

**EFFECT OF MANAGERIAL ATTRIBUTES, EMPLOYEE  
CHARACTERISTICS AND ORGANIZATIONAL FACTORS ON  
THE RELATIONSHIP BETWEEN EMPLOYEE TRUST OF TOP  
MANAGEMENT AND PERFORMANCE OF SAVINGS AND  
CREDIT COOPERATIVE SOCIETIES IN NAIROBI COUNTY,  
KENYA**

**JEREMIAH KAGWE**

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## DECLARATION

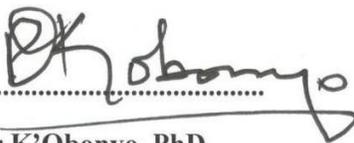
This thesis is my original work and has not been presented in any other university for the award of any degree.

Signed.....

**Jeremiah Kagwe**  
D80/P/ 8799/2000

Date ..11-8-2016

The thesis has been submitted with our approval as the candidate's university supervisors.

Signed.....

**Prof. Peter K'Obonyo, PhD**  
Department of Business Administration  
University of Nairobi

Date ..11/08/2016

Signed.....

**Prof. Martin Ogutu, PhD**  
Department of Business Administration  
University of Nairobi

Date ..12/08/2016

Signed.....

**Dr. Mary Kinoti, PhD**  
Department of Business Administration  
University of Nairobi

Date ..12/08/2016

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P.O. Box 60254-00200

Nairobi

Telephone: 0722816099

E-mail: [jkagwe@uonbi.ac.ke](mailto:jkagwe@uonbi.ac.ke), [jkagwe@gmail.com](mailto:jkagwe@gmail.com), [jeremiahgk@yahoo.com](mailto:jeremiahgk@yahoo.com)

## **DEDICATION**

This thesis is dedicated to my children Karo, Rose, Sharon, Jane and Ian and their mothers Elizabeth and Freshier. Further dedication goes to my late parents Muthoni and Kagwe not only for educating me but also for teaching me the value of hard work and respect for other people.

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However, I bear full responsibility for all errors, if any, and any shortcomings of this thesis.

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## **ABBREVIATIONS AND ACRONYMS**

<b>ATMs</b>	Automated Teller Machines
<b>BSC</b>	Balanced Scorecard
<b>CEO</b>	Chief Executive Officer
<b>CSR</b>	Corporate Social Responsibility
<b>CV</b>	Coefficient of variation
<b>DCM</b>	Diploma in cooperative management
<b>DTS</b>	Deposit Taking Societies
<b>EC</b>	Employee Characteristics
<b>ET</b>	Employee Trust
<b>FSS</b>	Financial Services Sector
<b>HR</b>	Human Resources
<b>HRM</b>	Human Resource Management
<b>MA</b>	Managerial Attributes
<b>NDTS</b>	Non Deposit Taking Societies
<b>OF</b>	Organizational Factors
<b>OP</b>	Organizational Performance
<b>ROI</b>	Return on Investment
<b>SACCOs</b>	Savings and Credit Cooperative Societies
<b>SASRA</b>	SACCOs Regulatory Authority
<b>SD</b>	Standard Deviation
<b>SET</b>	Social Exchange Theory

## **ABSTRACT**

The principal objective of this thesis was to determine the effect of managerial attributes, employee characteristics and organizational factors on the relationship between employee trust of top management and the performance of SACCOs in Nairobi County. The pertinent hypotheses were derived from the main objective. The study adopted a descriptive cross sectional survey to achieve the objective. The study population consisted of all the 1065 SACCOs in Nairobi County as at 31<sup>st</sup> December 2014. Two questionnaires, one to the CEOs of the SACCOs and the other to the employees were used to collect data. Data was analyzed through the use of descriptive statistics and inferential statistics. The results from the data analysis revealed that employee trust of top management significantly affected financial performance but its effect on non-financial performance was not significant. With regard to the second objective, the study found that managerial attributes did not significantly moderate the relationship between employee trust of top management and both financial and non-financial performance of SACCOs in Nairobi County. It was found from the test of hypothesis three, which was drawn from objective three, found that employee characteristics significantly moderated the relationship between employee trust of top management and financial performance. It was also found that employee characteristics significantly moderated the relationship between employee trust and non-financial performance. Test of the fourth hypothesis under the fourth objective revealed that organizational factors did not have significant effect on the relationship between employee trust of top management and financial and non-financial performance. As for the fifth hypothesis and objective the study found that the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on financial and non-financial performance was significant and greater than that of individual predictor variables. The findings of the study led to several conclusions. One was that employee trust of top management significantly influences organizational performance and it is therefore an important behavioural attribute in organization. Managers can promote employee trust to enhance organizational performance. Another conclusion is that the degree of impact of employee trust on organizational performance depends on employee characteristics. The other conclusion was that managerial attributes and organizational factors which were found not to be moderators of the relationship between employee trust and organizational performance could possibly be mediators or may have direct impact on performance. The results of the study have implications for both policy and practice. The research findings further support the contingency theories that emphasize that the quality of managerial decisions depend on situations. One shortcoming of the study was the low response rate of 30%. The study recommends the use of Human Resource Management policies to promote employee trust of top management through recruitment of employees with appropriate characteristics that can enhance employee trust of top management, hence enhance organizational performance.

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.1 Background**

The concept of trust has been increasingly recognized as having a positive impact on organizational performance (Hassan, Toylan, Semerciöz & Aksel, 2012). Research has further shown that trustworthy managers preside over more profitable organizations and are better able to maintain and even increase organizational performance in organizations challenged by poor performance and facing environmental challenges (Boyne, 2003). Managers who have a direct contact with their employees are important to them because their operational and tactical decisions greatly affect their employees' lives. Time and energy spent by an employee either attempting to monitor the manager's actions or worrying about their actions distract the employees' attention from the work that needs to be done (Hassan et al., 2012).

In addition to managers who are in direct contact with their employees there are also those in top management who are not in direct contact with their employees. These are the top managers who make strategic decisions that affect the overall culture and success of the organization. These top managers are responsible for decisions about what to communicate to the employees regarding the company's financial position, but also impeding strategic decisions and moves and policy changes about such things as salary increase, changes in benefit packages and also human resources management policies. Where employees lack trust in top management they are likely to spend time and effort speculating about their future in the company or the future of the company itself (Mayer & Gavin, 2005). It is therefore important for all managers both at lower and higher levels to earn trust of their employees if the company is to achieve its goals effectively and efficiently. Literature on trust has shown that the effect of employee trust on organisational performance is moderated by many variables including employee characteristics, organizational factors and managerial attributes (Fila, Procom & Zivelova 2012; Semercioz, Hassan & Alkemur, 2011). However, this researcher did not find any research that sought to study the relationship between employee trust of top management and the performance of SACCOs in Kenya. Many of the studies on trust and performance are mainly on employee trust of the co-worker or employee trust of his/her supervisor.

The concept of trust is founded on the Social Exchange Theory (SET) (Whitener, Brodt, Korsgaard & Warner, 1998). The SET proposes that all human relationships are based on the search for self-interest. People associate with others so that they can satisfy their self-interest. The SET theory is based on fact that individuals relate with others in expectation that their good deeds will be reciprocated. The theory further proposes that hostilities, fear and other distrusting acts will be reciprocated (Tzafrir, 2005). Similarly, cooperation theory contends that people cooperate because they expect to gain from the cooperation (Gafen, 2006). In the agency theory the agent and the principal also come together for mutual benefit. The basic principle of the agency theory is that the principal and the agent seek to benefit from their relationship (Shapiro, 2005).

Despite the recognition that employee trust influences organizational performance, there exist conflicting empirical findings from research on the relationship between employee trust and organizational performance. While some researchers have found a positive relationship between trust and performance (Dirks & Ferrin, 2002), others studies found a negative relationship (Kimmel et al., 1980) while others found an insignificant but positive relationship (Berraies, Chaher & Yahia, 2014). In addition difficulties in defining and operationalizing the concept of trust have made it difficult to undertake studies on the relationship between trust and performance (Mayer & Gavin, 2005). It is important to state that trust is domain specific (Tzafrir, 2005) and therefore there is need to understand trusting behaviour within a specific context.

Due to scarcity of studies on the subject of employee trust and performance-relationships especially with regard to employee trust of top management and on the variables that moderate the trust performance-relationship, there is need to explore further the relationship between employee trust of top management and performance and also the significance of the various moderating variables on the trust performance-relationship. The Cooperative Movement in Kenya and elsewhere is facing challenges emanating from factors such as globalization, competition and changes in technology which means that the sector requires innovative strategies to survive (SASRA, 2013). SACCOs in Kenya face many other challenges such as limited resources, competition from other players in the financial services sector and the changing environment. Building trust, and rewarding

interpersonal relationships based on trust can be used as a strategy for advancing competitive advantage. Building of trust can lead to better performance of the SACCOs; improve the welfare of members of these SACCOs, thus leading to reduction of poverty in Kenya and elsewhere.

### **1.1.1 Employee Trust of Top Management**

In review of literature different definitions of the concept of trust were noted. According to Rousseau, Sifken, Burt and Camerer (1998), trust is a positive attitude towards others which arises out of an evaluation of those others by the trustee on the basis of certain values such as integrity, credibility and benevolence. On the other hand Barzoki, Abzari, Masrach & Maleki (2013) considers trust as involving risk and is based on the fact that the trustee will behave in an appropriate manner. For Nooteboom, Berger and Noorderhuem (1997) trust is based on the believe that the trustee will not behave in an opportunistic manner. In other words the trustee will not behave in a way that is injurious to the trustor.

There are several types of trust that have been identified in the literature. For example, McAllister (1995) identified two types of trust namely cognitive trust and emotional trust. MacAllister argues that, trust arises from a rational evaluation of the trustee by the trustor on the reasons that justify that the trustee can be trusted. Affective trust on the other hand arises from emotional links and attachments between the trustor and the trustee. Other kinds of trust that have been identified include lateral trust and vertical trust. According to Barzoki et al. (2013), lateral trust arises between co-workers while vertical trust is the one between an employee and his or her superiors. Costigan, Ilter and Berman (2010) noted that when undertaking research on employee trust and organizational performance it important to differentiate between employee trust of their immediate supervisor and that of the organizations top management. This is because while the relationship between the employee and their immediate supervisor is a direct one, the one between the employee and the top management is not a direct one and is based on top management's reputation (Costigan et al., 2010).

Employee trust refers to employees having confidence in the managers' ability, integrity and benevolence (Lyman, 2012). According to Lyman (2012) when employees trust their managers the managers should respond by behaving the right way. In other words trust is earned through both action and interaction. For people to trust others, those others must do something in return to give them the evidence they need to continue trusting them. For employees to trust their managers, the managers must do things that make the employees trust them. Trust is also earned through interaction. This interaction can be as simple as a communication between a trustor and a trustee. It can also be an interaction between the two that conveys to others that it is to their benefit that they trust others. Mayer, Davis and Schoorman (2006) proposed a framework that shows that when followers believe their leaders the employees will be more comfortable undertaking tasks in the organization that put them at risk. In other words when employees perceive that their managers have ability, integrity and benevolence they will trust them (their managers).

When employees continue to trust their managers it means that managers are trustworthy, honest and fair in their dealing with employees (Doney & Cannon, 1997; Tyler, 2003; Mayer et al., 2006). According to Tyler (2003) every successful working relationship is built on trust. An environment which is characterised by trust assumes that both parties are happy with each other and that each has each other's best interests in mind. That is why an employee can accept criticism and even anger from a boss they trust. The employees know that their boss means well for them. Therefore it is important that managers build trust between themselves and their subordinates, so that a climate of positive relationships can exist between them and their employees (Marshal, 2013).

There are many things managers can do to earn their employees' trust (Lyman, 2012). Firstly, managers should be credible (trustworthy), that is to say they must do what they say they will do. Secondly, managers must respect their employees. This is experienced through managers' being honest when dealing with their employees. Finally, managers should treat their employees fairly regardless of their position within the organization (Lyman, 2012). Consequently it is the manager's trustworthiness, honesty and fairness that earn his/her employees' trust. This research focuses on the employee trust of top management in terms of honesty, fairness and trustworthiness.

### **1.1.2 Managerial Attributes**

The concepts of leader traits and attributes have been in use in organization and business textbooks from early periods of man's history (Bass, 1990). In Chinese writings for example For example in Chinese literature from the 6<sup>th</sup> century BC there is a description of a wise leader as selfless, hardworking, honest, fair, and able to empower others. Bass (1990) also notes that notions about leader qualities could be found in early Egyptian, Babylonian, Asian and Icelandic writings.

The term trait or attribute has been a source of considerable ambiguity and confusion in literature (Zaccaro, Kemp & Bader, 2004). Allport (1961) defined a trait in terms of somebody having a capacity involve others in undertakings that promote group welfare (Allport, 1961). This perspective proposes that the concept of trait refers to a stable or consistent pattern of behaviours that are relatively immune to situational contingencies (Zaccaro et al., 2004). This study takes this perspective of defining traits or attributes and emphasizes that attributes reflect a range of individual differences including personality, temperament, motive, cognitive abilities, skills and expertise.

Kasperson, Goldingand and Tyler (1992) identified commitment to a goal, competence, caring and predictability as the four main attributes of an effective leader. Renn and Levin (1991) found superior's characteristics such as competence, objectivity, fairness, consistency and faith as having appositive influence on organizational performance. According to Corvello (1992) there are many key attributes of trust such as caring, empathy; dedication; competence; honesty and openness. Likert and Willis (1990) also found the supervisors' behaviour to be instrumental in determining the level of organizational performance. This includes sharing of appropriate information, allowing mutuality of influence, encouraging self-control and not abusing the vulnerability of others. Hassan et al. (2012) identified the following as the main attributes: participation, feedback, empowerment and productivity.

All the above attributes can be traced to the three main ones namely ability, integrity, and benevolence (Borum, 2012). Ability is refers to the trustor's perception of the trustee's competence, predictability or consistency. Integrity on the other hand refers to the

trustee's objectivity, fairness, honesty and commitment to a goal. With regard to benevolence, Borum (2012) states that it is based on perceptions and demonstration of caring, empathy, responsibly fulfilling obligations and commitment to goals.

There are many studies which have established the significance of the effect of the various attributes on organizational performance (Aubert & Kelsey, 2004). However, whereas some of those researches show a positive relationship between managerial attributes and organizational performance (Tzafrir, 2005) others such as Kimmel, Pruitt, Magenau, Konar-Goldband and Carnevale (1988) show a negative relationship. Based on Borum (2012), this study will seek to establish the extent to which the three main managerial attributes (ability, integrity, and benevolence) employee characteristics and organizational factors can influence the organizational performance.

### **1.1.3 Employee Characteristics**

In every organization the employee is considered an important resource. This is due to the fact that no work can be performed well without the direct input of the employee (Gede & Lawrence, 2011). However, employees come to the organization with different needs and aspirations. They also come from belong to different age groups. In addition they are of different gender educational levels and experience. The major conclusion of such differences in people within organizations means that people should be treated differently as the most expedient way to achieve organizational success (Gede & Lawrence, 2011).

In addition to employees demographic characteristics (age, gender, academic qualifications, experience on the job and in the organization) there are employee behavioural characteristics that can influence his or her performance in the organization and hence influence organizational performance. These include self-management, technical competence, dependability, concentration and innovativeness (Johari &Yahya, 2009).

In this study the employee characteristics considered as important variables that either affect the organizational performance or influence the trust performance relationship are managerial competency, use of ICT, self-management, dependability, concentration and initiative.

#### **1.1.4 Organizational Factors**

There are many organizational factors that enable organizations to adapt to environmental changes (Mackenzie, 2014). Delmas and Toffel (2010) identified both organizational and managerial characteristics that enable an organization to respond to environmental complexity. They also established that a firm's capabilities, resources, ownership structure, board size, corporate identity and managerial discretion constitute important factors that determine the firm's capacity to respond to environmental complexity.

Organizational culture is another factor that has been found to influence employee performance and productivity (Affab, Rana & Sarwar, 2012; Uddin, Luva & Hossian, 2013). Uddin and Hassan (2013) found out that the four organizational factors that influenced organizational performance are size, organizational resources, policies and leadership style. SACCOs have characteristics that may be expected to have an effect on their performance. These include size of the SACCO, managerial competency, adoption of technology and age of the SACCO (Mwangi, 2014). As the Sacco grows in size, the fixed costs are spread over larger business volumes leading to efficiency benefits. Additionally efficiencies from labour specialization may take place in bigger firms.

For young firms, increase in age results in increase in size, and hence an increase in efficiency (Mwangi, 2014). The resource based view points out that for an organization to achieve competitive advantage it needs to have non imitable resources and which cannot be copied by competitors. Some of those resources include managerial competency. Managerial competency refers to the manager's knowledge of his job. It also includes the managers' trustworthiness. One of the most important of these resources is managerial competency. Managerial competency includes the knowledge and expertise of organizational managers. Firms with better managerial competencies would be expected to have better performance.

Increased use of ICT enables organizations to provide services at faster speeds and hence at lower costs. Therefore the use of ICT also has implications for organizational efficiency (Aduda & Kingoo, 2012). Decision making level of SACCOs also has implications for the SACCO performance. Decentralized structures allow staff to participate in decision making and hence increase staff morale and this might lead to improvement in SACCO performance. From the above analysis the organizational factors that influence SACCO performance include size, level of income, managerial competency, use of ICT and decision making style. This study sought to enhance knowledge in this area by assessing the moderating effect of organizational factors on the relationship between employee trust of top management and performance of SACCOs in Nairobi City County. The organizational factors considered are: resources, decision making style, managerial competency, use of ICT and income.

### **1.1.5 Organizational Performance**

Organizational performance can be defined as the extent to which an organization achieves its goals (Berraies et al., 2014). Organizational performance can be measured in either financial or non-financial terms. Financial measures include profit, revenue, assets or return on assets. On the other hand non-financial measures include variables such as customer satisfaction, quality of goods or services and employee satisfaction. Deshpande, Jarley, and Webster (1993) identified a way of evaluating organizational performance which takes into account both financial and non-financial variables. This method measures performance in terms of overall success, the rate of growth, the rate of profit, creativity and customer success when compared with close competitors.

Organizational performance refers to the achievements of goals and objectives. It measures the organization's outputs against costs. According to Richard et al. (2009), organizational performance refers to three areas of a firm's outcomes. First are financial outcomes as measured by profit, return on assets, or return on investment). Secondly they include product and market outcomes as measured by sales and market share. Finally performance refers to measures of shareholder return such as total shareholder return and economic value added.

Performance is also an account of how organizations, nations or even continents manage to get from state A to state B, the latter being better than the former (Jirasingh, 2006). Performance deals with the outcomes and accomplishments achieved by a person, group or organization. In recent years many organizations have attempted to measure organizational performance using balanced scorecard (BSC) methodology where performance is tracked and measured in multiple dimensions such as financial performance, customer service, social responsibility and employee stewardship (Richard et al., 2009). According to Chakravarthy (1986) performance is a multidimensional construct composed of various related elements and although financial measures have been widely used to measure performance they do not sufficiently approximate the actual performance and therefore should be supplemented by subjective measures so as to achieve a more comprehensive representation of performance. Kirea, Jayachandran and Bearden (2005) posit that organizational performance outcomes are structured around four categories: customer satisfaction, innovation success, employee satisfaction, and organizational success. Customer satisfaction refers to the measurement of the quality of goods and services that the firm produces as perceived by the customer. Innovation success refers to the organization's capacity to create and implement new ideas, and transform them successfully into products and services. Employee satisfaction refers to the willingness of the employee to put in maximum effort for the organization, with team spirit, and fully motivated to satisfy customer's needs and aspirations. Organizational success refers to cost based measures such as profit or other financial measures (Chakravarthy, 1986).

According to Brewer (2005) measures of perceived organizational performance are consistent with objective measures of organizational performance. Brewer came to this conclusion in a study of frontline supervisors of 22 of the largest federal agencies in the United States. In his study Brewer identified eight variables that were used in measuring organizational efficiency and effectiveness. These were quantity of outputs, quality of outputs, efficiency, equity, outcomes, value for money and consumer satisfaction. A wide range of literature also reveals that there are positive and statistically significant correlations between objective and subjective measures of organization's overall performance.

In measuring the performance of SACCO, this study used not only the financial performance measures, but also non-financial performance measures. Financial performance measures used was loan advances by the SACCOs. As noted above, the principal objective of SACCOs is to accept savings from members and lend the same deposits to the same members As such using loans as a measure of performance is consistent with the this objective of SACCOs. Non-financial measures were operationalized as a composite index of quality of services, innovativeness, efficiency and effectiveness. These measures of performance have been successfully used to measure organizational performance in studies by Mwangi (2014), Kireia et al. (2008) and Charkravarthy (1996).

#### **1.1.6 Savings and Credit Cooperative Societies (SACCOs) in Nairobi County**

Cooperatives societies are defined as associations of persons united voluntarily to meet their common economic, social and cultural needs and inspirations. The cooperative societies are supposed to be guided by the following principles: namely voluntary and open membership, democratic member control, member economic participation, autonomy and independence, education, training and information, cooperation among cooperatives, and concern for community. They are jointly owned and democratically controlled by their members (Birchall, 2004). Cooperatives are guided by the values of equity, integrity and accountability.

Savings and credit cooperatives are part of the cooperatives. SACCOs as the name implies are cooperative societies who accept savings from members and lend the same savings to the members in the form of loans. SACCOs are guided by cooperative principles, values and laws. SACCOs seek economic, social and cultural objectives.

SACCOs form part of the cooperative movement in Kenya. This sector has changed the lives of many disadvantaged Kenyans over the years for the better (SASRA, 2013). The sector may be divided into financial and non-financial cooperatives. Non-financial cooperatives deal with the processing and marketing of members produce and services such as dairy, livestock, coffee, tea, handcrafts and many more similar services. On the other hand financial cooperatives comprise of SACCOs, housing cooperatives and investment cooperatives (SASRA, 2013).

The SACCO sub sector can be divided into two groups given the range of they provide to members and the legal framework in which they fall. The first group which is described in law as Non -Deposit Taking SACCOs (NDTs) provide savings and credit products to their members and they are registered and supervised under the Cooperative Societies Act, CAP 490. The second category is described as Deposit Taking SACCOs (DTS). These DTSs, besides providing the basic savings and credit services, they also provide basic banking services such as demand deposit accounts, cheque payments services, and ATMs (SASRA, 2013).

The DTS are licensed and supervised under the SACCO Societies Act of 2008 (SASRA, 2013). By December 2013 there were over 6,000 registered non-deposit taking SACCOs in Kenya, 1,995 of which were active. Active in this context means that the SACCOs filed their audited financial statements with the Commissioner of Cooperative Development as a legal requirement (SASRA, 2013). By the close of 2013, there were 215 deposit taking SACCOs, out of which 135 were licensed by SASRA. The remaining 80 DTSs were still working to satisfy the licensing requirements. The 215 DTS accounted for 78% of total assets and deposits of the entire sub-sector in 2014. Further they commanded 82% of the membership in the SACCO sector (SASRA, 2014).

The history of SACCOs in Kenya can be traced to the 1970s when collateral was a must for anyone who wanted bank credit. Most members of SACCOs then were employees of the government which supported the idea of people coming together to save and lend to one another to improve their welfare. SACCOs would make it easy for members to secure loans on the shares they had in their SACCOs and the salary they earned. In the late 1970s the government developed manuals and guidelines that would be strictly followed to protect members' deposits. In the 1980s SACCOs began seeking more flexibility and autonomy to diversify their operations and increase their incomes. Up to 2008, the entire cooperative movement in Kenya was governed by the Cooperative Societies Act CAP 490. In 2008 the Government enacted the Sacco Societies Act. The Act established the Sacco Societies Regulatory Authority (SASRA). SASRA's main objective is to license and supervise deposit taking SACCOs in Kenya with a view to making the sector stable, more competitive and responsive to the ever changing financial needs of Kenyans (SASRA, 2011).

As at 31<sup>st</sup> December 2014 Nairobi County had 1065 active SACCOs (SASRA, 2014). Nairobi County has the highest number of SACCOs in the country of all the counties in Kenya. The decision to study the 1065 SACCOs in Nairobi County has been informed by a number of factors. First the 1065 SACCOs represent 21 per cent of the 6,000 SACCOS in Kenya. Secondly the SACCOs in Nairobi County face the same or similar challenges faced by the country's population of SACCOs. Additionally the SACCOs in Nairobi County operate under the same political, economic and legal environments as the other SACCOs in the country. Therefore, the results of the study on employee trust and performance of SACCOs in Nairobi County can reasonably be generalised across the entire SACCO sector.

## **1.2 Research Problem**

The literature on trust highlights the multitude of benefits that trust can create for firms. Among its many virtues trust is hailed as a necessary prerequisite for fluid market exchange, a preferred method of reducing agency and transaction costs; and a vital ingredient in facilitating complex coordination among stakeholders (Wicks & Berman, 2004).

During the 21<sup>st</sup> century with advanced technology, stiff competition, globalisation and new customer demands, managers can no longer rely only on positional authority to get things done by their employees. With flatter, more decentralised and less formalized structures, it is becoming harder for leaders to know and even monitor what their employees are doing. In the circumstances trust is becoming increasingly important in today's organisation as a tool of achieving organisation's competitive advantage, In fact there are strong evidences in empirical research linking high levels of trust with high levels of employee engagement and in turn, positive business outcomes.

Within firms, relationships and alliances between employees are becoming more important, compared to hierarchical relationships that used to be considered significant before. Among different organizations new linkages are becoming more important in the achievement of competitive advantage in the market place. These linkages require organizations to adopt new strategies to strengthen those relationships. Besides,

organizational performance is becoming increasingly dependent on functions such as scanning the environment to explore opportunities, participation in organizational learning processes and helping colleagues improve their performance. While cooperative behaviours are growing in importance, hierarchical relationships can be less relied upon to bring these behaviours about. Trustful relations between organizational members can promote voluntary cooperation and extra role behaviour. Therefore trust is becoming an important tool for achieving better organizational performance not only because it enables voluntary cooperation but also because it promotes cooperation among various organizational partners. This form of cooperation becomes increasingly important when command and control styles of management are no longer effective. In addition the way work is performed and the nature of work are changing. Work has become more centred on intellectual labour and a lot of work is done in inter dependent teams. Therefore, new approaches need to be adopted to exercise command and control in organizational settings Management cannot control everything; it is more dependent on willing engagement of employees to work well. Cooperation and trust are important conditions in a 21<sup>st</sup> century work environment (Bijlsma & Koopman, 2003).

The SACCOs in Kenya face various challenges such as competition, limited resources, limited managerial skills and rapidly changing external environments. To help the SACCO sector achieve its intended goals, the SACCOs must seek appropriate strategies to deal with the challenges. Increasing employee trust of top management in the SACCOs can be one strategy the SACCOs may have in achieving increased efficiency and effectiveness.

Literature review has identified many gaps in the studies on trust performance relationships involving conceptual, methodological and contextual gaps. For example while some studies have shown that employee trust has a positive and significant impact on organizational performance, others show that employee trust has either a negative correlation between it and performance or shows no relationship at all. For example Aubert and Kelsey (2003) studied 71 students in a Canadian University to find out whether trust could increase the students' performance in their project work. The study established that where there was more trust students completed their work late whereas

where there was little trust the students completed their work on time. Semercioz et al. (2011) studied 202 employees of 3 departments in banking companies in a Western State in U.S.A. He found that trust in organizations influences both product and process innovativeness.

In studies examining the relationship between trust and other variables, researchers have emphasized the importance of being specific in terms of both trust construct and referent. In some cases researchers have looked at direct relationships between trust and other variables. In other words researchers have looked at relationship between an employee and his co-worker. Other have examined the impact of employee trust on his her immediate supervisor on performance whereas others have focused on trust in organizational leadership (senior leadership). Trust in these three different referents will show different work outcomes (Dirks & Ferrin, 2001). This issue has important implications for both policy and practice as it can provide guidelines on whether organizations should focus resources on building trust between employee and his or her co-worker or establishing and building employee trust between his or her supervisors or in top management. Many researches (Semercioz, 2011; Fiala et al., 2012; Krot & Lewicka, 2012) focussed on different referents of trust (institutional trust and inter organizational trust). This research sought the effect of employee trust of top management on financial and nonfinancial performance.

There are also differences on the dependent variable. While some studies looked at financial performance (Tsafrir, 2005), others looked at both financial and non-financial measures of organizational performance. For example Semercioz et al. (2011) considered performance in terms of both product and process innovation. Since SACCOs are both economic and social organizations it will be important to find out whether trust contributes positively to the achievement of social goals. This study addressed both financial and non-financial performance perspectives. There are also methodological gaps in that some studies looked at a single organization (Krot & Lewicka, 2012) while others (Tzafrir, 2005) conducted surveys of several organisations. This study studied several organizations.

Controversies also exist as to whether trust directly influences performance or is a moderating variable. Many studies show that the relationship between employee trust and organizational outcomes is mediated by subordinates' intentions to stay (Poon, 2006). Trust in management has also been found to be a partial mediator on relationships between trust antecedents – ability, benevolence and integrity -and such employee outcomes as risk taking and job performance (Colquilt, Scott & Lepine, 2007). The study by Tzafirir (2005) indicates that the relationship between trust and performance is mediated by HR practices. Thus, it is likely that instead of trust having a direct relationship with organizational outcomes, the relationship could be mediated or moderated by many variables including managerial attributes, employee characteristics or organizational factors. This is consistent with contingent theories. This study seeks to identify the variables that moderate the trust performance relationship and therefore deviates from the focus of many studies on trust and performance relationship which treats the relationship as direct.

Another gap is the fact that most of the studies on trust performance relationship were done on organizations in developed countries. Local studies which have addressed SACCOs and their performance did not look at trust as the dependent variable. They studied other concepts such as performance management (Mutua et al., 2013), and opportunities and challenges (Momanyi, 2014).

The cooperative societies in Kenya play a pivotal role in alleviating poverty. The sector is also expected to contribute positively to the achievement of the goals of Vision 2030 that seeks to make Kenya a Middle Income country. Using trust to improve their performance can assist these organizations achieve their goals.

Given the above contradictions and gaps in knowledge it was necessary to conduct a study to address first whether trust positively influences organizational performance and secondly whether there are variables that moderate the relationship. This was achieved by this study which sought an answer to the following question: Is the relationship between employee trust of top management and performance of SACCOs in Nairobi County moderated by managerial attributes, employee characteristics and organizational factors?

### **1.3 Research Objectives**

The overall objective of the study was to determine the effect of managerial attributes, employee characteristics and organizational factors on the relationship between employee trust of top management and performance of SACCOs in Nairobi County. The specific objectives of this research were the following:

- i) Determine the influence of employee trust of top management on the performance of SACCOs in Nairobi County.
- ii) Establish the moderating effect of managerial attributes on the relationship between employee trust of top management and performance of the SACCOs in Nairobi County.
- iii) Assess whether there is a significant moderating effect of employee characteristics on the relationship between employee trust of top management and performance of SACCOs in Nairobi County.
- iv) Assess there is a significant moderating effect of organizational factors on the relationship between employee trust of top management and performance of SACCOs in Nairobi County.
- v) Assess whether the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on the performance of SACCOs in Nairobi County is greater than the effect of individual predictor variables.

### **1.4 Value of the Study**

The findings of the study have several benefits. First it adds to the existing knowledge on how managerial attributes, employee characteristics, and organizational factors influence the relationship between employee trust of top management and organizational performance. The study assists managers understand the various variables that can moderate the relationship.

The study contributes to the theory of trust by emphasizing how trust can enhance organizational performance through the moderating role of employee characteristics. In addition the study contributes to the open systems theory by showing that managing

organizations is a complex matter and many factors play a part in achieving organizational goals. The study also enhances the contingency theory by showing that the positive effect of employee trust on organizational performance is dependent on employee characteristics.

Secondly the study findings equip policy makers with an understanding of the relationship that exists between the study variables in an integrated manner. As a strategy for increasing organizational performance employee trust of top management is not well understood, Most of the studies on trust performer relationships have mostly focussed on trust between co-workers and employee trust of his or her supervisor,. The findings of this study helps managers understand the role employee trust of top management can play in increasing organizational performance especially when moderated by employee characteristics.

Thirdly the results of this study make a valuable contribution on how employee trust of top management can be built, maintained and strengthened. The results of the study show the role of employee characteristics in enhancing and maintaining employee trust of top management.

The study findings are also of immense value to policy makers in the Financial Services Sector and those in the Ministry in charge of the sector namely the Ministry of Industrialization and Entrepreneurship Development This study will enhance their understanding of the role employee trust of top management can play in enhancing the performance of the organizations .so that when formulating training policies for the sector they can consider the role employee trust of top management can play in enhancing organizational performance.

The primary beneficiaries of the findings of this study however are the managers of the SACCOs themselves. Not only will they enhance their knowledge on the role that employee trust can play in enhancing their SACCOs' performance, but it will also enlighten them on the moderating variables that can influence the trust performance relationship.

