

**STRATEGIC PARTNERSHIPS AND PERFORMANCE OF
COOPERATIVE SOCIETIES IN VIHIGA COUNTY, KENYA**

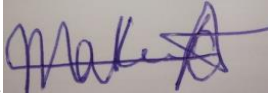
MAKHUMBIRI CHRYSOSTOM AGAVA

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DECLARATION

This research project is my original work and has not been presented to any other college, institution or university.

Sign..........Date.....24th October 2021....

Makhumbiri Chrysostom Agava

D61/71590/2008

As the University supervisor, I have approved the submission of this proposal for examination.

Sign:  Date: 22nd November, 2021

Alex Jaleha

Lecturer, School of Business

University of Nairobi

ACRONYMS AND ABBREVIATIONS

ACK	:	Anglican Church of Kenya
BSC	:	The Balanced Scorecard.
CBD	:	Central Business District.
CIC	:	Cooperative Insurance Company
EPS	:	Earnings-Per-Share.
GIZ	:	German Agency for International Cooperation
ILRI	:	International Livestock Research Institute
KCB	:	Kenya Commercial Bank
KUSCCO	:	Kenya Union of Savings and Credit Co-operatives
NARIG	:	National Agricultural and Rural Inclusive Growth Project
NTSA	:	National Transport and Safety Authority
OP	:	Organization performance.
RTI	:	Research Triangle Institute
SACCOs	:	Savings and Credit Cooperative Societies
SASRA	:	Sacco Societies Regulatory Authority
SBSC	:	Sustainable Balanced Scorecard.
TCE	:	Transaction Cost Economics
USAID	:	United States Agency for International Development
WHH	:	Welt Hunger Hilfe

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ABSTRACT

Strategic partnerships are considered as one of the best ways to deal with stiff competition, limit the cost of business operations, acquire new markets and use of technology to effectively utilize resources and ultimately maximize performance. Thus, to provide quality services and improved performance, cooperative societies in Vihiga County have embraced strategic partnership. The study's objective was to investigate the effect of strategic partnerships on performance of Cooperative Societies in Vihiga County. This study was anchored on the Stakeholder, Social – Network and Transaction Cost Economics theories respectively. This study made use of cross-sectional descriptive survey design. The population of the study was 33 cooperative societies in Vihiga County and therefore a census survey was adopted. The study collected primary data through the use of a self-administered questionnaire. Both descriptive and inferential statistics was used to analyze the gathered. The descriptive statistics showed that while cooperative societies in Vihiga County have been existence for twenty years, majority being savings and credit cooperatives and with majority having between 10 to 50 employees, their main objective of entering partnership agreements were to maximize profits and to protect and enlarge its market share. The regression findings revealed that marketing relations partnerships had the most significant influence on performance. Research and development partnerships had a moderately strong influence on performance. On the contrary banking and equity investments and suppliers' relationship had no significant influence on performance. The study concluded that while marketing relations partnerships played a significant and positive role in determining performance of cooperative societies in Vihiga County, research and development partnerships had a moderately strong relationship with performance.

These findings confirmed the Stakeholder theory in which the overall goal of an organization is to identify key strategic partnerships that significantly affect performance. The findings also confirmed the Social Network and Transaction theories respectively where organizations as social systems, directly or indirectly connect with other organizations through strategic partnerships for performance through various mechanisms such as information flow and knowledge and resource sharing. The study recommends that cooperative societies in Vihiga County must not only embrace innovative marketing relations partnerships, but further embrace research and development, supplier and banking and equity investment partnerships to improve their market share and performance. The study was limited due to its focus on cooperative societies in Vihiga County and whose interpretations could not be generalized to cooperative in other counties as they operate in different environments. There is need for more studies to investigate the relationship between strategic partnerships and performance by including all cooperative societies in Kenya.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Organizations enter into value added strategic partnerships (SPs) to get entry into new markets, exchange copyrights or infrastructure, or to decrease risk and enhance the performance of an organization (OP). According to Vyas, et. al, (1995), most organizations that have formed strategic partnerships have seen their performance levels increase in the long term. Due to globalization, SPs are considered as one of the best ways to deal with stiff competition, limit the cost of business operations, acquire new markets and use of technology to effectively utilize resources and ultimately maximize performance (Kim, 2014). Nyakango (2013) points out that meaningful SPs enable organizations to deal with escalating levels of competition and the pressure of maintaining and improving performance. Thus, as a vital strategy in today's business, organizations engage in strategic partnerships to improve OP (Bengtsson & Larsson, 2012). Saci & Jasimuddin (2018) clarify that as a growth strategy, strategic partnership creates a plethora of values including financial performance. While strategic partnerships have been viewed as a costly approach to achieve superior OP (Morck et al, 1990), Saci & Jasimuddin (2018) assert that the possible advantages far outweigh the expenses that SPs generate.

This study was supported by the Stakeholder Theory (Freeman, 1984), The Social – Network Theory (Hakansson & Ford, 2002) and Transaction Cost Economics (TCE) Theory (Williamson, 1993). The Stakeholder Theory posit that for superior performance, managers must determine the type relationships their organizations are required to create with their key stakeholders. Consequently, managers must develop strategic relationships and inspire their stakeholders to provide their best to deliver the economic benefits the

organization promises. The Social Network Theory posit that organizations as social systems, directly or indirectly connect with other organizations through strategic partnerships for performance various mechanisms such as information flow, knowledge sharing and resource complementary (Hakansson & Ford, 2002).The TCE theory postulates that organizations with lower transaction costs perform better since they can choose the most cost-effective agreement that offers the best protection for their relationship-specific investments (Williamson, 1985). Thus, strategic partnerships are means of reducing the sum of transactions and production costs for improved long-term OP (Kogut & Zander, 1988).

Cooperatives in Vihiga County have been acknowledged as effective institutional framework for mobilizing both human and financial resources towards improvement of the livelihoods of many communities in Kenya. However, due to the changing business environment, cooperatives in Vihiga County have been forced to adopt various response strategies in order to remain competitive and achieve superior performance. Strategic partnerships have been one of the ways in which cooperatives have adopted to achieve their competitive advantage and mitigate the difficulties posed by the turbulent business environment. The various reasons of why cooperatives engage in strategic partnerships has been to meet the increasing market demand and competition, employ modern technologies, or to meet the new thresh hold capital required by the regulators in the cooperative sector. While Cooperatives in Vihiga County depend on members' contribution and interest charged on advanced loans as source of income, some have collapsed while others have failed to serve their clients well owing to their inability to undertake certain investments in order to satisfy their members' financial needs. This implies that they face numerous challenges such adequate capital to undertake value addition and engage in aggressive marketing and investments which could yield optimal

returns to the members (Vihiga County Cooperatives Development Policy, 2018). Thus, to survive this situation, it has become paramount for cooperatives in Vihiga County to enter into strategic partnerships with other strategic stakeholders to improve their performance.

1.1.1 Strategic Partnerships

Several scholars have defined strategic partnerships differently because of the terminologies used. Ekawati et al., (2014) observes that the terms collaboration strategy, partnering strategy, and strategic alliances all refer to strategic partnerships. Strategic partnerships, according to Lei (1993), are “agreements between at least two organizations in which capacity assets or talents are given to a partnership deal”. A strategic alliance, according to Parmigiani & Rivera-Santos, (2011) is a structured agreement between at least two different entities that involves strategically significant collaboration or joint sharing of assets, threats, and power. Strategic collaboration, according to Norris-Tirell and Clay (2010), is an intentional collaborative approach to addressing problems or concerns by establishing a shared knowledge base, the design of creative solutions, and the creation of lasting change. Strategic partnerships are defined as structured cooperation between business entities created through the use of one or more business contracts.

Cravens et al., (2009) describes strategic partnerships as manifesting in such relationships like supplier, strategic alliances and joint ventures. According to Hitt et al., (2001), strategic partnership dimensions include joint ventures, strategic alliances, non – equity and equity ventures and collusion. Todeva & Knoke (2005) highlights the various forms of strategic partnerships to include joint ventures, banking and equity investments, research and development, joint consortia, cartels, franchising, licensing, sub - contractor networks, industry standard groups, action sets and marketing relations. This approach

was also adopted by Ekiwati et al., (2014). A study by Coopers and Lybrand (1997), described strategic partnerships in terms of strategic alliances to consist of joint marketing/promotion, joint selling/distribution, production, design collaboration; technology licensing and research and development. Elmuti & Kathawala (2001) listed strategic partnerships to include marketing and sales, product and manufacturing, Technology and know-how.

A review of the strategic partnership agreements generally include joint ventures, banking and equity investments, research and development, joint consortia, cartels, franchising, licensing, business networks, industry standards action sets and marketing relations (Ekawati et al., 2014). A study by Mong'are (2015) established that strategic partnerships adopted by ICT companies in Kenya were joint ventures, franchises, joint research and development; marketing relations and supply partnerships and outsourcing. Adembo & Deya (2018) study adopted supplier, joint ventures, and marketing and distribution partnerships to determine their influence on firm competitiveness. Since strategic partnerships allow cooperative societies to earn economies of scale and allow them to formulate policies suited for the benefit of its members, this study adopted four types of strategic partnerships that are relevant to cooperatives to include banking and equity investments, supplier relations, research and development and marketing relations.

Studies have shown that when organizations form strategic partnerships, they experience high levels of OP (Nielsen 2007). According to Panahifar et al. (2018), research-intensive businesses usually build alliances in order to survive and increase market share. While the positive role of strategic partnerships has been empirically demonstrated, studies have shown that 70% of strategic partnerships break up after five years due to suspicion among partners and the costs associated with such a partnership (Saci & Aliouat, 2014). Despite

the lack of agreement among scholars, this study aims to determine how strategic partnerships could influence OP.

1.1.2 Organizational Performance

Scholars have defined organization performance (OP) differently because it's a multidimensional construct. Carton (2004) defines OP as the financial outcomes that are due to management decisions and execution. Organizational performance, according to Richard et al. (2009), is the proportional gain or organizational goals when measured against predetermined objectives and goals of an organization. According to Bernadin et al. (1995), OP is the aggregate of work effects since they have the most powerful bond to the organization's strategic objectives, customer happiness, as well as financial contributions. OP is defined as the attainment of both monetary and non-financial measures that allow the organization to judge how well its objectives have been met (Kaplan & Norton, 1992). OP refers to an organization's process of acquiring and using vital resources and items of value as quickly as conceivable to meet its operational objectives (Lawal et al, 2012). As a result, OP is attained when all efforts are directed toward accomplishing a set of organizational goals.

Organization performance (OP) measures include accounting, operations, and strategic management (Bititci et al., 2012). The accounting elements describe OP as objective and subjective measures (Singh et al., 2016). Objective measures are derived from financial indicators (Ketokivi & Schroeder, 2004) while subjective measures are perceptions derived from managers or other key informants (Singh et al., 2016). OP is built on measures for example “accounting, customer satisfaction, internal business progress, learning and growth, and financial market measures, plus cooperative survival” (Singh et al, 2016). Freeman (1984) argues that OP manifests through the identification of key

stakeholders and the performance outcomes that measure their levels of satisfaction. Kaplan & Norton (1992) describe OP as a balanced to assess both monetary and non-monetary aspects of OP in conjunction with a balanced scorecard approach. Since the mandate of cooperative societies is to improve the social and economic lives of individuals and society, this study adopted the BSC as it encompassed both financial (dividend yields) and non-financial indicators (member satisfaction, internal processes, and learning and growth).

