []
- Weekly []
- Monthly []
- Other/Please specify.....

10. What information do you often seek from Kimisitu Sacco?

- Loan application status []
- Product information []
- Account information []
- Events information []
- Other/Please specify.....

Section 3: Member training

11. Have you ever attended any training session organized by Kimisitu Sacco Ltd?

Yes [] No []

12. If yes when was the last training session you attended?

- Within the last 1 year []
- Within the last 2 years []
- Within the last 3 years []
- Within the last 4 years []
- Over 5 years []

13. In a scale of 1-5 please indicate the extent to which you agree/disagree with the following statements

	1	2	3	4	5
	Strongly agree	Agree	Not sure	Disagree	Strongly disagree
Kimisitu organizes members training regularly.					
Kimisitu trains members on relevant topics					
Kimisitu officials regularly visits our organization to train members					
Kimisitu’s training has increased my knowledge about savings and credit products					
I find Kimisitu’s training sessions helpful					
I patronized Kimisitu’s products after a training session					
I will encourage other members from my organization to attend Kimisitu’s training sessions					
I am able to give feedback to Kimisitu after training					

Training forums are important to members to create an all-round member					
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14. What recommendations will you make to Kimisitu to improve its training sessions?

Section 4: use of technology in communication

15. How often do you visit Kimisitu Sacco’s website?

Daily [] Weekly [] Monthly [] Not at all []

16. How do you rate Kimisitu Sacco’s website in terms of

	Excellent	Good	Fair	Poor	Very Poor
Updated and relevant Information					
User friendly features					
Meeting members’ needs					
Appeal and aesthetics					
Marketing Kimisitu Sacco Ltd					

17. Do you know if Kimisitu has a (social media) Facebook and Twitter accounts?

Yes [] No []

18. Does Kimisitu communicate to you via social media?

Yes [] No []

19. What recommendations will you give to Kimisitu to improve her social media communication?

20. In a scale of 1-5 please agree/disagree with the following statements regarding Kimisitu communication practices

	Strongly agree	Agree	Disagree	Strongly disagree	Not sure
	1	2	3	4	5
I receive regular updates from Kimisitu					
Kimisitu staff responds to my enquiries timely					
I regularly receive Kimisitu’s newsletter and brochures					
Staff are well informed on Kimisitu’s products and services					
Kimisitu staffs advise members in a courteous and polite manner.					

Information shared by Kimisitu staff is trustworthy					
Kimisitu's website is informative and educative					
Kimisitu staff regularly visit our organization to educate members					
Kimisitu shares her important information like annual reports and financials with members					
I am able to make decisions about my account from information shared by Kimisitu					
I apply for loans based on information received from Kimisitu					
Information shared has helped me increase my investments in Kimisitu.					
Kimisitu uses appropriate media to communicate to her members					
How Kimisitu communicates directly affects member's participation in the Saccos affairs					

21. What recommendations can Kimisitu implement to improve her communication with members?