### **1.5 Structure of the Thesis**

The thesis is presented in five chapters. In chapter one an introduction to the study is given. This covers conceptual definitions as well as contextual background of the study. It also covers the research problem, research objectives and value of the study. The second chapter presents a review of both theoretical and empirical literature. The theoretical anchorage of the study was presented in relation to the concepts of the study. It discusses an overview of the five basic theories that form the basis of the study namely the theory of trust, the social exchange theory, the theory of cooperation, the agency theory and the open systems theory. The chapter also presents a discussion on employee trust and performance, moderating effect of managerial attributes, moderating role of employee characteristics and the moderating role of organizational factors. The chapter also presents selected empirical studies to highlight the knowledge gaps which set the conceptual framework together with the conceptual hypotheses.

Chapter three presents the research methodology which covers the research design, the philosophical basis of the study, population of the study, and the sample size and sample selection method. The chapter also addresses the operationalization of the study variables as well as data collection and data analysis methods. Chapter four discusses the descriptive statistics, hypothesis testing and discussion of the research findings. Chapter five covers summary of the findings, conclusions from the findings and the study implications for policy and practice. The chapter ends with limitations and recommendations for further studies.

### **1.6 Chapter Summary**

This chapter has presented an introduction of the thesis. First the concepts of trust and performance are fully explained in terms of their meanings and operationalization. Other concepts discussed in the chapter include managerial attributes, employee characteristics and organizational factors. After the discussion of the various concepts, a brief history of the SACCOs is given, together with the objectives and challenges facing SACCOs in Kenya.

After the discussion of SACCOs in Kenya, the problem addressed by this research is discussed. The discussion on the research problem highlights the conceptual, contextual and the methodological gaps on the topic of this study. The research problem ends with a discussion on the motivation of this study. The chapter ends with an indication of the research objectives, the value of the study and the structure of the thesis.

## **1.7 Definition of Key Terms**

### **Trust**

- Having positive attitudes towards others (Borris, 2007).
- The belief that the other party has good intentions (Mayer et al., 2006).
- The expectation that the other party will not behave opportunistically

### **Employee Trust**

- Refers to employees having confidence in the managers ability, integrity and benevolence (Borris, 2007)

### **Trust worthiness**

- Having the characteristics that earn trust.
- These characteristics include honesty, integrity and benevolence

### **Ability**

- Having competence, predictability and consistency

### **Integrity**

- This is the consistent application of a set of moral and ethical principles acceptable to both the trustor and trustee which increase predictability and reliability thus introducing greater equity
- the trustee's objectivity, fairness, and honesty
- Being objective, fair and honest

**Benevolence**

- Refers to a concern for another that goes beyond not taking advantage of the vulnerability of that other to taking a more active interest in her or his well being
- Demonstration of caring, empathy and kindness towards other people

**Top management**

- The person in charge of a SACCO whether they hold the title of a general manager, a CEO, a Director or manager

**Honesty**

- Keeping ones word, keeping a promise

**SACCO**

- A cooperative society that **accepts** deposits from members and lends the savings to the members in the form of loans (SASRA, 2013)

**Cooperative**

- An autonomous association of persons united voluntarily to meet their common, economic social and cultural needs and aspirations through jointly owned and democratically controlled enterprise

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter first presents the theoretical foundation of this study. Five theories namely the theory of trust, the social exchange theory, the theory of cooperation, the agency theory and the open systems theory are discussed. Secondly the chapter discusses employee trust and performance, the moderating effect of managerial attributes, the moderating effect of employee characteristics, the moderating effect of organizational factors and joint effect of employee trust, managerial attributes, employee characteristics and organizational factors on performance. Finally the chapter concludes by providing a summary of selected studies highlighting the knowledge gaps, a conceptual model and the hypotheses used to address the knowledge gaps.

#### **2.2 The Theoretical Foundation**

This research is anchored on many theories. Five of the theories are briefly discussed here below.

##### **2.2.1 The Theory of Trust**

The theory of trust emphasizes that interpersonal trust can lead to competitive advantage. Firms that increase trust in one another can gain a competitive advantage over those who make less effective use of trusting relationships (Fukuyama, 1995). Fukuyama developed a theory of trust based on the cultural habits affecting the amount of family exclusiveness. He suggested that family exclusiveness affects how open the family structure is and the amount of non-kinship interaction among the members of the society. Fukuyama (1995) noted that those societies or groups within a society having high levels of family openness also allow more non-kin interactions within the society. He then posited that the amount of non-kin interaction allows for differing amounts of trust in voluntary associations. Those societies that have low levels of non-kin interaction have low levels of trust in voluntary associations, while those with high levels of non-kin interaction will have high levels of trust in voluntary associations. Fukuyama posits that the amount of trust in voluntary associations is the key to the development of the large economic corporations needed to create economies of scale and economic prosperity.

The theory of trust posits that all human beings rationally seek for their self-interest Fukuyama (1995) further believes that if a nation does not have trust in non-kinship relations it will be limited in its ability to create large corporations needed to compete in the global economy. If a nation has trust among non kin relations this is a way for increasing social progress. This study will seek to add on to the existing knowledge on the theory of trust by showing whether more trust leads to better organizational performance.

### **2.2.2 The Social Exchange Theory**

The Social Exchange Theory (SET) first appeared in literature in the writings of Blau, Homans Thibaut and Kelly in the 1960s (Cropanezano & Mitchell, 2005). The theory's key principle is that human beings in social situations choose behaviours that maximize their self-interest in those situations. The basic principle of the Social Exchange Theory is that any social interaction that elicits acceptance is more likely to be repeated than an interaction that elicits disapproval. The SET explains that every social behaviour is the result of an interaction process between individuals. The purpose of an interaction is to maximize benefits and minimize costs to the people in the interaction. According to theory people will stop the interaction when costs exceed benefits (Cropanezano & Mitchell, 2005). The SET assumes that people seek to maximize their profits and that most gratification among human beings comes from others. Although much of SET literature has focussed on reciprocity, other exchanges are viable as well (Cropanezano & Mitchell, 2005).

Social exchange is based on the norm of reciprocity that explains that people assist and not harm those who help them (Tsafrir, 2005). This norm establishes that good actions and other favours will be returned. In addition the norm of reciprocity has a negative side as well in that hostilities, fear, inconsistency and other distrusting acts will be reciprocated.

The SET is about relationships between rational human beings. Those in the relationship seek satisfy their self-interest. The theory is also about self-interest and reciprocity. As Lewis and Weigert (1985) point out, when people notice that others trust them, they become more disposed to reciprocate by trusting them even more. Conversely, people come to distrust those who violate their trust or those who distrust them. This study found out that when employees trust the top management this leads to improved organizational performance.

### **2.2.3 The Theory of Cooperation**

Cooperation is defined as coming together to seek individual and group interest. Generally people are disposed to behave cooperatively at least with respect to their kin, and by extension friends, and in the case of rational people, with all human beings (Gafen, 2006). According to cooperation theory, people often cooperate with strangers because they expect to gain benefits from such cooperation.

There are two basic elements of cooperation. One pertains to goal interdependence and the other pertains to the action taken by the people involved. There are two types of interdependence: positive and negative interdependence. In positive interdependence, one person's goal attainment is positively correlated with the goal attainment of the other person. In negative interdependence, one person's goal attainment is negatively correlated with the goal attainment of the other person. More cooperation leads to more trust and more trust leads to more cooperation (Deutsch, 2006). This study is about employee trust of their top management team. It is based on the premises that more trust or cooperation leads to improved organizational performance.

### **2.2.4 The Agency Theory**

Jensen and Meckling were the first to develop a comprehensive agency theory of the firm in the 1970s (Van Horne, 2003). Agency theory is concerned with the governance of the firm. It assumes that the governance function administers the firm on behalf of the firms' owners. It also assumes that the governors seek to satisfy their self-interest. The principal enters into contracts with agents to manage the principal's firms and the agent accepts the responsibility. The basic idea about the agency theory is that both the agent and the principal are motivated by opportunities for personal gain (Shapiro, 2005).

The main assumption of the agency theory is that the principal agent model is that the principal is too busy to do a certain task and as such he/she hires another person to do the job for him/her. In addition the agency further assumes that since the is too busy he/she is not also able to supervise the agent well. In order to avoid opportunism on the part of the agent, the principal makes contractual agreement with the agent.

The agency problem for the organization is also seen from the viewpoint of its owners and other stakeholders such as underwriters, creditors and potential investors. The relationship between owners (called principals) and the managers (called agents) is the central concern of the agency theory. The agency problem involves the fact that the agents will serve their own interests rather than those of the principals. The agency theory concentrates on how the principal can manage or deal with the self-serving behaviour of agents to ensure that the interests of the principals are protected (Philips & Bosse, 2013). In the case of employee trust in their managers, the employee acts as the agent while the manager is the principal. When the manager behaves in a trustworthy manner the employee can act in the best interests of the firm.

### **2.2.5 The Open Systems Theory**

Open systems theory was initially developed by Ludwig Von Bertalanffy a biologist in 1956. The theory defines the system as a combination of parts or sub systems who relate to each other in an inter-dependent relationship. When one sub system or part performs its task or tasks the other sub systems or parts are affected. When one sub system or part adopts mechanistic structural designs the interaction between the sub systems becomes more complex. The open systems theory sees organizations as both hierarchical and loosely combined systems. Optimal organizational structures are contingent on the type of environment they exist within. This theory further posits that organizations whose internal features best match the demands of their external environmental situations will achieve the best adaptation.

The open systems theory emphasizes that organizations exist in an open environment. Any action they take is contingent on the prevailing environmental conditions. In other words for employee trust to lead to organizational performance it will depend on other factors such as employee characteristics and organizational factors. Thus the open systems theory is a relevant theory in understanding the moderating effect of managerial attributes, employee characteristics and organizational factors on the relationship between employee trust of top management and the performance of SACCOs in Nairobi County.

### **2.3 Employee Trust of Top Management and Performance**

Trust is an important behaviour to adopt in organizations in order to establish stronger relationships or to improve interactions and other forms of exchange in organizational relationships (Falcon, 2005). Employee trust in managers is important in organizations because employees are the organizations' key players. They constitute the bigger part of the organization's workforce. They are situated where the value is created. Therefore managers need to build and maintain their employees trust if the organization is to achieve its goals effectively and efficiently.

When employees trust their managers they will concentrate more on their work because they believe their manager cares for them. Mayer and Garvin (2005) suggest that when employees believe that their leader cannot be trusted for example when the leader is perceived not to have integrity or ability, they will concentrate less on their work and will concentrate more on less productive activities for example trying to protect themselves, which detracts them from their work. Based on the principles of social exchange, employees will reciprocate in kind good deeds of their leaders. The implications of this is that when managers exhibit trust enhancing characteristics such as ability, integrity and benevolence, their employees will reciprocate by undertaking activities that enhance organizational performance.

Most of the studies that confirm that organizations whose employees trust their managers achieve superior performance assume a direct relationship between trust and performance. Other studies assume that trust is a mediating variable between other variables and performance. It is important to establish the key variables that can moderate

the influence of employee trust of top management on the performance organizations. This study sought to determine whether employee trust of top management significantly influences performance of SACCOs in Nairobi County and therefore adds to existing knowledge.

#### **2.4 Moderating Effect of Managerial Attributes**

Managerial attributes include ability, integrity and benevolence (Borum, 2012). When managers have ability it means that they know their work. When managers do their work well employees reciprocate by also doing their work well. When managers exhibit integrity it means that they keep their word. When employees see that managers keep their word, then the employees reciprocate by doing what they are expected to do. If managers are benevolent it means that they take care of the interests of the employees. If employees see their managers as benevolent they reciprocate by concentrating more on their work and therefore increase organizational performance (Borum, 2012).

Employees who see their managers as having ability to do their work, see them as men or women of integrity and consider them as benevolent and contribute more to the functioning of the organization by putting in more effort in their work (Mayer & Gavin, 2005). The contention that when managers exhibit benevolence, ability and integrity, employees reciprocate by performing well is of critical significance because managers can use the behaviour to increase efficiency and effectiveness in their organizations. It will be important for this study to find out whether the employee trust and performance relationship in SACCOs in Nairobi County is moderated by managerial attributes of ability, integrity and benevolence. Previous studies focussed on managerial attributes as antecedents of trust (Aubert & Kelsey, 2004). This study sought to determine whether managerial attributes significantly moderates the influence of employee trust of top management on the performance of SACCOs in Nairobi County.

#### **2.5 Moderating Effect of Employee Characteristics**

There are many demographic and personality employee characteristics that influence the employees' performance in organizations. These characteristics include age, religion, level of education, sex, experience on the job, marital status and the position held by the

employee in the organization (Johari & Yahya, 2009). Employees with a higher status have more responsibility and greater discretion in their work. The more responsibilities an individual has and therefore the greater discretion, the more committed to organizational goals the employee will have and therefore the higher the organizational performance.

Other employee characteristics that can influence his performance in the organization and hence influence organizational performance include self-management, technical competence, dependability, concentration and innovativeness (Johari & Yahya, 2009). The more self-reliant, dependable, innovative the more efficient and effective an employee is and consequently the more efficient and effective an organization. This study sought to find out whether characteristics such as self-management, technical competence dependability, concentration and innovativeness lead to organizational efficiency and effectiveness in SACCOs in Nairobi City County. Although many studies have established the relationships between various employee characteristics and organizational performance many of those studies have been in organizations in developed countries. It will be important to confirm the relationships in studies on organizations in developing countries.

## **2.6 Moderating Effect of Organizational Factors**

There are many organizational factors that influence organizational performance (Spector & Jones, 2004; Bento & Bento, 2006). They include: management decision making style, organizational structure, the hierarchical relationships between the employee and supervisor, involvement and participation, organizational capabilities and resources, and organization culture. When managers involve employees in decision making the employees are likely to put in more effort in their work because they feel they contributed to deciding about the work. If the organization adopts organic structural designs that are low in bureaucratic procedures and formalization, employees feel recognized and hence are likely to work harder. Organizations need resources to purchase equipments and tools that support employees to do their work. A positive organization culture creates an environment where employees feel wanted and recognized. This motivates workers and therefore increases their performance (Venter et al., 2010).

Although many studies have been undertaken to show that some organizational factors lead to organizational performance, nearly all of those have been undertaken in developed economies and in business organizations. There is need to confirm whether similar studies in developing countries and in cooperative societies can lead to the same results.

There are many characteristics that influence organizational performance. These characteristics include organizational size, competence of managers, the use of technology and the age of an organisation (Mwangi, 2014). As the organization grows in size, the fixed costs are spread over larger business volumes leading to efficiency benefits. In addition efficiencies are derived from specialization of labour as the organization becomes larger. With regard to age as the young organizations grows order managerial experience increases resulting in more efficiencies and effectiveness (Mwangi, 2014). The resource based view posits that organizations resources and competencies contribute to organization's performance. Managerial competencies include the knowledge and experience of organizational managers. Organizations with greater managerial competency generally have better performance.

When organizations use ICT they are able to provide services at faster speeds, and hence at lower costs. Therefore the use of ICT also has implications for organizational efficiency (Aduda & Kingoo, 2012). Decision making level of organizations also has implications for the organizations' performance. Decentralized structures allow staff to participate in decision making and hence increase staff morale and this might lead to improvement in organizational performance. From the above analysis the organizational factors that influence performance include size, level of income, managerial competency, and decision making style. This study sought to assess the moderating effect of organizational factors (income, management competency, decision making style, use of ICT, on the relationship between employee trust of top management and performance in SACCOs in Nairobi County

## **2.7 The Joint Effect of Employee Trust of Top Management Managerial Attributes, Employee Characteristics, and Organizational Factors on Performance**

Several studies have been carried out to identify factors that influence organizational performance (Tzafrir, 2005; Fiala et al., 2012); Zaheer & Zaheer, 2006) stated that trust has emerged as a central theme in strategic management research. Researchers across many different disciplines and different time periods have generally found that trust has positive consequences for organizational performance. According to many studies, organizational performance is affected by inter organizational and interpersonal trust. Many of those studies have assumed direct relationship between trust and performance. Some studies however have assumed that trust could also be a moderating variable between some other variables such as motivation and performance. Other studies have identified moderating variables such as conflict in the trust performance relationship (Menzies & De Cieri, 2013).

This study has added to existing knowledge as it has evaluated the joint impact of several variables on organizational performance. This study sought to add to the existing knowledge by undertaking a research to determine the combined effect of managerial attributes, employee characteristics and organizational factors on the performance of SACCOs in Nairobi County.

## **2.8 Summary of Knowledge Gaps**

Literature review has identified many gaps in the studies on trust performance relationships involving conceptual, methodological and contextual gaps. For example while some studies have shown that employee trust of top management has positive consequences for organizational performance other studies have shown either a negative correlation between employee trust and organizational performance or that employee trust has no impact on organizational performance.. For example Tzafrir (2003) and Fiala et al. (2012) established a significant and positive effect of trust on organizational performance. On the other hand Berraies et al. (2013) established an insignificant positive effect of employee trust of top management on organizational performance. Langfred (2004) on the other established that there was no effect between employee trust and organizational performance. Aulbert and Kelsey (2003) on the other hand established a negative relationship between trust and performance.

There are also methodological gaps in that some studies addressed a single organization (Krot & Lewicka, 2012) while others (Tsafrir, 2005) conducted surveys of several organisations. Controversies also exist as to whether trust directly influences performance or is a moderating variable. The review of literature has also shown conceptual gaps. Many researches (Semercioz, 2011; Fiala et al., 2012 and Krot & Lewicka, 2012) addressed different trust referents (institutional trust and inter organizational trust). With regard to the concept of performance while some studies addressed individual level of performance others studied organizational level performance. There are also differences on the dependent variable. While some studies focused on financial performance others looked at both financial and non-financial perspectives. It will be important to look at both financial and non-financial performance perspectives.

Another gap is the fact that most of the studies on trust performance relationships were conducted on organizations in developed countries. Local studies which have studied the SACCOs and their performance did not look at trust as the independent variable. They looked at other concepts such as performance management (Mutua et al., 2013), and opportunities and challenges (Momanyi, 2014).

Given the above contradictions and gaps in knowledge this study first sought to determine the effect of employee trust of top management on organizational performance and secondly whether managerial attributes, employee characteristics and organizational factors moderate the relationship. Table 2.1 below gives a summary of the gaps in knowledge that the proposed study addressed.

**Table 2.1: Summary of Knowledge Gaps**

<b>Researcher</b>	<b>Area Studied and methodology</b>	<b>Results of the Study</b>	<b>Research Gaps</b>	<b>How this study intends to address the knowledge gap</b>
Aulbert and Kelsey, (2003)	This research studied 71 students in two universities in Canada to find out whether ability, integrity and benevolence were significant antecedents of trust	Found out that although integrity and ability had significant impact on performance benevolence was not	The researcher recommended that there was need to confirm whether benevolence is also an antecedent of trust,	The current study sought to confirm whether ability integrity and benevolence have significant moderating effect on the relationship between employee trust of top management and organizational performance
Langfed, (2004)	The researcher studied the effect of trust on team performance	The study found a negative relationship between trust and team performance	The study recommends more studies to confirm either the positive or negative relationship between trust and performance	The current study sought to confirm whether or not there is a positive or negative relationship between trust and performance. This will enhance existing knowledge.
Tzafirir, (2005)	In a study of 104 leading companies in Israel, in the industrial, services and trade sectors, the study sought to find out whether trust-performance relationship was mediated by the organization's HRM practices	The study found out that when trust was high performance was high. The study further found out that the trust-performance relationship was moderated by the organization's HRM practices	The study recognized the limitations that the data was collected within a single national system. The study therefore recommended similar studies in other contexts to identify other moderators between employee trust and organizational performance	This study sought to enhance existing knowledge on the subject by undertaking a study in Kenya to identify other variables that influence the effect of employee trust on organizational performance.
Mayer and Gavin, (2005)	The study was a survey of all the 333 employees of a small non-union manufacturing firm in USA	The study found out that trust in two managerial references enabled employees to concentrate more on organizational activities than on their self-interest. This leads to improved organizational performance	Did not look at employees trust of top management and measured performance in terms of focus of attention	This study will look at employee trust of the top management and define performance in terms of both financial and non-financial terms It also looks at moderating effects
Wong, et. al., (2010)	To examine the effect of trust on the performance of firms in construction industry.	The research findings identified three contributors to trust. These are results, integrity and concern.	Context gaps Did not seek profile of respondents (employee characteristics) and how they can affect the trust –	This study sought to determine the moderating effect of employees 'characteristics on the relationship between

Researcher	Area Studied and methodology	Results of the Study	Research Gaps	How this study intends to address the knowledge gap
			performance relationship.	employee trust and organizational performance This study has confirmed that trust performance relationships can be enhanced. By employee characteristics
Semercioz, et al., (2011)	A survey of 202 employees of marketing, R&D and finance & accounting departments in beverage and banking companies in a Western state in USA	Found that institutional trust is vital for both product and process innovativeness	Did not study employee trust of top management  Ignored the role of moderating and mediating variables in the trust performance relationship  Also defined organizational efficiency in terms of innovativeness	This study assessed the moderating effect of managerial attributes, employee characteristics and organizational factors on the relationship between employee trust of top management and performance
Fiala et. al., (2012)	A study of 373 organizations with more than 20 employees with their seats in the Czech Republic	Found a positive relationship between inter organizational trust and supplier performance mediated by the level of conflict	Did not study employee trust of top management  Considered conflict as the moderating factor	This study assessed the relationship between employees trust of the top management and performance in Kenya and the effect of managerial attributes, employee characteristics, and organizational factors on the relationship
Krot and Lewicka,(2012)	The study was conducted in one company in a city of Poland to determine the significance of competence, integrity and benevolence on the three types of trust namely vertical trust (between employees and managers and between managers and employees) and horizontal trust (between employees)	Found out that vertical trust between managers and employees was the highest while between employees and managers was the lowest  Established that benevolence was the key antecedent of employee trust of their managers	Did not study impact of employee trust of top management on organizational performance  Did not also establish the employee factors that moderate the relationship between managerial attributes and employee trust of top management	This study collected data from many organizations.
Mutua et. al., (2013)	Studied the role of performance	Found out that both financial and non-	Conceptual gaps	This study treated employee trust as the

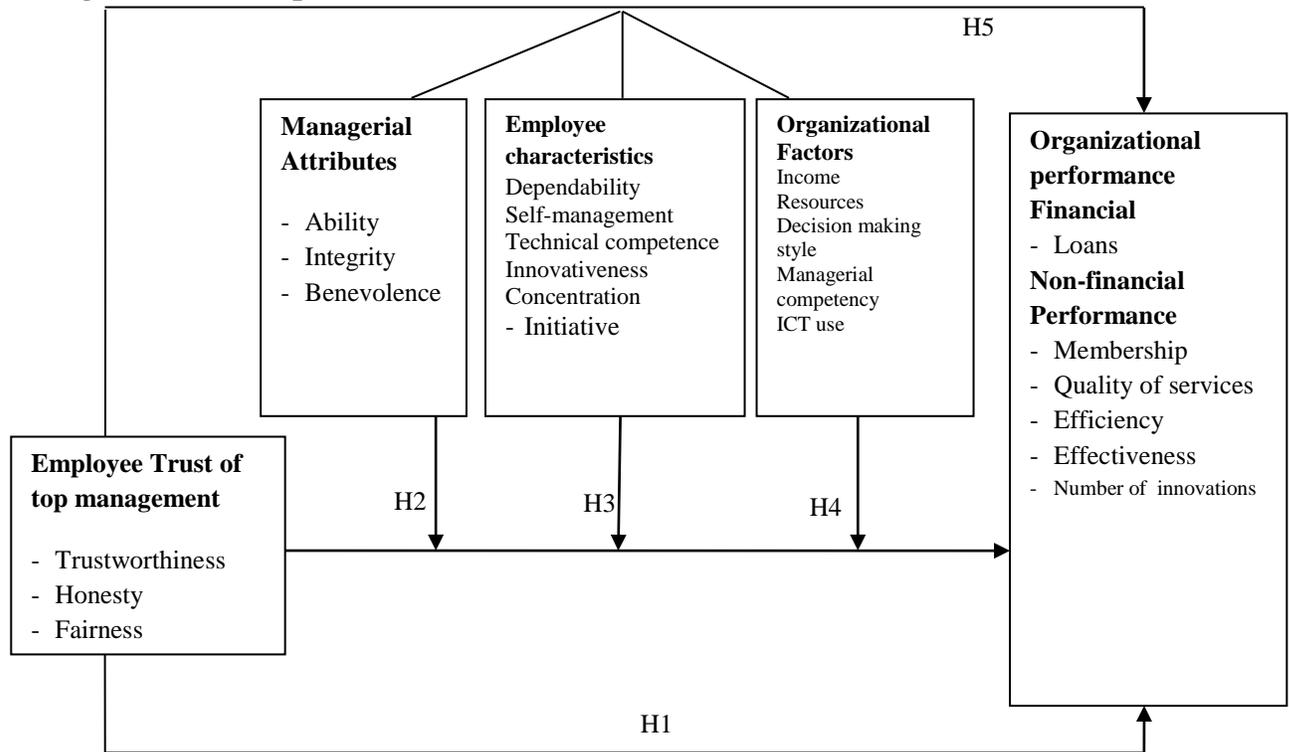
Researcher	Area Studied and methodology	Results of the Study	Research Gaps	How this study intends to address the knowledge gap
	management on performance of SACCOs in Nairobi City County	financial performance had significant relationship with performance management practices		independent variable
Gweyi et. al., (2013)	Studied the impact of SACCOs in the rural development of Kenya	Found out that agricultural cooperatives affect the level of employment in rural Kenya	Conceptual and methodological gaps  Did not study the concepts of trust and organizational performance	This study looked at the concepts of employee trust, managerial attributes, employee characteristics and organizational factors
Momanyi E. A, (2014)	Did a survey of SACCOs in Mombasa County to identify the opportunities and challenges they faced in the devolved governance	Identified many challenges including limited resources, poorly educated membership and technology changes	Methodological, conceptual and contextual gaps	This study used a questionnaire, and studied concepts not studied by Momanyi
Berraies et al. (2014)	Studied the effect of employee trust on co-worker, supervisor and top management of ICT companies in Tunisia	Found a significant and positive effect of employee trust on co-worker and supervisor on the performance but found an insignificant effect of employee trust of top management on performance	Contextual gap	This study is similar but also looks at effect on non-financial performance

**Source Author 2015**

## **2.9 The Conceptual Framework**

This study has conceptualised the relationship between employee trust of top management and performance of SACCOS in Nairobi County and the moderating effect of managerial attributes, employee characteristics and organizational factors on the relationship. Employee trust of top management has an independent empirical relationship with organizational performance. The operational indicators of employee trust are trustworthiness, honesty, and fairness. The operational indicators of performance include both financial and non-financial variables. Additionally the study conceptualises not only the moderating effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on the relationship between employee trust of top management and performance, but also the joint effect of the four variables on the performance. This conceptual model is indicated in Figure 2.1.below.

**Figure 2.1: Conceptual Model**



**Source: Author 2015**

### 2.10 Research Hypotheses

Based on the above conceptual model and the research objectives the following are the hypotheses of the study:

- H<sub>1a</sub>:** Employee trust of top management significantly influences the financial performance of SACCOs in Nairobi County
- H<sub>1b</sub>** Employee trust of top management significantly influences the non-financial performance of SACCOs in Nairobi County
- H<sub>2a</sub>** Managerial attributes have a significant moderating effect on the relationship between employee trust of top management and financial performance of SACCOs in Nairobi County
- H<sub>2b</sub>** Managerial attributes have a significant moderating effect on the relationship between employee trust of top management and non-financial performance of SACCOs in Nairobi County

- H3a:** Employee characteristics have a significant moderating effect on the relationship between employee trust of top management and financial performance of SACCOs.in Nairobi County
- H3b:** Employee characteristics have a significant moderating effect on the relationship between employee trust of top management and non-financial performance of SACCOs.in Nairobi County
- H4a:** Organizational factors have a significant moderating effect on the relationship between employee trust of top management and financial performance of SACCOs.in Nairobi County
- H4b:** Organizational factors have a significant moderating effect on the relationship between employee trust of top management and non-financial performance of SACCOs.in Nairobi County
- H5a:** The joint effect of employee trust of top management, managerial attributes, employee characteristics, and organizational factors on financial performance of SACCOs in Nairobi County is greater than the influence of individual predictor variables.
- H5b:** The joint effect of employee trust of top management, managerial attributes, employee characteristics, and organizational factors on non-financial performance of SACCOs in Nairobi County is greater than the individual predictor variables.

## **2.11 Chapter Summary**

This chapter has discussed the basic theories on which the subject of the thesis is founded. The theories discussed include the theory of trust, the social exchange theory, the theory of cooperation, the agency theory and the open systems theory. An attempt to link the five theories on the subject matter of the research is made.

After discussing the theories, the chapter presents a discussion of the relationship between employee trust of top management and performance, moderating effect of managerial attributes, moderating effect of employee characteristics, and the moderating effect of organizational factors on the relationship. The chapter next discusses the joint effect of the employee trust of top management, managerial attributes, employee characteristics and organizational factors on performance. The chapter next gives a summary of the knowledge gaps. Finally the conceptual framework and the research hypotheses are discussed.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter presents research philosophy, research design, population of the study, sample design, data collection method and data analysis. The chapter also presents the tests of reliability and validity of the research instruments and the operationalization of the study variables.

#### **3.2 Research Philosophy**

Every research is based on assumptions about how the world is perceived and how it can best be understood. Epistemology means the philosophy of knowledge or how we come to know. There are two widely accepted philosophical orientations in the social sciences research namely positivism and phenomenology. Positivists believe that the world is external and objective and that the observer is independent of what is being observed. The aim of the social sciences should be to identify causal explanations and fundamental laws that explain regularities in human social behaviour. Science proceeds through a process of hypothesizing fundamental laws and then deducing what kinds of observations demonstrate the truth or falsify the hypotheses (Cooper & Schindler, 2006).

Phenomenology on the other hand suggests that the world is socially constructed that is to say, truth, or meaning comes into existence in and out of one's engagement with the realities in one's world. From the paradigm of phenomenology, the individual is not a passive recipient of a set meaning, but an active, resourceful and reflective participant in the construction of meaning. In this encounter with the world, the individual makes use of a range of attributes and skills as part of the process. This social construction of meaning is linked to symbols which have a social origin, character and convention and within various cultures (Cooper & Schindler, 2006). Phenomenology focuses on the immediate experience and starts from the known to the unknown (Saunders et al., 2007).

This study was based on the positivist philosophy paradigm because it was dominated by the process of hypotheses testing with the intent of either rejecting or accepting the null hypotheses. It also sought to objectively establish facts by empirically establishing relationships among variables. Further the researcher was independent, did not introduce his personal feelings and the study used factual data.

### **3.3 Research Design**

A research design is the description of and the justification for the chosen methodology and research method (Dawson, 2009). Polit and Beck (2003) describe a research design as the overall plan for obtaining answers to the questions being studied. Miller and Young (2004) and Kothari (2004) describe a research design as the arrangement of conditions for collection and analysis of data. Kothari, (2004) states that research design facilitates the smooth sailing of the various research operations, thereby making research as efficient as possible.

Choosing an appropriate research design depends on the nature of the research hypotheses, the variables, and the sample of participants, the research setting, the data collection and the data analysis methods (Lavrakas, 2008). This study used a descriptive research design. According to Burns and Grove (2003) descriptive research is designed to provide a practice of a situation as it naturally happens. It may be used to justify current practice and make judgment and also to develop theories.

There are three types of research design namely exploratory research design, descriptive research design and causal research design. These can further be divided into more sub-categories such as experimental (used in pure scientific research), explanatory (often used when the objective is to explain relationships between variables by use of quantitative analysis), and case studies (the focus is on one or a few objects). When the variables are measured at a single point in time or over a relatively short period of time, the study is a cross-sectional one. This study used a descriptive cross sectional research design as it involves analysing study units at a point in time.

### **3.4 Population of the Study**

Lavrakas (2008) defines population as any finite or infinite collection of individual elements. According to Kothari (2004) a population refers to all items of inquiry. Polit and Beck (2003) refer to population as the aggregate or totality of those conforming to a set of specifications. The target population of this study was the 1065 SACCOs in Nairobi County as at 31 December 2014. A full list of the SACCOs is attached herewith as Appendix IV.

### **3.5 Sample Size and Sampling Technique**

Kombo and Tromp (2009) describe a sample as a collection of units chosen from the universe to represent it. A sample is needed because a study of the entire population might be too expensive. Polit and Beck (2003) recommended that it is easier and less expensive to collect data from a sample than from a population. However, proper methods should be used to select the sample. The quality of the sample for quantitative studies depends on how representative the sample is of the population with respect to the variables chosen for the study (Ngumi, 2013).