Lee (2007) claims that when organizations choose to work together, they are likely to improve performance regardless of the prevailing environmental conditions. Peri, *et al.* (2004), assert that when organizations collaborate, their production increases significantly. However, the causal relationship between performance of an organization and strategic partnership and has been a subject of great debate considering the high failure rate of many such collaborative agreements (Stuart, 2000).

1.1.3 Cooperative Societies in Vihiga County

The Cooperative sector in Vihiga County which plays an important role in the social-economic process is mainly composed of savings and credit cooperative societies (SACCOs), agriculture, housing, transport services and other important but informal cooperatives. However, despite the disruptions in the business environment, the sector has the potential for high growth. Consequently, in today's turbulent environment, organizations rarely control all resources to out-perform their competitors, hence the need to adopt appropriate response strategies to fit their operations to the changes in the environment. Thus, strategic partnerships are considered essential in enabling cooperatives to obtain and share resources with other partners that are valuable and essential to achieving high levels of performance.

Cooperative societies in Vihiga County as financial institutions depend on members' contribution and interest charged on loans advanced as a major source of income, they have to utilize the scarce available deposits to generate more income and improve performance. However, while some cooperatives in Vihiga County have faced loan repayment challenges, others have totally collapsed due to their failures to undertake profitable investments and to satisfy their member's financial needs. In addition, the cooperatives are faced with external competition from commercial banks, low utilization of information and communication technology, use of obsolete technologies, lack of marketing information, research and development and limited product range among others. In order to survive this situation, it has become apparent that cooperative societies in Vihiga County need to embrace strategic partnerships with stakeholders as a method of improving efficiency and ultimately performance.

1.2 Research Problem

Globally, organizations are adopting strategic partnerships for superior performance due to resource scarcity and increased competition (Porter, 2003). Consequently, in today's complex business environment, organization rarely control all the required strategic resources to out - perform competitors and thus the need to adopt strategic partnerships. A study by Lee (2019) established that strategic partnerships that focused on inter firm coordination and organizational learning factors positively influenced performance in the shipping industry. While the study examined the key determinants of successful strategic

partnerships, this present study focused on the types of strategic partnerships and how they influenced performance in the cooperative sector. Kudate (2014) study established that strategic partnerships influenced the performance of large and small scale business. While the study focused on strategic partnership between one large organization and small businesses, this present study sought to determine the extent to which strategic partnerships influenced performance of cooperatives in Vihiga County. Mong'are, (2016) study on strategic alliances and Performance of Information Communication Technology Companies in Kenya and found that it improved their market share. While the study focused on the ICT sector in Kenya and market share as the dependent variable, this study focused on strategic partnerships in the cooperative sector in Vihiga County and its influence on performance.

Despite the advantages associated with strategic partnerships, studies have shown that many companies have failed to benefit from such arrangements. A study by Saci & Aliouat (2014) established that in the long run, there was no positive relationship between strategic partnerships and financial performance. While the study focused on the influence of strategic partnerships on financial performance from selected French companies in the Euro Next Stock exchange, this present study focused on strategic partnerships and both financial and non – financial performance of cooperative societies in Vihiga County. Zineldin & Dodourova (2015) concluded that the failure rate of strategic partnerships was between 60-70 percent. Given the lack of consensus among scholars and therefore signifying a research problem, this study aimed at establishing the extent and significance of strategic partnerships on performance

Strategic partnerships have been one of the response strategies in which cooperatives in Vihiga County have adopted to enhance their performance and mitigate the challenges

posed by the turbulent business environment. Since most cooperatives in Vihiga County depend on members' contributions and interest charged on loans advanced, some have collapsed while others have not adequately served their members well due to their failures to invest and satisfy the member's financial needs. In addition, the cooperatives face the challenge of limited resources, inaccessibility to markets due to poor infrastructure, lack of technological innovations, marketing information and research and development among others. Thus, to survive the aforementioned challenges and as one of the response strategies, cooperative societies in Vihiga County have entered into strategic partnerships with other strategic stakeholders to improve on their performance.

There are several global, regional, and local studies done on strategic partnerships and OP and whose findings have been indeterminate. Goerzen (2007) established that organizations that repeatedly entered into strategic partnerships experienced a detrimental impact on performance in environments with high technological uncertainty. While the study focused on banking and equity partnerships, this present study will focus on marketing, supplier, research and development and banking and equity partnerships and their influence on performance. A study by Yeh, et al, (2017) found out that successful partnerships enabled companies to gain a competitive advantage. While the research focused on strategic partnership and competitive advantage, this present study focused on strategic partnerships and OP. In a study between strategic alliances and performance in the Korean shipping industry, Lee (2019) found out that high levels of collaboration among alliance partners resulted in improved strategic performance. While the study used non – financial indicators to measure performance, this study adopted the BSC to measure both financial and non – financial performance. Enyinnah, et al, (2020) investigated the role of strategic alliances on market share of microcredit banks in Lagos, Nigeria and established a significant and positive influence. While the study focused on

market share as the dependent variable, this present study researched on both financial and non - financial performance of cooperatives in Vihiga County, Kenya. Ahwireng-Obeng and Egunjobi, (2001) study on the influence of strategic alliances in large and small firms in South Africa, concluded that performance depended on the extent of implementation of pre-emptive strategic steps during the formation of the alliance.

Wachira (2003) study found out that a partner's complementary strategic intents were requirements for successful strategic partnerships. The study adopted a case study while this present study adopted a descriptive survey design thus raising a methodological gap. A study by Ater (2018) on strategic partnerships and performance relationship in commercial banks in Kenya, established a positive influence. While this study focused on the practices of strategic partnerships and their influence on performance, this study focused on the types of strategic partnerships and their effect on performance. Muiruri (2015) study found out that Equity bank recorded improved service delivery and performance as a result of entering into strategic partnership agreements. However, the study focused on one financial institution, while this study targeted all the cooperatives in Vihiga County. Adembo & Deya (2018) on strategic partnership types and competitiveness of small and medium enterprises in Kenya, established that marketing and distribution, supplier and joint venture partnerships positively and significantly a firm's competitiveness. While the study just like this present study focused on the types of strategic partnerships, the study did not link them to performance, but on firm competitiveness.

The empirical literature cited above have shown that most of them focused on determinants of strategic partnership or practices that influenced performance. Majority of the studies were done in different contextual settings such as Europe and South Korea

and Nigeria and profit-making organizations. Since management is sensitive to the context, these findings may not apply to cooperative societies in Vihiga County, Kenya. While some studies used the case design approach, other studies focused on financial performance as the basis of addressing their objectives. Consequently, from the empirical literature, studies have not addressed the effect of type of strategic partnership on performance of cooperative societies in Vihiga County. This study addressed the knowledge gaps by responding to the following research question; what is the influence of Strategic partnerships on OP of cooperative societies in County of Vihiga Kenya?

1.3 Research objective

The objective of this study was to determine the influence of strategic partnerships on OP of Cooperative Societies in Vihiga County.

1.4 Value of the Study

The theoretical value of this study to academicians has made them gain a clear understanding of the effect of strategic partnerships on performance. The stakeholder theory in this study provided a theoretical insight into the relationship between strategic partnerships and performance and integrated the Social Network and Transaction Cost Economics theories respectively to enable researchers to get a more complete picture of the underlying relationship. The study also provided academicians with knowledge as to the true causation of OP by clearly showing the linkage between strategic partnerships and OP.

The study findings will help managers of cooperative society to have a better comprehending of the influence of strategic partnerships indicators on OP. The results of this study will further aid managers to adopt effective strategic partnership arrangements as a precursor to survival and improved OP. The study findings have provided a basis for management scholars to derive recommendations on strategic partnerships agreements in areas of selection, retention, termination development, and overall management of strategic partnerships.

The study conclusions made are beneficial to policymakers in cooperative societies, county, and national governments. Individuals and society benefit from cooperative societies' efforts to improve their social and economic well-being. Hence, the study provided a policy framework of how cooperative societies can improve their OP by systematically engaging in value-creating strategic partnerships agreements that can transform them for enhanced OP. This study can enable the national and the county governments through their respective ministries and departments to formulate and implement appropriate governance policies, together with legislative and regulatory mechanisms that will strengthen cooperative societies against past failures and improve their future performance.

CHAPTER TWO: LITERATURE REVIEW

2.1. Introduction

This part examined the theoretical anchorage, the conceptual and empirical review of literature of the study constructs. It specifically examined the empirical literature on strategic partnerships and OP in order to identify the current level of knowledge and research gaps that this study sought to fulfill.

2.2. Theoretical Foundation

The main theory of this study is the Stakeholders Theory (Freeman, 1984) which posit that organizations should focus on meeting a broader set of interests of key actors than just amassing shareholder wealth. Since key actors are considered critical resources to be acquired for organization success, the Social – Network Theory (Hakansson & Ford, 2002) and Transaction Cost Economics (TCE) Theory (Williamson, 1993) respectively, compliment the Stakeholder Theory to provide a theoretical explanation of the relationship between strategic partnerships and OP.

2.2.1. Stakeholder Theory

This theory suggests that by involving key stakeholders in organizational decisions is not only an ethical requirement but a strategic resource which help provide an organization's competitive advantage (Freeman, 1984). The theory posits that the organization's management must account for all their stakeholders that influence and are impacted by its operations. Consequently, strategic partnerships are vital resources that help to enhance business long-term performance (Miles, 2012). This theory focuses on the concerns of an institution's stakeholders and seeks to provide a balance between the interests or satisfaction of its diverse stakeholders and the ability to enhance superior OP

(Freeman, 1984). As a result, the organization has a legal obligation to maximize profits and put the demands of its key shareholders first by addressing their major concerns or needs. This theory further posits that the parties involved in strategic partnerships, such as governmental entities, political groupings, trade associations, trade unions, communities, associations, and the general public, must be skillfully managed to achieve high levels of OP. This theory goes on to posit that in rare circumstances, potential customers and competitors may be viewed as key stakeholders who could help organizations achieve improved performance.

The popularity of the stakeholder theory is based on the recognition that a corporation's activities could have a significant influence on the outside world, thus mandating obligation to a group of individuals other than its shareholders. McDonald and Puxty (1979) argued that corporations were not just tools for maximizing shareholder wealth, but they also existed within society and thus had societal obligations which were achieved by establishing strategic partnerships. Jensen (2002), on the other hand, criticized the stakeholder theory as it assumed a single-valued ambition that only focused on an organization's constituency. Despite its criticism, the stakeholder theory was relevant to this study since organizations needed to maintain relationships with several strategic partners as a way of improving their OP.

2.2.2. Social Network Theory

The theory suggests that a social network is composed of interdependent organizations that are linked in a particular way. The theory looks at how organizations relate and suggests that performance of an organization is dependent on its social relationship with other organizations (Mizruchi & Galaskiewicz, 1993). The theory advocates getting rid of organizations that could hinder performance and instead focus on those that will off a

seamless and intensive generation of performance. Thus, by not taking for granted the current way the organization is performing, it has to think of better ways of how it can work together with other actors to accomplish goals (Miles, 2012).