This study used stratified and convenience sampling procedure to identify the sample units. Lavrakas (2008) describes convenience sampling as a judgemental or expert method of sample selection. The main objective of convenience sampling is to produce a sample that is representative of the population. This is often accomplished by applying expert knowledge of the population to select in a non-random manner a sample of elements that represents a cross section of the population (Ngumi, 2013). Miller and Young (2004) and Kothari (2004) defined convenience sampling as involving a deliberate selection of particular units of the universe for constituting a sample that represents the universe. Burns and Grove (2003) emphasized that convenience sampling method enables the researcher to select specific subjects who will provide the most extensive information about the phenomenon being studied.

In this study the sample size of the SACCOs was selected using a formula developed by Krejcie and Morgan (1970). This formula is as follows:

$$S = \frac{X^2 NP(1 - P)}{d^2(N - 1) + X^2 P(1 - P)}$$

Where

$S$  = the required sample size

$N$  = The population size

$X^2$  = the table value of the chi-square for 1 degree of freedom at the desired confidence level

$P$  = the population proportion (assumed to be .50 since this would provide the maximum sample size)

$d$  = the degree of accuracy expressed as a proportion (0.05)

The National Education Association using the above formula developed a table of determining the sample size of a given population. The table is attached at Appendix III. Using the table and extrapolating, the sample size for the 1065 active SACCOs in Nairobi County was calculated to be 281.

After calculating and determining the sample size, 281, the SACCOs to constitute the sample were selected using random sampling. Using this sampling method, the population of SACCOs were classified into sectors shown in Table 3.1 below.

**Table 3.1: Sectoral Classification of SACCOs in Nairobi County**

<b>Sector</b>	<b>Number of SACCOs</b>	<b>Sample size</b>
Government	58	15
Teachers	20	5
Community	99	26
Private	887	234
Industry	1	1
<b>Total</b>	<b>1065</b>	<b>281</b>

**Source: Author 2015**

Due to the fact that each sector differs in asset size and number of SACCOs, and in order to include SACCOs from all asset sizes, each sector was further classified into large, medium, and small categories based on asset size in order to make sure that each size

category and every was represented in the sample to be studied. The asset categorization is shown in Table 3.2 below.

**Table 3.2: Asset Categorization**

Sector	Categorization based on asset size		
	Large	Medium	Small
Government	Kshs 1 billion and above	Kshs 100 million to Kshs 1 billion	Less than Kshs 100 million
Teachers	Kshs 10 billion and above	Kshs 3 billion to Kshs 10 billion	Less than Kshs 3 billion
Community	Kshs 100 million and above	Kshs 10 million to Kshs 100 million	Less than Kshs 10 million
Private	Kshs 1 billion and above	Kshs 100 million to Kshs 1 billion	Less than Kshs 100 million
Industry	Select all		

**Source: Author 2015**

In order to select the SACCOs to be studied, Tables 3.1 and 3.2 were combined into Table 3.3 which shows the number of SACCOs in each sector, asset category (large, medium and small) and the sample size of each stratum. This information is tabulated in Table 3.3 below.

**Table 3.3: Identified Sample Size Per Asset Strata**

Sector	STRATA						
	Large		Medium		Small		Sample size
	Number	Sample	Number	Sample	Number	Sample	
Government		5		7		3	15
Teachers		2		2		1	5
Community		4		9		13	26
Private		3		13		218	234
Industry		1					1
<b>Total</b>		<b>15</b>		<b>21</b>		<b>235</b>	<b>281</b>

**Source: Author 2015**

The sample size of SACCOs in each stratum was calculated using the following formula:

$$X = N/SS$$

Where

$X$  = Sample size in each stratum

$N$  = Population of SACCOs in each stratum

For example to calculation of sample from government sector was done as follows:

$$S = \frac{19}{58 \times 15} = 5$$

This was done for all other sectors.

### **3.6 Data Collection**

The study used primary data which was collected using two semi structured questionnaires (Appendixes I and II). The first questionnaire (Appendix I) was administered to the employees of the selected SACCOs. From preliminary survey done prior to the main data collection it was found that the minimum number of employees in a SACCO was three. Based on this it was decided that data be collected from three employees in each SACCO. This gave a total of 843 employee respondents. The questionnaires were distributed randomly to three employees in each SACCO. This questionnaire captured information on the employee's background, managers' attributes and employee trust of the SACCOs' CEO.

The second questionnaire (Appendix II) was distributed to the CEO of the SACCO or his/her representative. The CEO in each SACCO completed this questionnaire. The questionnaire consisted of five sections (A-D). Section A contained questions on employee background, Section B covered questions on managerial attributes, Section C employee trust of top management, Section D organizational factors and Section E asked questions about financial and non-financial management.

The method used to collect the information from the CEOs and the employees was the drop and pick. This was administered by a team of research assistants properly briefed on the objectives of the research and how to select the SACCO to visit and the number of questionnaires to drop. In total the researcher employed five research assistants to help in data collection. The assistants were experienced data collectors.

When the researcher reached each of the SACCOs he reported first to the Human Resource Manager to confirm the number of employees in the SACCO. After knowing the number the assistant left an appropriate number of questionnaires to be filled. The HR Manager was to give the questionnaires to randomly selected employees. After dropping the questionnaires the assistant agreed with the HR Manager the date in which to come

and collect the filled questionnaire. This arrangement was necessary to avoid interrupting the employees work. Together with the employees questionnaire the CEOs questionnaire was also left with the HR manager. The research assistant collected the forms after one week on the average.

### **3.7 Reliability and Validity Tests**

Reliability is the degree to which measures are free from error and therefore yield consistency (Mugenda, 2008). Cronbach's alpha (the reliability coefficient) was used to measure the reliability of the data. Cronbach alpha measures the extent to which responses on items obtained at the same time correlate with each other. Alpha equals zero when the true score is not measured at all and there is only an error component. Alpha equals 1.0 when all items measure only the true score and there is no error component.

The widely-accepted social science cut-off is that Cronbach alpha should be .70 or higher for a set of items to be considered but some use .75 or .80 while others are as lenient as .60. This study will accept alpha of 0.70. Nunally and Bernstein (1994) recommend using Cronbach Alpha Coefficient of 0.70 and above many studies have used Cronbach Alpha Coefficient to test reliability (Njeru, 2013; Kinoti, 2012; Thuo, 2010).

Validity refers to how accurately the data obtained capture what they were designed and purported to measure (Mugenda, 2008). Convergent validity deals with the extent to which items truly measure its underlying construct. According to Cooper & Schindler, (2006) content validity refers to the extent to which a measuring instrument provides adequate coverage of the investigative questions guiding the study. If the instrument contains a representative sample of the universe of subject matter, then content validity is good.

A pilot survey was conducted to test the suitability of the questionnaire on a small group of employees. The experience during the pilot survey was used to adjust or modify the questionnaire in order to improve levels of clarity.

### 3.8 Operationalization of Research Variables

Operational definitions of the independent, moderating and the dependent variables are given in Table 3.4. The independent variable employee trust of top management is operationalized in terms of honesty, fairness and trustworthiness. The moderating variables are managerial attributes, employee characteristics and organizational factors which are operationalized as shown in Table 3.4 which shows not only the variables and their indicators but also the number of the relevant question in the questionnaire. Performance (the dependent variable) is operationalized through both financial and non-financial measures. Financial performance was measured in terms of average loans, Non-financial performance was operationalized as a composite index of quality of services, income, membership, innovation, efficiency and effectiveness.

**Table 3.4: Operationalization of the Study Variables**

Variable	Indicators	Supporting Evidence	Measurement Scale	Question
1. Employee trust ( <i>independent variable</i> )	- Honesty - Fairness - Trustworthiness	Tyler (2003) Zaheer et al (1998)	5 point Likert scale	Appendix I Section D
2. Managerial attributes ( <i>moderating variable</i> )	- Ability - Integrity - Benevolence	Borum (2012)	5 point Likert type Scale	Appendix II Section C
3. Employee characteristics ( <i>moderating variable</i> )	- Dependability - Self-Management - Innovativeness - Concentration - Technical Competence - Initiatives	Gede & Lawrence (2011)	5 Point Likert type Scale	Appendix II Section C
4. Organizational Factors ( <i>moderating variable</i> )	Resources - Income - Size (number of employees) - Use of ICT - Decision making style - Managerial competency	Delmas & Toffel (2010)	5 point Likert type Scale	Appendix I Section E
5. Organizational performance ( <i>dependent variable</i> )	<b>Non-financial measures</b> - Membership - Quality of services - Number of innovations - Efficiency - Effectiveness  <b>Financial measures</b> - Average loans	Richard et al (2009) Chakravarthy (1996) Kirea et al (2008)	5 point Likert type Scale	Appendix I section F and Appendix II Section E (b)  Appendix II Section F and Section E (a)

Source: Author 2015

### **3.9 Data Analysis**

After field work the data was prepared by checking the questionnaires, editing, coding, and cleaning the data. The methods used to analyse the data included descriptive statistics, simple regression analysis, multiple regression analysis and hierarchical regression analysis. Descriptive statistics was used to describe the study variables. Simple regression analysis was used to test the significance of the relationships between employee trust of top management and performance. Multiple regression analysis was used to test the whether the joint effect employee trust of top management, managerial attributes employee characteristics and organizational factors on performance was greater than the effect of each individual predictor variable. Hierarchical regression analysis was used to test the significance of the moderating effect of managerial attributes, employee characteristics and organizational factors on the relationship between employee trust of top management and performance.

After collecting the data, each questionnaire was checked for completeness and consistency to ensure that all variables of interest were correctly captured. The data was entered into excel spread sheet for coding and other management logistics including data cleaning, storage and any other necessary manipulation. Then the data was imported to SPSS version 20.0 and parametric statistical procedure analysis applied. To confirm the assumptions of parametric statistical procedures, normality test was carried out on the sample data among other statistical tests like scatter plot and multicollinearity.

In SPSS data was analyzed using series of simple and multiple regression analyses as shown in Table 3.5. In the analysis, descriptive statistics like the coefficient of variations, mean scores, standard deviations and proportions were used. All the statistical tests were conducted at 95 percent confidence level (level of significance,  $\alpha = 0.05$ ). Table 3.5 summarizes the statistical models that were employed to analyze the data to achieve each of the study objectives.

**Table 3.5: Statistical Analyses of the Hypotheses**

Research Objective	Hypothesis	Statistical Model Formulae, Statistical tests to be applied	Testing and interpretation
<p><b>Objective one</b> Determine the influence of employee trust of top management on the performance of SACCOs in Nairobi County.</p>	<p><b>Hypothesis 1:</b> Employee trust of top management significantly influences performance of SACCOs in Nairobi County</p>	<p><b>A Simple Linear Regression models:</b>  <math>Y = a + BX + e</math>  <math>Y = (Y_1 = \text{Financial Performance})</math>  <math>Y = \text{Non-Financial Performance}</math>                      Composite index of non-financial performance  <math>a = \text{a constant}</math>  <math>\beta_1 = \text{Regression Coefficient of the predictor variable}</math>  <math>\varepsilon = \text{error term}</math></p>	<p><math>R^2</math> to assess how much of the variation in the dependent variable is due to the independent variable                      F test to assess the overall significance of the model                      B to determine the contribution of the predictor variable to the significance of the model                      P value &lt; .05 to check on the statistical significance of the model</p>
<p><b>Objective two</b> Establish the moderating effect of managerial attributes on the relationship between employee trust of top management and performance of the SACCOs in Nairobi County.</p>	<p><b>Hypothesis 2:</b> Managerial attributes have a significant moderating effect on the relationship between employee trust of top management and performance of SACCOs in Nairobi County</p>	<p>Stepwise Regression analysis                      Step 1 <math>OP = a + \beta_1 ET + \varepsilon</math>                       Step 2 <math>OP = a + \beta_1 ET + MA</math>                       Step 3 <math>OP = a + \beta_1 ET + \beta_2 MA + \beta_3 ET * MA + \varepsilon</math>                       Where <math>a = \text{constant}</math>  <math>\beta_1 \beta_2 \beta_3 = \text{Regression Coefficients}</math>  <math>OP = Y_1 = \text{Financial Performance (Average Loans)}</math>  <math>OP = Y_2 = \text{Non-Financial Performance which is composite index of non-financial performance}</math>  <math>MA = \text{a composite index of managerial attributes}</math>  <math>\varepsilon = \text{error term}</math></p>	<p><math>R^2</math> to assess how much of dependent variable variation is due to its relationship with the independent variable  <math>\beta_1, \beta_2</math> and <math>\beta_3</math> to establish the contribution of each predictor variable to the significance of the model                      F test to assess the overall significance of the model                      P value &lt; .05 to assess the statistical significance of steps 1 to 3</p>
<p><b>Objective three</b> Assess the moderating effect of employee characteristics on the relationship between employee trust of top management and performance of the SACCOs in Nairobi County</p>	<p><b>Hypothesis 3:</b> Employee characteristics have a significant moderating effect on the relationship between employee trust of top management and performance of SACCOs in Nairobi County</p>	<p>Stepwise Regression analysis                      Step 1 <math>OP = a + \beta_1 ET + \varepsilon</math>                       Step 2 <math>OP = a + \beta_1 ET + EC</math>                       Step 3 <math>OP = a + \beta_1 ET + \beta_2 EC + \beta_3 ET * EC + \varepsilon</math>                       Where <math>a = \text{constant}</math>  <math>\beta_1 \beta_2 \beta_3 = \text{Regression Coefficients}</math>  <math>OP = Y_1 = \text{Financial Performance (Average Loans)}</math>  <math>OP = Y_2 = \text{Non-Financial Performance which is composite index of non-financial performance}</math>  <math>EC = \text{a composite index of employee characteristics}</math>  <math>\varepsilon = \text{error term}</math></p>	<p><math>R^2</math> to assess how much of dependent variable variation is due to its relationship with the independent variable  <math>\beta_1, \beta_2</math> and <math>\beta_3</math> to establish the contribution of each predictor variable to the significance of the model                      F test to assess the overall significance of the model                      P value &lt; .05 to assess the statistical significance of steps 1 to 3</p>

Research Objective	Hypothesis	Statistical Model Formulae, Statistical tests to be applied	Testing and interpretation
<b>Objective four</b> Assess the moderating effect of organizational factors on the relationship between employee trust of top management and performance of SACCOs in Nairobi County	<b>Hypothesis 4</b> Organizational factors have a significant moderating effect on the relationship between employee trust and performance of SACCOs in Nairobi County	Stepwise Regression analysis Step 1 $OP = a + \beta_1 ET + \varepsilon$  Step 2 $OP = a + \beta_1 ET + OF$  Step 3 $OP = a + \beta_1 ET + \beta_2 OF + \beta_3 ET * OF + \varepsilon$  Where a = constant $\beta_1 \beta_2 \beta_3$ = Regression Coefficients $OP = Y_1$ = Financial Performance (Average Loans) $OP = Y_2$ = Non-Financial Performance which is a composite index of non-financial performance OF = a composite index of organizational factors $\varepsilon$ = error term	$R^2$ to assess how much of dependent variable variation is due to its relationship with the independent variable $\beta_1$ , $\beta_2$ and $\beta_3$ to establish the contribution of each predictor variable to the significance of the model F test to assess the overall significance of the model P value < .05 to assess the statistical significance of steps 1 to 3
<b>Objective five</b> To establish whether the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on performance is greater than the influence of the individual predictor variables	<b>Hypothesis 5:</b> The joint effect of employee trust of top management managerial attributes, employee characteristics and organizational factors have a greater effect on the performance of SACCOs in Nairobi County than the individual effect of predictor variables	<b>Multiple Regression model:</b> Step 1 $OP = a + \beta_1 ET + \beta_2 MA + \beta_3 EC + \beta_4 OF + \varepsilon$  Step 2 $OP = a + \beta_1 ET + \beta_2 MA + \beta_3 EC + \beta_4 OF + \beta_4 ET * MA * EC * OF + \varepsilon$  Step 3 $OP = a + \beta_1 ET + \beta_2 OF + \beta_3 ET * OF + \varepsilon$ $ET * MA * EC * OF + \varepsilon$  Where a = constant $\beta_1 \beta_2 \beta_3$ = Regression Coefficients OP = Y = Non-Financial Performance which is composite index of non-financial performance MA = a composite index of managerial attributes EC = a composite index of employee characteristics OF = a composite index of organizational factors $\varepsilon$ = error term	. $R^2$ to assess how much of dependent variable variation is due to its relationship with the independent variable $\beta_1$ , $\beta_2$ and $\beta_3$ to establish the contribution of each predictor variable to the significance of the model F test to assess the overall significance of the model P value < .05 to assess the statistical significance of steps 1 to 3

**NB: All tests was carried out at 95% Confidence Interval**

**Source: Author 2015**

### 3.10 Test of Normality, Multicollinearity and Heteroscedacity

Since data was analysed using regression analysis as the main method for testing the hypotheses, there are several conditions that are required to be met before proceeding with regression analysis. These conditions include the tests for normality,

multicollinearity and heteroscedacity. In research when the above conditions are met the models derived from the analyses accurately represent the population of interest.

An assessment of the normality of data is a prerequisite for many statistical tests because normal data is an underlying assumption in parametric testing. There are two main methods of assessing normality: graphically and numerically. Numerical tests have the advantage of making an objective judgment of normality, but are disadvantaged by sometimes not being sensitive enough at low sample sizes or overly sensitive to large sample sizes. Graphical tests have the advantage of allowing good judgment to assess normality in situations where numerical tests might be over or under sensitive, but graphical methods lack objectivity. In this study normality tests was undertaken by the use of both graphical and numerical tests. Graphical tests used both histograms and probability- probability (P-P) plots. Statistical tests used Shapiro Wilks test. The Shapiro Wilks test is used mostly for tests on samples of  $n = 3$  to 2000.

Multicollinearity exists whenever two or more of the predictors in a regression model are moderately or highly correlated. This is identified by examining tolerance and the Variance Inflation Factor (VIF). Tolerance is a measure of collinearity. A small tolerance value indicates that the variable under consideration is almost a perfect linear combination of the independent variables already in the equation and that it should not be added to the regression equation. All variables involved in the linear relationship will have a small tolerance. Some writers suggest that a tolerance value of less than 0.1 should be investigated further. If a low tolerance value is accompanied by large standard errors and non-significance, multicollinearity may be an issue

The Variance Inflation Factor (VIF) measures the impact of collinearity among the variables in a regression model. It is always greater than or equal to 1. Values of VIF that exceed 10 are often regarded as indicating multicollinearity. When VIF is high there is high multicollinearity and instability of the beta coefficients. This study used Variance Inflation Factor (VIF) to test for multicollinearity.

Heteroscedacity (heteroskedacity) refers to the circumstance in which the variability of the error term is not constant. Variance of the error term is indicated by the width of scatter plots of the residual as explanatory variable increases. If the width of p-p plots of the residuals increases or decreases as the explanatory variable increases the assumption of constant variance of errors is not met and therefore the problem of heteroscedacity exists. This study used p-p plots to indicate whether there is a problem of heteroscedacity.

### **3.11 Chapter Summary**

The chapter has discussed the research methodology used in this research. Topics discussed include research philosophy, research design, target population, sample size and sample selection, reliability and validity tests, and the operationalization of the research variables. The chapter provides a description of the data analysis method used in the study. The chapter ends with a discussion of the tests of normality, multicollinearity and heteroscedasticity,

## CHAPTER FOUR

### DATA ANALYSIS, FINDINGS AND DISCUSSION

#### 4.1 Introduction

This chapter presents an analysis of the data collected and the study findings. The chapter also presents a discussion on the findings. The overall objective of the study was to examine the relationship between employee trust of top management and performance of SACCOs in Nairobi County and the moderating effect of managerial attributes, employee characteristics, and organizational factors on the relationship. Data was collected from a survey of the 1065 SACCOs registered to operate in Nairobi County as at 31<sup>st</sup> December 2014. The study used two questionnaires – one for the CEOs (or their representatives) and the other one was filled by other employees. Data was collected in May and June 2015 and analysis and writing of the final report was completed in August 2015. Both descriptive statistics and inferential statistics were used to analyse the data.

#### 4.2 Tests of Normality, Multicollinearity and Heteroscedacity

Normality test was undertaken by the use of Shapiro Wilks test. As can be seen in table 4.1 below, the value of the Shapiro Wicks statistic lies between .943 and .988 and is therefore above .05 as suggested by Hair et al. (2008).

**Table 4.1: Normality Test**

	Statistic	Df	Sig.
Employee Trust	.951	235	.000
Managerial Attributes	.988	232	.042
Employee Characteristics	.943	81	.001
Organizational Factors 2	.956	81	.007

Multicollinearity was checked by examining the Variance Inflation Factor (VIF). As a rule if the VIF of a variable exceeds 10 that variable is highly collinear (Hair et al., 2008). As can be seen in Table 4.2 the VIF for the variables in this study ranges from 1.013 to 3.736 indicating that there is no problem of multicollinearity between the study variables.

**Table 4.2: Testing for Multicollinearity****4.2a: Managerial Attributes Vs Other Independent Factors**

		VIF
1	Employee Trust	1.786
	Organizational Factors 1	1.799
	Employee Characteristics	1.013

**4.2b: Employee Trust Vs Other Independent Factors**

		VIF
1	Organizational Factors 1	2.421
	Employee Characteristics	1.017
	Managerial Attributes	2.429

**4.2c: Organizational Factors Vs Other Independent Factors**

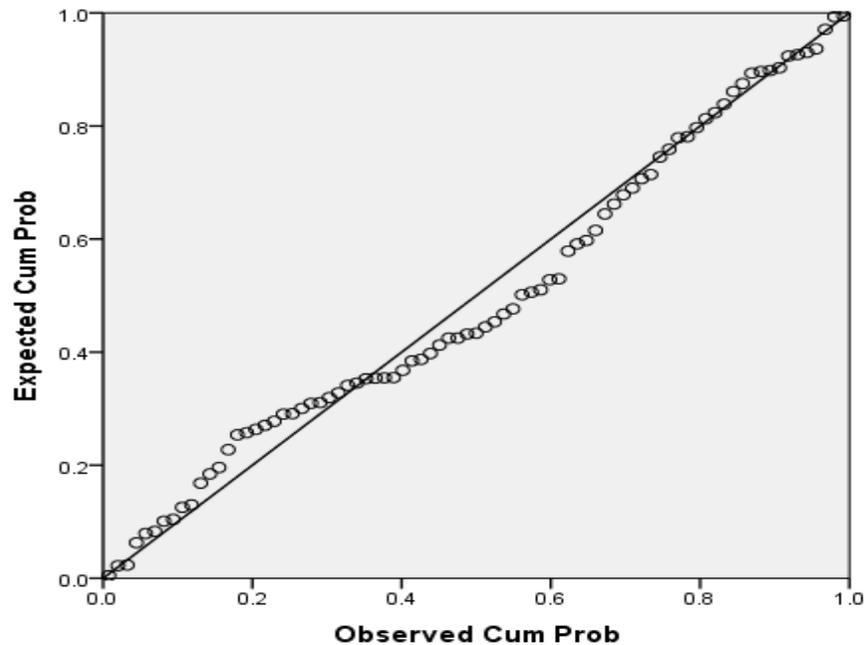
		VIF
1	Employee Characteristics	1.018
	Managerial Attributes	2.735
	Employee Trust	2.707

**4.2d: Employee Characteristics Vs Other Independent Factors**

		VIF
1	Managerial Attributes	3.736
	Employee Trust	2.758
	Organizational Factors 1	2.469

Heteroscedasticity was tested using P-P plots. As can be seen in graph 4.1 below the variability of the width of p-p plots of the residuals does not increase or decrease as the explanatory variable increases. Consequently the problem of heteroscedasticity does not exist.

**Figure 4.1: P-P Plots for Standardised Residual Dependent Variable Average Loans**



**Source: Primary Data, 2015**

### **4.3 Response Rate**

A total of 281 questionnaires were administered to the CEOs or their representatives and 843 questionnaires to the other employees of the sampled 281 SACCOs. The 281 SACCOs were selected through stratified sampling as described in chapter three. The questionnaires were administered through drop and pick method. Out of the 281 questionnaires administered to the CEOs, 84 were collected and found to be fully filled. Out of the 843 questionnaires administered to the employees 255 were returned, fully filled, resulting in a response rate of 29.9% and 30.3% respectively for the CEOs and employees.

This response rate is considered adequate given the recommendations by Saunders, Lewis and Thornhill (2007) who suggested a 30-40% response, and Sekaran (2005) who suggested 30%. The response was higher than the one achieved by Blankson and Cheng (2005) of 21%. In this study there were various challenges experienced during data collection such as failure to locate office of the selected SACCO, refusal by some SACCOs to fill the questionnaire citing confidentiality, and some of the employees failed

to return the questionnaire as they failed to return to office at the time of picking the questionnaire and even when contacted later they refused to return the questionnaire. Those reasons might have led to the low response rate. Table 4.3 shows the response rate of both the CEOs and for the other employees.

**Table 4.3: Response Rate**

<b>Category</b>	<b>Sample size</b>	<b>Returned questionnaires</b>	<b>Percentage</b>
Top management	281	84	29.9
Other employees	843	255	30.3
<b>TOTAL</b>	<b>1124</b>	<b>339</b>	<b>30.2</b>

**Source: Primary Data, 2015**

#### **4.4 Demographic Profile of the CEOs**

The demographic profile of CEOs who responded to the questionnaire is shown in Table 4.4. The results show that amongst the CEOs respondents, 80% were male and 20% female, a clear disparity among the two genders on the management of SACCOs in Nairobi County. With regard to age, most of the CEOs, (63%) were between the ages of 30 and 45 years. Only 11% of the respondents were below 30 years and only 9% were above 45 years. This data shows that the SACCOs in Nairobi County are managed by young people in their most active age bracket, which augurs well for the sector. With regard to the level of education the data shows that 55% of the respondents had a bachelor's degree and above. The rest (45%) had either a diploma or O level qualifications. With regard to professional qualifications, most of the respondents had CPA (72%), others also had ACCA (3%) or Diploma in Cooperative Management (DCM).

With regard to period in current position majority had stayed in the position for a period of over 5 years (36%). With regard to the position in the SACCOs 35% of the respondents indicated that they were either managing directors or general managers. However, due to the variability in the sizes of the SACCOs, the data indicates that a lot of SACCOs were also headed by lower level officers such as loans officers, assistant managers and others.

**Table 4.4: Demographic Profile of the Top Management**

Variable	Frequency	Percent
<b>Age</b>		
Under 25 years	2	2
From 25 to under 30 years	7	9
From 30 to under 35 years	15	19
From 35 to under 40 years	28	35
From 40 to under 45 years	23	28
From 45 to under 50 years	4	5
Above 50 years	3	4
		<b>100%</b>
<b>Gender</b>		
Male	65	80
Female	16	20
	81	100%
<b>Academic Qualifications</b>		
Upto O' level (KCSE)	12	15
Diploma	24	30
Bachelors degree	31	38
Masters degree and above	14	17
	<b>81</b>	<b>100%</b>
<b>Period in Current Position</b>		
Less than 3 years	21	26
From 3 years to 5 years	25	31
Over 5 years	29	36
		<b>100%</b>
<b>Professional Qualifications</b>		
CPA	47	72
Diploma in Cooperative Management	6	9
ACCA	2	3
Certificate	1	2
Banking	3	5
<b>Position in the SACCO</b>		
Managing Director	9	11
General Manager	26	32
Head of Finance	12	15
Loans Officer	7	9
Assistant Manager	7	9
Treasurer	9	11
Accountant	2	2
IT Manager	3	4
Chairman	6	7

**Source: Primary Data 2015**

#### **4.5 Demographic Profile of the Employees**

The demographic profile of the employees of the SACCOs in Nairobi County is shown in Table 4.5. The results show that among the employees 79% were male, and 21% female, a clear bias in favour of men. With regard to age, 57% of the employees were aged between 30 years and below 45 years. 38% of the employees were below 35 years, and only 1% of the employees were aged above 50 years. This shows that the employees of the SACCOs in Nairobi County were in the young age bracket which augurs well for the sector as young people are said to be very productive.

With regard to the level of education only 22% of the employees had a bachelor's degree and above. The rest (78%) had a diploma or O level qualifications. This may not be good for the sector as employees in a modern organization, operating in a highly competitive environment need to be well educated in order to be able to comprehend the various challenges that organizations face. With regard to professional qualifications, 65% of the employees had no professional qualifications. Nevertheless, 33% had either CPA (32%) or ACCA (1%).

**Table 4.5: Demographic Profile of the Employees**

Variable	Frequency	Percentage
<b>Age</b>		
Under 25 years	7	3
From 25 to under 30 years	82	35
From 30 to under 35 years	61	26
From 35 to under 40 years	44	19
From 40 to under 45 years	28	12
From 45 to under 50 years	9	4
Above 50 years	4	1
		<b>100%</b>
<b>Gender</b>		
Male	185	79
Female	50	21
		<b>100%</b>
<b>Academic qualifications</b>		
Upto O' level (KCSE)	83	35
Diploma	102	43
Bachelors degree	39	17
Masters degree and above	11	5
		<b>100%</b>
<b>Position in the organization</b>		
Manager	18	8
Supervisor	18	8
Employee	199	84
<b>Period in current position</b>		
Less than 3 years	74	31
From 3 years to 5 years	107	46
Over 5 years	54	23
		<b>100%</b>
<b>Professional qualifications</b>		
CPA	75	32
IT	2	1
ACCA	2	1
ACNCE	2	1
Certificate	7	3
Diploma	2	1
None	145	61
		<b>100%</b>

**Source: Primary Data 2015**

#### 4.6 Profile of the SACCOs

The demographic profile of the SACCOs in Nairobi County is indicated in Table 4.6. With regard to age, 45% of the SACCOs were less than 10 years old, 25% were between 10 years and less than 15 years, while 30% were over 15 years old. With regard to size, 49% of the SACCOs had a labour force of less than 20 employees. Only 6% had a labour force of 60 employees and above. With regard to the sector most of the SACCOs (43%) were formed by members of private businesses, 23% were community based, whereas employees of central government had 15% in the sample selected.

**Table 4.6: Demographic Profile of the SACCOs in Nairobi County**

<b>Size (No of employees)</b>	<b>SACCOs</b>	<b>Percentage</b>
Less than 20 employees	40	49
Between 20 and less than 40 employees	25	31
Between 40 and less than 60 employees	11	14
60 employees and above	5	6
		<b>100%</b>
<b>SACCOs sector</b>		
Teacher based	5	6
Government based	12	15
Farmers/rural	3	4
Community based	19	23
Private	35	43
Other	7	7
		<b>100%</b>
<b>Variable</b>	<b>Frequency</b>	<b>Per cent</b>
<b>Age</b>		
Less than 5 years	6	7
Between 5 years and less than 10 years	31	38
Between 10 years and 15 years	20	25
15 years and above	24	30
		<b>100%</b>
<b>Size (Number of employees)</b>		
Less than 20 employees	40	49
Between 20 employees and less than 40 employees	25	31
Between 40 and less than 60 employees	11	14
60 employees and above	5	6
		<b>100%</b>

**Source: Primary Data 2015**

#### 4.7 Reliability and Validity

The reliability and validity tests are discussed below.

### 4.7.1 Reliability

This study employed the following steps to test reliability. First the questionnaires were developed based on items that previously have been used by other researchers with acceptable tested reliability levels (Tzafirir, 2005; Dirks & Ferrin, 2002). Secondly the questionnaires were pilot tested using a sample of 20 respondents randomly selected from the list of SACCOs. The questionnaires were also subjected to scrutiny by data collection experts. Finally the Cronbach's Alpha coefficient ( $\alpha$ ) was used to measure internal consistency and stability of scales used in the study. The closer the Cronbach's Alpha Coefficient is to 1, the greater the internal consistency of the items being measured. A high Cronbach's Alpha Coefficient is an indication that the underlying items reflect the desired variable well. The Cronbach Alpha Coefficients calculated for the variables under study are shown in Table 4.7 below.

**Table 4.7: Summary of Cronbach Alpha Coefficients**

Variable	Measures	Number of items	Cronbach Alpha Coefficients
Employee Trust of Top Management	Honesty Fairness Benevolence	3	.763
Managerial Attributes	Ability Integrity Benevolence	5	.928
Employee Characteristics	Self-management Technical competence Dependability/reliability Concentration Initiative	5	.702
Organizational Factors	Resources Decision making style Management competence The use of ICT Income	5	.746
Financial Performance	Income Net profit after tax Deposits Loans Debit/ equity ration Return on investment	5	.940
Non-Financial Performance	Quality of Services Number of Innovations Social Responsibility Efficiency Effectiveness	25	.843

**Source Primary Data 2015**

The results in Table 4.7 indicate that employee characteristics had the lowest Cronbach Alpha Coefficient of 0.703. The highest coefficient was of financial performance measure of 0.940. Different scholars have used different Cronbach Alpha Coefficient cut off points. However most agree that a Cronbach Alpha Coefficient exceeding 0.6 is acceptable (Njeru, 2013). The results of this study show that all the variables had a score of more than 0.7. Consequently the research instrument used in this study had an acceptable level of reliability. This level of reliability has been accepted by many other renowned researchers (Njeru, 2013; Ngumi, 2013)

#### **4.7.2 Validity of the Research Instruments**

A research instrument is said to be valid if it measures what it is supposed to measure. The research tested face, content and construct validity. To ensure face validity the draft questionnaires were discussed with selected persons knowledgeable in research to ascertain the items' suitability in obtaining information according to the research objectives. Content validity was determined by pretesting the questionnaire on a sample of the respondents. Appropriate modifications were incorporated to take the view of the respondents to ensure clarity, comprehensiveness, relevance, meaning and requisite depth. The foregoing effort ensured that the study instrument measured what it was supposed to measure. Construct validity was tested using factor analysis. Previous studies have used factor analysis to determine construct validity of questionnaires (Kinoti, 2012; Njeru, 2013).

#### **4.8 Descriptive Statistics**

The results of the descriptive statistics are discussed next.

##### **4.8.1 Employee Trust of Top Management**

The study set out to establish the influence of employee trust of top management on the performance of SACCOs in Nairobi County. In this analysis, the independent variable was employee trust of top management operationalized as honesty, fairness and trustworthiness. The dependent variable was both financial and non-financial performance. Financial performance was measured in terms of average loans. Non-financial performance was operationalized as a composite index of quality of service, number of innovations, social responsibility, efficiency and effectiveness.

Different sets of questions anchored on a five point likert-type scale ranging from 1- strongly agree to 5- strongly disagree were asked to measure the three employee trust constructs (honesty, fairness and trustworthiness). As can be seen in Table 4.8 below, the mean ranged from 2.37 to 2.38 with an average mean of 2.38 (SD .059). A Coefficient of Variation of 39.44% indicated that the average variation from the mean was 39.44%. This means that employee had an average level of trust of top management.

**Table 4.8: Respondents’ Scores on Employee Trust of Top Management**

<b>Employee Trust of the Top Management</b>	<b>N</b>	<b>Mean</b>	<b>Standard. Deviation</b>	<b>Cv</b>
The CEO of this SACCO keeps his/her word	229	2.38	.055	40.37
The CEO of this SACCO treats other people fairly	229	2.37	.059	40.17
The CEO of this SACCO can be relied upon to meet work schedules and meet work schedules and meet deadlines.	229	2.38	.063	37.78
<b>Average</b>		<b>2.38</b>	<b>.059</b>	<b>39.44</b>

**Source: Primary Data 2015**

#### **4.8.2 Managerial Attributes**

The paragraphs that follow discuss the respondents’ scores on the managerial attributes.

##### **4.8.2.1 Ability**

The study set out to establish the effect of managerial attribute of ability on the performance of SACCOs in Nairobi County. In this analysis ability was operationalized in terms of skills, knowledge, academic and professional qualifications, capability in performing a task and success. Different sets of questions anchored on a five point likert type scale ranging from 1- strongly agree to 5 = strongly disagree were asked to determine the most significant measure of ability. As can be seen in Table 4.9 below the mean ranged from 2.06 to 2.38 with a mean average of 2.22 (SD .059) with success having highest mean 2.38 (SD = .064). The CV was 37.69% indicating that the average variation from the mean was 37.69%. This means that employees of the SACCOs in Nairobi County thought that success is the most appropriate measure of a manager’s ability.

**Table 4.9: Respondents Scores on Managerial Ability**

Measures of Ability	N	Mean	Standard Deviation	CV
I feel very confident about the SACCO CEO's skills	232	2.06	.055	37.46
The CEO of this SACCO has a lot of knowledge about the work he/she does	232	2.13	.056	38.04
The CEO of this SACCO has abilities that can increase performance	232	2.21	.057	38.81
The CEO of this SACCO is highly professionally or academically qualified	233	2.29	.059	38.81
The CEO of this SACCO is very capable of performing his/her task	232	2.22	.062	35.81
The CEO of this SACCO is successful in his/her tasks	231	2.38	.064	37.18
<b>Average</b>		<b>2.22</b>	<b>.059</b>	<b>37.69</b>

Source: Primary Data 2015

#### 4.8.2.2 Integrity

The study set out to establish the effect of managerial attribute of integrity on the performance of SACCOs in Nairobi County. In this analysis integrity was operationalized in terms of fairness, sense of commitment, keeping promises, work values, work ethic, and the extent to which a manager keeps his/her word. Different sets of questions anchored on a five point likert type scale ranging from 1- strongly agree to 5 = strongly disagree were asked to determine integrity. As can be seen in Table 4.10 below the mean ranged from 2.17 to 2.44 with average mean of 2.29 (SD = .057) with keeping his/her word having highest mean of 2.44 (SD =.065). The CV was 40.57 indicating that the average variation from the mean was 40.57%. This means that employees of the SACCOs in Nairobi County thought that keeping ones word is the most important measure of a manager's integrity.

**Table 4.10: Respondents Scores on Managerial Integrity**

Measures of Integrity	N	Mean	Standard deviation	CV
The CEO of this SACCO is fair	231	2.21	.053	41.70
The CEO of this SACCO has a strong sense of commitment.	231	2.17	.052	41.75
I am never doubtful about whether the CEO of this SACCO will do what he/she promises	230	2.38	.060	39.67
I like the work values of the CEO of this SACCO	232	2.35	.056	41.96
The CEO of this SACCO displays a solid work ethic	232	2.24	.055	40.75
The CEO of this SACCO keeps his/her word	232	2.44	.065	37.56
<b>Average</b>		<b>2.29</b>	<b>.057</b>	<b>40.57</b>

Source: Primary Data 2015

### 4.8.2.3 Benevolence

The study set out to determine the effect of managerial attribute of benevolence on the performance of SACCOs in Nairobi County. In this analysis benevolence is operationalized in terms of concern about the welfare of the employees, helping the employees perform their jobs, would not do anything to disrupt or slow down the work of the employee, and kindness. Different sets of questions anchored on a five point likert type scale ranging from 1- strongly agree to 5 = strongly disagree were asked. As can be seen in Table 4.11 below, the mean ranged from 2.18 to 2.37 with an average mean of 2.28 (SD = .060) with the CEO will do anything in his/her capacity to help the employees perform their jobs having highest mean of 2.29 (SD = .059), The CV of 38.47 indicated that the average variation from the mean was 38.47%. This means that employees of the SACCOs in Nairobi County consider that the manager who will do anything in his/her capacity to help the employee perform his/her job is the most benevolent.

**Table 4.11: Respondents’ Scores on Managerial Benevolence**

Measures of Benevolence	N	Mean	Standard Deviation	CV
The CEO of this SACCO is very concerned about the welfare of the employees of the SACCO	229	2.23	.057	39.12
The CEO of this SACCO will do anything in his/her capacity to help the employees of this SACCO perform their jobs	229	2.37	.059	40.17
The CEO of this SACCO would not do anything to disrupt or slow down the work of the employee of the SACCO	229	2.35	.058	40.52
The CEO of this SACCO is very kind.	228	2.18	.064	34.06
<b>Average</b>		<b>2.28</b>	<b>.060</b>	<b>38.47</b>

**Source: Primary Data 2015**

### 4.8.3 Employee Characteristics

The study set out to determine the effect of employee characteristics on the performance of SACCOs in Nairobi County. In this analysis the independent variable was employee characteristics and the dependent variable was the performance of SACCOs. The employee characteristics were operationalized in terms of dependability, self-management, concentration, competence and initiative. Different sets of questions anchored on a five-point likert type scale ranging from 1 – Strongly agree to 5 – strongly disagree were asked to measure the five employee characteristics. As can be seen in Table 4.12 below, the mean ranged from 1.89 to 2.27 with an average mean of 2.07 (SD

= .080) with starting assignment without prompting having the highest mean and self-management having the lowest mean. The CV of 26.22 indicated that the average variation from the mean was 26.22%. This implies that employees of the SACCOs think that having initiative is the most important employee characteristic to have whereas having knowledge and competence in the work being least important.

**Table 4.12: Respondents Scores on Employee Characteristics**

<b>Employee Characteristics</b>	<b>N</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>CV</b>
Employees work with minimum supervision	80	1.94	.070	27.71
Employees possess necessary knowledge and competence in their work	80	1.89	.075	25.29
Employees in SACCO can be relied upon to meet work schedules and deadlines	80	2.06	.072	28.61
Employees in SACCO are able to put aside distractions and stay with job SACCO complete	80	2.19	.084	26.07
Employees in this SACCO start assignments without prompting	80	2.27	.097	23.40
<b>Average</b>		<b>2.07</b>	<b>.080</b>	<b>26.22</b>

**Source: Primary Data 2015**

#### **4.8.4 Organizational Factors**

The study sought to establish the organizational factors that influence the relationship between employee trust of top management and performance of SACCOs in Nairobi County. The organizational factors were operationalized in terms of resources, income, size, the use of ICT, decision making style and managerial competency. Different sets of questions anchored on a five point likert type scale ranging from 1- strongly agree to 5- strongly disagree were asked to measure the six organizational factors. As can be seen in Table 4.13 below the mean ranged from 2.02 to 2.40 with management style (delegation of authority) having the highest mean and the use of ICT having the lowest mean. The average mean was 2.24 (SD= .055). The CV of 41.21 implies that the average variation from the mean was 41.21%. This implies that employees of the SACCOs think that delegating authority is the most important organizational factor to have in order to improve performance.

**Table 4.13: Respondents Scores on Organizational Factors**

<b>Organizational Factors</b>	<b>N</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>CV</b>
This SACCO has sufficient resources to meet the demand of its members for credit	229	2.36	.060	39.33
This SACCO delegates decision making authority	229	2.40	.056	42.86
The management of this SACCO are competent in their work	227	2.07	.048	43.13
This SACCO uses ICT ( Information, Communication and Technology) in their work	235	2.02	.049	41.22
This SACCO earns much income per year	235	2.37	.060	39.50
<b>Average</b>		<b>2.24</b>	<b>.055</b>	<b>41.21</b>

**Source: Primary Data 2015**

#### **4.8.5 Non-Financial Performance**

The study sought to establish the non-financial variables that determine the performance of the SACCOs. The non-financial measures of performance were operationalized in terms of quality of services, number of innovations, number of CSR projects implemented, efficiency and effectiveness. Different sets of questions anchored on a five point likert type scale ranging from 1- strongly agree to 5- strongly disagree were asked to measure the six measures of non-financial performance As can be seen in Table 4.14 below the mean ranged from 2.19 to 2.84 with the number of CSR projects implemented having the highest mean and the quality of services having the lowest. The average mean was 2.53 (SD = 2.53). The CV of 38.98 indicated that the average deviation from the mean was 38.98%. This implies that employees of the SACCOs think that corporate social responsibility is the most important goal for the SACCOs in Nairobi County.

**Table 4.14: Respondents Scores on Non-Financial Performance**

<b>Non-Financial Performance</b>	<b>N</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>CV</b>
General customers rate the quality of our services as good	232	2.19	.049	44.69
During the past year this SACCO has implemented more innovations than SACCOS of its size	231	2.52	.062	40.65
This SACCO implemented more CSR projects than SACCOS of its size	232	2.84	.071	40.00
This SACCO is more efficient than SACCOS of its size	231	2.61	.064	40.78
This SACCO achieves most of the goals it sets	232	2.52	.065	28.77
<b>Average</b>		<b>2.53</b>	<b>.062</b>	<b>38.98</b>

**Source: Primary Data 2015**

#### 4.8.6 Summary of Descriptive Statistics

The results of the descriptive statistics are summarized in Table 4.15 below.

**Table 4.15: Summary of Descriptive Statistics**

	Item	N	Mean	Standard Deviation	CV
Employee trust of top management	Honesty	229	2.38	.055	43.27
	Fairness	229	2.37	.059	40.17
	Trustworthiness	229	2.35	.063	37.30
<b>Average Score</b>			<b>2.38</b>	<b>.059</b>	<b>37.69</b>
Organizational factors	Resources	229	2.36	.060	39.33
	Decision making style	229	2.40	.056	42.86
	Managerial competency	227	2.07	.048	43.13
	Use of ICT	235	2.03	.049	41.43
	Income	235	2.37	.060	39.50
<b>Average score</b>			<b>2.24</b>	<b>.055</b>	<b>41.21</b>
Non-financial measures	Quality of services	232	2.19	.049	44.69
	Number of innovations	231	2.52	.062	40.65
	Social responsibility	232	2.84	.071	40.00
	Efficiency	231	2.61	.064	40.76
	Effectiveness	232	2.52	.065	38.77
	<b>Average score</b>			<b>2.53</b>	<b>.062</b>
Employee characteristics	Self-management	80	1.94	.070	27.71
	Technical competence	80	1.89	.075	25.20
	Dependability/reliability	80	2.06	.072	28.61
	Concentration	80	2.19	.064	34.22
	Initiatives	80	2.27	.097	23.40
<b>Average score</b>			<b>2.07</b>	<b>.080</b>	<b>26.22</b>
<b>Overall mean score</b>			<b>2.31</b>		

#### Source Primary Data 2015

#### 4.9 Tests of Hypotheses

This study was based on the premise that there is a significant relationship between employee trust of top management and organizational performance, and that the relationship is moderated by managerial attributes, employee characteristics, and organizational factors. To establish the statistical significance of the respective hypotheses, simple, multiple and hierarchical regression analyses were conducted at 0.05 level of significance (95% confidence level). Simple linear regression analysis was undertaken to test the significance of the relationship between employee trust of top management and financial and non-financial performance of SACCOs in Nairobi County. Hierarchical regression analysis was used to test the moderating hypotheses and multiple regression analysis was used to test the joint effect hypotheses. The dependent variable was separated into financial and non-financial performance. The independent variables

consisted of employee trust of top management, managerial attributes, employee characteristics and organizational factors. Separate analyses were performed for financial and non-financial indicators. Composite indexes were created for each variable to ease analysis.

#### 4.9.1 Employee Trust of Top Management and Financial Performance

This study set out to establish the effect of employee trust of top management on the financial performance of SACCOs in Nairobi County. Employee trust of top management was operationalized as a composite index of honesty, fairness and trustworthiness. Financial performance was operationalized as an average of the total loans advanced by the SACCO during a five year period. To assess the relationship between employee trust of top management and loans the following hypothesis was tested:

*H1a There is a significant relationship between employee trust of top management and the amount of loans advanced by SACCOs in Nairobi County.*

The relevant results are presented in Table 4.16. This hypothesis was tested using simple linear regression analysis.

**Table 4.16: Regression Results of Employee Trust of Top Management and Loans**

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.296 <sup>a</sup>	.088	.075	183.22748		
a. Predictors: (Constant), Employee Trust of Top management						
ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	236077.320	1	236077.320	7.032	.010 <sup>b</sup>
	Residual	2450778.494	73	33572.308		
	Total	2686855.813	74			
a. Dependent Variable: LOANS AVERAGE 2009-2013						
b. Predictors: (Constant), Employee Trust of Top management						
Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	281.377	76.414		3.682	.000
	Employee Trust of Top management	-82.817	31.231	-.296	-2.652	.010
a. Dependent Variable: LOANS AVERAGE 2009-2013						

**Source: Author 2015**

As shown in Table 4.16 the correlation coefficient ( $R = 0.296$ ) denotes a weak but positive linear relationship between the employee trust and performance. As employee trust increases, so does average loans. The coefficient of determination ( $R^2 = 0.088$ ) shows that a change in the employee trust only explains 8.8% of the variability in loans portfolio. This means that 91.2% of the variability in the loans portfolio is explained by other factors not included in the model. To determine the significance of the calculated R value, the results are as follows ( $R = .296$   $R^2 = .088$   $F = 7.032$   $P < .05$ ). Consequently the results show that there is a significant relationship between employee trust of top management and the loans portfolio of the SACCOs in Nairobi County. This means that as the employee trust of top management increases, the amounts of the loans borrowed from the SACCO also increases. The conclusion is that the findings of the study support the hypothesis that employee trust of top management has a significant effect on the performance of SACCOs in Nairobi County.

#### **4.9.2 Employee Trust of Top Management and Non-Financial Performance**

The study sought to establish the relationship between employee trust of top management and non-financial performance of SACCOs in Nairobi County. Non-financial performance was operationalized as a composite index of membership, quality of services, efficiency, effectiveness and number of innovations. To assess the relationship between employee trust of top management and non-financial performance the following hypothesis was tested

***H1b** There is a significant relationship between employee trust of top management and non-financial performance of SACCOs in Nairobi County.*

The regression results are shown in Table 4.17 below. This hypothesis was tested using simple linear regression analysis.

**Table 4.17: Regression Results of Employee Trust of Top Management and Non-Financial Performance**

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.016 <sup>a</sup>	.000	-.012	.579		
a. Predictors: (Constant), Employee Trust of Top management						
ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.006	1	.006	.019	.890 <sup>b</sup>
	Residual	26.480	79	.335		
	Total	26.487	80			
a. Dependent Variable: Non-Financial Performance of Sacco						
b. Predictors: (Constant), Employee Trust of Top management						
Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.325	.233		9.970	.000
	Employee Trust of Top management	-.013	.095	-.016	-.139	.890
a. Dependent Variable: Non-Financial Performance of Sacco						

**Source: Author 2015**

As shown in Table 4.17 the correlation coefficient ( $R = 0.016$ ) denotes a weak but positive linear relationship between the employee trust and non-financial performance. As employee trust increases, so does non-financial performance. The coefficient of determination ( $R^2 = 0.000$ ) shows that a change in the employee trust does not explain any variation in non-financial performance. This means that 100% of the variation in non-financial performance is explained by other factors not included in the model. To determine the significance of the calculated R value, the results are as follows ( $R = .016R^2 = .000 F = .019 P > .05$ ). Consequently the results show that there is no significant relationship between employee trust of top management and non-financial performance of SACCOs in Nairobi County. The findings of the study do not support the hypothesis.

#### 4.10 Moderating Effects

To test the moderation hypotheses, this study used the model put forth by Baron and Kenny (1986) which involves three steps. The first step involves testing the influence of the predictor variable on the dependent variable. The second step involves regressing the dependent variable with the moderator variable. The third step involves creating an interaction which is a product of the predictor variable and the moderator variable. This interaction term is regressed against the dependent variable. Moderation is assumed to

take place if the relationship between the interaction term and the dependent variable is significant.

A moderation effect could be enhancing where increasing the moderator would increase the effect of the independent variable on the outcome of the dependent variable, buffering, where increasing the moderator would decrease the effect of the independent variable on the outcome, and antagonistic, where increasing the moderator would reverse the effect of the independent variable on the outcome of the dependent variable. The next eight sections discuss and test the significance of the moderating effects of the various variables as per the study objectives following the method put forth by Barron and Kenny (1986).

#### **4.10.1 Moderating Effect of Managerial Attributes on the Relationship between Employee Trust of Top Management and Financial Performance**

The second objective of the study was to test the significance of the moderating effect of managerial attributes on the relationship between employee trust of top management and the financial performance of SACCOs in Nairobi County. Employee trust of top management was operationalized as a composite index of honesty, fairness and trustworthiness. Managerial attribute was operationalized as a composite index of ability, integrity and benevolence. Financial performance was operationalized in terms of the five year average of the loans advanced by the SACCO. To assess the moderating effect of managerial attributes on the relationship between employee trust of top management and performance, Hypothesis 2a was formulated as follows:

***H2a*** *The relationship between employee trust of top management and financial performance is significantly moderated by managerial attributes.*

The following stepwise regression analysis model was done:

$$\text{Step 1 } Y = a + \beta_1 ET$$

$$\text{Step 2 } Y = a + \beta_1 ET + \beta_2 MA$$

$$\text{Step 3 } Y = a + \beta_1 ET + \beta_2 MA + \beta_3 ET * MA + \varepsilon$$

Where  $a$  = a constant

$\beta_1, \beta_2, \beta_3$  = regression coefficients

Y = 5 year average of loans

ET = a composite index of employee trust of top management

MA = a composite index of managerial attributes

$\varepsilon$  = error term

The regression results are presented in Table 4.18.

**Table 4.18: Results of the Regression Analysis of the Moderating Effect of Managerial Attributes on the Relationship between Employees Trust of Top Management and Financial Performance**

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.183 <sup>a</sup>	.034	.020	4.74783	.034	2.462	1	71	.121
2	.184 <sup>b</sup>	.034	.006	4.78103	.000	.017	1	70	.896
3	.252 <sup>c</sup>	.064	.023	4.74071	.030	2.196	1	69	.143
a. Predictors: (Constant), Employee Trust									
b. Predictors: (Constant), Employee Trust, Managerial Attributes									
c. Predictors: (Constant), Employee Trust, Managerial Attributes, ET_MA									
ANOVA									
Model		Sum of Squares	Df	Mean Square	F	Sig.			
1	Regression	55.507	1	55.507	2.462	.121 <sup>b</sup>			
	Residual	1600.473	71	22.542					
	Total	1655.979	72						
2	Regression	55.903	2	27.952	1.223	.301 <sup>c</sup>			
	Residual	1600.076	70	22.858					
	Total	1655.979	72						
3	Regression	105.253	3	35.084	1.561	.207 <sup>d</sup>			
	Residual	1550.726	69	22.474					
	Total	1655.979	72						
a. Dependent Variable: AVERAGE LOANS 2009-2013									
b. Predictors: (Constant), Employee Trust									
c. Predictors: (Constant), Employee Trust, Managerial Attributes									
d. Predictors: (Constant), Employee Trust, Managerial Attributes, ET_MA									
Coefficients									
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.			
		B	Std. Error	Beta					
1	(Constant)	8.617	.557		15.479	.000			
	Employee Trust	1.189	.758	.183	0151.569	.121			
2	(Constant)	8.207	3.163		2.594	.012			
	Employee Trust	1.078	1.139	.166	.946	.347			
	Managerial Attributes	.187	1.418	.023	.132	.896			
3	(Constant)	10.126	3.394		2.984	.004			
	Employee Trust	-.422	1.516	-.065	-.278	.782			
	Managerial Attributes	-3.196	2.681	-.395	-1.192	.237			
	ET_MA	1.018	.687	.634	1.482	.143			
a. Dependent Variable: AVERAGE LOANS 2009-2013									
Model: $y = b_0 + b_1x_1 + b_2x_2 + b_3x_3$									
$Y = 8.617 + 1.189x_1 + 0.187x_2 + 1.018x_3$									

Source: Author 2015

The results in the model summary section of Table 4.18 step 1 are as follows:  $R = .183$   $R^2 = .034$   $p > .05$ .  $R$  of .183 indicates a weak but positive relationship between employee trust of top management and financial performance. An  $R^2$  of .034 indicates that employee trust of top management alone accounted for only 3.4% of the variance in financial performance ( $R^2 = .034$   $p > .05$ ). The rest 96.6 % is caused by other factors. The results obtained in the analysis of variance section of Table 4.18 show that the results of the relationship between employee trust of top management and financial performance are not significant ( $F = 2.462$   $p > .05$ ). In step 1 of the coefficient section of Table 4.18 the results indicate that the prediction model is not also significant.

The results of Step 2 in the model summary are as follows:  $R = .184$   $R^2 = .034$   $R$  Square Change = .000  $p > .05$ . An  $R$  of .184 indicates that the relationship between managerial attributes and financial performance is weak but positive. An  $R$  Square change of .000 indicates that the variance of financial performance due to managerial attributes is 0%. That is to say managerial attributes did not influence the change in financial performance and any change that occurred was due to other factors. Results of step 2 in the ANNOVA section of Table 4.16 show that the influence of the moderator variable (managerial attributes) is not significant. ( $F = 1.223$   $p > 0.05$ ). In the coefficient section of Table 4.18 results of step 2 show an insignificant T test ( $T = .132$   $p > 0.05$ ).

In step 3 when the interaction term was added in the model, the results of Model summary in Table 4.18 are as follows:  $R = .252$   $R^2 = .064$   $p > .05$ . An  $R$  of .252 indicates a positive but weak relationship between the interaction term and the financial performance. An  $R^2$  of .064 indicates that the interaction term contributed only 6.4 % to the relationship between employee trust of top management and the financial performance of SACCOs in Nairobi County. The results of step 3 in the ANOVA section in Table 4.18 show an insignificant relationship ( $F = 1.561$   $p > .05$ ). Results of step 3 in the coefficient section in Table 4.18 show an insignificant moderating effect of the interaction term ( $T = 1.482$   $p > .05$ ). These results show that the moderating effect of the managerial attributes on the relationship between employee trust of top management and financial performance of SACCOs in Nairobi County was not significant and therefore there was no evidence to support the hypothesis.

#### 4.10.2 Moderating Effect of Managerial Attributes on the Relationship between Employee Trust of Top Management and Non-Financial Performance

The study sought to assess the significance of the moderating effect of managerial attributes on the relationship between employee trust of top management and non-financial performance. To assess the moderating effect Hypothesis 2b was formulated as follows:

***H2b** The relationship between employee trust of top management and non-financial performance is significantly moderated by managerial attributes.*

The following step wise Regression analysis model was used:

$$\text{Step 1 } NFP = Y = a + \beta_1 ET$$

$$\text{Step 2 } NFP = Y = a + \beta_1 ET + \beta_2 MA$$

$$\text{Step 3 } NFP = Y = a + \beta_1 ET + \beta_2 MA + \beta_3 ET * MA + \varepsilon$$

Where  $a$  = constant

$\beta_1, \beta_2, \beta_3$  = regression coefficients

$NFP = Y = a$  composite index of non-financial performance

$ET$  = composite index of employee trust of top management

$MA$  = composite index of managerial attributes

$\varepsilon$  = error term

The regression results are presented in Table 4.19.

**Table 4.19: Results of the Regression Analysis of the Moderating Effect of Managerial Attributes on the Relationship between Employees Trust of Top Management and Non-Financial Performance**

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.080 <sup>a</sup>	.006	-.006	.572	.006	.501	1	78	.481
2	.146 <sup>b</sup>	.021	-.004	.571	.015	1.172	1	77	.282
3	.149 <sup>c</sup>	.022	-.016	.575	.001	.071	1	76	.791
a. Predictors: (Constant), Employee Trust									
b. Predictors: (Constant), Employee Trust, Managerial Attributes									
c. Predictors: (Constant), Employee Trust, Managerial Attributes, ET_MA									
ANOVA <sup>s</sup>									
Model		Sum of Squares	Df	Mean Square	F	Sig.			
1	Regression	.164	1	.164	.501	.481 <sup>b</sup>			
	Residual	25.514	78	.327					
	Total	25.678	79						
2	Regression	.546	2	.273	.837	.437 <sup>c</sup>			
	Residual	25.132	77	.326					
	Total	25.678	79						
3	Regression	.570	3	.190	.575	.633 <sup>d</sup>			
	Residual	25.108	76	.330					
	Total	25.678	79						
a. Dependent Variable: Non-Financial Performance of Sacco									
b. Predictors: (Constant), Employee Trust									
c. Predictors: (Constant), Employee Trust, Managerial Attributes									
d. Predictors: (Constant), Employee Trust, Managerial Attributes, ET_MA									
Coefficients									
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.			
		B	Std. Error	Beta					
1	(Constant)	2.308	.064		36.018	.000			
	Employee Trust	-.062	.087	-.080	-.708	.481			
2	(Constant)	1.914	.369		5.187	.000			
	Employee Trust	-.171	.133	-.221	-1.283	.203			
	Managerial Attributes	.179	.166	.187	1.082	.282			
3	(Constant)	1.952	.397		4.913	.000			
	Employee Trust	-.201	.176	-.260	-1.146	.255			
	Managerial Attributes	.110	.310	.114	.353	.725			
	ET_MA	.021	.080	.110	.267	.791			
a. Dependent Variable: Non-Financial Performance of Sacco									

**Source: Author 2015**

The results in step 1 in the model summary section of Table 4.19 are as follows:  $R = .080$   $R^2 = .006$   $p > .05$   $R = .080$  shows that the relationship between employee trust and non-financial performance was weak, positive and insignificant  $R^2$  on the other hand shows that only .6% of the change in non-financial performance was due to employee trust of top management. The rest of the variability (99.4%) was due to other factors other than the employee trust. The results of the ANOVA section of Table 4.19 step 1 show that the influence of employee trust of top management on non-financial performance is not significant ( $F = 501$   $p > .05$ ). In step 1 in the coefficient section of Table 4.19 the results are as follows:  $B = -.062$   $T = -.708$   $p > .05$ . The coefficient results show that the resulting prediction model is not significant.

Step 2 in the model summary shows the following results:  $R = .146$ ,  $R^2 = .021$   $Sig > .05$   $R$  of .146 means that the relationship between managerial attributes and non-financial performance was positive but weak.  $R$  Square of .001 implies that only .1% of the change in non-financial performance was due to managerial attributes. The rest of the change was due to other factors. In the ANNOVA section of Table 4.19 step 1 shows that relationship between managerial attributes and non-financial performance is not significant ( $F = .837$ ,  $p > .05$ ) at 5% level of significance.

The results of step 3 in model summary section of Table 4.19 when the interaction term was added in the model are shown, ( $R = .149$   $R^2 = .022$   $R$  Square Change = .001  $p > .05$ ). An  $R$  of .149 shows a weak but positive relationship between the interaction term and the non-financial performance. An  $R$  Square change of .001 shows that only .1% of the change in the non-financial performance was due to the interaction effect ( $R$  Squared changed from .0021 in step 2 to .022 in step 3). The results of step 3 in the ANOVA section in Table 4.19 show an insignificant relationship ( $F = .575$   $p > .05$ ) between the interaction term and the non-financial performance. Results of step 3 in the coefficient section in Table 4.19 show an insignificant moderating effect of the interaction term ( $B = .267$   $T = .267$   $p > .05$ ).

These results show that the moderating effect of the managerial attributes on the relationship between employee trust of top management and non-financial performance of SACCOs in Nairobi County was not significant and therefore there was no evidence to support the hypothesis.

#### **4.10.3 Moderating Effect of Employee Characteristics on the Relationship between Employee Trust of Top Management and Financial Performance**

The third objective of the study was to test the significance of the moderating effect of employee characteristics on the relationship between employee trust of top management and financial performance of SACCOs in Nairobi County. Employee trust of top management was operationalized as a composite index of honesty, fairness and trustworthiness. Employee characteristics were operationalized as a composite index of dependability, self-management, concentration, competence and initiative. The financial measure of performance was a five year average of loans advanced by the SACCO. To assess the moderating effect Hypothesis 3a was formulated as follows:

*H3a The relationship between employee trust of top management and financial performance is significantly moderated by employee characteristics.*

The following stepwise regression analysis model was used:

$$\text{Step 1 } Y = a + \beta_1 ET$$

$$\text{Step 2 } Y = a + \beta_1 ET + \beta_2 EC$$

$$\text{Step 3 } Y = a + \beta_1 ET + \beta_2 EC + \beta_3 ET * EC + \varepsilon$$

Where  $a$  = constant

$\beta_1, \beta_2, \beta_3$  = regression coefficients

$Y$  = Average Loans

$ET$  = composite index of employee trust of top management

$EC$  = composite index of employee characteristics

$\varepsilon$  = error term

The regression results are presented in Table 4.20.

**Table 4.20: Regression Results of the Moderating Effect of Employee Characteristics on the Relationship between Employee Trust of Top Management and Financial Performance**

<b>Model Summary</b>									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.176 <sup>a</sup>	.031	.017	4.78090	.031	2.259	1	71	.137
2	.383 <sup>b</sup>	.146	.122	4.51864	.116	9.481	1	70	.003
3	.389 <sup>c</sup>	.151	.114	4.53866	.005	.384	1	69	.538
a. Predictors: (Constant), Employee Trust									
b. Predictors: (Constant), Employee Trust, Employee Characteristics									
c. Predictors: (Constant), Employee Trust, Employee Characteristics, Employee Trust and Employee Characteristics									
<b>ANOVA<sup>a</sup></b>									
Model		Sum of Squares	Df	Mean Square	F	Sig.			
1	Regression	51.638	1	51.638	2.259	.137 <sup>b</sup>			
	Residual	1622.847	71	22.857					
	Total	1674.485	72						
2	Regression	245.215	2	122.608	6.005	.004 <sup>c</sup>			
	Residual	1429.270	70	20.418					
	Total	1674.485	72						
3	Regression	253.125	3	84.375	4.096	.010 <sup>d</sup>			
	Residual	1421.360	69	20.599					
	Total	1674.485	72						
a. Dependent Variable: AVERAGE ANNUAL LOANS 2009-2013									
b. Predictors: (Constant), Employee Trust									
c. Predictors: (Constant), Employee Trust, Employee Characteristics									
d. Predictors: (Constant), Employee Trust, Employee Characteristics, Employee Trust and Employee Characteristics									
<b>Coefficients</b>									
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.			
		B	Std. Error	Beta					
1	(Constant)	8.678	.561		15.481	.000			
	Employee Trust	1.147	.763	.176	1.503	.137			
2	(Constant)	16.285	2.527		6.445	.000			
	Employee Trust	1.338	.724	.205	1.849	.069			
	Employee Characteristics	-3.692	1.199	-.341	-3.079	.003			
3	(Constant)	16.131	2.550		6.326	.000			
	Employee Trust	1.365	.728	.209	1.875	.065			
	Employee Characteristics	-3.584	1.217	-.331	-2.946	.004			
	Employee Trust and Employee Characteristics	-1.014	1.637	-.070	-.620	.538			
a. Dependent Variable: AVERAGE ANNUAL LOANS 2009-2013									

**Source: Author 2015**

The results in the model summary section of Table 4.20 step 1 are as follows:  $R = .176$   $R^2 = .031$   $p > .05$ . An  $R$  of .176 indicates a weak but positive relationship between employee trust of top management and financial performance. An  $R^2$  of .031 indicates that employee characteristics accounted for only 3.4% of the variance in financial performance ( $R^2 = .034$   $p > .05$ ). The rest 96.9 % is caused by other factors. The results in the ANOVA section of Table 4.20 step 1 show that the results of the relationship between employee trust of top management and financial performance are not significant ( $F = 2.259$   $p > .05$ ). In step 1 of the coefficient section of Table 4.20 the results indicate that the prediction model is not significant ( $\alpha = 8.678$   $\beta = 1.142$   $T = 1.503$  and  $p > .05$ ).