To get resources, institutional legitimacy, and knowledge, a focused organization must create ties with various organizations (Miles, 2012). The theory avers that by connecting with other firms through the formal contractual agreements such as strategic partnerships to the more informal personal relationships binding them, organizations performance may significantly be influenced (Haskansson & Ford, 2002). The theory has been criticized for treating organizations as merely black boxes of actor networks that can be opened for full description without offering scientific explanations and causes of how the networks manifests. Despite the limitation, the theory's basic proposition, which this study will adopt is that, if resources, capabilities and competencies in a network of co-operating organizations are properly connected, the organization increases its strategic flexibility to quickly configure new resources and competencies for superior performance (Haskansson & Ford, 2002)

2.2.3. Transaction Cost Economics (TCE) Theory

This theory evaluates whether organizations should buy or manufacture a good or service (Williamson, 1998). This implies if an organization can obtain valuable resources and manufacture goods or services, then the need to enter into strategic partnerships is reduced. The theory argues that since the basic unit of analysis in TCE is a trade agreement that takes place when a product or service is moved from one organization to another, strategic partnerships could be the means of reducing the sum of transactions and production costs and thus superior long-term OP (Kogut & Zander, 1988). The theory assumes that markets fail to distribute factors of production efficiently due to externalities

caused by the environment, resulting in greater costs of coordinating exchange through markets than on the inside (Williamson, 1995).

Thus, transactions will differ depending on each partner's relationship-specific assets are involved, the extent of uncertainty on the other partner's actions, the frequency of the transactions, and the difficulty of executing the strategic partnerships agreement (Miles 2012). As a result, strategic partnerships ensure that transaction costs are governed by a shared cooperative structure, allowing partners to save costs and increase OP (Beamish & Bank, 1987). TCE theory suggests that by minimizing both the costs of exchanging resources with the environment and the bureaucratic costs of exchanging within the company could make the organization improve performance in the long-term. While the theory has been unable to explain why some organizations can successfully compete without typical governance structures (Chiles & McMackin, 1996), the relevance of this theory to this study is that it posits that the influence of strategic partnerships on OP could be improved if the benefits of participating in such arrangements surpassed the risks of doing so.

2.3. Strategic Partnerships and Performance

Most international, regional and local studies indicate that successful strategic partnerships enhance organizational performance (OP) through the combined and optimum use of resources, innovation, and a strong commitment from each partner. Still, some studies on the relationship remain debatable among scholars. Yeh, et al, (2017) established that strategic partnerships positively influenced a firm's competitiveness. While the research focused on strategic partnership and competitive advantage, this present study focused on strategic partnerships and OP. A study by Ekawati (2014) found out that strategic partnerships had a positive influence on business performance. While

the study focused on the mediating role of innovation capability, this study considered the direct relationship between strategic partnerships and OP. Goerzen (2007) research of the impact of strategic partnerships on multinational firms' performance (MNCs) in Japan, established that organizations that repeatedly entered into strategic partnerships experienced high levels of performance. While the study investigated the effect of repeated partnerships on financial performance, this present study considered the influence of strategic partnerships on both the financial and non-financial measures of performance. A study by Lee (2019) on the strategic alliances and firm performance effect in the Korean shipping industry, found out that higher levels of collaboration between alliance partners resulted in enhanced performance. While the study used logistics and strategic performance as measures for OP in the shipping industry, this study adopted the BSC measures of OP in the context of the cooperative sector. Because of the benefits of cost-sharing, risk diversification, and knowledge transfer, Butigan and Beni (2017) found that strategic alliances had a positive influence on firm profitability in the retail industry in Croatia. While the study focused on strategic alliances and firm profitability in the retail sector in Croatia, this present study focused on strategic partnerships and OP in cooperatives in Vihiga County, Kenya

A study by Enyinnah et al, (2020) that investigated the effect of strategic alliances on the market share of microcredit banks in Lagos Nigeria, established a significant and positive influence. While the study focused on the influence of strategic alliances on market share, this study measured performance by including both financial and non-financial indicators. Ahwireng-Obeng and Egunjobi, (2001) on the factors that influenced performance of large and small strategic alliances in South Africa, concluded that OP depended on the extent to which pre-emptive strategic initiatives were implemented during the alliance's lifetime. The study focused on strategic initiatives while this study

will focus on the types of strategic partnership and how they influence OP. Perry et al. (2004) discovered that strategic partnership participation and business performance had a favorable stronger correlation. Strategic partnerships according to Tebrani (2003), boosted performance regardless of the competitive strategy used, the nation of origin, or the industry sector in which the relationships were created.

A study by Wachira (2003) found out that a partner's complementary strategic intents were requirements for successful strategic partnerships. The study adopted a case study while this present study adopted a descriptive survey design thus raising a methodological gap. Muthoka and Oduor (2014) concluded that the relationship between strategic partnerships and performance was negative and significant. While the study focused on the technological, production and marketing practices of strategic partnerships, it did not focus on types of strategic partnerships such as marketing, banking and equity, supplier and research and development respectively as critical dimensions in influencing performance. Muiruri (2015) study found out that Equity bank recorded improved service delivery and performance as a result of entering into strategic partnership agreements. However, the study focused on one financial institution, while this study targeted all the cooperatives in Vihiga County. Kabuiya (2015) on the effect of strategic collaboration between Safaricom limited and Co-operative bank of Kenya Limited found that the relationship benefited both organizations in terms of cost and product related and market related benefits. This was a case study and focused on strategic alliance practices between a financial institution and a mobile phone company. This present study adopted a descriptive survey and sought to establish the relationship between types of strategic partnerships and their influence on performance of cooperative societies in Vihiga County. A study by Njagi (2014) on the factors influencing performance of cooperatives, established that membership size had a significant influence. While the study focused on

factors influencing performance of cooperatives, this present study considered the influence of strategic partnership types on performance. A study by Ater (2018) on strategic partnerships and performance relationship in commercial banks in Kenya, established a positive influence. While this study focused on the practices of strategic partnerships and their influence on performance, this study focused on the types of strategic partnerships and their effect on performance. Mong'are, (2016) study on strategic alliances and Performance of Information Communication Technology Companies in Kenya and found that it improved their market share. While the study focused on the ICT sector in Kenya and market share as the dependent variable, this study focused on strategic partnerships in the cooperative sector in Vihiga County and its influence on performance. Adembo & Deya (2018) on strategic partnership types and competitiveness of small and medium enterprises in Kenya, established that marketing and distribution, supplier and joint venture partnerships positively and significantly a firm's competitiveness. While the study just like this present study focused on the types of strategic partnerships, the study did not link the partnership types to performance, but on firm competitiveness.

2.4. Summary of the Knowledge Gaps

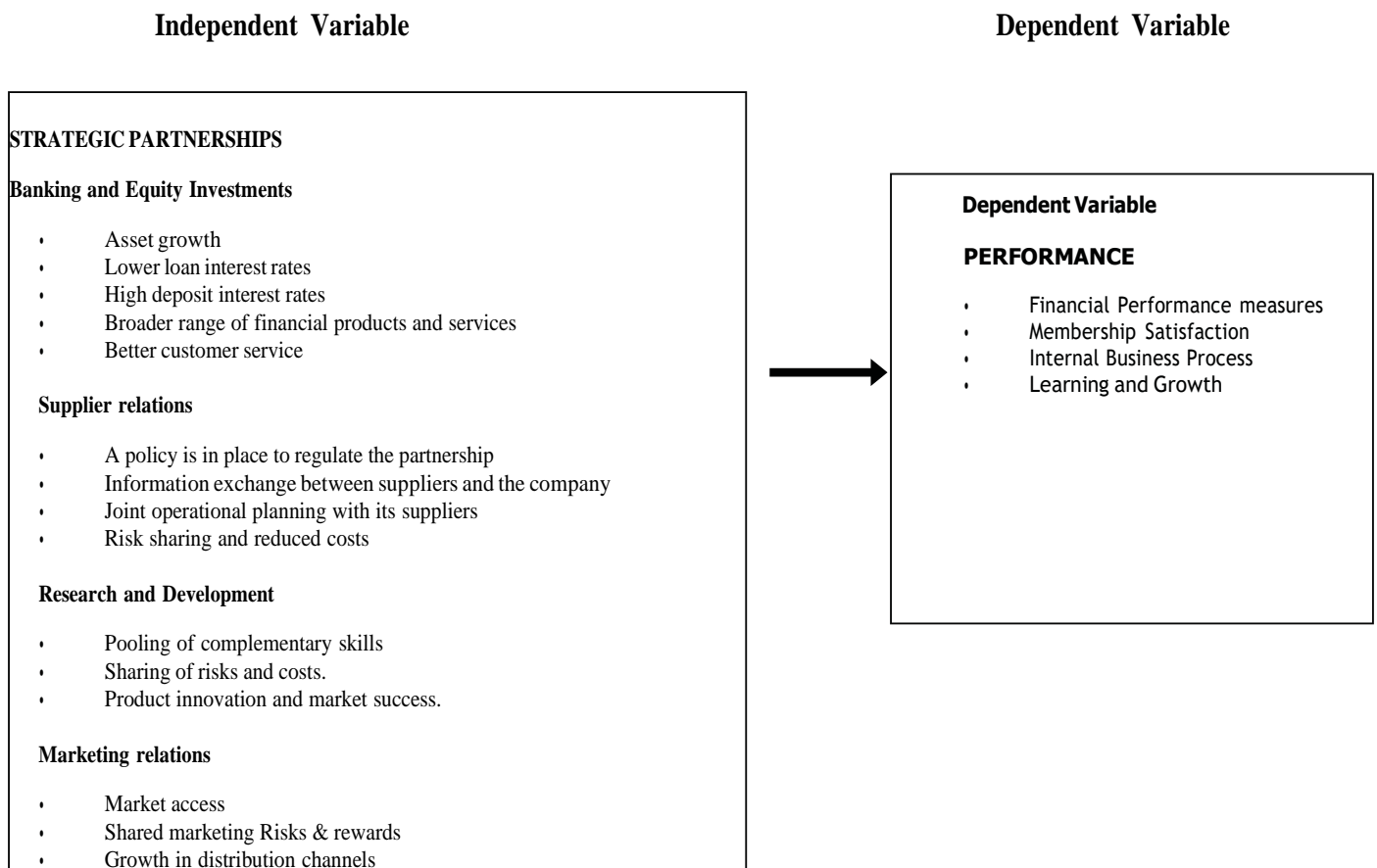
A summary of the empirical literature reveals knowledge gaps in the strategic partnerships and performance relationship. Studies have defined strategic partnerships differently and thus using different constructs of strategic partnership resulting in variation in performance (Ahwireng-Obeng & Egunjobi, 2001). Other studies have focused on strategic partnership factors and practices and their influence on performance (Lee 2019; Ater 2018). Studies also adopted different research design approaches such as case and longitudinal designs to establish the types of relationship (Kabuiya, 2015). Other studies have argued that the relationship between strategic partnerships and

performance is indirectly influence by contextual variables (Muthoka & Oduor, 2014). To address these gaps, this study sought to establish the direct link between strategic partnerships and OP.

2.5 Conceptual Framework

Strategic alliances, as the independent variable, impact the dependent variable (OP), according to the study's conceptual framework as shown in Figure 2.1. The framework shows that the indicators of strategic partnerships are banking and equity investments, supplier relations, research and development and marketing relations while OP indicators include financial, member satisfaction, internal business process, and learning and growth (King, 2014).

Figure 2.1: Conceptual Framework



Source: Author (2021)

CHAPTER THREE: RESEARCH METHODOLOGY

3.1. Introduction

This study sought to determine how strategic partnerships influenced performance of cooperative societies in Vihiga County, Kenya. This chapter discussed the methods that were used in the collection and analysis of data with the objective of achieving the study objectives. The chapter presented the research design, target population, data collection methods and data analysis techniques.

3.2. Research Design

This study used a cross-sectional descriptive research design. The study was conducted by observing where data from the study variables were collected at a specific point in time, and analyzed across a sample population or a pre-defined sample of the population. Babbie & Mouton (2010) assert that the design is appropriate where the researcher needs original data to describe a population that is too huge to see firsthand. On the same note, Ater (2018) points out that a descriptive study aims to give the investigator an outline or to define features of occurrence of concern from a firm oriented and other insight. It also enables the researcher to generalize from a small group to the large group from which the subgroup has been selected (Bothma, Boon & Fombad, 2009).