The results of Step 2 in the model summary are as follows:  $R = .383$   $R^2 = .146$   $R$  Square Change = .116  $p < .05$ . An  $R$  of .383 indicates that the relationship between managerial attributes and financial performance is moderate and positive. An  $R$  Square change of .116 indicates that the variance of financial performance due to employee characteristics alone is 11.6 0%. That is to say employee characteristics alone contributed 11.6 % of the variation in financial performance. Results of step 2 in the ANNOVA section of Table 4.20 show that the influence of the moderator variable (employee characteristics) is significant. ( $F = 6.005$   $p < 0.05$ ). In the coefficient section of Table 4.20 results of step 2 show a significant  $t$  test ( $t = -3.079$   $p < 0.05$ ).

In step 3 when the interaction term was added into the model, the results of Model summary in Table 4.20 are as follows:  $R = .383$   $R^2 = .146$   $p < .05$ . An  $R$  of .383 indicates a positive moderate relationship between the interaction term and financial performance. An  $R$  Square change of .005 indicates that the interaction term contributed only .5 % to the relationship between employee trust of top management and the financial performance of SACCOs in Nairobi County. The results of step 3 in the ANOVA section in Table 4.20 show a significant relationship ( $F = 4.096$   $p < .05$ ). Results of step 3 in the coefficient section in Table 4.18 show an insignificant moderating effect of the interaction term ( $B = -.070$   $t = -.620$   $p > .05$ ). These results show that the moderating effect of employee characteristics on the relationship between employee trust of top management and financial performance of SACCOs in Nairobi County were insignificant and therefore there was no sufficient evidence to support the hypothesis.

#### **4.10.4 Moderating Effect of Employee Characteristics on the Relationship between Employee Trust of Top Management and Non-Financial Performance**

The objective of the study was to test the significance of the moderating effect of employee characteristics on the relationship between employee trust of top management and the non-financial performance of SACCOs in Nairobi County. Employee trust of top management was operationalized as a composite index of honesty, fairness and trustworthiness. Employee characteristics were operationalized as a composite index of dependability, self-management, concentration, competence and initiative. Non-financial performance was operationalized as a composite index of membership, quality of services, efficiency, effectiveness and number of innovations. To assess the moderating effect Hypothesis 3b was formulated as follows:

***H3b*** *The relationship between employee trust of top management and non-financial performance is significantly moderated by employee characteristics.*

The following step wise regression analysis model was used:

$$\text{Step 1 } NFP = Y = a + \beta_1 ET$$

$$\text{Step 2 } NFP = Y = a + \beta_1 ET + \beta_2 EC$$

$$\text{Step 3 } NFP = Y = a + \beta_1 ET + \beta_2 EC + \beta_3 ET * EC + \varepsilon$$

Where  $a$  = constant

$\beta_1, \beta_2, \beta_3$  = regression coefficients

$NFP = Y$  = a composite index of non-financial performance

$ET$  = composite index of employee trust of top management

$EC$  = composite index of employee characteristics

$\varepsilon$  = error term

The regression results are presented in Table 4.21.

**Table 4.21: Regression Results of the Moderating Effect of Employee Characteristics on the Relationship between Employee Trust of Top Management and Non-Financial Performance**

<b>Model Summary</b>									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.063 <sup>a</sup>	.004	-.009	.579	.004	.310	1	78	.579
2	.616 <sup>b</sup>	.380	.363	.460	.376	46.615	1	77	.000
3	.634 <sup>c</sup>	.402	.378	.454	.022	2.790	1	76	.099
a. Predictors: (Constant), Employee Trust									
b. Predictors: (Constant), Employee Trust, Employee Characteristics									
c. Predictors: (Constant), Employee Trust, Employee Characteristics, Employee Trust and Employee Characteristics									
<b>ANOVA<sup>a</sup></b>									
Model		Sum of Squares	Df	Mean Square	F	Sig.			
1	Regression	.104	1	.104	.310	.579 <sup>b</sup>			
	Residual	26.124	78	.335					
	Total	26.227	79						
2	Regression	9.955	2	4.978	23.553	.000 <sup>c</sup>			
	Residual	16.272	77	.211					
	Total	26.227	79						
3	Regression	10.531	3	3.510	16.997	.000 <sup>d</sup>			
	Residual	15.696	76	.207					
	Total	26.227	79						
a. Dependent Variable: Non-Financial Performance of Sacco									
b. Predictors: (Constant), Employee Trust									
c. Predictors: (Constant), Employee Trust, Employee Characteristics									
d. Predictors: (Constant), Employee Trust, Employee Characteristics, Employee Trust and Employee Characteristics									
<b>Coefficients</b>									
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.			
		B	Std. Error	Beta					
1	(Constant)	2.290	.065		35.316	.000			
	Employee Trust	-.049	.088	-.063	-.557	.579			
2	(Constant)	.780	.227		3.434	.001			
	Employee Trust	-.084	.070	-.107	-1.190	.238			
	Employee Characteristics	.730	.107	.614	6.828	.000			
3	(Constant)	.771	.225		3.432	.001			
	Employee Trust	-.081	.070	-.104	-1.168	.246			
	Employee Characteristics	.727	.106	.612	6.874	.000			
	Employee Trust and Employee Characteristics	.229	.137	.148	1.670	.019			
a. Dependent Variable: Non- Financial Performance of Sacco									

Source: Author 2015

The results in step 1 in the model summary section of Table 4.21 are as follows:  $R = .063$   $R^2 = .004$   $p > .05$ . An  $R$  of  $.063$  shows that the relationship between employee trust and non-financial performance was weak, and positive. An  $R^2$  of  $.004$  indicates that employee trust of top management contributed only  $.4\%$  to the variation in non-financial performance. The rest of the variability ( $99.6\%$ ) was due to other factors. The results obtained in the analysis of variance section of Table 4.21 step 1 show that the influence of employee trust of top management on non-financial performance is significant ( $F = 310$   $p < .05$ ). In step 1 in the coefficient section of Table 4.21 the results are as follows  $t = -.557$   $p < .05$ . The coefficient results show that the resulting prediction model is significant

Step 2 in the model summary shows the following results:  $R = .616$ ,  $R^2 = .380$   $R$  Square change =  $.376$   $p < .05$ . An  $R$  of  $.616$  means that the relationship between employee characteristics and non-financial performance is moderate and positive. An  $R^2$  of  $.380$  indicated that both employee trust and employee characteristics contributed  $38\%$  to the variation in the non-financial performance. An  $R$  Square change of  $.376$  indicates that employee characteristics alone contributed  $37.6\%$  to the variation in the non-financial performance. In the ANNOVA section of Table 4.21 step 2 results are as follows:  $F = 23.553$   $p < .05$  shows that relationship between employee characteristics and non-financial performance is significant.

The results of step 3 in model summary section of Table 4.21 when the interaction term was added in the model are as follows:  $R = .634$   $R^2 = .402$   $R$  Square Change =  $.022$   $p > .05$ . An  $R$  of  $.634$  indicates a strong and positive relationship between the interaction term and then on-financial performance. An  $R$  Square change of  $.022$  shows that the interaction term alone contributes  $2.2\%$  of the variation in the non-financial performance. The rest of the variation was due to other factors. The results of step 3 in the ANOVA section in Table 4.21 show a significant relationship ( $F = .16.997$   $p < .05$ ). In the coefficient section of Table 4.19 the results are as follows:  $B = .148$   $t = 1.670$   $p < .05$ . These results show that the moderating effect of employee characteristics on the relationship between employee trust of top management and non-financial performance of SACCOs in Nairobi County was significant and therefore there was sufficient evidence to support the hypothesis. The resulting predictive model is as follows:

$$Y = a + \beta_1 ET + \beta_2 EC + \beta_3 ET * EC$$

$$= .771 + .063ET + .614EC + .148ET * EC$$

a = is a constant

ET = employee trust

EC = employee characteristics

ET\*EC = interaction term between employee trust and employee characteristics

#### **4.10.5 Moderating Effect of Organizational Factors on the Relationship between Employee Trust of Top Management and Financial Performance**

The objective of the study was to test the significance of the moderating effect of organizational factors on the relationship between employee trust of top management and the financial performance of SACCOs in Nairobi County. Employee trust of top management was operationalized as a composite index of honesty, fairness and trustworthiness. Organizational factors were operationalized as a composite index of resources, income, use of ICT, decision making style and managerial competence. Financial performance was operationalized as a 5 year average of loans advanced by the SACCO. To assess the moderating effect Hypothesis 4a was formulated as follows:

**H4a** *The relationship between employee trust of top management and financial performance is significantly moderated by organizational factors.*

The following step wise regression analysis model was used to test the hypothesis:

Step 1  $Y = a + \beta_1 ET$

Step 2  $Y = a + \beta_1 ET + \beta_2 OF$

Step 3  $Y = a + \beta_1 ET + \beta_2 EC + \beta_3 ET * OF + \varepsilon$

Where a = constant

$\beta_1, \beta_2, \beta_3$  = regression coefficients

Y=Average loans

ET = composite index of employee trust of top management

OF= composite index of organizational factors

$\varepsilon$  = error term

The regression results are presented in Table 4.22 below.

**Table 4.22: Regression Results of the Moderating Effect of Organizational Factors on the Relationship between Employees Trust of Top Management and Financial Performance**

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.175 <sup>a</sup>	.031	.017	4.74781	.031	2.284	1	72	.135
2	.187 <sup>b</sup>	.035	.008	4.77040	.004	.320	1	71	.574
3	.198 <sup>c</sup>	.039	-.002	4.79377	.004	.309	1	70	.580
a. Predictors: (Constant), Employee Trust									
b. Predictors: (Constant), Employee Trust, Organizational Factors									
c. Predictors: (Constant), Employee Trust, Organizational Factors, Employee Trust and Organizational Factors									
ANOVA <sup>a</sup>									
Model	Sum of Squares		Df	Mean Square	F	Sig.			
1	Regression	51.487	1	51.487	2.284	.135 <sup>b</sup>			
	Residual	1623.000	72	22.542					
	Total	1674.487	73						
2	Regression	58.763	2	29.382	1.291	.281 <sup>c</sup>			
	Residual	1615.724	71	22.757					
	Total	1674.487	73						
3	Regression	65.874	3	21.958	.956	.419 <sup>d</sup>			
	Residual	1608.614	70	22.980					
	Total	1674.487	73						
a. Dependent Variable: AVERAGE LOANS 2009-2013									
b. Predictors: (Constant), Employee Trust									
c. Predictors: (Constant), Employee Trust, Organizational Factors									
d. Predictors: (Constant), Employee Trust Centered, Organizational Factors, Employee Trust and Organizational Factors									
Coefficients									
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.			
		B	Std. Error	Beta					
1	(Constant)	8.683	.553		15.711	.000			
	Employee Trust	1.143	.756	.175	1.511	.135			
2	(Constant)	8.595	.577		14.901	.000			
	Employee Trust Centered	1.014	.793	.156	1.278	.205			
	Organizational Factors	.513	.907	.069	.565	.574			
3	(Constant)	8.563	.582		14.702	.000			
	Employee Trust Centered	.784	.898	.120	.874	.385			
	Organizational Factors	-.094	1.421	-.013	-.066	.948			
	Employee Trust and Organizational Factors	.508	.912	.117	.556	.580			
a. Dependent Variable: AVERAGE LOANS 2009-2013									

**Source: Author 2015**

The results in the model summary section of Table 4.22 step 1 are as follows: R = .175 R<sup>2</sup> = .031 R Square Change = .031 p > .05. An R of .175 indicates a weak but positive relationship between employee trust of top management and financial performance. An R<sup>2</sup> of .031 indicates that employee trust of top management alone accounted for

only 3.1% of the variance in financial performance ( $R^2 = .031$   $p > .05$ ). The rest (96.9%) was caused by other factors. The results obtained in the analysis of variance section of Table 4.22 show that the regression results of the relationship between employee trust of top management and financial performance are not significant ( $F = 2.284$   $p > .05$ ).

The results of Step 2 in the model summary are as follows:  $R = .187$   $R^2 = .035$   $R$  Square Change = .004  $Sig > .05$ . An  $R$  of .187 indicates that the relationship between organizational factors and financial performance is weak but positive. An  $R$  Square change of .004 indicates that organizational factors contributed only .4% to the variance in financial performance. The rest of the variation (99.06%) was due to other factors. Results of step 2 in the ANNOVA section of Table 4.22 show that the effect of the moderator variable (organizational factors) was not significant. ( $F = 1.291$   $p > 0.05$ ). In the coefficient section of Table 4.22 results of step 2 show an insignificant effect ( $t = .565$   $p > 0.05$ ).

In step 3 when the interaction term was added in the model, the results of Model summary in Table 4.22 are as follows:  $R = .198$   $R^2 = .039$   $R$  Square change = .004  $p > .05$ . An  $R$  of .198 indicated a positive but weak relationship between the interaction term and the financial performance. An  $R$  Square Change of .004 indicated that the interaction term contributed only .4% to the relationship between employee trust of top management and the financial performance of SACCOs in Nairobi County. The results of step 3 in the ANOVA section in Table 4.22 show an insignificant relationship ( $F = .556$   $p > .05$ ). Results of step 3 in the coefficient section in Table 4.22 show an insignificant moderating effect of the interaction term ( $t = .556$   $p > .05$ ). These results show that the moderating effect of the organizational factors on the relationship between employee trust of top management and financial performance of SACCOs in Nairobi County were not significant and therefore there was no evidence to support the hypothesis.

#### 4.10.6 Moderating Effect of Organizational Factors on the Relationship between Employee Trust of Top Management and Non-Financial Performance

The objective of the study was to test the significance of the moderating effect of organizational factors on the relationship between employee trust of top management and the non-financial performance of SACCOs in Nairobi County. Employee trust of top management was operationalized as a composite index of honesty, fairness and trustworthiness. Organizational factors were operationalized as a composite index of resources, income, size, use of ICT, decision making style and managerial competence. Non-financial performance was operationalized as a composite index of membership, quality of services, efficiency, effectiveness and number of innovations. To assess the moderating effect, Hypothesis 4b was formulated as follows:

*H4b The relationship between employee trust of top management and non-financial performance is significantly moderated by organizational factors.*

The following step wise regression analysis model was used to test the hypothesis:

$$\text{Step 1 } NFP = Y = a + \beta_1 ET$$

$$\text{Step 2 } NFP = Y = a + \beta_1 ET + \beta_2 OF$$

$$\text{Step 3 } NFP = Y = a + \beta_1 ET + \beta_2 OF + \beta_3 ET * OF + \varepsilon$$

Where

$a$  = constant

$\beta_1, \beta_2, \beta_3$  = regression coefficients

$NFP = Y$  = a composite index of non-financial performance

$ET$  = a composite index of employee trust of top management

$OF$  = a composite index of organizational factors

$\varepsilon$  = error term

The regression results are presented in Table 4.23.

**Table 4.23: Regression Results of the Moderating Effect of Organizational Factors on the Relationship between Employees Trust of Top Management and Non-Financial Performance**

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.068 <sup>a</sup>	.005	-.008	.578	.005	.370	1	79	.545
2	.103 <sup>b</sup>	.011	-.015	.580	.006	.471	1	78	.495
3	.107 <sup>c</sup>	.012	-.027	.583	.001	.069	1	77	.794
a. Predictors: (Constant), Employee Trust									
b. Predictors: (Constant), Employee Trust, Organizational Factors									
c. Predictors: (Constant), Employee Trust, Organizational Factors, Employee Trust and Organizational Factors									
ANOVA <sup>s</sup>									
Model	Sum of Squares		Df	Mean Square	F	Sig.			
1	Regression	.124	1	.124	.370	.545 <sup>b</sup>			
	Residual	26.363	79	.334					
	Total	26.487	80						
2	Regression	.282	2	.141	.419	.659 <sup>c</sup>			
	Residual	26.205	78	.336					
	Total	26.487	80						
3	Regression	.305	3	.102	.299	.826 <sup>d</sup>			
	Residual	26.182	77	.340					
	Total	26.487	80						
a. Dependent Variable: Non- Financial Performance of Sacco									
b. Predictors: (Constant), Employee Trust									
c. Predictors: (Constant), Employee Trust, Organizational Factors									
d. Predictors: (Constant), Employee Trust, Organizational Factors, Employee Trust and Organizational Factors									
Coefficients									
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.			
		B	Std. Error	Beta					
1	(Constant)	2.296	.064		35.711	.000			
	Employee Trust	-.054	.088	-.068	-.608	.545			
2	(Constant)	2.283	.067		33.947	.000			
	Employee Trust	-.072	.092	-.092	-.779	.438			
	Organizational Factors	.075	.109	.081	.686	.495			
3	(Constant)	2.281	.068		33.503	.000			
	Employee Trust	-.084	.104	-.108	-.808	.421			
	Organizational Factors	.040	.172	.043	.234	.816			
	Employee Trust and Organizational Factors	.029	.110	.054	.262	.794			
a. Dependent Variable: Non- Financial Performance of Sacco									

**Source: Author 2015**

The results in step 1 in the model summary section of Table 4.23 are as follows:  $R = .068$   
 $R^2 = .005$   $p > .05$ . An  $R$  of .068 indicates that the relationship between employee trust of top management and non-financial performance was weak and positive. An  $R^2$  of .005 on

the other hand shows that only .5% of the variance in the non-financial performance was due to employee trust. The rest of the variation (99.5%) was due to other factors. The results obtained in the analysis of variance section of Table 4.23 step 1 show that the relationship between employee trust of top management and non-financial performance is not significant ( $F = .370$   $p > .05$ ). In step 1 in the coefficient section of Table 4.23 the results are as follows  $t = -.608$   $p > .05$ . The coefficient results show that the relationship between employee trust of top management and financial performance is not significant,

Step 2 in the model summary shows the following results:  $R = .103$ ,  $R^2 = .011$   $p > .05$  R Square change = .006. An R of .103 means that the relationship between organizational factors and non-financial performance was positive but weak. An  $R^2$  of .011 indicated that 1.1 % of the variance in the non-financial performance was due to organizational factors and employee trust of top management. The rest of the change was due to other factors. In the ANNOVA section of Table 4.23 step 2 shows that relationship between organizational factors and non-financial performance is not significant ( $F = .419$ ,  $p > .05$ ) at .05 level of significance. The results in the coefficient section of Table 4.23 indicates that the predictive model was not significant ( $t = .686$   $p > .05$ )

The results of step 3 in model summary section of Table 4.23 when the interaction term was added in the model, are as follows:  $R = .107$   $R^2 = .012$  R Square Change = .001  $p > .05$ ) An R of .107 shows a weak but positive relationship between organizational factors and non-financial performance. An R Square change of .001 shows that only .1% of the change in the non-financial performance was due to the interaction effect (R Squared changed from .0021 in step 2 to .0022 in step 3). The results of step 3 in the ANOVA section in Table 4.23 show an insignificant relationship ( $F = .299$   $p > .05$ ) between the interaction term and the non-financial performance. Results of step 3 in the coefficient section in Table 4.23 show an insignificant moderating effect of the interaction term ( $t = .262$   $p > .05$ ).

These results show that the moderating effect of organizational factors on the relationship between employee trust of top management and non-financial performance of SACCOs in Nairobi County was not significant and therefore there was no evidence to support the hypothesis.

#### **4.10.7 Joint Effect of Employee Trust of Top Management, Managerial Attributes Employee Characteristics and Organizational Factors on the Financial Performance**

The objective of the study was to determine whether the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors had a greater effect on the financial performance than the effect of individual predictor variables. Employee trust of top management was operationalized as a composite index of honesty, fairness and trustworthiness. Managerial attributes was operationalized as a composite index of ability, integrity and benevolence. Organizational factors were operationalized as a composite index of resources, income, size, use of ICT, decision making style and managerial competence. Financial performance was operationalized in terms of average annual loans advanced by the SACCO. The joint effect was determined by testing the following hypothesis.

***H5a** The joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on financial performance is greater than the effect of individual predictor variable.*

To test the hypothesis, simple regression and multiple regression analyses were performed. For each predictor variable and its effect on financial performance, simple regression analysis was performed to test the variance and the model significance. For the joint effect, a multiple regression analysis was performed to test the model significance. Table 4.24 gives a summary of the simple regression results of the effect of each predictor variable and the multiple regression results for the joint effect on the financial performance.

**Table 4.24: Summary of the Simple and Multiple Regression Analyses on the Effect of Each Predictor Variable and the Joint Effect of Employee Trust of Top Management, Managerial Attributes, Employee Characteristics and Organizational Factors on Financial Performance**

Model	R	R <sup>2</sup>	F	Sig	Coefficients		
					Beta	T	Sig
1. Employee trust of top management	.259	0.067	5.270	.025	.259	3.384	.001
2. Managerial Attributes	.162	.026	1.951	.167	.162	1.397	.167
3. Employee Characteristics	.324	.105	8.308	.005	-.324	-2.882	.005
4. Organizational factors	.146	.021	1.556	.216	.146	1.247	.216
5. Joint effect	.276	.076	5.773	.019	.276	-2.403	.019

**Source: Author 2015**

Model 1 of Table 4.24 shows the results of the regression analysis of the relationship between employee trust of top management and financial performance of SACCOs in Nairobi County. As shown in model 1, employee trust of top management as a predictor accounted for only 6.7% in the variance of financial performance. The ANOVA section shows that the results were significant ( $F= 3.384$   $p< .05$ ). In the coefficient section the model indicates that the coefficient of employee trust of top management was statistically significant ( $\beta = .259$   $t = 3.384$   $p<.05$ ).

Model 2 of Table 4.24 shows the results of the regression analysis of the relationship between managerial attributes and financial performance of SACCOs in Nairobi County. As shown in model 2, managerial attributes as a predictor accounted for only 2.6% in the variation of financial performance. The results were not significant as can be seen in the ANOVA section ( $F= 1.951$   $p> .05$ ). In the coefficient section the model indicates that the coefficient of employee trust of top management was not statistically significant ( $\beta=.162$   $t = 1.397$   $p> .05$ ).

Model 3 shows the results of employee characteristics as a predictor of financial performance. As shown in model 3, employee characteristics as a predictor accounted for 10.5% of the variance in the financial performance. As can be seen in the ANOVA section these results were significant ( $F=8.308$   $p<.05$ ). In the coefficient section, the model indicates that the coefficients for employee characteristics is also statistically significant ( $\beta = -.324$   $t = 2.882$   $p<.05$ ).

Model 4 shows the results of organizational factors as a predictor variable. As shown in Model 4 organizational factors contributed 2.1 % to the variation in the financial performance. The relationship was not significant ( $R = .146$   $R^2 = .021$   $\text{Sig } p>.05$ ). In the ANOVA section of model 4 the results show an insignificant relationship ( $F = 1.556$   $p>.05$ ). In the coefficient section the model results are insignificant ( $\beta = .146$   $t = 1.247$   $p>.05$ ).

Model 5 shows the regression results for the joint effect on the financial performance. As shown in the model the joint contribution to the variation of financial performance was 7.6 %. As can be seen in the ANOVA section of the model results are significant ( $F = 5.773$   $p<.05$ ). In the coefficient section the results of the model show that the joint effect on the financial performance was significant ( $\beta = -.276$   $t = 2.403$   $p<.05$ ).

In Table 4.24 the individual effect of each predictor variable and the joint effect of the predictor variables are tested. The coefficients for employee trust of top management had the largest contribution ( $\beta = .177$   $p>.05$ ) followed by managerial attributes ( $\beta = .162$   $p<.05$ ) and then organizational factors with  $B = -.146$   $p<.05$ . The factor with the least contribution was employee characteristics with a  $Beta = -.324$   $p<.05$ . The results of the joint effect of the predictor variables are  $B=.276$   $p<.05$ . These results are statistically significant leading to the conclusion that there is sufficient evidence to accept the hypothesis that the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on performance is greater than the effect of individual predictor variables. The resulting regression model is as follows:

$$Y (\text{ROI}) = .177\text{ET} + .162\text{MA} + .146\text{OF} - .324\text{EC}$$

Where Y = Financial Performance

ET = Employee trust of top management

MA= Managerial attributes

EC = Employee Characteristics

OF = Organizational factors

The regression equation implies that a one unit increase in financial performance is a summation of .177ET (employee trust), .162 of MA (Managerial attributes) and .142OF (organization factors) less .324EC (employee characteristics).

#### **4.10.8 Joint Effect of Employee Trust of Top Management, Managerial Attributes Employee Characteristics and Organizational Factors on Non-Financial Performance**

The objective of the study was to establish whether the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors had a greater effect on non-financial performance than each individual predictor variable. The effect was determined by testing the following hypothesis.

*H5b* The joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors is greater than the individual influence of each predictor variable.

To test the hypothesis, simple regression and multiple regression analyses were performed. For each predictor variable, simple regression analysis was performed to test the variance and the model significance. For the joint effect, a multiple regression analysis was performed to test the model's significance. The results for the regression analyses are shown in Table 4.25.

**Table 4.25: Summary of Regression Analysis of the Relationship between Employee Trust of Top Management, Managerial Attributes, Employee Characteristics and Organizational Factors on Non-Financial Performance**

Model	R	R <sup>2</sup>	ANOVA		Coefficients		
			F	Sig	Beta	T	Sig
1. Employee trust of top management	.016	.000	.019	.890	-.016	-.139	.890
2. Managerial Attributes	.023	.001	.040	.841	.023	.201	.841
3. Employee Characteristics	.607	.368	45.449	.000	-.607	6.742	.000
4. Organizational factors	.153	.023	1.868	.176	.153	1.367	.176
5. Joint effect	.313	.098	8.594	0.004	.313	-2.932	.004

**Source: Author 2015**

Model 1 of Table 4.25 shows the results of the regression analysis of the relationship between employee trust of top management and the non-financial performance of SACCOs in Nairobi County. As shown in model 1, employee trust of top management as a predictor accounted for 0% in the variance of non-financial performance. The overall model was not significant ( $F = .019$   $p > .05$ ). In the coefficient section the model indicates that the regression coefficient of employee trust of top management and non-financial performance was not statistically significant ( $B = -.016$   $T = .139$   $p > .05$ )

Model 2 of Table 4.25 shows the results of the regression analysis of the relationship between managerial attributes and the non-financial performance of SACCOs in Nairobi County. As shown in model 2, managerial attributes as a predictor accounted for only 0.1% in the variance of non-financial performance. As shown in the ANOVA section of the model the regression results are not significant ( $F = .040$   $p > .05$ ). In the coefficient section the model indicates that the regression coefficient between employee trust of top management and non-financial performance was not statistically significant ( $\beta = .023$   $t = .201$   $p > .05$ ).

Model 3 shows the results of employee characteristics as a predictor of non-financial performance. As shown in model 3, employee characteristics as a predictor accounted for 36.8 % of the variance in the non-financial performance. The overall model was statistically significant ( $F = 45.559$   $p < .05$ ). In the coefficient section, the model indicates that the coefficient for employee characteristics is also statistically significant ( $\beta = -.607$   $t = 6.742$   $p < .05$ ).

Model 4 shows the results of organizational factors as a predictor variable. As shown in Model 4 organizational factors contributed 2.3 % to the variation in the non-financial performance. The relationship was not significant ( $R = .153$   $R^2 = .023$   $F = 1.868$   $p > .05$ ). In the coefficient section the model results are insignificant ( $\beta = .153$   $t = 1.367$   $p > .05$ ).

Model 5 shows the regression results for the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on non-financial performance. As shown in the model the joint contribution to the variation of non-financial performance was 9.8 %. As can be seen in the ANOVA section of the model results are significant ( $F = 8.594$   $p < .05$ ). In the coefficient section the results of the model show that the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on non-financial performance was significant ( $Beta = -.313$   $t = -2.932$   $p < .05$ ). The predictor variable with the greatest effect was organization factors ( $B = .153$ ) followed by managerial attributes ( $B = .023$ ) and then employee trust of top management ( $B = -.016$ ). Employee trust of top management had the least effect ( $B = -.607$ ). The results of the joint effect of the predictor variables are  $B = .313$   $T = -2.932$   $p < .05$ . These results are statistically significant leading to the conclusion that there is sufficient evidence to accept the hypothesis that the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on non-financial performance is greater than the effect of individual predictor variables.

The resulting equation model for the joint effect is as follows:

$$Y = -0.016ET + 0.023MA - .607EC + .153OF$$

Where Y = Non Financial Performance

ET = a composite index of employee trust of top management

MA = a composite index of managerial attributes

EC = a composite index of employee characteristics

OF = a composite index of organizational factors

The regression equation implies that a one unit increase in non-financial performance is a summation of .023MA (managerial attributes) and .153OF (organization factors) less .016ET (employee trust of top management) and less .607EC (employee characteristics).

Table 4.26 below shows a summary of the tests for hypotheses.

**Table 4.26 Summary of Results of Hypotheses Testing**

	<b>Hypothesis</b>	<b>Results</b>	<b>Decision</b>
<b>Objective 1</b> Determine the influence of employee trust of top management on the performance of SACCOs in Nairobi County.	<b>Hypothesis 1a</b> Employee trust of top management significantly influences the financial performance of SACCOs in Nairobi County	There was a weak positive and significant relationship between employee trust of top management and financial performance.	Hypothesis 1a was supported
	<b>Hypothesis 1b</b> Employee trust of top management significantly influences the non-financial performance of SACCOs in Nairobi County	There was only a weak positive and an insignificant relationship between employee trust of top management and financial performance	Hypothesis 1b was not supported
<b>Objective 2</b> Establish the moderating effect of managerial attributes on the relationship between employee trust of top management and performance of the SACCOs in Nairobi County.	<b>Hypothesis 2a</b> Managerial attributes have a significant moderating effect on the relationship between employee trust of top management and financial performance of SACCOs in Nairobi County	Managerial attributes have a positive weak and an insignificant moderating influence on the relationship between employee trust of top management and financial performance	Hypothesis 2a was not supported
	<b>Hypothesis 2b</b> Managerial attributes have a significant moderating effect on the relationship between employee trust of top management and non-financial performance of SACCOs in Nairobi County	Managerial attributes have a positive weak and an insignificant moderating influence on the relationship between employee trust of top management and the non-financial performance	Hypothesis 2b was not supported
<b>Objective 3</b> Establish the moderating effect of employee characteristics on the relationship between employee trust of top management and performance of the SACCOs in Nairobi County.	<b>Hypothesis 3a</b> Employee characteristics have a significant moderating effect on the relationship between employee trust of top management and financial performance of SACCOs in Nairobi County	Employee characteristics have a significant moderating effect on the relationship between employee trust of top management and financial performance of SACCOs in Nairobi County	Hypothesis 3a was supported

	<b>Hypothesis 3b</b> Employee characteristics have a significant moderating effect on the relationship between employee trust of top management and non-financial performance of SACCOs in Nairobi County	Employee characteristics have a significant moderating effect on the relationship between employee trust of top management and financial performance of SACCOs in Nairobi County	Hypothesis 3b was supported
<b>Objective 4</b> Establish the moderating effect of organizational factors on the relationship between employee trust of top management and performance of SACCOs in Nairobi County.	<b>Hypothesis 4a</b> Organizational factors have a significant moderating effect on the relationship between employee trust of top management and financial performance of SACCOs In Nairobi County	Managerial attributes have a positive weak and an insignificant moderating influence on the relationship between employee trust of top management and the non-financial performance	Hypothesis 4a was not supported
	<b>Hypothesis 4b</b> Organizational factors have a significant moderating effect on the relationship between employee trust of top management and non-financial performance of SACCOs in Nairobi County	Managerial attributes have a positive weak and an insignificant moderating influence on the relationship between employee trust of top management and non-financial performance	Hypothesis 4b was not supported
<b>Objective 5</b> Assess whether the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on the performance of SACCOs in Nairobi County is greater than the effect of individual predictor variables.	<b>Hypothesis 5a</b> The joint effect of employee trust of top management managerial attributes employee characteristics and organizational factors on financial performance of SACCO in Nairobi County is greater than the influence of individual predictor variables	The joint effect of employee trust of top management managerial attributes employee characteristics and organizational factors on financial performance of SACCOs in Nairobi County is greater than the influence of individual predictor variables	Hypothesis 5a was supported
	<b>Hypothesis 5b</b> The joint effect of employee trust of top management managerial attributes employee characteristics and organizational factors on the non-financial performance of SACCOs in Nairobi County is greater than the influence of individual predictor variables	The joint effect of employee trust of top management managerial attributes employee characteristics and organizational factors on non-financial performance of SACCOs in Nairobi County is greater than the influence of individual predictor variables	Hypothesis 5b was supported

Source: Author 2015

## **4.11 Discussion**

### **4.11.1 Introduction**

This section presents a discussion of the research findings in line with the objectives and the conceptual hypotheses derived from the conceptual framework. The conceptual framework was developed from existing literature. The conceptual framework shows how the variables are linked to each other and the hypotheses derived therefrom.