Since cross-sectional studies allow the researcher to collect data at a specific point in time, they are comparatively cheap and not time-consuming than other sorts of design. They enable researchers to get information from a huge number of participants and compare variations between groups (Babbie & Mouton 2010). Various studies have successfully adopted descriptive cross-sectional survey design to make statistical

inferences or interpretive descriptive accounts of the population under study (Adembo & Deya, 2018; Butigan & Benic 2017; Muiruri, 2015).

3.3 Target Population

The target population determines the units from which the study's findings are to be extrapolated (Dempsey, 2003). This study's participants comprised of 95 registered co-operative societies based on agriculture and savings and credit co-operative societies (SACCOs), housing, handicraft, and transport services (Appendix II).

3.4 Sample size and Sampling

Since at the time of the study, 33 out of the 95 registered cooperative societies were engaged in strategic partnerships with various stakeholders, all were selected through purposive sampling (Appendix III),

3.5 Data Collection

Primary data was collected through a self-administered structured questionnaire. The questions in the research instrument were generated from previous empirical studies. The data was gathered using a 5-point Likert scale questionnaire with responses ranging from (1) – not at all to (5) – to a great extent. Statements on the Likert scale reflect a favorable or unfavorable opinion toward the object of interest (Babbie & Mouton, 2010). The questionnaire had three sections: section A - collected demographic information on cooperative societies, section B collected types of strategic partnership used and section C collected OP information. This study adapted Mong'are's (2016) questionnaire to address the study objective. The drop and pick method or email method was used if circumstances allow. The respondents included top managers of cooperative societies and

the study specifically targeted the chairman, secretary, and management committee. These respondents were best placed to answer the research question as they are knowledgeable given that they are involved in implementing members' resolutions at the strategic level. A single respondent from each organization filled the questionnaire to avoid duplication of data (Cooper & Schindler 2014).

3.5 Data Analysis

Both descriptive and inferential statistics were used to analyze the data. Descriptive statistics was utilized to describe data through means, percentages, frequency distributions, standard deviations, diagrams, graphics, or tables (Thompson, 2009). The study also used inferential statistics to help the analyst to establish the degree of association between strategic partnerships and performance of cooperative societies in Vihiga by using the Spearman's rank correlation coefficient, a non-parametric criterion.

To test the predicted relationship that strategic partnerships significantly influenced performance, multiple linear regression was used. Consequently, the dimensions of organizational performance that included both financial and non - financial performance were regressed on the dimensions of strategic partnerships. Both financial and non - financial data were collected using likert scales. A composite index for both financial and non – financial data were computed and performance was determined by combining the two indices. Composite scores of strategic partnerships and performance were derived by totaling the scores of the individual items and dividing them by the total number of items. The coefficient of determination (R^2) in the regression model was used to describe the percentage of variance in the given dependent variable which is taken into consideration in conjunction with the predictor variable (Cooper & Schindler 2014). Multiple

regression was carried out at a 95% level of self-assurance. The regression equation used in the study was:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

Where:

Y = Organizational Performance

β_0 = being the Constant.

X_1 = Banking and equity investment

X_2 = Supplier relations.

X_3 = Research and Development.

X_4 = Marketing relations.

$\beta_1, \beta_2, \beta_3, \beta_4$ are Regression Coefficients.

ϵ = is an error term.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This section is concerned with the data analysis, findings and discussion. The aim of the study was to investigate the extent to which strategic partnerships influenced organization performance of Cooperative Societies in Vihiga County. This chapter will be organized in terms of the response rate, firms' and personal characteristics, strategic partnerships, types of strategic partnerships, strategic partnerships and organizational performance

4.2 Response Rate

Out of the total number of thirty-three (33) cooperatives, a total of 31 cooperatives responded to the questionnaire, hence a 94% response rate as illustrated in Table 4.1. A 90% response rate or more in a survey is considered excellent as it bears on TI

Responses	Frequency	Frequency (%)
Responses	31	94

Non-responses	2	6
Total	33	100

Source: Research Data

4.3 Firms' Demographic Profiles

This section comprised of analysing the various demographic characteristics of the cooperatives. They included years of establishment, type of cooperative society, as well as number of employees.

4.3.1 Years of Establishment

Table 4.2 provides responses on years when the cooperative societies under study were established. The study found out that the earliest cooperative society investigated in Vihiga County, was established in 1955. At the same time, the most current ones were established in 2019. Cumulatively, it can be deduced that over 60% of the firms had over 20 years since establishment in the county. This could be an indication that most of the cooperative societies are deep rooted in their operations within Vihiga County and therefore, have high chances of being well networked to other business partners.

Table 1: Responses on Years of Establishment

Year of Establishment	Frequency	Percent (%)	Cumulative Percent
1955	1	3.2	3.2
1976	1	3.2	6.5
1977	1	3.2	9.7
1978	2	6.5	16.1
1980	2	6.5	22.6

1984	1	3.2	25.8
1989	1	3.2	29.0
1990	1	3.2	32.3
1994	1	3.2	35.5
1995	1	3.2	38.7
1996	1	3.2	41.9
1998	2	6.5	48.4
1999	4	13.0	61.3
2002	1	3.2	64.5
2010	1	3.2	67.7
2011	2	6.5	74.2
2012	1	3.2	77.4
2013	3	9.7	87.1
2017	1	3.2	90.3
2018	1	3.2	93.5
2019	2	6.5	100.0
Total	31	100	

Source: Research Data

4.3.2 Type of Cooperative Society

On the question requiring respondents to indicate the type of cooperative society, the responses are as given in Table 4.3. The findings have revealed that majority of the cooperative societies operating in Vihiga County with a representation of 61.2% are savings and credit co-operative societies. Those which were found to be in the category of agriculture/farmers' co-operative society followed by 25.8%. While those in the type

groups of housing co-operatives society and marketing co-operative society each had a representation of 6.5%. None of them fell in category of investment cooperative society. The findings have indication that the cooperative societies in Vihiga County are composed of mixed categories.

Table 2: Type of Cooperative Society

Firm Type	Frequency	Percentage (%)
Savings and Credit Co-operative Society	19	61.2
Housing co-operatives Society	2	6.5
Agriculture/Farmers' Co-operative Society	8	25.8
Marketing Co-operative Society	2	6.5
Investment cooperative society	0	0.0
Total	31	100

Source: Research Data

4.3.3 Number of Employees

The research sought to establish the total number of employees working under the leadership of the management staff under investigation and the output are as given in Table 4.7. The findings revealed that majority (41.9%) of the respondents indicated that they commanded less than 10 employees in their respective areas of work. In addition, about 38.7 percent of them stated that they had a total number of employees ranging from 11 to 50 working under them. Furthermore, 12.9 percent were of the respondents reported to supervise over 100 employees, while only 6.5% of them had reported to have junior employees ranging from 51 – 100. The findings implicate that employees who

participated in this study were in management and therefore, able to make decisions of their respective organizations.

Table 3: Number of Employees

Employee Size	Frequency	Percentage (%)
Less than 10 Employees	13	41.9
11 – 50 Employees	12	38.7
51 – 100 Employees	2	6.5
Over 100 Employees	4	12.9
Total	31	100

Source: Research Data

4.4 Strategic Partnerships

On the aspect of strategic partnerships, the subsection covered the objectives of various cooperative societies in Vihiga County, factors put into consideration in strategic partnerships as well as strategic partners of cooperative societies.

4.4.1 Objective of Strategic Partnerships

The respondents were required to indicate the key objectives that make their respective cooperative society enter into strategic partnerships. This was done using a Likert scale ratings ranging from 1 – 5 where 1 represented not at all, 2 represented less extent, 3 meant moderate extent, 4 represented a large extent, and 5 meant a very large extent as indicated in Table 4.8.

In relation to results given, it can be construed that in a broad sense (Mean = 4.1613) and a standard deviation of 0.73470), the cooperative societies joined partnership to maximize profits for their respective organizations. The aspect of protecting and enlarging market

shares was also found to be one of the key objectives of the organizations under study since it produced a mean score of 4.1290 with a standard deviation of 0.84624. Likewise, the accessibility of new information and skills as well was found to be a key objective of the cooperative societies to large extent as it scored a mean value of 4.0968 and a standard deviation of 0.59749. Another objective found to be among the focus of organizations under study to a large extent, was to provide superior member value with a mean value of 4.0968 and a standard deviation of 0.83086.

Other key factors that were found to be main objectives of cooperative societies to a large extent included: to share and gain tacit knowledge, to manage and minimize costs/risks, to maximize product/service uptake for members, to maximize number of members, and to acquire skills and competency. This is because they all provided mean values above 4. To a moderate extent, the cooperative societies focused on objective of complimenting/gaining resources and capabilities (Mean = 3.9355, SD = 0.67997). Still to moderate extent the organization had a goal of maximizing their economies of scale (Mean = 3.7742, SD = 0.66881). Similarly, the cooperative societies were found to focus on acquisition of cheaper service distribution to mean value of 3.6774 and acquisition of technology to a moderate dissemination given mean value of 3.7097.

The results have implication that the main reasons why the cooperative societies within Vihiga County enter into strategic partnerships in order of importance are: maximizing profits; protecting and enlarging market share; accessing new information and skills; providing superior member value; sharing and gain tacit knowledge; managing and minimizing costs/risks; maximizing product/service uptake for members; maximizing number of members; and acquisition skills and competency.

Table 4: Objective of Strategic Partnerships

Objective	Descriptive Statistics				
	N	Minimum	Maximum	Mean	Std. Deviation
To maximize profits for the company	31	2.00	5.00	4.1613	.73470
To protect and enlarge market share	31	1.00	5.00	4.1290	.84624
To access new information and skills	31	3.00	5.00	4.0968	.59749
To provide superior member value	31	2.00	5.00	4.0968	.83086
To share and gain tacit knowledge	31	3.00	5.00	4.0968	.53882
To manage and minimize costs/risks	31	2.00	5.00	4.0968	.78972
To maximize product/service uptake for members	31	1.00	5.00	4.0323	.83602
To maximize number of members	31	1.00	5.00	4.0323	.94812
To acquire skills and competency	31	3.00	5.00	4.0323	.65746
To compliment/gain resources and capabilities	31	3.00	5.00	3.9355	.67997
To maximize economies of scale	31	3.00	5.00	3.7742	.66881
To acquire cheaper service distribution	31	1.00	5.00	3.7097	1.07062
To acquire technology	31	1.00	5.00	3.6774	.74776

Source: Research Data

4.5 Types of Strategic Partnerships

On basis of a Likert scale of 1 – 5, 1 representing not at all, 2 meant less extent, 3 was a representation of moderate extent, 4 stood for large extent, while 5 was equivalent to very large extent; the respondents were required to indicate the extent to which various aspects of types strategic partnership were rank. These included the construct of banking and

equity investments, supplier relationships, research and development as well as marketing relations. The responses are given in Table 4.16.

It can be deduced that the highly ranked aspect under banking and equity investment was that it had resulted in better customer service offered by the cooperative society which had a Mean of 3.9355 and a Standard Deviation of 0.67997. Next was the statement of banking and equity investments resulting into higher asset growth by the cooperative society (Mean = 3.8710; SD = .88476). Banking and investments resulting in a broad range of financial services offered to the cooperative society came third in the ranking given a mean score of 3.8387 and a standard deviation of 0.86011.

To a moderate extent the responses have shown that banking and equity investments had resulted into higher profitability of the cooperative society since this aspect provided a mean value of 3.6129 and a standard deviation of .61522. Still to a moderate extent (Mean = 3.2581, SD = 1.18231), the responses have shown that the construct of banking and equity investments had resulted into higher interest rates on deposits offered to the cooperative societies. This has implication that banking and equity investments mostly help cooperative societies in Vihiga County in bettering customer care services, higher growth in assets, and to have a broad range of financial services.

Table 5: Types of Strategic Partnerships

Descriptive Statistics					
Responses	N	Minimum	Maximum	Mean	Std. Deviation
Banking and Equity Investment					

Banking and equity investments has resulted in better customer service offered by the cooperative society	31	3.00	5.00	3.9355	.67997
Banking and equity investments has resulted into higher asset growth by the cooperative society	31	2.00	5.00	3.8710	.88476
Banking and investments has resulted in a broad range of financial services offered to the cooperative society	31	1.00	5.00	3.8387	.86011
Banking and equity investments has resulted into higher profitability of the cooperative society	31	2.00	5.00	3.6129	.61522
Banking and equity investments has resulted into higher interest rates on deposits offered to the cooperative society	31	1.00	5.00	3.2581	1.18231
Suppliers Relationships					
Supplier relationship partnership has resulted into higher profitability of the cooperative society	31	3.00	5.00	3.9355	.67997

Supplier relationship has resulted into higher member retention rates	31	2.00	5.00	3.8065	.65418
Supplier relationship has resulted in more information exchange between the supplier and the cooperative society	31	3.00	5.00	3.7097	.64258
Supplier relationship has resulted in risk sharing and reduced costs	31	2.00	5.00	3.6129	1.05443
Supplier relationship has resulted joint operational planning with suppliers	31	2.00	5.00	3.5484	.62390
Research and Development (R&D)					
R&D has resulted into new quality products and services	31	2.00	5.00	3.9032	.97826
R&D has resulted into new processes/innovations and market success	31	3.00	5.00	3.8710	.67042
R&D has resulted into higher profitability of the cooperative society	31	1.00	5.00	3.8710	.92166
R & D has resulted in increased sharing of risks and costs	31	2.00	5.00	3.7419	.72882

R & D has resulted increased pooling of complementary skills	31	2.00	5.00	3.6774	.70176
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Marketing Relations

Marketing relations has resulted into higher profitability of the cooperative society	31	3.00	5.00	4.0323	.65746
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Marketing relations has resulted into new markets access	31	3.00	5.00	4.0000	.68313
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Marketing relations has resulted into a wider distribution of the society products and services	31	3.00	5.00	4.0000	.77460
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Marketing relations has resulted in increased marketing and sales revenue	31	2.00	5.00	3.9355	.72735
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Marketing relations has resulted in shared marketing risks & rewards	31	2.00	5.00	3.8387	.96943
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Source: Research Data

The results on the construct of suppliers' relationships have indicated that to a large extent (Mean = 3.9355; SD = .67997), it had resulted into higher profitability of the cooperative society. The next in the rank was the aspect of supplier relationship having resulted into higher member retention rates given a mean score of 3.8065 and a standard deviation of .65418. To a moderate extent, the respondents indicated that suppliers'

relationship had resulted in more information exchange between the supplier and the cooperative society (Mean = 3.7097; SD = .64258).

The respondents revealed that suppliers' relationship had resulted in risk sharing and reduced costs to a moderate extent as evident from the mean value of 3.6129 and a standard deviation of 1.05443. The aspect of suppliers' relationship resulting into joint operational planning with suppliers was practiced to a moderate extent within the cooperative societies of Vihiga County (Mean = 3.5484, SD = .62390). It can therefore be concluded that the cooperative societies in Vihiga county embrace suppliers' relationships in order to improve their profitability, and ensure higher member retention rates.

The respondents were as well asked to rate the aspects related to the construct of research and development. It can be presumed that research and development resulted into new quality products and services to a large extent in that, it provided a mean value of 3.9032. Research and development was found to result into new processes/innovations and market success and at the same time higher profitability of the cooperative society to a large extent within the cooperative societies within Vihiga county since each provided same mean value of 3.8710. The aspect of research and development resulting into increased sharing of risks and costs at mean of 3.7419; and that of increasing pooling of complementary skills with mean of 3.6774. This means that aspect of research and development was established to influence performance through new quality products and services; new processes/innovations and market success; as well as higher profitability of the cooperative society.

The construct of marketing relations was rated by respondents and the feedback have shown that to a large extent (Mean = 4.0323; SD = .65746), this variable had resulted

into higher profitability of the cooperative society. Furthermore, respondents agreed to a large extent that marketing relations had resulted into new markets access (Mean = 4.000; SD = .68313). Respondents had equally agreed to a large extent that marketing relations had resulted into a wider distribution of the society products and services with a mean value of 4.000 and a standard deviation value of .77460. The statements indicating that marketing relations had resulted in increased marketing and sales revenue and had resulted in shared marketing risks and rewards provided mean values of 3.9355 and 3.8387 respectfully. This could imply that marketing relations played a vital role in cooperative societies through ensuring higher profitability; identification of new market access; enhancing a wider distribution of the society products and services; and increasing marketing and sales revenue.

4.6 Organizational Performance

The goal of the study was to see how far cooperative organizations in Vihiga had used various performance measures and the responses are as pointed out in Table 4.9. This was done based on a Likert scale measurement of 1 – 5 where 1 stood for not at all, 2 meant less extent, 3 meant moderate extent, 4 represented a large extent, and 5 represented a very large extent.

It can be deduced that the use of financial performance measures increased the revenue growth of the cooperative society (Mean = 3.8710, SD = .80589). This was followed by the cooperative society experiencing an increased annual growth in membership numbers (Mean = 3.7742; SD = .92050). With a similar mean value of 3.7742, the respondents agreed that the operating costs of the cooperative had experienced a decrease. The respondents agreed to the statement that the dividend yield of the cooperative had increased (Mean = 3.6774 & SD = 1.07663).

The results demonstrate that enough quantities of cash were accessible for operations both in the long and near term to a considerable extent (Mean = 3.6129 & .76059). In summary it can be seen that the cooperative societies in Vihiga County apply their financial measures mostly by ensuring that revenue growth of the cooperative society increases; the cooperative society experiencing increased annual growth in membership numbers; and also through reduction of operating cost of the cooperative societies.

Table 6: Strategic Partnerships and Organizational Performance

Descriptive Statistics						
Responses	N	Minimum	Maximum	Mean	Std. Deviation	
Financial Performance Measures						
The revenue growth of the cooperative society has increased	31	2.00	5.00	3.8710	.80589	
The cooperative society has experienced an increased annual growth in membership numbers	31	2.00	5.00	3.7742	.92050	
The operating cost of the cooperative has decreased	31	2.00	5.00	3.7742	.80456	
The Dividend yield of the cooperative has increased	31	1.00	5.00	3.6774	1.07663	

Appropriate levels of cash
 necessary for operations
 are available both in the
 long term and short term

Members Satisfaction

Our market share has
 increased

	31	2.00	5.00	3.6129	.76059
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Member satisfaction is a
 criterion used to assess the
 success of a cooperative
 society.

	31	3.00	5.00	3.8065	.65418
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The speed of services
 delivery is satisfactory

	31	3.00	5.00	3.8065	.70329
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Member orientation
 objectives have been
 formulated and
 implemented

	31	3.00	5.00	3.7097	.64258
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Member relationship
 management systems have
 been implemented

	31	2.00	5.00	3.5806	.80723
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Internal Business Processes

The quality of products has improved	31	2.00	5.00	3.9032	.74632
The cooperative society has the right business policies that has helped in the increase of the productivity	31	3.00	5.00	3.8710	.71842
The order processing time of the cooperative society has become manageable	31	2.00	5.00	3.8387	.77875
The product or service delivery time has reduced	31	3.00	5.00	3.7419	.51431

Learning and Growth

Performance of our staff through regular performance reviews has increased.	31	3.00	5.00	3.9355	.72735
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Prompt and corrective action in response to performance information has improved	31	3.00	5.00	3.9032	.65089
Efficiency in the delivery of our services has improved as a result of increased training of staff	31	3.00	5.00	3.8387	.77875
Increase of employee training.	31	2.00	5.00	3.8387	.82044
Unexpected project/program results or unusual trends are quickly investigated.	31	2.00	5.00	3.7742	.76200

Source: Research Data

Responses on organizational performance being measured in terms of members' satisfaction have shown that, three of the major reasons why this measurement was done were rated high and with same means scores. This included: increasing of market share; member satisfaction being a criteria used to evaluate the cooperative society performance; and the speed of services delivery being satisfactory as each of them reported a mean of 3.8065. After this there was the statement of member orientation objectives having been formulated and implemented (Mean = 3.7097; SD = .64258). To a moderate extent (Mean = 3.5806), the respondents agreed to the narration that member relationship management systems were implemented.

The organizational performance was as well gauged through internal business processes and the respondents rated improvement of quality products higher with a mean of 3.9032 and a Standard Deviation of .74632. The second in the rank was the statement of cooperative societies having the right business policies that helped in the increase of the productivity (Mean = 3.8710 & SD = .71842). The avowal that the order processing time was manageable also received a higher mean score of 3.8387 accompanied by a standard deviation value of .77875. Conversely, the aspect of reduction in product or service delivery time was rated low in this category given a mean score of 3.7419 and a standard deviation of .51431. An indication that organizational performance in terms of internal process was revealed through ensuring quality of products; having right business policies; and ensuring that order processing time of the cooperative society is manageable.

Ultimately, the measurement of organizational performance through learning and growth from the statements given was revealed that to a large extent (Mean = 3.9355; SD = .72735), cooperative societies had improved their performance of their staff members by regularly conducting performance reviews. With a mean value of 3.9032 the respondents as well agreed to the statement that prompts and corrective actions in response to performance information had improved. The statements on improvement in efficiency of service delivery as a result of increased training of staff, and recording an increase in employee trainings had equivalent mean value of 3.8387 each. The respondents as well indicated that unexpected project/program results or unusual trends were quickly being investigated (Mean = 3.7742). It can therefore be concluded that measures of organizational performance through learning and growth was realized in the organizations under study by recording increase in staff through regular performance reviews; improving prompts and corrective action in response to performance; ensuring

efficiency in service delivery improving as a result of increased training of staff; and at the same time increasing employee trainings.

4.7 Regression Analysis on Strategic Partnerships on Organizational Performance

Regression analysis was tested to establish the relationship between the independent and dependent variables as used in the current study. The regression model produced three sections namely model summary, analysis of variance as well as test of coefficients. The determination of the results in the model summary was based on the *R* squared. Analysis of Variance (ANOVA) output was interpreted based on *F* and *p* values, while the coefficient of variable estimation was done focusing on *t* – tests and *p* – values used in measuring the significance level of coefficients of each independent variable on dependent variable. A variable was considered significant if the *p* – values were ≤ 0.05 based on 95% confidence interval. The outcomes of regression model are as indicated in Table 4.7.

The summary results indicate that the regression model provided a combined correlation *r* – value of 0.796, an *R* squared value of 0.634 together with an adjusted *R* square of 0.577. This has indication that the entire set of independent variables namely marketing relations, banking and equity investments, suppliers’ relationship, research and development partnerships were found to explain about 63.4 percent of organizational performance cooperative societies located within the jurisdiction of the County government of Vihiga. This means that the remaining 36.6 percentage can be determined by different factors other than those used in this model.