### **4.11.2 Employee Trust of Top Management and Organizational Performance**

The first objective of the study sought to establish the significance of the effect of employee trust of top management on the performance of SACCOs in Nairobi County. The regression model results of the relationship of employee trust of top management and financial performance is shown in Table 4.14. The results indicate that there is a significant relationship between employee trust of top management and average annual loans advanced by SACCOs. Thus the research findings supported the hypothesis. The finding is supported by several empirical studies on employee trust and its impact on organizational performance. For example the results are consistent with the results of the study by Ferres et al (2002) who found that trust in top management is a significant predictor of subordinate work place behaviour and intentions. The research finding is also supported by the results of the study by Davis et al. (2000) which found that trust of employees in their general managers had positive and significant effect on sales and profit but not on subordinate turnover.

The finding is also supported by the results of a study by Zacharatos, Barling and Iverson (2005) who found a positive and significant correlation between trust in top management and safety climate, safety compliance and safety motivation all of which positively impact on the organizational performance. This finding is also consistent with those of Dirks and Ferrin (2002) and Connel et al. (2003) all of which found that high trust in management leads to low employee turnover intentions and therefore to positively influence organizational performance. Many other studies on the subject have found trust to have positive consequences for organizational performance (Tzafrir, 2003; Palisz-Kiewitz, 2012; Klimski & Karol, 2003; Costa et al., 2001).

On the other hand many studies have found trust either to have negative consequences on performance (Aubert & Kelsey, 2003; Langfred, 2004) or to have no impact at all (Lamsa & Sarolainen, 2000) or to have an insignificant impact (Berraies et al., 2014) A study by Berraies et al. (2014) of Tunisian companies belonging to the ICT sector found that although employee trust in their co-worker and their immediate supervisor has positive consequences on performance, employee trust of top managers has an insignificant impact on performance. According to Barries et al. (2014), this result could be explained by the fact that since the relationships between the employee and the top management is not a direct one it might not have the same impact on performance as the trust on his/her supervisor or co-worker. This is because the relationship between the employee and his supervisor or co-worker is founded on direct contacts between the two parties. This direct contact involves frequent interaction whereas there is no such direct contact with the top management. Consequently the employee trust of top management might not have a significant effect on the performance.

Those who argue that employee trust of top management has negative impact on the organizational performance point out that when employees trust their managers, they fail to concentrate in their work because they are not afraid of their managers because they have faith in their managers' benevolence. On the other hand those who argue that employee trust of their top managers has a positive effect on their organization's performance point out the fact that when employee trust in their manager's benevolence, fairness and trustworthiness, they will concentrate more on their work and this will lead to increased organizational performance.

The finding of this study therefore indicates that employee trust of top management has a significant impact on organizational performance. The finding supports most of empirical research on the variable and therefore confirms that employee trust is a variable organizations can promote to achieve competitive advantage.

#### **4.11.3 Managerial Attributes and Organizational Performance**

The second objective of the study sought to establish the significance of the moderating influence of managerial attributes on the relationship between employee trust of top management and both the financial and non-financial performance of SACCOs in

Nairobi County. The analysis of the hierarchical regression model showed that there was no significant moderating effect of managerial attributes on the relationship between employee trust of top management and either financial or non-financial performance of SACCOs in Nairobi County.

This finding of the study indicates that managerial attributes do not significantly moderate relationship between employee trust of top management and performance. As pointed out by Tayler (2008), there are several managerial attributes that can be associated with successful leadership. In a study of publicly managed water agencies in Australia, Tayler (2008) identified ten attributes of emergent leaders who promote sustainable urban water management. These attributes include personality, knowledge, leadership style, influence tactics and others.

Many studies have established the key managerial attributes that influence organizational performance. These include commitment to a goal, competence, caring and predictability (Kasperson et al., 1992), objectivity, fairness, consistency and faith (Ren & Levin, 1991) and caring, empathy, dedication and commitment (Corvello, 1992). Researchers have explained that managers with those attributes are effective and efficient. However, although those studies have established relationships between those managerial attributes and organizational performance, very few studies if any have established the moderating role of the attributes on the relationship between employee trust of top management and performance. This study sought to add to existing knowledge on whether or not managerial attributes significantly moderate the relationship between employee trust of top management and performance of SACCOs in Nairobi County.

Although the study found that managerial attributes do not significantly moderate the relationship between employee trust of top management and organizational performance it lays a foundation for studies in this area. This might lead to a conclusion that rather than having a moderating effect on the relationship between employee trust and performance the relationship is direct rather than a moderating one.

#### **4.11.4 Employee Characteristics and Organizational Performance**

The third objective of the study was to test the significance of the moderating influence of employee characteristics on the relationship between employee trust of top management and the performance of SACCOs in Nairobi County. The objective was subdivided into two: the first one to establish the significance of moderating effect of employee characteristics on the relationship between employee trust of top management and financial performance and the second one to establish the significance of the moderating effect of employee characteristics on the relationship between employee trust of top management and non-financial performance. The analysis of the hierarchical regression models in Tables 4.20 and 4.21 showed that there was a significant moderating effect of employee characteristics on the relationship between employee trust of top management and both the financial and non-financial performance of SACCOs in Nairobi County. The results show that employee characteristics can enhance the effect of employee trust of top management on both financial and non-financial performance. This means that when employees with certain characteristics are hired there is a likelihood that employee trust of top management can lead to improved organizational performance.

Many studies have identified many individual characteristics that influence organizational performance (Johari & Yahya, 2009; Magachi & Changi, 2009; Sakude, 2011). Those individual characteristics include age, gender, and level of education. Many studies have also established the relationship between individual characteristics and organizational performance. For example Inyang (2008) found that female principals are caring, compassionate and concerned about the welfare of both staff and students and thus perform highly in educational management. Gede (2001) found that age of employees influences their performance. Hullin and Smith (1965) and Saleh and Otis (1964) also came to the same conclusion. With regard to educational qualifications, Rugei and Agih (2008) found a significant relationship between educational qualification and job performance. Job experience also has a significant influence on the performance of employees.

As seen above, research has generally established a positive relationship between individual characteristics and organizational performance. What those studies have not shown is the moderating effect of the individual characteristics on the relationship between employee trust of top management on both financial and non-financial performance. This study has filled this gap in knowledge by establishing that employee characteristics have a significant moderating effect on the relationship between employee trust of top management and both financial and non-financial performance. The study has shown that the effect of employee trust of top management on performance can be enhanced by hiring employees with appropriate characteristics. This study has identified some of the characteristics such as dependability, self-management, technical competence, concentration and initiative.

#### **4.11.5 Organizational Factors and Performance**

The fourth objective of the study was to test the significance of the moderating influence of organizational factors on the relationship between employee trust of top management and the performance of SACCOs in Nairobi County. The objective was sub divided into two: the first one to establish the significance of moderating effect of organizational factors on the relationship between employee trust of top management and financial performance and the second one to establish the significance of the moderating effect of organizational factors on the relationship between employee trust of top management and non-financial performance. The analysis of the hierarchical regression results showed that there was no significant moderating effect of organizational factors on the relationship between employee trust of top management and both financial and non-financial performance of SACCOs in Nairobi County. The results show that organizational factors do not significantly moderate the relationship between employee trust of top management and both financial and non-financial performance.

Zou and Stan (1998) describe firms' characteristics as a firm's demographic and management variables. According to O'Sullivan et al. (2009) firm characteristics include the age of the firm measured by the number of years the firm has been in operation, the size of the firm measured by the number of employees, and the firm's ownership structure. These characteristics can influence a firm's performance or moderate the relationships between other variables and performance.

Several studies have been undertaken to establish the moderating effects of common antecedents and component factors on the relationships between market orientation and firm's performance (Keelson, 2014). Keelson's study indicates that in addition to the most common and known factors two very important ones namely organizational capabilities and internal marketing have been left out. Keelson studied the moderating effects of those two variables (organizational capabilities and internal marketing) on the relationships between market orientation and business success. Keelson's study defined business success in terms of economic and non-economic success. Economic success was operationalized as return on investment while non-economic success was measured in terms of spirit de corps (team work) and customer satisfaction. The Keelson's study concludes that there are many other organizational factors that can moderate relationships between independent variables and organizational performance. Consequently this study supports the study by Keelson (2014) at least to the extent that there are several organizational factors that moderate relationships in organizational performance. Although the results of this study did not establish statistically significant moderating effect of organizational factors on the relationship between employee trust of top management and performance it established a moderating effect which was not statistically significant. This study adds to existing knowledge on the moderating effect of organizational factors on the relationship between employee trust of top management and organizational performance.

#### **4.11.6 The Joint Effect of Employee Trust of Top Management, Managerial Attributes, Employee Characteristics and Organizational Factors on Performance**

The fifth objective of the study was to establish whether the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on the financial and non-financial performance of SACCOs in Nairobi County is greater than the effect of individual predictor variables. The analysis of the multiple regression model showed that the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on both financial and non-financial performance was statistically significant and greater than the

effects of individual predictor variables. That is to say the joint effect of employee trust of top management, managerial attributes employee characteristics and organizational factors on both financial and non-financial performance of SACCOs in Nairobi County was greater than the effect of the individual predictor variables.

These results support many other studies on joint effect of independent variables on dependent variables. At the general level it is expected that the joint effect of a given set of variables will have a greater effect than the individual influence of the individual variables. In this respect this study has confirmed this general position.

However there are also specific studies that support this study. A study by Kariuki (2014) on firms listed at Nairobi Stock Exchange found that the joint effect of intellectual capital, corporate reputation, and corporate culture improves the relationship between organizational performance as a dependent variable and other independent variables. Mbithi (2014) established that the joint effect of transformational leadership, organizational characteristics, employee outcomes, and leader-member relations had a greater effect on the performance of universities in Kenya than the effect of the individual variables. This study has added to the existing knowledge by establishing that the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors on organizational performance is greater than the effect of individual predictor variables. This finding adds to the open systems theory which emphasizes that many factors impact on organizations simultaneously and therefore management is a complex issue. Management deals with multiple challenges.

#### **4.12 Summary of the Chapter**

The chapter starts with a presentation of the response rate of the various respondents. Next, the chapter presents and explains the demographic profiles of the respondents and the SACCOs surveyed. After a discussion of the validity and reliability tests, a discussion of the findings pertaining to the various study objectives. The findings on the descriptive statistics are discussed first followed by a discussion of the findings on inferential statistics. The discussion of the findings of the inferential statistics is presented systematically as per the research hypotheses. Out of the ten hypotheses five were

supported and five were not supported. The hypotheses supported related to employee trust and financial performance, moderating effect of employee characteristics and the joint effect hypotheses. The hypotheses not supported related to employee trust and non-financial performance, moderating effect of managerial attributes and the moderating effect of organizational factors. Both on the relationship between employee trust of top management and performance of savings and credit cooperative societies.

After the presentation of the findings on the hypotheses tests a discussion of the research findings is presented. The discussion compared the study's findings with the previous empirical findings. The discussion established that the findings of the study have support in literature. For example many studies support the finding that employee trust has a significant impact on organizational performance. With regard to the moderating effect of employee characteristics on the relationship between employee trust of top management and performance, the findings added value to existing body of knowledge. This is an important finding because it establishes that the impact of employee trust of top management on performance can be enhanced through human resource management practices that take into consideration employee characteristics during the recruitment process. The chapter concludes by noting that organizational factors do not moderate the relationship between employee trust and performance and therefore observes that the organizational factors could probably be having direct effect on performance rather than a moderating one.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter provides a summary of the research findings, conclusions and recommendations. The chapter also discusses the study's contribution to theory underpinning trust and its application. The purpose of the study was to examine the relationship between employee trust of top management and both the financial and non-financial performance of SACCOs in Nairobi County and the moderating effect of managerial attributes, employee characteristics, and organizational factors on that relationship. Other objectives were developed from this overall objective.

#### **5.2 Summary**

The first objective sought to assess the relationship between employee trust of top management and performance of SACCOs in Nairobi County. It was found that the employee trust of top management had a positive and a significant effect on the financial performance of SACCOs in Nairobi County. Financial performance was operationalized as the five year (2008- 2013) average loans advanced by the SACCOs. The study found a weak, insignificant and positive relationship between employee trust of top management and non-financial performance of SACCOs in Nairobi County.

The second objective was to establish the significance of the moderating influence of managerial attributes of ability, integrity and benevolence on the relationship between employee trust of top management and performance of SACCOs in Nairobi County. The study found that there was a weak, positive and insignificant moderating effect of managerial attributes on the relationship between employee trust of top management and financial performance of SACCOs in Nairobi County. The study also found an insignificant moderating effect of managerial attributes on the relationship between employee trust of top management and non-financial performance.

The focus of the third objective was aimed at establishing the moderating effect of employee characteristics on the relationship between employee trust of top management and performance of SACCOs in Nairobi County. The study found that employee

characteristics significantly influenced the relationship between employee trust of top management and both financial and non-financial performance of SACCOs in Nairobi County.

The fourth objective was to establish the significance of the moderating effect of organizational factors on the relationship between employee trust of top management and the performance of SACCOs in Nairobi County. The study found that there was only a weak but positive and insignificant moderating effect of organizational factors on the relationship between employee trust of top management and both the financial and non-financial performance of SACCOs in Nairobi County.

Finally, the fifth objective of the study was to determine whether the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors had a greater impact than the individual predictor variables on both the financial and non-financial performance of SACCOs in Nairobi County. The findings were that the joint effect of employee trust of top management, managerial attributes, employee characteristics, and organizational factors on both financial and non-financial performance of SACCOs in Nairobi County was greater than the effect of individual predictor variables. Therefore the research findings supported five of the ten study hypotheses and failed to support five of the ten hypotheses. Table 4.26 gives a summary of the results of the hypotheses tests.

### **5.3 Conclusions**

Some conclusions are drawn from the study findings. One of them is based on the finding that employee trust of top management has a significant influence on organizational performance of SACCOs in Nairobi County. The conclusion that can be drawn from this finding is that employee trust of top management is an important behaviour of employees and therefore should be cultivated and encouraged in order to improve organizational performance.

Another finding of the study is that managerial attributes did not significantly moderate the relationship between employee trust of top management and performance. The conclusion is that rather than having a moderating effect on the relationship, the managerial attributes could be having a direct relationship with performance. The

managerial attributes could also be antecedents of trust. Aubert and Kelsey (2003) established that managerial attributes of ability, integrity and benevolence were important antecedents of trust. The conclusion can therefore be that managerial attributes instead of moderating the relationship between employee trust of top management and performance it is possible that they are antecedents of trust as established by Aubert and Kelsey (2003).

With regard to the third objective the study found that employee characteristics significantly moderated the relationship between employee trust of top management and both financial and non-financial performance. The conclusion of this finding is that employee characteristics can enhance the effect of employee trust of top management on organizational performance. That is to say employee characteristics have a role to play in enhancing the effect of employee trust of top management on the performance of organizations.

The fourth objective sought to establish the significance of the moderating effect of organizational factors on the relationship between employees' trust of top management and performance of SACCOs in Nairobi County. The results show that the moderating influence of organizational factors on the relationship between employee trust of top management on both financial and non-financial performance, was positive, weak, but insignificant. The conclusion from this finding is that although organizational factors may not significantly moderate the relationship between employee trust of top management and organizational performance, it may be prudent to assume that organizational factors have a direct impact on the performance rather than on a moderating one.

The purpose of objective five was to establish whether the joint effect of employee trust of top management, managerial attributes, employee characteristics and organizational factors had a greater effect on organizational performance than the effect of individual predictor variables. The research finding was that the joint effect was greater than the influence of individual predictor variables. The conclusion from this finding is that many other factors in addition to employee trust of top management may jointly influence organizational performance. This means that managers need to consider many factors

together as they seek to improve organizational performance. Managing is not a simple task of considering one or only two factors but it is a complex function that requires consideration of multiple factors simultaneously if one is to achieve a competitive advantage.

The study contributes to the growing literature on the role trust can play in organizational and employment relationships and the need to include other variables such as employee characteristics when hiring employees. The study further emphasizes the need for organizational managers to pay attention to the complex and dynamic pattern of interdependence between employee trust and other factors such as employee characteristics, organizational factors and managerial attributes. Managers need to be aware that in order to enhance the contribution of employee trust of top management to organizational efficiency and effectiveness, it is important to consider other variables that could influence the relationship such as employee characteristics.

#### **5.4 Implications of the Research Findings**

This research examined the significance of the relationship between employee trust of top management and the performance of SACCOs in Nairobi County and the significance of the moderating influence of managerial attributes, employee characteristics and organizational factors on the relationship. The following section presents the theoretical and the policy implications of the study's findings.

##### **5.4.1 Theoretical Implications**

The study makes contribution to the contingency theories which emphasize that organizations face several contextual factors that influence organizational performance. The main thrust of the theories is that the success of any managerial action depends on many factors. That is to say as managers seek to promote employee trust they should note that the success of their strategy is dependent on employee characteristics. This study therefore adds on to the existing contingency theories that seek to establish the contingent variables that influence managerial action.

The study also contributes to the social exchange theory that proposes that the existence of interpersonal relations is based on rational choices among the relationship partners. When relationship partners see no benefit in their inter personal relationships then there is no need for strengthening the relationship That is to say as employees relate with their top management their trust is a function of the benefits they see as arising from such relationship. If they see no benefits, then their contribution to organizational performance diminishes.

The study further contributes to the open systems theory. The main thrust of the theory is that management is a complex issue and many variables influence organizational performance simultaneously. As proved by the research findings the joint effect of many variables has a greater effect on performance than that of any one single variable. The findings of this study have established that the joint impact of managerial attributes, employee characteristics and organizational factors on performance is greater than the impact of any one variable.

#### **5.4.2 Policy Implications**

The research findings have significant policy implications. As managers formulate human resource management policies they should take into consideration not only the possible influence of employee trust of top management on the performance of organizations but should also consider the role of managerial attributes, employee characteristics and organizational factors on the relationship. This study established that there is significant effect of employee trust of top management on organizational performance and this effect can be enhanced if managers take into consideration the moderating role of employee characteristics. Managers can enhance this link by ensuring that they hire employees with appropriate characteristics.

Another implication of the research finding is that Human Relations Managers should enhance employee trust of top management as it contributes to organizational performance. More effort should be spent promoting employee trust of top management as it has positive consequences on organizational performance.

### **5.4.3 Contribution to Practice**

In today's fast changing and flexible business environment, leaders can no longer rely on positional authority alone to get things done (Stuckey, 2015). As organizations have become flatter, decentralized, and geographically dispersed, with more employees working virtually, it is harder for a leader to even know what their employees are doing much less to monitor work as rigorously as in the past. As such trust is tremendously important in today's workplace as it contributes to better engage staff for increased productivity. Understanding what makes a trustworthy leader is invaluable to HR professionals as it enables them to develop strong talent management and retention strategies.

This study provides evidence that employee trust of top management significantly influences organizational performance. Consequently HR managers would need to put energy in promoting employee trust. Managers of SACCOs in Nairobi County can learn about the role employee trust can have on organizational performance. Managers should further understand that employee characteristics can enhance the impact of employee trust of top management on performance.

### **5.5 Limitations of the Study**

This study has a few limitations. One of them is the fact that it only covered SACCOs in Nairobi County. The study's findings could be improved if studies were undertaken for all the SACCOs in the country or even for companies in many other sectors of the economy. Such a study will improve the generalizability of study findings.

The other shortcoming was that the study research design was a cross sectional survey. In this type of survey data was collected at a single point in time. The shortcoming of such a study is that it does not detect causal effects of variables. A longitudinal study would provide a better assessment of the relationships between the study variables. Another limitation of the study was the low response rate achieved. Given more time and resources the response rate could have been improved.

## **5.6 Suggestions for Further Research**

Based on the shortcomings indicated above the study can be improved by studying all the SACCOs in Kenya or better still studying a cross section of organizations in all sectors of the economy. This will improve on the generalizability of the research findings. Another recommendation is for a longitudinal study to be undertaken. A longitudinal study would provide a better assessment of how employee trust of top management affects the performance. A longitudinal study would be important in terms of arriving at causal linkages between the independent and the dependent variables instead of just establishing relationships achieved in a cross sectional survey.

This study tried to establish the moderating role of managerial attributes, employee characteristics, and organizational factors on the relationship between employee trust of top management and performance of SACCOs in Nairobi County. Although the study established that there was no significant moderating effect of managerial attributes and organizational factors on the relationship between employee trust of top management and organizational performance, it established that employee characteristics significantly moderate the relationship. This is a significant finding and provides a foundation for future studies on the concept of employee trust of top management and organizational performance.

## **5.7 Chapter Summary**

This chapter has presented a summary of findings, conclusions and recommendations. The summary of findings indicates that out of the ten hypotheses, five were supported by the findings, but five were not supported. The findings of the study supported the view that employee trust has positive consequences for organizational performance. In addition the findings of the study supported the hypothesis that employee characteristics significantly moderate the relationship between employee trust of top management and organizational performance. The study further supported the hypothesis that the joint effect of managerial attributes, employee characteristics and organizational factors on organizational performance is greater than the individual predictor variable. The study has contributed to the theory of trust, the open systems theory and to the contingency theory. The study has made contributions to the policy and practice. Finally the study has made various recommendations for further research.

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## APPENDICES

### Appendix I: Questionnaire for Employees

This questionnaire is aimed at collecting data from the employees of the Savings and Credit Cooperative Societies (SACCOs) in Nairobi County. The questionnaire is for employees who are not CEOs at the time of filling the information. The purpose of this research is academic and the results are expected to contribute to the improvement of the management of the SACCOs and organizations through an understanding of the meaning, the importance and the maintenance of employee trust. The title of the research is “*The impact of managerial attributes employee characteristics and organizational factors on the relationship between employee trust of top management and performance of SACCOs in Nairobi County*”. Your support in this regard is sincerely appreciated.

#### SECTION A: EMPLOYEE BACKGROUND

1. Please indicate your gender (circle one)
  - a) Male
  - b) Female
2. What is your academic qualification (please circle one)
  - a) Up to form IV(KCSE)
  - b) First degree
  - c) Masters degree and above
3. Do you have any professional qualification eg CPA, ACCA, etc  
Specify \_\_\_\_\_
4. What is your age category?
  - a) Under 30 years
  - b) Between 30 and below 35 years
  - c) 35 years and above
5. Please indicate your position in the organization tick []
  - a) Manager
  - b) Supervisor
  - c) Other (Specify)
6. How long have you held your current position in the SACCO? Please tick one
  - a) Less than 3 years
  - b) From 3 to 5 years
  - c) Over 5 years

**SECTION C: MANAGERIAL ATTRIBUTES**

7. Ability means competence in ones work. With respect to ability, please indicate by marking with a tick (√) the extent to which you agree with each of the following statements. about the CEO of this SACCO

<b>Ability</b>	<b>Strongly agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagre</b>	<b>Strongly disagree</b>
i) I feel very confident about the SACCO CEO’s skills					
ii) The CEO of this SACCO has a lot of knowledge about the work he/she does					
iii) The CEO of this SACCO has abilities that can increase performance.					
iv) The CEO of this SACCO is highly professionally or academically qualified					
v) The CEO of this SACCO is very capable of performing his/her task					
vi) The CEO of this SACCO is successful in his/her tasks					
vii)Other ( Please specify }					

8. Integrity means adhering to a code of ethics or a set of values. With respect to integrity of the CEO of your SACCO, please indicate by marking a tick (√) the extent to which you agree with each other the following statements

<b>Integrity</b>	<b>Strongly agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly disagree</b>
i) The CEO of this SACCO is fair					
ii) The CEO of this SACCO has a strong sense of commitment.					
iii) I am never doubtful about whether the CEO of this SACCO will do what he/she promises					
iv) I like the work values of the CEO of this SACCO					
v) The CEO of this SACCO displays a solid work ethic					
vi) The CEO of this SACCO keeps his/her word					
vii)Other ( Specify)					

9. Benevolence means the extent to which one does good to others aside from selfish interests. With respect to benevolence, please indicate with a tick (√) the extent to which you agree with each of the following statements

<b>Benevolence</b>	<b>Strongly agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly disagree</b>
i) The CEO of this SACCO is very concerned about the welfare of the employees of the SACCO					
ii) The CEO of this SACCO will do anything in his/her capacity to help the employees of this SACCO perform their jobs					
iii) The CEO of this SACCO would not do anything to disrupt or slow down the work of the employee of the SACCO					
iv) The CEO of this SACCO is very kind.					
v) Other (Specify)					

#### **SECTION D: EMPLOYEE TRUST OF THE TOP MANAGEMENT**

10. With respect to honesty ( keeping your word), fairness ( just and considerate) and trustworthiness ( worthy of trust) of the CEO of your SACCO, please indicate by marking a tick (√) the extent to which you agree with each other the following statements

	<b>Strongly agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly disagree</b>
<b>i) Honesty( keeping ones word)</b> The CEO of this SACCO keeps his/her word					
<b>ii) Fairness ( just)</b> The CEO of this SACCO treats other people fairly					
<b>iii) Trustworthiness ( worthy of being trusted)</b> The CEO of this SACCO can be relied upon to meet work schedules and meet work schedules and meet deadlines.					
<b>iv) Other (Specify)</b>					

**SECTION E: ORGANIZATIONAL FACTORS**

11. Please indicate by marking a tick (✓) the extent to which you agree with the following statements about your SACCO:

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
<b>Resources</b> i) This SACCO has sufficient resources to meet the demand of its members for credit					
<b>Decision making style ( Level at which decisions are made)</b> ii) This SACCO delegates decision making authority					
<b>Managerial competency</b> iii) The management of this SACCO is competent in their work					
<b>The use of ICT</b> iv) This SACCO uses a lot of ICT ( Information, Communication and Technology) in their work					
<b>Income ( Earnings from interest)</b> v) This SACCO earns much income per year from the loans it gives its members					
<b>Other</b> vi) ( Specify)					

**SECTION F: ORGANIZATIONAL PERFORMANCE**

12. a) **Financial Performance of the Savings and Credit Cooperative Society**

Kindly provide us with the following information on your SACCO.

Item	Unit of Measure	5 Years Achievement				
		2009	2010	2011	2012	2013
Income	Kshs million					
Net Profit after tax	Kshs million					
Deposits	Kshs million					
Loans	Kshs million					
Debit Equity Ratio	%					
Return on Investment	%					

**12 b) Non-financial Performance of the Sacco**

With respect to your SACCO’s performance, please rate the following statements by indicating a tick (√) in the appropriate box

<b>Item</b>	<b>Strongly agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly disagree</b>
<p><b>Quality of Services</b> i) Generally our customers rate the quality of our services as good.</p>					
<p><b>Number of Innovations</b> ii) During the past year, this SACCO had implemented more innovations than other SACCOs of its size</p>					
<p><b>Social Responsibility</b> iii) This SACCO implemented more corporate social responsibility projects than other SACCOs of its size</p>					
<p><b>Efficiency</b> iv) This SACCO is more efficient than other SACCOs of its size</p>					
<p><b>Effectiveness</b> v) This SACCO achieves most of the goals it sets</p>					
<p>vi) Other (specify }</p>					

**Thank you for your time and cooperation**

## Appendix II: Questionnaire for Top Management

This questionnaire is aimed at collecting data from the CEOs of the Savings and Credit Cooperative Societies (SACCOs) in Nairobi County. The questionnaire is to be filled by the CEO or any employee acting as such at the time of collecting the information. The purpose of this research is academic and the results are expected to contribute to the improvement of the management of the SACCOs and organizations through an understanding of the meaning, the importance and the maintenance of employee trust. The title of the research is “*the impact of managerial attributes employee characteristics and organizational factors on the relationship between employee trust of top management and performance of SACCOs in Nairobi County*”. Your support in this regard is sincerely appreciated.

### SECTION A: THE CHIEF EXECUTIVE OFFICER’S BACKGROUND

1. Please indicate your gender. (Please tick [] one)
  - a) Male []
  - b) Female []
  
2. What is your academic qualification? (Please tick [] one)
  - a) Up to O level (KCSE) []
  - b) Diploma []
  - c) Bachelor’s degree []
  - d) Masters degree and above []
  
3. Do you have any professional Qualification eg CPA, ACCA. etc  
Specify\_\_\_\_\_
  
4. What is your age category?(Please tick [] one)
  - d) Under 25 years []
  - e) From 25 to under 30 years []
  - f) From 30 to under 35 years []
  - g) From 35 to under 40 years []
  - h) From 40 to below 45 years []
  - i) From 45 to below 50 years []
  - j) Above 50 years []
  
5. Please indicate your position in the organization tick.(Please tick [] one)
  - a) Managing Director []
  - b) General Manager []
  - c) Other Specify []

6. How long have you held your current position in the SACCO? Please tick your answer below?(Please tick [√] one)
- a) Less than 3 years
  - b) Between 3 and 5 years
  - c) Over 5 years

**SECTION B: THE SACCOs BACKGROUND**

7. Name of your SACCO (Optional) \_\_\_\_\_

8. How long has your SACCO been operating?(Please tick [√] one)
- a) Less than 5 years
  - b) Between 5 and less than 10 years
  - c) Between 10 years and 15 years
  - d) More than 15 years
9. What is the size of your organization in terms of the number of permanent employees? (Please tick [√] one)
- a) Less than 20 employees
  - b) Between 20 and less than 40 employees
  - c) Between 40 employees and 60 employees
  - d) More than 60 employees
10. What sector is your SACCO in? (Please tick [√] one)
- a) Teacher based
  - b) Government based
  - c) Farmers/ Rural based
  - d) Community based
  - e) Private institution based

**SECTION C: EMPLOYEE CHARACTERISTICS**

11. Indicate by marking a tick (√) the extent to which you agree with each of the following statements about the employees in this SACCO:

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
<b>Self management</b>					
i) Employees in this SACCO work with minimum supervision					
<b>Technical competence</b>					
ii) Employees in this SACCO possess the necessary					

knowledge and competence in their work.					
<b>Dependability/reliability</b> iii) Employees in this SACCO can be relied upon to meet work schedules and deadlines.					
<b>Concentration</b> iv) Employees in this SACCO are able to put aside distractions and stay with a job until complete.					
<b>Initiatives</b> v) Employees in this SACCO start assignments without prompting and independently contribute ideas and projects.					

#### SECTION D: ORGANIZATIONAL FACTORS

12. Please indicate by marking a tick (√) the extent to which you agree with the following statements about your SACCO:

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
<b>Resources</b> i) This SACCO has sufficient resources to meet the demand of its members for credit and other obligations					
<b>Decision making style</b> ii) This SACCO delegates decision making authority					
<b>Managerial competency</b> iii) The management of this SACCO are competent in their work					
<b>The use of ICT</b> iv) This SACCO uses ICT ( Information, Communication and Technology) in their work					
<b>Income</b> v) This SACCO earns much income per year					

#### SECTION E: ORGANIZATIONAL PERFORMANCE

13. a) **Financial Performance of the Savings and Credit Cooperative Society**

Kindly provide the following information on your SACCO.

Item	Unit of Measure	5 Years Achievement				
		2009	2010	2011	2012	2013
Income	Kshs million					
Net Profit after tax	Kshs million					

Deposits	Kshs million					
Loans	Kshs million					
Debit Equity Ratio	%					
Return on Investment	%					

**13. b) Non-financial Performance of the Sacco**

With respect to your SACCO's performance, please rate the following statements by indicating a tick (√) in the appropriate box

Item	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
<b>Quality of Services</b> vii) Generally our customers rate the quality of our services as good.					
<b>Number of Innovations</b> viii) During the past year, this SACCO had implemented more innovations than other SACCOs of its size					
<b>Social Responsibility</b> ix) This SACCO implemented more corporate social responsibility projects than other SACCOs of its size in the last one year					
<b>Efficiency</b> x) This SACCO was more efficient than other SACCOs of its size during the year					
<b>Effectiveness</b> xi) This SACCO achieved most of the goals it had set in the past five years					

**Thank you for your time and cooperation**

**Appendix III: Table for Determining Sample Size from a Given Population**

<b>N</b>	<b>S</b>	<b>N</b>	<b>S</b>	<b>N</b>	<b>S</b>
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	1000000	384

**Note:**

**N is population size**

**S is sample size**

**Source:** Krejcie & Morgan (1970) Determining sample size for research activities, *Educational and Psychological Measurement* 30, 607-610.