The output of ANOVA shown gave a regression sum square of 1438.462 and a residual sum square of 831.409 with mean square value of 359.615 for regression and 31.977 for residual. With an *F* – value of 11.246 and a significant value of 0.00, the model informs

us that the independent variables used in this study were acceptable and fit to determine the dependent variable and therefore an indication that the strategic partnership in terms of marketing relations, banking and equity investments, suppliers' relationship, research and development significantly influence organizational performance of entities under investigation.

Table 7: Regression Statistics

Model Summary								
Model	R	R Square		Adjusted R Square		Std. Error of the Estimate		
1	.796 ^a	.634		.577		5.65485		
a. Predictors: (Constant), Marketing Relations, Banking and Equity Investments, Suppliers Relationship, Research and Development								
ANOVA^a								
Model		Sum of Squares		Df	Mean Square	F	Sig.	
1	Regression	1438.462		4	359.615	11.246	.000 ^b	
	Residual	831.409		26	31.977			
	Total	2269.871		30				
a. Dependent Variable: Organizational Performance								
b. Predictors: (Constant), Marketing Relations, Banking and Equity Investments, Suppliers Relationship, Research and Development								
Coefficients								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error				Beta	Lower Bound
1	(Constant)	24.132	9.241		2.612	.015	5.138	43.127
	Banking and Equity Investments	-.269	.347	-.097	-.775	.445	-.983	.445
	Suppliers Relationship	.482	.596	.133	.808	.427	-.744	1.707

Research and Development	.565	.566	.195	.997	.328	-.600	1.729
Marketing Relations	1.676	.674	.559	2.486	.020	.290	3.061
a. Dependent Variable: Organizational Performance							

Furthermore, the model gave an estimation of the effect of every independent variable on dependent variable under study and the findings of regression coefficients revealed that marketing relations was the only predictor variable found to be significant in influencing organizational performance given a beta value of 2.486 which was supported by significant *p* value of less than the threshold of 0.5. On the other hand, aspect of banking and equity investments was found not to affect organizational performance significantly given a beta value of -0.269 (*t* = 0.775) and a significant *p* – value of .445.

The construct of suppliers’ relationship was also found to have an insignificant effect on organizational performance of cooperative societies in Vihiga County given a beta value of .482 (*t* = .808) plus an insignificant *p* – value of 0.427. Research and development as well was found to have a moderately significant effect on organizational performance as it provided a coefficient value of 0.565, *t* – value of .997 together with a weak *p* > 0.05.

The results given in the analysis led to the following model as follows:

$$\text{Organizational Performance} = 24.132 + X_1 - .269 + X_2 .482 + X_3 .565 + X_4 1.676 + e_1$$

Where: organizational performance is the dependent variable, X_1 = market relations; X_2 = Supplier relations, X_3 = Research and development, X_4 = Marketing Relations while *e* was a representation of an error term.

Thus, it is expected that organizational performance will decrease by 26.9% when banking and investment partnership increases by one, increase by 48.2% when supplier partnership increases by one, increase by 56.5% when research and development partnerships increase by one and significant increase by 167.6% when marketing partnerships increase by one in the cooperative societies

The study also carried out correlation analysis as indicated in the methodology section to enable the researcher to establish how the variables are associated to each other. The significance level was determined by the p – values as provided in Table 4.8

It can be construed that suppliers' relationship partnership is positively associated with organizational performance given an r value of .596, and p value of .000. In other words, a unit change in suppliers' relationship is statistically associated with 59.6% increase in the margin of their performance of cooperative societies within Vihiga County. Similarly, research and development partnership has a positive association with organizational performance ($r = .691$ and $p < 0.05$) which can also be interpreted that a change in unit of research and development can be associated with 69.1% increment in the rate of organizational performance.

Another factor that was statistically established as significant towards organizational performance of cooperative societies, is marketing relations partnerships with an r value of .777, and p value of .000. On contrary, the results further revealed that banking and equity investments partnerships is not statistically associated to organizational performance of cooperative societies in Vihiga since it provided an r value of .149 and a weak p value of .424. The findings have indicated that suppliers' relationship, research and development, and marketing relations are the main variables that have significant

association with organizational performance of cooperative societies, unlike banking and equity investments.

4.8 Correlation Statistics

Table 8: Correlation Statistics

		Organizational Performance	Banking and Equity Investments	Suppliers Relationship	Research and Development	Marketing Relations
Organizational Performance	Pearson Correlation	1	.149	.596**	.691**	.777**
	Sig. (2-tailed)		.424	.000	.000	.000
	N	31	31	31	31	31
Banking and Equity Investments	Pearson Correlation	.149	1	.297	.219	.293
	Sig. (2-tailed)	.424		.105	.236	.110
	N	31	31	31	31	31
Suppliers Relationship	Pearson Correlation	.596**	.297	1	.554**	.686**
	Sig. (2-tailed)	.000	.105		.001	.000
	N	31	31	31	31	31
Research and Development	Pearson Correlation	.691**	.219	.554**	1	.794**
	Sig. (2-tailed)	.000	.236	.001		.000
	N	31	31	31	31	31
Marketing Relations	Pearson Correlation	.777**	.293	.686**	.794**	1
	N	31	31	31	31	31

Sig. (2-tailed)	.000	.110	.000	.000	
N	31	31	31	31	31

** . Correlation is significant at the 0.01 level (2-tailed).

4.9 Discussion

The study examined the relationship between strategic partnerships and performance of cooperatives in Vihiga County. The study was anchored on the stakeholder, Social Network and Transaction Cost Economics theories respectively. Correlation results indicated that strategic partnership in terms of suppliers' relationship, research and development, and marketing relations had significant association towards organizational performance of cooperative societies, unlike banking and equity investments. This is in line with the findings of study done by Ekawati (2014) that revealed strategic partnerships have a positive and significant influence on business performance. In addition, a study by Lee (2019) found out that higher levels of collaboration between alliance partners resulted in enhanced performance in the Korean shipping industry. These findings confirm the Stakeholder theory in which the overall goal of an organization is to identify key strategic partnerships that significantly affect performance (Freeman, 1984).

The regression results have shown that strategic partnership significantly influenced performance through marketing relations partnership alone. The findings corroborate with that of Muthoka and Oduor (2014) who established that the influence of strategic alliance marketing partnerships was significant. Butigan and Beni (2017) found that strategic alliance marketing partnerships had a favorable and significant impact on firm profitability in the retail industry in Croatia. On the same note, Goerzen (2007) established that organizations that repeatedly entered into marketing partnerships experienced high levels of performance. The findings confirm the Social Network Theory

where organizations as social systems, directly or indirectly connect with other organizations through strategic partnerships for performance through various mechanisms such as information flow, knowledge sharing and resource complementary (Hakansson & Ford, 2002). The findings also support the TCE theory which postulates that organizations with lower transaction costs perform better since they can choose the most cost-effective agreement that offers the best protection for their relationship-specific investments (Williamson, 1985). Thus, strategic partnerships are means of reducing the sum of transactions and production costs for improved long-term OP (Kogut & Zander, 1988)

On contrary, the findings have shown that banking and equity investments did not significantly influence performance. The findings have been found to contradict the results by Kabuiya (2015) and Kudate (2014) who found out that the banking and equity investments relationship benefited both partners in terms of cost and product related and market related benefits. Butigan and Beni (2017) also found that strategic alliances had a favorable and significant impact on firm profitability in the retail industry in Croatia.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presented the summary, conclusion, recommendations for practice and policy, limitations of the study and suggestions for further research.

5.2 Summary

The main goal of this research was to ascertain the influence of strategic partnerships on organizational performance of cooperative societies in Vihiga County. The main reasons why cooperative societies within Vihiga County enter into strategic partnerships included maximizing profits for the company; protecting and enlarging market share; accessing new information and skills; providing superior member value; sharing and gain tacit knowledge; managing and minimizing costs/risks; maximizing product/service uptake for members; maximizing number of members; and acquisition skills and competency.

The cooperative societies engaged in various types of strategic partnerships through banking and equity investment which was found to help in bettering their customer care services, registering higher growth in assets, and to have a broad range of financial services. The cooperative societies in Vihiga County were found to embrace suppliers' relationships in order to improve their profitability, and ensure higher member retention rates. On the construct of research and development, the findings indicated that the organizations had achieved new quality products and services; new processes/innovations and market success; as well as higher profitability of the cooperative society. Marketing relations was found to play a vital role in cooperative societies through ensuring higher profitability; identification of new market access;

enhancing a wider distribution of the society products and services; and increasing marketing and sales revenue.

Measuring of organizational performance was done in terms of financial measures, membership satisfaction, internal business processes, and learning and growth. The study found out that the cooperative societies in Vihiga County applied their financial measures mostly by ensuring that revenue growth of the cooperative society had increased; the cooperative society experiencing increased annual growth in membership numbers; and also through reduction of operating cost of the cooperative societies. Responses on organizational performance being measured in terms of members' satisfaction have shown that organizations had increased their market shares; member satisfaction was a criteria used to evaluate the cooperative society performance; and the speed of services delivery was satisfactory. An organizational performance in terms of internal process was revealed through ensuring quality of products; having right business policies; and ensuring that order processing time of the cooperative society is manageable. Learning and growth was realized in the organizations under study by recording increase in staff through regular performance reviews; improving prompts and corrective action in response to performance; ensuring efficiency in service delivery improving as a result of increased training of staff; and at the same time increasing employee trainings.

The correlation findings revealed that suppliers' relationship, research and development, and marketing relations are the main variables that have significant association with organizational performance of cooperative societies, unlike banking and equity investments. To test the effect of variables, the regression statistics was used and the findings have indicated that the entire set of independent variables used in the model namely marketing relations, banking and equity investments, suppliers' relationship, research and development were found to explain about 63.4 percent of organizational

performance cooperative societies located within the jurisdiction of the County government of Vihiga. The model provided an F – value of 11.246 and a significant value of 0.00 which informed us that the independent variables used in this study were acceptable and fit in determining the dependent variable and therefore an indication that the strategic partnership significantly influence organizational performance of entities under investigation because the p – value was <0.05 . The findings on regression coefficients revealed that marketing relations was the only predictor variable significantly influencing organizational performance. On the contrary, banking and equity investments; suppliers’ relationship; as well as development and research did not have any significant influence performance.

5.3 Conclusion

The study conclusion was that marketing relations, Research and Development and Suppliers partnerships play significant roles in determining performance of cooperative societies. However, research and development partnerships had a moderately but significant influence on performance of cooperative societies. The study also concluded that Banking and equity investments had insignificant relationship in regression model. This could mean that when cooperative societies engage into strategic partnerships, they should give priority to marketing relations, research and development partnerships and suppliers’ relationships.

Marketing relations involves consideration of not only improving linkages with customer market, but also deals with enhancement and development of supplier relationships, internal linkages, recruitments, and referral markets. Marketing relations helps in addressing issues of fewer quality problems, lower stock levels, shorter delivery lead

times, and faster implementation of design changes. Strategic partnership aims in improvement of relationships.

5.4 Recommendations for Policy and Practice

Based on the study findings, cooperatives in Vihiga County should formulate policies of regularly reviewing strategic partnerships and other collaborations such as suppliers' relationship and banking and equity investments partnerships respectively to improve their performance. The study has established that marketing, research and development and supplier partnerships contribute to performance. The findings point to the need for management consultants to recommend to the cooperative societies in Vihiga County to adopt strategic partnerships as viable strategies because of the benefits associated with partnering organizations which can positively influence performance. Generally, they could further recommend for the cooperatives in Vihiga County to seek for collaborators or partners with valuable and rare resources such as banking and equity investment, supplier relationships and research and development as they are vital in developing creative, innovative products and market networks.