**Appendix IV: List of the Active Savings and Credit Cooperative Societies (Saccos) in Nairobi City County as at 31st December 2013**

COMMUNITY BASED SACCOS				
S/NO	CS No.	NAME OF SACCO	SECTOR	STATUS
1	9617	ABAGUSII CATHOLIC	Community	Non DT Saccos
2	9910	ACK KIBICIKU PARISH	Community	Non DT Saccos
3	10820	ACK UTHIRU PARISH	Community	Non DT Saccos
4	10647	ADVENTIST LITEVAN	Community	Non DT Saccos
5	12027	AFRICA YOUTH TRUST	Community	Non DT Saccos
6	10542	ALL SAINTS CATHEDRAL MOTHERS UNION	Community	Non DT Saccos
7	10227	APS BARAKA	Community	Non DT Saccos
8	10505	ARYAN	Community	Non DT Saccos
9	11149	AVENUE	Community	Non DT Saccos
10	2584	BENZ	Community	Non DT Saccos
11	2475	BIBLIA	Community	Non DT Saccos
12	8689	BILA JASHO HUPATI	Community	Non DT Saccos
13	5936	BTS	Community	Non DT Saccos
14	11482	BURUBURU CHURCH OF GOD	Community	Non DT Saccos
15	4833	CENTRAL KENYA ADVENTIST	Community	Non DT Saccos
16	2169	CHAI	Community	DT Saccos
17	9246	CHRISTOPHERS SACCO	Community	Non DT Saccos
18	8766	CITY PARK KIMURI	Community	Non DT Saccos
19	6169	CLASSIC JUA KALI	Community	Non DT Saccos
20	3983	COM 21	Community	Non DT Saccos
21	5080	CONSTRUCTION UNION	Community	Non DT Saccos
22	3851	D & S	Community	Non DT Saccos
23	6517	DAFI	Community	Non DT Saccos

24	4331	DHAMINI	Community	Non DT Saccos
25	10131	EAST AFRICAN LEATHER	Community	Non DT Saccos
26	8338	F.P.F.K	Community	Non DT Saccos
27	10244	FEED THE CHILDREN	Community	Non DT Saccos
28	8498	FIRIMBI	Community	Non DT Saccos
29	10833	GATEWAY CHRISTIAN	Community	Non DT Saccos
30	9882	GATHIRIMU	Community	Non DT Saccos
31	10858	GIKOMBA WANABIASHARA	Community	Non DT Saccos
32	9242	HAMZA LUNGA LUNGA	Community	Non DT Saccos
33	1991	HAZINA	Community	Non DT Saccos
34	3331	HIGHWAY	Community	Non DT Saccos
35	10167	IDF UMOJA	Community	Non DT Saccos
36	2044	JAMII	Community	DT Saccos
37	5624	JINYIME UPATE	Community	Non DT Saccos
38	11991	JIRANI MWEMA	Community	Non DT Saccos
39	2051	JISAIDIE	Community	Non DT Saccos
40	10127	JITEGEMEA	Community	Non DT Saccos
41	4176	KAMBA	Community	Non DT Saccos
42	11241	KANGEMI MAINGI	Community	Non DT Saccos
43	11637	KANGUNDO TRADERS	Community	Non DT Saccos
44	3530	KANISA	Community	Non DT Saccos
45	11396	KARURA COMMUNITY	Community	Non DT Saccos
46	10548	KAYOLE PCEA	Community	Non DT Saccos
47	9202	KENYATTA MATIBABU	Community	Non DT Saccos
48	11508	KILIMANI JUAKALI	Community	Non DT Saccos
49	9208	KINGDOM	Community	DT Saccos
50	7679	KISACCO	Community	Non DT Saccos

51	10718	LENGA TUMAINI	Community	DT Saccos
52	10683	LIVERPOOL VCT	Community	Non DT Saccos
53	11727	MAJI MAZURI CHILDREN CENTRE WORKERS	Community	Non DT Saccos
54	2809	MATER	Community	Non DT Saccos
55	7379	MERCURY	Community	Non DT Saccos
56	2843	METHODIST	Community	Non DT Saccos
57	9095	MKOMBOZI	Community	Non DT Saccos
58	11467	MWAVULI	Community	Non DT Saccos
59	5313	MWOKOZI	Community	Non DT Saccos
60	2442	NAIROBI HOSPITAL	Community	Non DT Saccos
61	10934	NAIROBI TENANT(NOTESA)	Community	Non DT Saccos
62	9802	NAIROBI WOMEN HOSPITAL	Community	Non DT Saccos
63	11181	NEST	Community	DT Saccos
64	9871	NK 30	Community	Non DT Saccos
65	4857	NNK	Community	Non DT Saccos
66	5193	OAKLANDS SACCO	Community	Non DT Saccos
67	10120	ORTHODOX	Community	DT Saccos
68	9666	P.C.E.A NAIROBI WEST	Community	Non DT Saccos
69	4483	PCEA	Community	Non DT Saccos
70	11585	PCEA KAHAWA FARMERS	Community	Non DT Saccos
71	10223	PCEA LANGATA PARISH	Community	Non DT Saccos
72	10391	PCEA ZIMMERMAN	Community	Non DT Saccos
73	10013	PRODISYM	Community	Non DT Saccos
74	4570	REDEEMED GOSPEL CHURCH	Community	Non DT Saccos
75	8122	SAJI	Community	Non DT Saccos
76	11158	ST. MARY'S SACCO	Community	Non DT Saccos
77	9902	STEGRA	Community	Non DT Saccos

78	4993	THOMAS BARNADOS	Community	Non DT Saccos
79	4999	TUENDELEE	Community	Non DT Saccos
80	3151	TUSITENGANE	Community	Non DT Saccos
81	9337	UAMINIFU	Community	Non DT Saccos
82	10467	UHUSIANO	Community	Non DT Saccos
83	2758	UIGUANO WA KIRERE	Community	Non DT Saccos
84	11235	UJENZI THABITI	Community	Non DT Saccos
85	10364	UKOMBOZI	Community	Non DT Saccos
86	10541	UKRISTO NA UFANISI	Community	DT Saccos
87	6846	UOKOAJI	Community	Non DT Saccos
88	3528	UPENDO	Community	Non DT Saccos
89	11046	UPENYO	Community	Non DT Saccos
90	2919	URAFIKI	Community	Non DT Saccos
91	4553	USHINDI	Community	Non DT Saccos
92	2259	UTABIBU	Community	Non DT Saccos
93	2210	UZAZI BORA	Community	Non DT Saccos
94	6634	VUMILIA	Community	Non DT Saccos
95	4043	WACHUNGAJI	Community	Non DT Saccos
96	3110	WANAANGA	Community	DT Saccos
97	2254	WANANYUMBA	Community	Non DT Saccos
98	8699	WA-OMERA	Community	Non DT Saccos
99	3302	WAUMINI	Community	DT Saccos
100	10543	WOODMAN	Community	Non DT Saccos
101	11948	YOUTH FUND	Community	Non DT Saccos
<b>GOVERNMENT BASED SACCOS</b>				
1	7315	ACO	Government	DT Saccos
2	1981	AFYA	Government	DT Saccos
3	2001	ARDHI	Government	DT Saccos
4	2077	ASILI	Government	DT Saccos
5	2357	BALOZI	Government	Non DT Saccos
6	4264	BANKI KUU	Government	Non DT Saccos

7	2333	BAT	Government	Non DT Saccos
8	1979	BUNGE	Government	Non DT Saccos
9	7723	CFC LIFE	Government	Non DT Saccos
10	2466	CHUNA	Government	DT Saccos
11	6557	CIC	Government	Non DT Saccos
12	4014	CITY	Government	Non DT Saccos
13	2032	ELIMU	Government	DT Saccos
14	8924	ERC	Government	Non DT Saccos
15	3626	FUNDILIMA	Government	DT Saccos
16	1916	HARAMBEE SACCO	Government	DT Saccos
17	1991	HAZINA SACCO	Government	DT Saccos
18	8079	HELB	Government	Non DT Saccos
19	2821	HUDUMA	Government	Non DT Saccos
20	6137	HUDUMA YA KWANZA	Government	Non DT Saccos
21	1990	JOGOO	Government	Non DT Saccos
22	5780	KARI	Government	Non DT Saccos
23	3971	KASNEB	Government	Non DT Saccos
24	3193	KEMRI	Government	Non DT Saccos
25	11152	KEMSA	Government	Non DT Saccos
26	3468	KENPIPE SACCO	Government	DT Saccos
27	2483	KENVERSITY	Government	DT Saccos
28	2092	KENYA POLICE	Government	DT Saccos
29	2552	KENYA RE	Government	Non DT Saccos
30	6536	KEWISCO	Government	Non DT Saccos
31	11033	KICC	Government	Non DT Saccos
32	2284	KILELE	Government	Non DT Saccos
33	4252	KIMISITU	Government	Non DT Saccos
34	10023	KRB	Government	Non DT Saccos
35	4676	LAW SOCIETY OF KENYA	Government	Non DT Saccos
36	1946	MAGEREZA	Government	DT Saccos

37	3047	MWITO	Government	DT Saccos
38	5502	N.A.S.S	Government	Non DT Saccos
39	9459	N.H.I.F	Government	Non DT Saccos
40	2406	NACICO	Government	DT Saccos
41	10450	NACIWASCO	Government	Non DT Saccos
42	2747	NAFAKA	Government	Non DT Saccos
43	2747	NAFAKA SACCO	Government	DT Saccos
44	6070	NASSEFU	Government	DT Saccos
45	5271	NOCK	Government	Non DT Saccos
46	5000	PARLIAMENTARIANS	Government	Non DT Saccos
47	3440	POST BANK	Government	Non DT Saccos
48	2563	RELI	Government	DT Saccos
49	2103	SAUTI	Government	Non DT Saccos
50	2102	SHERIA SACCO	Government	DT Saccos
51	2207	STIMA	Government	DT Saccos
52	1872	TELEPOSTA	Government	DT Saccos
53	2365	TRANSCOM	Government	DT Saccos
54	4596	TRANSNATIONAL	Government	Non DT Saccos
55	2149	UFANISI	Government	DT Saccos
56	2085	UFUNDI	Government	DT Saccos
57	2026	UKULIMA	Government	DT Saccos
58	1926	USHURU	Government	Non DT Saccos
<b>INDUSTRY BASED SACCOS</b>				
1	8455	KENYA RURAL SACCO UNION	Industry	Non DT Saccos
2	2171	KUSCCO	Industry	Non DT Saccos
<b>PRIVATE BASED SACCOS</b>				
1	9603	2 WK	Private	Non DT Saccos
2	10650	748	Private	Non DT Saccos
3	8262	A.C.C. STAFF	Private	Non DT Saccos
4	3111	A.R.T	Private	Non DT Saccos

5	2920	A.S.K	Private	Non DT Saccos
6	8400	ABCON	Private	Non DT Saccos
7	10027	ACACIA SACCO	Private	Non DT Saccos
8	10449	ACAX	Private	Non DT Saccos
9	2331	ACCEL	Private	Non DT Saccos
10	10652	ACCESS	Private	Non DT Saccos
11	11042	ACCMILLS	Private	Non DT Saccos
12	9594	ACE COMMUNICATIONS	Private	Non DT Saccos
13	8478	ACMECO	Private	Non DT Saccos
14	3429	ACTION AID	Private	Non DT Saccos
15	8335	ADPER	Private	Non DT Saccos
16	9153	ADRA	Private	Non DT Saccos
17	4854	AERO CLUB	Private	Non DT Saccos
18	8619	AFCAHL	Private	Non DT Saccos
19	3991	AFCO CANTEEN	Private	Non DT Saccos
20	4315	AFFA	Private	Non DT Saccos
21	8681	AFOL	Private	Non DT Saccos
22	6529	AFRICA	Private	Non DT Saccos
23	8165	AFRO-SEN	Private	Non DT Saccos
24	2402	AGDECO	Private	Non DT Saccos
25	10229	AIBK	Private	Non DT Saccos
26	7605	AIR CONNECTION	Private	Non DT Saccos
27	8779	AIR KENYA SACCO	Private	Non DT Saccos
28	11617	AIRBORNE	Private	Non DT Saccos
29	3871	AIRBUS	Private	Non DT Saccos
30	4908	AIRLINK	Private	Non DT Saccos
31	4420	AKAPULCO	Private	Non DT Saccos
32	3983	AKILI	Private	Non DT Saccos
33	5828	ALFAMOTORS	Private	Non DT Saccos
34	2866	ALLIANCE BOYS STAFF	Private	Non DT Saccos
35	6533	ALLOSCA	Private	Non DT Saccos

36	10345	ALPHA FOODS	Private	Non DT Saccos
37	9583	ALPHA MEDICAL	Private	Non DT Saccos
38	11019	ALPHAX COLLEGE	Private	Non DT Saccos
39	5374	ALUMEX	Private	Non DT Saccos
40	9404	AMAFUCO	Private	Non DT Saccos
41	8124	AMALGAMATED	Private	Non DT Saccos
42	2465	AMAMOST	Private	Non DT Saccos
43	3149	AMCHA	Private	Non DT Saccos
44	3914	AMI AIR	Private	Non DT Saccos
45	6440	AMIRAN	Private	Non DT Saccos
46	3947	AMREF	Private	Non DT Saccos
47	9495	ANEARS	Private	Non DT Saccos
48	5140	ANTIQUÉ	Private	Non DT Saccos
49	7423	APEX PAINT SACCO	Private	Non DT Saccos
50	4494	APOLLOSURE	Private	Non DT Saccos
51	9268	APPROTEC	Private	Non DT Saccos
52	4960	ARGOS	Private	Non DT Saccos
53	10895	ASHUT PLAST	Private	Non DT Saccos
54	4754	ASPCO	Private	Non DT Saccos
55	4276	ATA	Private	Non DT Saccos
56	8873	ATHI RIVER MARBLE & GRANITE	Private	Non DT Saccos
57	6164	AUSCON	Private	Non DT Saccos
58	10034	AUSTEN	Private	Non DT Saccos
59	10789	AUTOFINE	Private	Non DT Saccos
60	11432	AVIASCO	Private	Non DT Saccos
61	5509	BACISTA	Private	Non DT Saccos
62	7806	BAF	Private	Non DT Saccos
63	6068	BAHASHA	Private	Non DT Saccos
64	2833	BAICO	Private	Non DT Saccos
65	5269	BANDA	Private	Non DT Saccos

66	3553	BANDS	Private	Non DT Saccos
67	2942	BARAFU	Private	Non DT Saccos
68	4993	BARNADOS	Private	Non DT Saccos
69	7801	BASETTERS	Private	Non DT Saccos
70	2843	BATTERY	Private	Non DT Saccos
71	3978	BAUMA	Private	Non DT Saccos
72	11587	BAWAN	Private	Non DT Saccos
73	5349	BAYA	Private	Non DT Saccos
74	8610	BBA	Private	Non DT Saccos
75	10268	BBK PENSIONER	Private	Non DT Saccos
76	8829	BELLEVUE	Private	Non DT Saccos
77	9079	BESBIX	Private	Non DT Saccos
78	6202	BESCO	Private	Non DT Saccos
79	4501	BESMO	Private	Non DT Saccos
80	5644	BETA ENGINEERING	Private	Non DT Saccos
81	9331	BEYOND 2000	Private	Non DT Saccos
82	5686	BHACHU	Private	Non DT Saccos
83	6199	BI-AM	Private	Non DT Saccos
84	3745	BIDS	Private	Non DT Saccos
85	10046	BIGOT	Private	Non DT Saccos
86	9235	BIMAS	Private	Non DT Saccos
87	6258	BINS	Private	Non DT Saccos
88	9046	BIORAY	Private	Non DT Saccos
89	8226	BLOOM	Private	Non DT Saccos
90	10180	BLOW	Private	Non DT Saccos
91	4085	BLUE TRIANGLE	Private	Non DT Saccos
92	7779	BOB MORGAN	Private	Non DT Saccos
93	12018	BOERA	Private	Non DT Saccos
94	7733	BOMAS	Private	Non DT Saccos
95	3916	BOOKSTAR	Private	Non DT Saccos
96	3664	BOOTH EMPLOYEES	Private	Non DT Saccos

97	3011	BOOTS	Private	Non DT Saccos
98	6345	BOSKAIR	Private	Non DT Saccos
99	10011	BOUNTY	Private	Non DT Saccos
100	5049	BRACKENHURST	Private	Non DT Saccos
101	5315	BRAEMEG	Private	Non DT Saccos
102	4685	BRICO	Private	Non DT Saccos
103	8126	BRITANIA	Private	Non DT Saccos
104	10994	BROADCOM	Private	Non DT Saccos
105	8512	BROOKSIDE	Private	Non DT Saccos
106	4431	BUNSON	Private	Non DT Saccos
107	9271	BURNS	Private	Non DT Saccos
108	7561	BUSH	Private	Non DT Saccos
109	4395	C.C.F	Private	Non DT Saccos
110	3168	CABROSTA	Private	Non DT Saccos
111	4124	CAL	Private	Non DT Saccos
112	7486	CAMALI	Private	Non DT Saccos
113	4549	CANE RUP	Private	Non DT Saccos
114	3436	CANNOQUEENS	Private	Non DT Saccos
115	8820	CART	Private	Non DT Saccos
116	3233	CARVIC	Private	Non DT Saccos
117	10617	CEZAMCO	Private	Non DT Saccos
118	4831	CHAK	Private	Non DT Saccos
119	3395	CHAMPION	Private	Non DT Saccos
120	11112	CHAWOB	Private	Non DT Saccos
121	9699	CHEM LABS	Private	Non DT Saccos
122	2261	CHEVRON	Private	Non DT Saccos
123	10801	CIFI	Private	Non DT Saccos
124	9833	CIMBRIA	Private	Non DT Saccos
125	2673	CLARKHAM	Private	Non DT Saccos
126	9993	CLASSAIR SACCO	Private	Non DT Saccos
127	10231	CLASSIC STAFF	Private	Non DT Saccos

128	10970	CLERMONT CASINO	Private	Non DT Saccos
129	7210	COCOTECH	Private	Non DT Saccos
130	9403	COGRA	Private	Non DT Saccos
131	8383	COLLISEC	Private	Non DT Saccos
132	9773	COLOR	Private	Non DT Saccos
133	6038	COLORPACK	Private	Non DT Saccos
134	5656	COLOUR PRINTER	Private	Non DT Saccos
135	2440	COMFOOD	Private	Non DT Saccos
136	6201	COMHIGH	Private	Non DT Saccos
137	9461	COMMUNICATION	Private	Non DT Saccos
138	2686	COMOCO	Private	DT Saccos
139	11178	COMPASCO	Private	Non DT Saccos
140	7760	COMTEC	Private	Non DT Saccos
141	7204	COMTRAINS	Private	Non DT Saccos
142	11515	CONAD	Private	Non DT Saccos
143	3867	CON-AFRIC	Private	Non DT Saccos
144	3061	CONCORDE	Private	Non DT Saccos
145	5466	CONNECTION STAFF	Private	Non DT Saccos
146	5738	COPY CAT	Private	Non DT Saccos
147	4852	CORPABS	Private	Non DT Saccos
148	9546	CORPORATE & PENSIONS	Private	Non DT Saccos
149	6245	CORREP	Private	Non DT Saccos
150	10700	CORRINGTON	Private	Non DT Saccos
151	4660	COSMOS	Private	Non DT Saccos
152	10572	CREATIVE INNOVATION	Private	Non DT Saccos
153	7301	CREDIT AFRICA	Private	Non DT Saccos
154	8788	CREDIT REFERENCE BUREAU	Private	Non DT Saccos
155	8623	CREDIT TRADERS	Private	Non DT Saccos
156	5653	CRESCENT	Private	Non DT Saccos
157	7536	CRYCOS	Private	Non DT Saccos

158	8960	CUNHAM	Private	Non DT Saccos
159	2644	DALABIMA	Private	Non DT Saccos
160	9576	DAMAKA SACCO SOCIETY LTD.	Private	Non DT Saccos
161	11179	DAWA SACCO	Private	Non DT Saccos
162	2627	DAWA SAVINGS CO-OP. SOC. LTD.	Private	Non DT Saccos
163	10385	DEEPA	Private	Non DT Saccos
164	3628	DEFICO	Private	Non DT Saccos
165	10589	DELGA	Private	Non DT Saccos
166	8569	DELI	Private	Non DT Saccos
167	11325	DELO	Private	Non DT Saccos
168	10544	DELOREN	Private	Non DT Saccos
169	11205	DESERET	Private	Non DT Saccos
170	9059	DEVASCO	Private	Non DT Saccos
171	8246	DEVCO	Private	Non DT Saccos
172	6851	DHANJAL MOTORWORKS	Private	Non DT Saccos
173	7557	DIEMOLD	Private	Non DT Saccos
174	6564	DIPLA	Private	Non DT Saccos
175	7758	DISEL INJECT	Private	Non DT Saccos
176	9700	DISFLO	Private	Non DT Saccos
177	3199	DIVERSEY	Private	Non DT Saccos
178	3870	DODCON	Private	Non DT Saccos
179	6151	DOLL	Private	Non DT Saccos
180	9351	DREAM CAMP	Private	Non DT Saccos
181	6046	DUCTS TRUNKING	Private	Non DT Saccos
182	2672	DUDU	Private	Non DT Saccos
183	2766	DUME	Private	Non DT Saccos
184	11337	DUNIA MOJA	Private	Non DT Saccos
185	3000	DUNLOP	Private	Non DT Saccos
186	6765	DUTY FREE	Private	Non DT Saccos

187	5508	EASTEL	Private	Non DT Saccos
188	11198	EASYCO	Private	Non DT Saccos
189	5251	ECONOMIC TANK	Private	Non DT Saccos
190	11611	ECOSE	Private	Non DT Saccos
191	11561	ECTOVILLE	Private	Non DT Saccos
192	10215	ECU	Private	Non DT Saccos
193	5522	EDAE	Private	Non DT Saccos
194	6374	ELLAMS	Private	Non DT Saccos
195	4493	ELYPHARM	Private	Non DT Saccos
196	9642	EMBASAVA	Private	Non DT Saccos
197	6321	EMCO BILLET SACCO	Private	Non DT Saccos
198	7000	EMERGENCY	Private	Non DT Saccos
199	3539	ENERGY	Private	Non DT Saccos
200	8677	ENGEN	Private	Non DT Saccos
201	8103	EPCO	Private	Non DT Saccos
202	9527	EPCO BUILDERS	Private	Non DT Saccos
203	7537	EPZA	Private	Non DT Saccos
204	8818	EQUATOR NURSING HOME	Private	Non DT Saccos
205	8916	EQUITY BANK	Private	Non DT Saccos
206	3523	ESTA	Private	Non DT Saccos
207	3517	ETHAIR	Private	Non DT Saccos
208	5527	EVA	Private	Non DT Saccos
209	9288	EVEREADY SECURITY GUARDS	Private	Non DT Saccos
210	8387	EVEREST	Private	Non DT Saccos
211	2918	EXAMS	Private	Non DT Saccos
212	7963	EXCEL CONTRACT LOGISTICS KENNYA	Private	Non DT Saccos
213	6515	EXECUTIVE	Private	Non DT Saccos
214	4611	EXICO	Private	Non DT Saccos
215	5317	FACTUAL	Private	Non DT Saccos

216	5150	FAGCOP	Private	Non DT Saccos
217	10656	FAIDI	Private	Non DT Saccos
218	9506	FAIRSEAT	Private	Non DT Saccos
219	8764	FAMILY	Private	Non DT Saccos
220	9069	FAMILY SIZE	Private	Non DT Saccos
221	7110	FARM GROUP	Private	Non DT Saccos
222	4877	FARMERS CHOICE	Private	Non DT Saccos
223	9106	FIDA	Private	Non DT Saccos
224	9832	FIKIA	Private	Non DT Saccos
225	11196	FINLAY LINE	Private	Non DT Saccos
226	3759	FINNLEMM SAV. & CR. CS LTD.	Private	Non DT Saccos
227	9794	FIRM FOUNDATION	Private	Non DT Saccos
228	11646	FIRST ASSURANCE	Private	Non DT Saccos
229	9714	FIRST FORCE	Private	Non DT Saccos
230	10493	FLYING	Private	Non DT Saccos
231	4683	FOAMIN SACCO	Private	Non DT Saccos
232	9093	FOUNTAIN	Private	Non DT Saccos
233	7901	FOUR ACES	Private	Non DT Saccos
234	10187	FOURSITE	Private	Non DT Saccos
235	4186	FOWLER SACCO	Private	Non DT Saccos
236	11324	FREB	Private	Non DT Saccos
237	4560	FRESH FOODS	Private	Non DT Saccos
238	8005	FUGO	Private	Non DT Saccos
239	9380	GAHIR	Private	Non DT Saccos
240	3469	GALA	Private	Non DT Saccos
241	6870	GALATOWER	Private	Non DT Saccos
242	7050	GAME TRACKERS	Private	Non DT Saccos
243	3190	GASSCO	Private	Non DT Saccos
244	7418	GATH	Private	Non DT Saccos
245	7382	GELOKOCHE	Private	Non DT Saccos

246	8806	GENCO	Private	Non DT Saccos
247	3021	GENERAL MOTORS	Private	Non DT Saccos
248	4695	GENESIS	Private	Non DT Saccos
249	7214	GEOMAPS	Private	Non DT Saccos
250	6715	GEOSTAFF	Private	Non DT Saccos
251	3883	GERTRUDE'S	Private	Non DT Saccos
252	3587	GIBBEYS	Private	Non DT Saccos
253	11357	GINA DIN CORPORATE COMMUNICATIONS	Private	Non DT Saccos
254	7169	GITHERE	Private	Non DT Saccos
255	11147	GLAXOSMITHLINE	Private	Non DT Saccos
256	9837	GLORY SCHOOL WORKERS	Private	Non DT Saccos
257	10702	GMT	Private	Non DT Saccos
258	6666	GOLBIS SACCO	Private	Non DT Saccos
259	8847	GOLDEN NEO LIFE	Private	Non DT Saccos
260	4879	GOLF	Private	Non DT Saccos
261	8207	GOVERNORS	Private	Non DT Saccos
262	8632	GRO	Private	Non DT Saccos
263	8199	GROUP FOUR SECURITY	Private	Non DT Saccos
264	8631	GUESTCARE	Private	Non DT Saccos
265	11163	GUINEA	Private	Non DT Saccos
266	3860	GUNDI	Private	Non DT Saccos
267	6271	GURUDUMU	Private	Non DT Saccos
268	3533	H & M	Private	Non DT Saccos
269	6855	HACCO CS 7 CS LTD	Private	Non DT Saccos
270	3289	HACO	Private	Non DT Saccos
271	8126	HALUCKY	Private	Non DT Saccos
272	10236	HANDAGA	Private	Non DT Saccos
273	2601	HARAKA	Private	Non DT Saccos
274	10504	HARDI	Private	Non DT Saccos
275	9084	HARDSTAFF	Private	Non DT Saccos

276	4607	HARDWELD	Private	Non DT Saccos
277	3979	HARIA STAFF	Private	Non DT Saccos
278	10469	HARRISON HOUSE	Private	Non DT Saccos
279	9049	HEART	Private	Non DT Saccos
280	10462	HEBATULLA	Private	Non DT Saccos
281	6223	HEHO	Private	Non DT Saccos
282	4836	HEINEMANN	Private	Non DT Saccos
283	2605	HEMA	Private	Non DT Saccos
284	4436	HENKEL CHEMICAL WORKERS	Private	Non DT Saccos
285	2304	HEWA	Private	Non DT Saccos
286	8867	HFK KENYA	Private	Non DT Saccos
287	4333	HIFADHI	Private	Non DT Saccos
288	5860	HODSCA	Private	Non DT Saccos
289	2990	HOECHEM	Private	Non DT Saccos
290	10816	HOME ROOTS	Private	Non DT Saccos
291	10912	HOMEGROWN	Private	Non DT Saccos
292	8140	HOME PARK	Private	Non DT Saccos
293	8047	HORTIFLO	Private	Non DT Saccos
294	10112	HOT POINT	Private	Non DT Saccos
295	3855	HOW-HUM	Private	Non DT Saccos
296	9706	HURI	Private	Non DT Saccos
297	10569	HURLINGHAM MEDICARE	Private	Non DT Saccos
298	6278	HYDRAULIC	Private	Non DT Saccos
299	9511	IBERAFRICA	Private	Non DT Saccos
300	8966	ICPSK	Private	Non DT Saccos
301	3454	IDB	Private	Non DT Saccos
302	3721	IMPALA PROGRESSIVE	Private	Non DT Saccos
303	8399	IN TIME	Private	Non DT Saccos
304	11479	INDEPENDENT HEALTH WORKERS	Private	Non DT Saccos

305	11236	INDEPENDENT PHOTOGRAPHERS	Private	Non DT Saccos
306	9359	INDIMA-NJE	Private	Non DT Saccos
307	8783	INNSCOR SACCO	Private	Non DT Saccos
308	8319	INORERO	Private	Non DT Saccos
309	9014	INSTEEL	Private	Non DT Saccos
310	6547	INTERBIDS	Private	Non DT Saccos
311	1942	INTERCON	Private	Non DT Saccos
312	9467	INTERCONSUMER SACCO	Private	Non DT Saccos
313	3944	INTERFLOW	Private	Non DT Saccos
314	3257	INTERNAL COMPUTER EAST AFRICA	Private	Non DT Saccos
315	7407	INTERSHADE	Private	Non DT Saccos
316	10915	INTEX	Private	Non DT Saccos
317	4317	IRON	Private	Non DT Saccos
318	2761	IRRIGATION	Private	Non DT Saccos
319	11273	ISAVE	Private	Non DT Saccos
320	6405	ISSACO	Private	Non DT Saccos
321	6751	ITDG	Private	Non DT Saccos
322	10880	J. MAARIFA	Private	Non DT Saccos
323	9521	J.C.A	Private	Non DT Saccos
324	3722	J.F. McCLOY	Private	Non DT Saccos
325	4130	J.L. MORRISON	Private	Non DT Saccos
326	11643	JANTECH	Private	Non DT Saccos
327	9334	JAVA	Private	Non DT Saccos
328	3312	JEMBE	Private	Non DT Saccos
329	10845	JESMA	Private	Non DT Saccos
330	10928	JESMAT TRAVELLERS	Private	Non DT Saccos
331	4948	JIMBI	Private	Non DT Saccos
332	2430	JOKEFO	Private	Non DT Saccos
333	2701	JOS HANSEN	Private	Non DT Saccos

334	9905	JOSTECO	Private	Non DT Saccos
335	10523	JOYTECH	Private	Non DT Saccos
336	8282	JUACO	Private	Non DT Saccos
337	2404	JUMBO	Private	Non DT Saccos
338	9489	JUMBO AGROVET	Private	Non DT Saccos
339	6105	JUMUIA YA ULAYA	Private	Non DT Saccos
340	10507	K & A	Private	Non DT Saccos
341	9876	K.C.I	Private	Non DT Saccos
342	4480	K.C.T	Private	Non DT Saccos
343	5865	KABAGE MWIRIGI	Private	Non DT Saccos
344	11062	KAG	Private	Non DT Saccos
345	10399	KAKA TRAVELLERS	Private	Non DT Saccos
346	10962	KAM	Private	Non DT Saccos
347	4736	KAMAKISU	Private	Non DT Saccos
348	6481	KAMBI	Private	Non DT Saccos
349	7992	KAMONGO	Private	Non DT Saccos
350	7796	KAPA	Private	Non DT Saccos
351	2360	KARIBU	Private	Non DT Saccos
352	10438	KARUME INVESTMENTS SACCO SOCIETY LTD	Private	Non DT Saccos
353	2815	KATE	Private	Non DT Saccos
354	11289	KATE FREIGHT & TRAVEL	Private	Non DT Saccos
355	2390	KATECHS	Private	Non DT Saccos
356	5580	KEDACO	Private	Non DT Saccos
357	8454	KEMI NYUNDO	Private	Non DT Saccos
358	7120	KENAFRIC	Private	Non DT Saccos
359	7628	KENATCO TAXIS MULTIPURPOSE	Private	Non DT Saccos
360	3433	KENCHIC	Private	Non DT Saccos
361	7310	KENCOM	Private	Non DT Saccos
362	9896	KENCREAM	Private	Non DT Saccos