5.5 Limitations of the Study

The first limitation of this study is that it was conducted in the context of the cooperative sector of the economy and generalizability of the findings to manufacturing and financial sectors may not be possible due to structural and regulatory differences.

The second limitation of this study is that the study relied on only thirty-three (33) respondents for data analysis. This number is considered below the statistical recommended minimum of fifty (50) respondents for a robust regression analysis time.

The third limitation of this study is that, it assumed a direct relationship between strategic partnerships and performance of cooperative societies in Vihiga County. It did not investigate other factors such as the environmental and organizational variable that could play moderating and mediating roles in the relationship.

5.6 Suggestions for further Research

To address the first limitation, this study recommends that future research should be conducted on the influence of strategic partnerships on performance for all cooperative societies in Kenya and further establish the performance differences between large and small cooperatives

To address the second limitation, the study suggests that for validation purposes and limit individual bias, a study should be done in which at least two respondents from each cooperative in Vihiga County are interviewed

To address the third limitation, this study recommends that future studies should investigate moderating factors that could influence the relationship between strategic partnerships and performance of cooperatives in Vihiga County.

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APPENDICES

APPENDIX I: QUESTIONNAIRE

UNIVERSITY OF NAIROBI

SCHOOL OF BUSINESS

Dear Respondent,

I am Makhumbiri Chrysostom Agava, a student at the University of Nairobi, School of Business, Kisumu Campus. I am researching on strategic partnerships and the performance of cooperative societies in Vihiga County, Kenya. The information you will provide in this questionnaire will be strictly intended for academic use and will be treated with the utmost respect for anonymity. Please respond to the questions as precisely and exhaustively as possible and return the completed questionnaire. Where you don't understand, kindly seek clarification from the researcher.

SECTION A: BACKGROUND INFORMATION.

√ - Tick appropriately

1. What year was your cooperative society established?
2. What type is your cooperative society? (Tick (√) as appropriate)
 - i) Savings and Credit Co-operative Society []
 - ii) Housing co-operatives Society []
 - iii) Agriculture/Farmers' Co-operative Society []
 - iv) Marketing Co-operative Society []
 - v) Investment Co-operative Societies []
 - vi) Any other (write)_____

3. Please provide the answers to the following:

i) What is your current position in the cooperative society?_____

ii) How long have you been in this job? (years)_____

iii) How long have you been an active member of the cooperative society? (years)_____

4. How many employees do you have working under you in society? **TICK (√)** as appropriate.

Less than 10 []

11-50 []

51-100 []

Over 100 []

SECTION B: STRATEGIC PARTNERSHIPS

5. What is the main objective for the society to enter into strategic partnerships? For each of the following items, please tick the extent in which you agree with the given likert scale **1-Not at all; 2-Less extent; 3-Moderate extent; 4-Large extent; 5-Very large extent**

STATEMENT	1	2	3	4	5
To acquire technology					
To acquire skills and competency					
To maximize economies of scale					
To manage and minimize costs/risks					
To acquire cheaper service distribution					
To maximize profits for the company					
To provide superior member value					

To maximize number of members					
To maximize product/service uptake for members					
To protect and enlarge market share					
To share and gain tacit knowledge					
To compliment/gain resources and capabilities					
To access new information and skills					

**SECTION C: TYPES OF STRATEGIC PARTNERSHIPS USED BY
COOPERATIVE SOCIETIES IN VIHIGA COUNTY**

For each of the following items, please tick the extent in which you agree with the given likert scale **1-Not at all; 2-Less extent; 3-Moderate extent; 4-Large extent; 5-Very large extent**

STATEMENT	1	2	3	4	5
Banking and equity investments					
Banking and equity investments has resulted into higher profitability of the cooperative society					
Banking and equity investments has resulted into higher asset growth by the cooperative society					
Banking and equity investments has resulted into higher interest rates on deposits offered to the cooperative society					
Banking and investments has resulted in a broad range of financial services offered to the cooperative society					

Banking and equity investments has resulted in better customer service offered by the cooperative society					
Supplier Relationships					
Supplier relationship partnership has resulted into higher profitability of the cooperative society					
Supplier relationship has resulted in more information exchange between the supplier and the cooperative society					
Supplier relationship has resulted joint operational planning with suppliers					
Supplier relationship has resulted in risk sharing and reduced costs					
Supplier relationship has resulted into higher member retention rates					
Research and Development (R&D)					
R&D has resulted into higher profitability of the cooperative society					
R&D has resulted into new processes/innovations and market success					
R&D has resulted into new quality products and services					
R & D has resulted increased pooling of complementary skills					
R & D has resulted in increased sharing of risks and costs					

Marketing Relations					
Marketing relations has resulted into higher profitability of the cooperative society					
Marketing relations has resulted into new markets access					
Marketing relations has resulted into a wider distribution of the society products and services					
Marketing relations has resulted in shared marketing risks & rewards					
Marketing relations has resulted in increased marketing and sales revenue					

SECTION D: STRATEGIC PARTNERSHIPS AND ORGANIZATIONAL PERFORMANCE

To what extent does your cooperative society applies the following measures in measuring its organizational performance?

For each of the following items, please tick the extent in which you agree with the given likert scale **1-Not at all; 2-Less extent; 3-Moderate extent; 4-Large extent; 5-Very large extent**

Financial Performance Measures	1	2	3	4	5
The revenue growth of the cooperative society has increased					
The Dividend yield of the cooperative has increased					
The operating cost of the cooperative has decreased					
The cooperative society has experienced an increased annual growth in membership numbers					

Appropriate levels of cash necessary for operations both in the long term and short term are available					
Membership Satisfaction					
Member relationship management systems have been implemented					
Member orientation objectives have been formulated and implemented					
Member satisfaction is a criteria used to evaluate the cooperative society performance					
Our market share has increased					
The speed of services delivery is satisfactory					
Internal business processes					
The cooperative society has the right business policies that has helped in the increase of the productivity					
The product or service delivery time has reduced					
The order processing time of the cooperative society has become manageable					
The quality of products has improved					
Learning and Growth					
Performance of our staff through regular performance reviews has increased.					
Prompt and corrective action in response to performance information has improved					

Efficiency in the delivery of our services has improved as a result of increased training of staff					
Unexpected project/ program results or unusual trends are quickly investigated.					
Increase of employee training.					

Thank you for your cooperation

APPENDIX II

**LIST OF CO-OPERATIVES IN VIHIGA Adopted from
VIHIGA SUB-COUNTY**

N O	CS/NO	NAME OF COOP	YR OF REG	SECTOR	ACTIVI TY	MEMBE R SHIP		CONTACT PERSON	TELEPHONE	STATUS
						A	D			
1	7376	VIHIGATEACHERS SACCO		FININCIAL	SACCO	444		CHAIRMAN	0750116948	ACTIVE
2	8834	VIHIGA MUNICIPAL EMPLOYEES	1999	FININCIAL	SACCO	143		SECRETARY	0712504315	ACTIVE
3	10240	VIHIGA COUNTY COUNCIL EMPLOYEES		FININCIAL	SACCO	62		MANAGER	0710171561	ACTIVE
4	15833	AVALINA		FININCIAL	SACCO	31		CHAIRMAN	0710526054	ACTIVE
5	18164	VIHIGA PASTORS	2015	FININCIAL	SACCO	30		SECRETARY	0722754726	ACTIVE
7	19933	VIWDCO SACCO.	2016	FININCIAL	SACCO	87		CHAIRMAN	0727387651	ACTIVE
8	16866	DOOR	2014	FININCIAL	SACCO	-				-
9	4890	VIHIGA TEACHERS HOUSING		HOUSING	HOUSING	30		CHAIRPERSON	0715880527	ACTIVE
10	15792	ABISHUA REAL ESTATE		HOUSING	HOUSING	35		CHAIRLADY	0728020282	ACTIVE
11	17710	MUNGOMA YOUTH/MOTOR	2015	TRANSPORT	SACCO	67				ACTIVE
12	14222	EBENE BODABODA	2012	TRANSPORT	SACCO	17				ACTIVE
14	13100	KAKAMEGA SHUTTLE		TRANSPORT	SACCO	27		CHAIRPERSON	0725883625	ACTIVE
15	14034	DELOSA SUNFIELD	2011	AGRICULTURAL	SUNFLOWER	27		CHAIRMAN	0721629790	ACTIVE
16	441	WAMONDO FCS LTD		AGRICULTURAL	COFFEE	449		SECRETARY	0723917545	ACTIVE

17	5520	VIHIGA DAIRY	1989	AGRICULTURAL	DAIRY	172		SECRETARY	0711712464	ACTIVE
18	16580	STEP & FLY		AGRICULTURAL	MULTI - PURPOSE	260		CHAIRLADY	0721324642	ACTIVE
19	2806	CHANGO H/CRAFT	2014	JUA KALI	HAND CRAFT	26		CHAIRLADY	0717477627	ACTIVE
20	22310	P.A.G (K) MISSION STATION	2018	FININCIAL	SACCO	42		CHAIRMAN	0722216007	active
21	22158	MULUCESO HUDUMA SACCO	2017	FININCIAL	SACCO	51		TREASURE	0725450606	active
22	21454	VIHIGA COUNTY FEEDS PRODUCERS COOPERATIVE	2017	AGRICULTURAL	ANIMAL FEEDS	88		SECRETARY	0720206310	ACTIVE
23	22801	VIHIGAWOMAN ENTERPRENEUR SACCO	2018	FININCIAL	SACCO	57		CHAIRLADY	0720640915	ACTIVE
24		WE TRAVELLERS SACCO	2019	FINANCIAL	SACCO			CHAIRPERSON	0723956332	ACTIVE
25		GAMBOGI EQUATOR DAIRY	2018	AGRICULTURAL	DAIRY			CHAIRMAN	0721493734	ACTIVE
26	24804	WAMULUKA BODA BODA	2020	FINANCIAL	SACCO	76		CHAIRMAN	0792819943	ACTIVE
27	25676	VIHIGA COUNTY BODABODA	2021	FINANCIAL	SACCO			CHAIRMAN	0723413375	ACTIVE

SABATIA SUB-COUNTY

N O	CS/NO	NAME OF COOP	YR OF REG	SECTOR	ACTIVI TY	MEMBE R SHIP		CONTACT PERSON	TELEPHONE	STATUS
						A	D			
1	8804	VIHIGACOUN TY FARMERS SACCO LTD	1999	AGRICULT URE	SACCO FOSA	429 6		MANAGER	0721629962	ACTIVE
2	439	LUNYERERE FCS LTD	1955	AGRICULT URE	COFFE E PROCE SSING	329		CHAIRMAN	0722390877	ACTIVE
3	13461	SABATIA SAFARIS SACCO LTD	2011	TRANSP ORT	SACCO	43		CHAIRMAN	0721906363	ACTIVE
4	19931	STANDIKISA UNITY BODABODA SACCO	2016	TRANSP ORT	SACCO	52		CHAIRMAN	0712166606	ACTIVE
5	18282	WANGULU JUNCTION BODABODA SACCO	2015	TRANSP ORT	SACCO	35		CHAIRMAN	0713663384	ACTIVE
6	18399	MUDETE BODABODA	2015	TRANSP ORT	SACCO	30				ACTIVE
7	18400	SABATIA COMPLEX MOTOR SACCO	2015	TRANSP ORT	SACCO	19		CHAIRMAN	0723551348	ACTIVE
8	11904	VIHIGA COUNTY TRADERS	2008	FINANCIA L	SACCO	430		MANAGER	0721594991	ACTIVE
9	19757	LYAHUKA CHURCH SACCO	2016	FINANCIA L	SACCO	52		CHAIRMAN	0714520605	ACTIVE
10	22311	SABATIA SUBCOUNTY DAIRY CS LTD	2017	MARKETI NG	DAIRY	42		CHAIRPERS ON	0722248449	ACTIVE
11	17725	VICORE SACCO	2015			27		CHAIRMAN	0725816116	ACTIVE