363	7170	KENFIRE	Private	Non DT Saccos
364	2593	KENPAM	Private	Non DT Saccos
365	4357	KENRED	Private	Non DT Saccos
366	10041	KENROID	Private	Non DT Saccos
367	9808	KENSILVER	Private	Non DT Saccos
368	4597	KENSTA	Private	Non DT Saccos
369	3808	KENSTEEL WIRE	Private	Non DT Saccos
370	3402	KENTON	Private	Non DT Saccos
371	4053	KENTOURS	Private	Non DT Saccos
372	2299	KENYA BANKERS	Private	DT Saccos
373	4515	KENYA INSURERS	Private	Non DT Saccos
374	8643	KENYA MEDICAL ASSOCIATION	Private	Non DT Saccos
375	2975	KENYAN ALLIANCE	Private	Non DT Saccos
376	2481	KENYUCO	Private	Non DT Saccos
377	4408	KEROTA	Private	Non DT Saccos
378	7437	KESTAL	Private	Non DT Saccos
379	10708	KEWA	Private	Non DT Saccos
380	10812	KIAMBIU	Private	Non DT Saccos
381	7676	KICO STAFF	Private	Non DT Saccos
382	2492	KIDAPU	Private	Non DT Saccos
383	11478	KIJABE LINE	Private	Non DT Saccos
384	11321	KILIMANJARO	Private	Non DT Saccos
385	9044	KIMFA	Private	Non DT Saccos
386	9775	KIMKERO	Private	Non DT Saccos
387	6594	KIMSAVE SACCO	Private	Non DT Saccos
388	3170	KINEMA	Private	Non DT Saccos
389	9158	KINGA	Private	Non DT Saccos
390	5735	KINGS	Private	Non DT Saccos
391	11183	KINGS KITCHEN	Private	Non DT Saccos
392	2671	KINGSIZE	Private	Non DT Saccos

393	10246	KINPASH	Private	Non DT Saccos
394	5731	KIOO	Private	Non DT Saccos
395	3695	KIRUNGII	Private	Non DT Saccos
396	5732	KISE	Private	Non DT Saccos
397	3174	KITISURU	Private	Non DT Saccos
398	3137	KIWI	Private	Non DT Saccos
399	6819	KIWOCO	Private	Non DT Saccos
400	10303	KOI	Private	Non DT Saccos
401	3640	KOMFTARI	Private	Non DT Saccos
402	4338	KONA CO-OP SAV & CR SOC LTD.	Private	Non DT Saccos
403	3266	KONGONI	Private	Non DT Saccos
404	10857	KRONE	Private	Non DT Saccos
405	4157	KTTC WORKERS	Private	Non DT Saccos
406	10534	KULAL	Private	Non DT Saccos
407	2355	KUMBU KUMBU	Private	Non DT Saccos
408	3104	KUMBUKA	Private	Non DT Saccos
409	2235	KWA	Private	Non DT Saccos
410	5298	KWA CONSUMER	Private	Non DT Saccos
411	8772	LALA SALAMA	Private	Non DT Saccos
412	3212	LAMPASAGO SACCO	Private	Non DT Saccos
413	10048	LANYAVU	Private	Non DT Saccos
414	10206	LARO	Private	Non DT Saccos
415	2877	L'ASSURANCE	Private	Non DT Saccos
416	11606	LAVANA	Private	Non DT Saccos
417	4135	LAWMAN	Private	Non DT Saccos
418	7427	LAXMA	Private	Non DT Saccos
419	6505	LEAMAST	Private	Non DT Saccos
420	3327	LENANA SCHOOL WORKERS	Private	Non DT Saccos
421	2984	LION	Private	Non DT Saccos
422	3526	LISCO	Private	Non DT Saccos

423	2611	LOMOCO	Private	Non DT Saccos
424	8938	LONGHORN	Private	Non DT Saccos
425	7062	LONTELS	Private	Non DT Saccos
426	6532	M.T.K	Private	Non DT Saccos
427	7285	MABOROMOKO	Private	Non DT Saccos
428	4212	MACHO	Private	Non DT Saccos
429	4294	MACHUMA	Private	Non DT Saccos
430	5983	MACLABEZI	Private	Non DT Saccos
431	9229	MACLY	Private	Non DT Saccos
432	3446	MADISON	Private	Non DT Saccos
433	6138	MAFAIM	Private	Non DT Saccos
434	10688	MAGNATE VENTURES	Private	Non DT Saccos
435	10881	MAGNUM	Private	Non DT Saccos
436	2248	MAISHA BORA	Private	DT Saccos
437	2491	MAJANEES	Private	Non DT Saccos
438	10887	MAKAO	Private	Non DT Saccos
439	10612	MAKAROZZI	Private	Non DT Saccos
440	5621	MAKINDU	Private	Non DT Saccos
441	2642	MAKTABA	Private	Non DT Saccos
442	4658	MALA	Private	Non DT Saccos
443	11642	MALI MALI	Private	Non DT Saccos
444	10102	MANMO	Private	Non DT Saccos
445	3800	MANN	Private	Non DT Saccos
446	6807	MANU	Private	Non DT Saccos
447	6341	MAO	Private	Non DT Saccos
448	6530	MAPATO	Private	Non DT Saccos
449	11041	MAPATOKA	Private	Non DT Saccos
450	11335	MAPIPA	Private	Non DT Saccos
451	11041	MAPOTOKA	Private	Non DT Saccos
452	11149	MARA ONE	Private	Non DT Saccos
453	9259	MARAFIKI	Private	Non DT Saccos

454	10067	MARIBU	Private	Non DT Saccos
455	8030	MARKFIRST	Private	Non DT Saccos
456	9349	MAROLA	Private	Non DT Saccos
457	10811	MASCO	Private	Non DT Saccos
458	11063	MASHARIKI BIASHARA	Private	Non DT Saccos
459	11921	MASLEEVES	Private	Non DT Saccos
460	7209	MASTER BAKERS	Private	Non DT Saccos
461	7960	MASTERWAYS	Private	Non DT Saccos
462	3848	MATANGAZO	Private	Non DT Saccos
463	3738	MATATISO	Private	Non DT Saccos
464	8902	MATHARE NORTH AREA ONE	Private	Non DT Saccos
465	3180	MATINGA	Private	Non DT Saccos
466	2587	MATOFALI	Private	Non DT Saccos
467	7269	MATOPENI	Private	Non DT Saccos
468	10160	MAUA	Private	Non DT Saccos
469	2195	MAWASILIANO	Private	Non DT Saccos
470	3690	MAWAZO	Private	Non DT Saccos
471	8979	MAY FLOWER	Private	Non DT Saccos
472	2845	MAYBAKER	Private	Non DT Saccos
473	11870	MAZAO FRIGOKEN	Private	Non DT Saccos
474	2776	MBOGA NA MATUNDA	Private	Non DT Saccos
475	3187	MECOL	Private	Non DT Saccos
476	11973	MEDIPHARM SACCO LTD	Private	Non DT Saccos
477	7717	MEFA	Private	Non DT Saccos
478	11280	MEGA	Private	Non DT Saccos
479	6200	MEHTA ELECTRICALS	Private	Non DT Saccos
480	6767	MENO	Private	Non DT Saccos
481	2847	MERDAT	Private	Non DT Saccos
482	4704	MERIDIAN COURT HOTEL	Private	Non DT Saccos

483	9873	MERU NISSAN	Private	Non DT Saccos
484	4128	METAL WOOL	Private	Non DT Saccos
485	7860	METROPOLITAN	Private	Non DT Saccos
486	4749	MFEREJI	Private	Non DT Saccos
487	10996	M-FONES	Private	Non DT Saccos
488	4627	MHASIBU	Private	Non DT Saccos
489	5356	MICHEZO	Private	Non DT Saccos
490	10666	MIGITHAKA	Private	Non DT Saccos
491	7108	MIMOSA	Private	Non DT Saccos
492	10566	MIRIFUEL	Private	Non DT Saccos
493	11295	MISER	Private	Non DT Saccos
494	6053	MITA	Private	Non DT Saccos
495	4047	MITUNGI	Private	Non DT Saccos
496	4440	MIWO	Private	Non DT Saccos
497	7326	MOGIS	Private	Non DT Saccos
498	11402	MONARCH GROUP	Private	Non DT Saccos
499	9548	MOTHER HEALTHCARE	Private	Non DT Saccos
500	9656	MSAS	Private	Non DT Saccos
501	8844	MTANGAZAJI	Private	Non DT Saccos
502	4747	MUCUMEWO	Private	Non DT Saccos
503	3689	MUFUKO	Private	Non DT Saccos
504	7989	MUGACCO	Private	Non DT Saccos
505	9770	MULTICARE	Private	Non DT Saccos
506	9843	MULTI-CONSULT	Private	Non DT Saccos
507	10394	MULTIPLE	Private	Non DT Saccos
508	9267	MUNIROCK	Private	Non DT Saccos
509	5229	MUREMBO COOKIES	Private	Non DT Saccos
510	6546	MURPHY CHEM	Private	Non DT Saccos
511	3684	MUSUMENO	Private	Non DT Saccos
512	4404	MUTHAIGA GOLF CLUB	Private	Non DT Saccos
513	2369	MUTHAIGA STAFF	Private	Non DT Saccos

514	8904	MUTHANDI	Private	Non DT Saccos
515	9974	MUTHASCO	Private	Non DT Saccos
516	1871	MUUNGANO	Private	Non DT Saccos
517	3982	MZIMA SPRINGS	Private	Non DT Saccos
518	9963	N.O.K.K.	Private	Non DT Saccos
519	6209	N.P.E	Private	Non DT Saccos
520	3312	NACARECO	Private	Non DT Saccos
521	5171	NACE	Private	Non DT Saccos
522	6410	NACHU STAFF	Private	Non DT Saccos
523	9850	NAFUU	Private	Non DT Saccos
524	2263	NAHIHO	Private	Non DT Saccos
525	5497	NAIROBI CASEMENT	Private	Non DT Saccos
526	5201	NAIROBI CONSUMER	Private	Non DT Saccos
527	1919	NAIROBI HANDCRAFT	Private	Non DT Saccos
528	10144	NAITEC	Private	Non DT Saccos
529	9771	NAKONNS	Private	Non DT Saccos
530	16919	NAKU	Private	DT Saccos
531	6758	NAPRO	Private	Non DT Saccos
532	2463	NASERIAN	Private	Non DT Saccos
533	2386	NATION STAFF	Private	DT Saccos
534	5747	NATIPRO	Private	Non DT Saccos
535	11680	NAWAKU MATATU	Private	Non DT Saccos
536	6960	NAWEHO	Private	Non DT Saccos
537	9999	NDAMA	Private	Non DT Saccos
538	2647	NDEGE	Private	Non DT Saccos
539	4538	NDOVU WORKERS	Private	Non DT Saccos
540	6528	NEIL	Private	Non DT Saccos
541	2874	NELION	Private	Non DT Saccos
542	7726	NETWAS	Private	Non DT Saccos
543	6636	NETWORK	Private	Non DT Saccos
544	11823	NEW BIASHARA	Private	Non DT Saccos

545	10012	NEW CALET	Private	Non DT Saccos
546	11378	NEW GENESIS	Private	Non DT Saccos
547	11202	NEW MILIMANI	Private	Non DT Saccos
548	10706	NEW START	Private	Non DT Saccos
549	3447	NGAO	Private	Non DT Saccos
550	7764	NGARISHA	Private	Non DT Saccos
551	7576	NGECHA	Private	Non DT Saccos
552	5054	NGECO	Private	Non DT Saccos
553	10809	NGETA	Private	Non DT Saccos
554	10573	NGOIMA	Private	Non DT Saccos
555	3878	NGONG HILLS WORKERS	Private	Non DT Saccos
556	9227	NGP BAMBURI	Private	DT Saccos
557	9671	NGUMBOKO	Private	Non DT Saccos
558	3681	NIMEPATA	Private	Non DT Saccos
559	3393	NIPA	Private	Non DT Saccos
560	6241	NIVEA	Private	Non DT Saccos
561	9326	NJIWA	Private	Non DT Saccos
562	9364	NJURI NCHEKE C.S. & C.S. LTD	Private	Non DT Saccos
563	9339	NONES	Private	Non DT Saccos
564	4229	NORDOX	Private	Non DT Saccos
565	7541	NOREL	Private	Non DT Saccos
566	8817	NORKEN	Private	Non DT Saccos
567	7773	NORWEGIAN PEOPLE'S AID(NPA)	Private	Non DT Saccos
568	3185	NOTTAF	Private	Non DT Saccos
569	11157	NU-METRO	Private	Non DT Saccos
570	4605	NURU	Private	Non DT Saccos
571	3907	NYAMA	Private	Non DT Saccos
572	2736	NYATI	Private	Non DT Saccos
573	10581	NYATORRA	Private	Non DT Saccos

574	5724	NYAYO CHAI	Private	Non DT Saccos
575	211	NYEUPE	Private	Non DT Saccos
576	5850	NYORORO	Private	Non DT Saccos
577	3057	NYOTA	Private	Non DT Saccos
578	2808	NYUMBA	Private	Non DT Saccos
579	4147	NZIGE	Private	Non DT Saccos
580	9012	OCCIDENTAL INSURANCE	Private	Non DT Saccos
581	3121	OCEAN FREIGHTERS	Private	Non DT Saccos
582	9498	ODDS & ENDS	Private	Non DT Saccos
583	11092	OGILVY	Private	Non DT Saccos
584	7113	OIL SEAL	Private	Non DT Saccos
585	2366	OLD EAST	Private	Non DT Saccos
586	9284	OLD STAREHIAN	Private	Non DT Saccos
587	10953	OLTUKAI	Private	Non DT Saccos
588	9557	ONEWAY STAFF	Private	Non DT Saccos
589	4858	ON-SAFARI	Private	Non DT Saccos
590	7025	OPTICO	Private	Non DT Saccos
591	8999	OROKISE	Private	Non DT Saccos
592	3964	ORYX SAV. & CR. CS LTD.	Private	Non DT Saccos
593	2634	OTIS	Private	Non DT Saccos
594	4840	OXFORD	Private	Non DT Saccos
595	9636	PALACINA	Private	Non DT Saccos
596	4478	PAMBA SACCO	Private	Non DT Saccos
597	9087	PAMOJANESS	Private	Non DT Saccos
598	2307	PAN AFRICA	Private	Non DT Saccos
599	11028	PANARI	Private	Non DT Saccos
600	9578	PANTRUCKS	Private	Non DT Saccos
601	8292	PANURAN	Private	Non DT Saccos
602	10445	PARAGON VALUERS	Private	Non DT Saccos
603	3960	PARENTS PLAN	Private	Non DT Saccos

604	3915	PARKLANDS STAFF	Private	Non DT Saccos
605	9262	PARTNERSHIP FOR DEVELOPMENT	Private	Non DT Saccos
606	8235	PAYLESS	Private	Non DT Saccos
607	11103	PEFA	Private	Non DT Saccos
608	3718	PEGASUS	Private	Non DT Saccos
609	8931	PEGRUME	Private	Non DT Saccos
610	7720	PEHANI	Private	Non DT Saccos
611	8172	PEMA	Private	Non DT Saccos
612	11384	PEMCO	Private	Non DT Saccos
613	6665	PENGIRE	Private	Non DT Saccos
614	7380	PESA	Private	Non DT Saccos
615	10599	PETSCO	Private	Non DT Saccos
616	2512	PEUGEOT	Private	Non DT Saccos
617	8328	PEVA	Private	Non DT Saccos
618	10192	PEWITA	Private	Non DT Saccos
619	11484	PHIPHATECS	Private	Non DT Saccos
620	7172	PHOENIX	Private	Non DT Saccos
621	5884	PHOTOMAP	Private	Non DT Saccos
622	3959	PICEA	Private	Non DT Saccos
623	3581	PISCO	Private	Non DT Saccos
624	5166	PLANNED PARENTHOOD	Private	Non DT Saccos
625	10911	PLASTICO	Private	Non DT Saccos
626	43462	PLASTICS	Private	Non DT Saccos
627	4397	PLEATED INDUSTRIES	Private	Non DT Saccos
628	7068	PLUMBALLIED	Private	Non DT Saccos
629	6885	POLYEMP	Private	Non DT Saccos
630	11047	POLYFLEX	Private	Non DT Saccos
631	10973	POLYTANK	Private	Non DT Saccos
632	2046	POLYTECH	Private	Non DT Saccos
633	2419	PORTLAND	Private	Non DT Saccos

634	9250	POSTEL PENSIONERS	Private	Non DT Saccos
635	10194	POSTMAIL	Private	Non DT Saccos
636	6316	PRECSTA SACCO	Private	Non DT Saccos
637	2807	PRESS	Private	Non DT Saccos
638	5861	PRESSFINE	Private	Non DT Saccos
639	5524	PRESTIGE	Private	Non DT Saccos
640	8112	PRESTIGE PACKAGING	Private	Non DT Saccos
641	3927	PRIL UPENDO	Private	Non DT Saccos
642	8742	PRIME CARTONS	Private	Non DT Saccos
643	4859	PRISCO	Private	Non DT Saccos
644	4270	PRIVATE SAFARIS	Private	Non DT Saccos
645	11341	PROMACO	Private	Non DT Saccos
646	2623	PRUDIA	Private	Non DT Saccos
647	9304	PURA	Private	Non DT Saccos
648	8903	PUSCLUB	Private	Non DT Saccos
649	9906	QUACOM	Private	Non DT Saccos
650	3360	QUEENSWAY	Private	Non DT Saccos
651	11136	R.T. (EAST AFRICA)	Private	Non DT Saccos
652	8782	RADAR	Private	Non DT Saccos
653	3950	RADIO GUARD	Private	Non DT Saccos
654	7493	RADS	Private	Non DT Saccos
655	3981	RAHA	Private	Non DT Saccos
656	3007	RAHAMANI	Private	Non DT Saccos
657	5210	RAJ	Private	Non DT Saccos
658	4719	RAMBHAI	Private	Non DT Saccos
659	10860	RAMBOO	Private	Non DT Saccos
660	2674	RANGI	Private	Non DT Saccos
661	2510	RATILI	Private	Non DT Saccos
662	9272	REDCO	Private	Non DT Saccos
663	6692	REGALPHARM	Private	Non DT Saccos
664	7208	REGENCY	Private	Non DT Saccos

665	10202	REGIONAL REACH	Private	Non DT Saccos
666	8741	REHEMA	Private	Non DT Saccos
667	11078	REIME	Private	Non DT Saccos
668	10179	RELIANCE STAFF	Private	Non DT Saccos
669	6681	RELIEF	Private	Non DT Saccos
670	6023	RENDE CLINIC	Private	Non DT Saccos
671	8562	RESINCOT	Private	Non DT Saccos
672	10478	RETAIL MEASUREMENT	Private	Non DT Saccos
673	12103	RFM ROCK	Private	Non DT Saccos
674	10390	RHEAL	Private	Non DT Saccos
675	11064	RIBALESS	Private	Non DT Saccos
676	4386	RISE	Private	Non DT Saccos
677	11420	ROSE MONT	Private	Non DT Saccos
678	6720	ROSES	Private	Non DT Saccos
679	10769	ROSHNI	Private	Non DT Saccos
680	5543	ROSY	Private	Non DT Saccos
681	9946	ROTO	Private	Non DT Saccos
682	9528	ROY	Private	Non DT Saccos
683	10939	ROYAL MEDIA	Private	Non DT Saccos
684	9056	RUARAKA	Private	Non DT Saccos
685	11442	RUMORTH	Private	Non DT Saccos
686	10499	RUNDA WATER	Private	Non DT Saccos
687	10330	RUNKA	Private	Non DT Saccos
688	10627	RUPITEX	Private	Non DT Saccos
689	4626	S.B & CO	Private	Non DT Saccos
690	9584	S.S. MEHTA	Private	Non DT Saccos
691	4013	SABUNI	Private	Non DT Saccos
692	10267	SAFARI AIR	Private	Non DT Saccos
693	7844	SAFARI CROSS	Private	Non DT Saccos
694	3645	SAFARI PARK	Private	Non DT Saccos
695	9510	SAFARICOM	Private	DT Saccos

696	11960	SAFARICOM INVESTMENT	Private	Non DT Saccos
697	8303	SAFETY SURVEYORS	Private	Non DT Saccos
698	5137	SAFEWAY	Private	Non DT Saccos
699	6565	SAGRET	Private	Non DT Saccos
700	9880	SAINTS	Private	Non DT Saccos
701	3830	SAKISA	Private	Non DT Saccos
702	3200	SALAMA	Private	Non DT Saccos
703	10366	SAMAJ STAFF	Private	Non DT Saccos
704	7390	SAMECOS	Private	Non DT Saccos
705	10995	SAMFIL	Private	Non DT Saccos
706	5046	SAMMARY STAFF	Private	Non DT Saccos
707	8937	SAMUJAA	Private	Non DT Saccos
708	2826	SANDUKU	Private	Non DT Saccos
709	7567	SANSTEEL	Private	Non DT Saccos
710	3295	SAROVA	Private	Non DT Saccos
711	3859	SAWA	Private	Non DT Saccos
712	9232	SCANIA	Private	Non DT Saccos
713	8075	SEAL	Private	Non DT Saccos
714	10271	SEALBELT	Private	Non DT Saccos
715	10183	SECULARM	Private	Non DT Saccos
716	11599	SENIORS DRIVING SCHOOL STAFF	Private	Non DT Saccos
717	7122	SEPU	Private	Non DT Saccos
718	11633	SHAMCO	Private	Non DT Saccos
719	11391	SHEKINAH	Private	Non DT Saccos
720	1971	SHELOYEES	Private	Non DT Saccos
721	3538	SHIDA	Private	Non DT Saccos
722	1854	SHIRIKA STAFF SAV & CR CS LTD	Private	Non DT Saccos
723	3071	SHIRIKIANO	Private	Non DT Saccos
724	6514	SHOPPERS	Private	Non DT Saccos

725	3136	SHUJAA	Private	Non DT Saccos
726	6083	SIAFU	Private	Non DT Saccos
727	8178	SIGNODE	Private	Non DT Saccos
728	5005	SIL	Private	Non DT Saccos
729	9397	SILO	Private	Non DT Saccos
730	3755	SILVER	Private	Non DT Saccos
731	5800	SILVER STAR STAFF	Private	Non DT Saccos
732	7534	SIMA	Private	Non DT Saccos
733	11970	SIMBA	Private	Non DT Saccos
734	8981	SIMLAW	Private	Non DT Saccos
735	6606	SIND	Private	Non DT Saccos
736	8032	SINDIKIZA	Private	Non DT Saccos
737	2648	SINGER	Private	Non DT Saccos
738	4400	SINK	Private	Non DT Saccos
739	7088	SISDO	Private	Non DT Saccos
740	7084	SITA-K	Private	Non DT Saccos
741	4482	SIVOKO	Private	Non DT Saccos
742	4528	SKEFCO	Private	Non DT Saccos
743	8891	SLUMBERLAND	Private	Non DT Saccos
744	11071	SMOOTHTEL	Private	Non DT Saccos
745	10699	SOCFINAF AGENCY	Private	Non DT Saccos
746	6589	SOKO	Private	Non DT Saccos
747	10484	SOLO SACCO	Private	Non DT Saccos
748	7319	SOMAK	Private	Non DT Saccos
749	2964	SONGA	Private	Non DT Saccos
750	4254	SOS	Private	Non DT Saccos
751	9380	SOYA	Private	Non DT Saccos
752	10256	SPECIALISED	Private	Non DT Saccos
753	2212	SPECIALIST	Private	Non DT Saccos
754	10654	SPENOMATIC	Private	Non DT Saccos
755	5935	SPORTSVIEW	Private	Non DT Saccos

756	2322	STANDARD NEWSPAPERS	Private	Non DT Saccos
757	8646	STARLIT GROUP SACCO	Private	Non DT Saccos
758	10119	STEBO	Private	Non DT Saccos
759	10635	STIMELA	Private	Non DT Saccos
760	11403	STRATEGIC INDUSTRIES	Private	Non DT Saccos
761	8318	SUERA FLOWERS	Private	Non DT Saccos
762	3254	SUMMIT	Private	Non DT Saccos
763	10061	SUNRIPE	Private	Non DT Saccos
764	6883	SUPA BRITE	Private	Non DT Saccos
765	6350	SUPALITE	Private	Non DT Saccos
766	8152	SUPERFUND MULTIPURPOSE	Private	Non DT Saccos
767	7496	SURGI	Private	Non DT Saccos
768	10774	SWIFT	Private	Non DT Saccos
769	11386	SWIFT FREIGHT STAFF	Private	Non DT Saccos
770	3188	SWISS IN	Private	Non DT Saccos
771	7763	SWITCH GEAR	Private	Non DT Saccos
772	7066	SYSCO	Private	Non DT Saccos
773	9146	TAA	Private	Non DT Saccos
774	3925	TAASISI	Private	Non DT Saccos
775	5073	TABUGA SACCO SOC LTD.	Private	Non DT Saccos
776	9737	TACSIX	Private	Non DT Saccos
777	9332	TALENT	Private	Non DT Saccos
778	3304	TANO	Private	Non DT Saccos
779	9827	TAPE	Private	Non DT Saccos
780	8570	TAQWA	Private	Non DT Saccos
781	5246	TARDA	Private	Non DT Saccos
782	2952	TARINO	Private	Non DT Saccos
783	4916	TARPO	Private	Non DT Saccos
784	8634	TAWAKAL	Private	Non DT Saccos

785	9228	TEAL	Private	Non DT Saccos
786	8840	TECH	Private	Non DT Saccos
787	10890	TEE PEE	Private	Non DT Saccos
788	8031	TEGEMEO	Private	Non DT Saccos
789	4060	TEMBE	Private	Non DT Saccos
790	2022	TEMBO	Private	DT Saccos
791	10813	TENDER SWAN	Private	Non DT Saccos
792	8571	TERRASAN	Private	Non DT Saccos
793	6734	TETCO SACCO	Private	Non DT Saccos
794	3954	TETRA PAK	Private	Non DT Saccos
795	2722	TEWA	Private	Non DT Saccos
796	10051	THERMO	Private	Non DT Saccos
797	7600	THIKA ROAD TRANSPORTERS	Private	Non DT Saccos
798	4177	THOMADO	Private	Non DT Saccos
799	7963	TIBBET AND BRITTEN	Private	Non DT Saccos
800	8739	TILE CARP	Private	Non DT Saccos
801	4562	TIN TIN STAFF	Private	Non DT Saccos
802	8100	TING CLOTHING	Private	Non DT Saccos
803	5574	TM-AM	Private	Non DT Saccos
804	2101	TOPEES	Private	Non DT Saccos
805	8806	TOUR AFRICA	Private	Non DT Saccos
806	10259	TRAINSERVE	Private	Non DT Saccos
807	5851	TRANS-AFRICA	Private	Non DT Saccos
808	10533	TRANSGLOB	Private	Non DT Saccos
809	3932	TRUFOODS	Private	Non DT Saccos
810	3396	TRUST	Private	Non DT Saccos
811	9711	TUZO	Private	Non DT Saccos
812	2469	TWIGA	Private	Non DT Saccos
813	3205	UBANI	Private	Non DT Saccos
814	10885	UBANI CONSUMER	Private	Non DT Saccos

815	3012	UBORA	Private	Non DT Saccos
816	2708	UCHAPAJI	Private	Non DT Saccos
817	2237	UCHUMI	Private	Non DT Saccos
818	2234	UKAGUZI	Private	Non DT Saccos
819	4707	UKOMO	Private	Non DT Saccos
820	3972	UKWAJU	Private	Non DT Saccos
821	5253	UKWELI	Private	Non DT Saccos
822	10465	ULTRAVETIS	Private	Non DT Saccos
823	9727	UMOJA WENDANI	Private	Non DT Saccos
824	2437	UNGA EMPLOYEES	Private	Non DT Saccos
825	8647	UNI	Private	Non DT Saccos
826	9446	UNIAGA	Private	Non DT Saccos
827	4091	UNION LOCKS	Private	Non DT Saccos
828	8785	UNIPHARM	Private	Non DT Saccos
829	7581	UNIQUE	Private	Non DT Saccos
830	2375	UNITED NATIONS	Private	DT Saccos
831	9512	UNITED WOMEN	Private	Non DT Saccos
832	3227	UNITED WORKERS SAV.& CR. CS LT	Private	Non DT Saccos
833	4681	UNJOMAKI	Private	Non DT Saccos
834	2540	USITAWI	Private	Non DT Saccos
835	2959	UTAFITI	Private	Non DT Saccos
836	3138	UWEZO	Private	Non DT Saccos
837	6591	VANGUARD	Private	Non DT Saccos
838	9648	VECTOR INTERNATIONAL	Private	Non DT Saccos
839	9652	VEGPRO	Private	Non DT Saccos
840	6253	VERBENA	Private	Non DT Saccos
841	2732	VEST	Private	Non DT Saccos
842	6742	VET- LAB	Private	Non DT Saccos
843	8489	VILLAGE	Private	Non DT Saccos
844	3342	VISION	Private	Non DT Saccos

845	7570	VITACO	Private	Non DT Saccos
846	3035	VITOMA	Private	Non DT Saccos
847	3217	VIWANDA	Private	Non DT Saccos
848	3646	WAAJIRI	Private	Non DT Saccos
849	2945	WAANDISHI STAFF	Private	Non DT Saccos
850	9340	WAHANDIZI	Private	Non DT Saccos
851	4406	WAKADIRI	Private	Non DT Saccos
852	11167	WALLET	Private	Non DT Saccos
853	8540	WALOKANA MULTIPURPOSE	Private	Non DT Saccos
854	10933	WAMATU MUHARATA	Private	Non DT Saccos
855	2617	WANACHUMA	Private	Non DT Saccos
856	2769	WANADAWA	Private	Non DT Saccos
857	5995	WANAKUKOPESHA	Private	Non DT Saccos
858	3854	WANAMART	Private	Non DT Saccos
859	2508	WANAMBAO	Private	Non DT Saccos
860	8553	WANAMITI	Private	Non DT Saccos
861	3942	WANAMIZIGO	Private	Non DT Saccos
862	2700	WANANDEGE	Private	DT Saccos
863	6664	WANANGOZI	Private	Non DT Saccos
864	3082	WANAPICHA	Private	Non DT Saccos
865	2605	WANARANGI	Private	Non DT Saccos
866	8645	WANASADAKA	Private	Non DT Saccos
867	4287	WANAULTIMATE	Private	Non DT Saccos
868	3638	WANAWAKILI	Private	Non DT Saccos
869	3115	WARREN SASINI	Private	Non DT Saccos
870	2838	WASADO	Private	Non DT Saccos
871	10149	WASKOM	Private	Non DT Saccos
872	10611	WATCH SANA	Private	Non DT Saccos
873	9356	WATEULE SACCO	Private	Non DT Saccos
874	10210	WAZIMA MOTO	Private	Non DT Saccos

875	6299	WEAVERBIRD SACCO	Private	Non DT Saccos
876	3674	WENYE MAGARI	Private	Non DT Saccos
877	10531	WESTERN ENTERPRISES	Private	Non DT Saccos
878	6604	WETBLUE	Private	Non DT Saccos
879	10212	WEZA	Private	Non DT Saccos
880	4525	WIGGINS TEAPE	Private	Non DT Saccos
881	10944	WILTON GATEWAY	Private	Non DT Saccos
882	10262	WOFAK	Private	Non DT Saccos
883	7134	WONDER	Private	Non DT Saccos
884	6358	WOODVENTURE	Private	Non DT Saccos
885	3134	WOTECO	Private	Non DT Saccos
886	6835	YAYA	Private	Non DT Saccos
887	9643	YES	Private	Non DT Saccos
888	2449	YOMECA SACCO	Private	Non DT Saccos
889	7079	ZABIBU	Private	Non DT Saccos
890	8809	ZAISCO	Private	Non DT Saccos
891	8631	ZAKLISCO	Private	Non DT Saccos
892	8317	ZEMA-RE	Private	Non DT Saccos
<b>TEACHERS BASED SACCO</b>				
1	8872	AFRICAN NAZARENE UNIVERSITY	Teacher	Non DT Saccos
2	9023	COLLEGE OF INSURANCE	Teacher	Non DT Saccos
3	4320	DAGORETTI HIGH SCHOOL	Teacher	Non DT Saccos
4	9742	HILLCREST	Teacher	Non DT Saccos
5	9639	INTERCOMPUERA	Teacher	Non DT Saccos
6	7049	KCITI	Teacher	Non DT Saccos
7	1860	KENYA HIGH	Teacher	Non DT Saccos
8	9314	MAKINI	Teacher	Non DT Saccos
9	8861	MARION SCHOOL	Teacher	Non DT Saccos
10	3952	MARYHILL	Teacher	Non DT Saccos

11	9524	MT. ANGEL SACCO	Teacher	Non DT Saccos
12	2265	MWALIMU	Teacher	DT Saccos
13	3926	NAIROBI SCHOOL	Teacher	Non DT Saccos
14	8872	NAZARENE UNIVERSITY	Teacher	Non DT Saccos
15	5533	PEPONI	Teacher	Non DT Saccos
16	10158	ROSSLYN	Teacher	Non DT Saccos
17	4641	RUSINGA SCHOOL	Teacher	Non DT Saccos
18	9246	ST. CHRISTOPHER	Teacher	Non DT Saccos
19	5151	TENGES HIGH SCHOOL	Teacher	Non DT Saccos
20	11512	UPPER HILL	Teacher	Non DT Saccos
21	4220	USIU	Teacher	Non DT Saccos

**Source: SASRA**