12	22673	VIHIGA COUNTY PIG FARMERS COOPERATIVE	2018	AGRICULTURAL	PIG FARMING	30		CHAIRMAN	0737138050	ACTIVE
13	2389	VISAREMU HOUSING	2019	HOUSING	HOUSING			CHAIRMAN	0720794073	
14		INTERDENOMINATIONAL PASTOR'S SACCO	2019	FINANCIAL	SACCO	-		CHAIRMAN	0712201259	ACTIVE
15	24461	VIHIGA COUNTY CHICKEN	2019	AGRICULTURAL	POULTRY	-		CHAIRMAN	0722770792	ACTIVE
16	24690	VIHIGA COUNTY LOCAL VEGETABLE		AGRICULTURAL	ALV'S			CHAIRMAN	0722225081	ACTIVE
17		SABATIA BANANA		AGRICULTURAL	BANANA			CHAIRMAN	0700381799	ACTIVE
18		MTRANS SACCO	2020	TRANSPORT	SACCO			CHAIRMAN	0723586641	ACTIVE
19	25616	EL-MUNUGI	2020					CHAIRMAN	0716019316	ACTIVE
20	25252	VIHIGA ARTISAL MINING COOPERATIVE SOCIETY	2019	MINING	MARKETING			SECRETARY	0794403252	ACTIVE

HAMISI SUB-COUNTY

NO	CS/NO	NAME OF COOP	YR OF REG	SECTOR	ACTIVITY	MEMBERSHIP		CONDUCT PERSON	TELEPHONE	STATUS
						A	D			
1	472	JEBROK F.C. S	1956	AGRICULTURE	COFFEE	57		CHAIRMAN	0724666023	ACTIVE
2	12174	HAMISI DAIRY	2009	AGRICULTURE	DAIRY	10		CHAIRMAN	0721866187	ACTIVE
3	2870	TIRIKI HOUSING	-	HOUSING	HOUSING	-				ACTIVE
4	2927	FRIENDS SACCO	-	FINANCIAL	URBANSACCO	26		SECRETARY	0720585313	ACTIVE
5	11575	FRICO DEV	-	FINANCIAL	RURAL	50		SECRETARY	0725514586	ACTIVE

				L	SACCO			Y		
6	15976	GAMUNGEI BODABODA	-	TRANSP ORT	SACCO	15		CHAIRMA N	0714019055	ACTIVE
7	17611	SHAMAKHOK HO BODABODA	2014	TRANSP ORT	SACCO	20		CHAIRMA N	0723413372	ACTIVE
8	22451	KAIVERSITY SACCO	2018	FINANCIA L	SACCO	50		CHAIRMA N	0722823652	ACTIVE
9		TAHA SACCO	2018	FINANCIA L	SACCO	28				
10		MUSHIKULU HOUSING	2018	HOUSING	HOUSI NG	24		CHAIRMA N	0752137956	ACTIVE
11	23734	KIGAGA	2019	AGRICULT URE	MARK ETING			CHAIRMA N	0724723969	ACTIVE
12	23777	KITAGWA	2019	AGRICULT URE	MARK ETING			CHAIRMA N	0728409118	ACTIVE
13		SHABODA SACCO	2019	TRANSP ORT	SACCO			CHAIRMA N	0710975156	
14	23982	AFRICAN DIVINE CHURCH CLERGY SACCO	2019	FINANCIA L	SACCO			SECRETAR Y	0722335845	ACTIVE
15	24664	HAMISI BANANA	2020	AGRICULT URE	MARK ETING			CHAIRMA N	0723385554	ACTIVE
16	25358	GLOBEVIEW	2021					CHAIRMA N	0796406942	ACTIVE

LUANDA SUB-COUNTY

N O	CS/NO	NAME OF COOP	YR OF REG	SECTOR	ACTIVI TY	MEMBE R SHIP		CONDUCT PERSON	TELEPHONE	STATUS
						A	D			
1	56701	BUNYORE LIVESTOCK DAIRY	1989	AGRICULT URE	DAIRY	34		CHAIRPERS ON	0722704784	ACTIVE
2	17448	EBUSAKAMI FARMERS	2014	AGRICULT URE	DAIRY	67	-	CHAIRMAN	0721989125	ACTIVE
3	18006	SUPER WEMA SACCO	2015	FINANCIA L	SACCO	74		CHAIRMAN	0721130900	ACTIVE

4	18170	KIMA BODABODA	2015	TRANSPORT	SACCO	91		CHAIRMAN	0702750264	ACTIVE
5	7157	INVEST PROSPER	1994	FINANCIAL	SACCO	70		CHAIRMAN	0721639065	ACTIVE
6	18001	LUANDA SOUTH SACCO	2015	FINANCIAL	SACCO	34			0722360759	ACTIVE
7	15975	UPPER KAHILA SACCO	2014	FINANCIAL	SACCO	32				ACTIVE
8	15117	EBULALO HOUSING	2013	HOUSING	HOUSING	12				ACTIVE
9	22547	WEMABU HUDUMA SACCO	2018	FINANCIAL	SACCO	196		CHAIRLADY	0703267792	ACTIVE
10	22545	WEINGO HUDUMA SACCO	2018	FINANCIAL	SACCO	200		TREASURER	0712442093	ACTIVE
11		LUANDA BANANA		AGRICULTURAL	BANANA			CHAIRPERSON	0726993881	ACTIVE

EMUHAYA SUB-COUNTY

NO	CS/NO	NAME OF COOP	YR OF REG	SECTOR	ACTIVITY	MEMBERSHIP				STATUS
						A	D			
1	443	BUNYORE COFFEE F.C. S	1950	AGRICULTURE	COFFEE	-		MANAGER	0729772282	ACTIVE
2	15034	EMUHAYA SOYA F.C. S	2013	AGRICULTURE	SOYA	102		CHAIRMAN	0721330848	ACTIVE
3	18168	BUNYORE SACCO	2015	FINANCIAL	SACCO	95		CHAIRMAN	0727342927	ACTIVE
4	18457	EMUHAYA NETWORK SACCO	2015	FINANCIAL	SACCO	30				ACTIVE
5	19223	EMUHAYAMO TORBIKE SACCO	2015	TRANSPORT	SACCO	60				ACTIVE
6	22613	EMUHAYA HUDUMA SACCO	2018	FINANCIAL	SACCO	200		CHAIRMAN	0740543963	ACTIVE
7		EMUHAYA BANANA							0724383473	ACTIVE
8		FAMILY TRANSFORMATION		MARKETING	HORTICULTURE			CHAIRMAN	0724464555	ACTIVE

APPENDIX III - COOPERATIVE PARTNERSHIPS IN VIHIGA COUNTY

SN	SOCIETY	SUB COUNTY	PARTNERS	PARTNERSHIP FUNCTIONS
1	Vihiga Dairy Farmers Cooperative Society	Vihiga	GIZ	Capacity building of members , milk value addition
			NARIG	Capacity building of members , milk value addition
			Cooperative Bank	Banking services
2	Vihiga County Boda Boda Sacco	Vihiga	Kingbird	Supply of motor bike and spare parts
			Coop Bank	Banking services
3	Delosa Sunfield	Vihiga	RTI	Training, value addition &marketing, policy formulation
4	Emuhaya Soya	Emuhaya	SOFDI	Capacity building of farmers and leaders, Value addition and marketing
5	Emuhaya Banana Farmers Cooperative Society	Emuhaya	NARIG	Capacity building of members , milk value addition
			Coop Bank	Banking services
6	Luanda Banana Farmers Cooperative Society	Emuhaya	NARIG	Capacity building of members , milk value addition
7	Sabatia Dairy Farmers Cooperative Society	Sabatia	NARIG	Capacity building of members , milk value addition
			RTI	Training, value addition &marketing, policy formulation
			WHH(BNZ)	Training of farmers and leaders, value addition support

			Coop Bank	Banking services
8	Sabatia Banana Farmers Cooperative Society	Sabatia	NARIG	Capacity building of members , milk value addition
			Coop Bank	Banking services
9	Hamis Dairy Farmers Cooperative Society	HAMISI	NARIG	Capacity building of members & Leaders , milk value addition
10	Hamis Banana Fcs	HAMISI	NARIG	Capacity building of members & Leaders , milk value addition
11	Vihiga County Chicken Fcs	Sabatia	NARIG	
12	Jebrook coffee Growers Cooperative Society	Hamisi	COOP BANK	Shareholding, banking services
			KDCU	Shareholding and investment
13	Lunyerere Coffee growers CS	Sabatia	COOP BANK	Shareholding, banking services
			KDCU	Shareholding and investment
14	Wamondo Coffee Growers Cs	Vihiga	Coop Bank	Shareholding, banking services
			KDCU	Shareholding and investment
15	Vihiga County farmers Sacco	Sabatia	Mudete Factory	Farmers tea proceeds payment
			Kuscco	Sacco support services of, Lobbing, advocacy insurance, training and central finance
16	Vihiga Traders Sacco	Sabatia	Chamber of Commerce	Training , advocacy
			KUSCCO	Sacco support services of, Lobbing, advocacy insurance, training and central finance
17	Bunyore coffee Growers CS	Emuhaya	Coop Bank	Shareholding, banking services
			KDCU	Shareholding and investment
18	Sabatia Safaris Shuttle Sacco	Sabatia	Kuscco	Sacco support services of, Lobbing, advocacy

				insurance, training and central finance
19	Invest & Prosper Sacco	Luanda	Coop Bank	Banking services
			Kuscco	Sacco support services of, Lobbing, advocacy insurance, training and central finance
20	Emuhaya Huduma Sacco	Emuhaya	Kuscco	Sacco support services of, Lobbing, advocacy insurance, training and central finance
21	Weingo Sacco	Luanda	Coop Bank	Banking services
				Sacco support services of, Lobbing, advocacy insurance, training and central finance
22	Kima boda boda Sacco	Luanda	Coop Bank	Banking services
23	Wemabu Sacco	EMUHAYA	Coop Bank	Banking services
24	Bunyore Dairy Fcs		NARIG	Capacity building of members & Leaders , milk value addition
25	Taiversity Sacco	Hamisi	Kaimosi University College	Staff welfare, check off system
			Kuscco	Sacco support services of, Lobbing, advocacy insurance, training and central finance
			Coop Bank	Banking services
26	Friends Sacco	Hamisi	Kuscco	Sacco support services of, Lobbing, advocacy insurance, training and central finance
			Coop Bank	Banking services
27	African Divine Church Clergy Sacco	Hamisi	Coop Bank	Banking services
28	Hamisi Huduma Sacco	Hamisi	Kuscco	Sacco support services of, Lobbing, advocacy insurance, training and central finance
			Coop Bank	Banking services
29	Tiriki west boda boda Sacco	Hamisi	Kuscco	Sacco support services of, Lobbing, advocacy insurance, training and central finance
			Coop Bank	Banking services

30	Bajeta Boda boda Sacco	Hamis	Coop Bank	Banking services
			Kuscco	Sacco support services of, Lobbing, advocacy insurance, training and central finance
31	Shaboda	Hamisi	Coop Bank	Banking services
			Kuscco	Sacco support services of, Lobbing, advocacy insurance, training and central finance
32	Friends community Sacco		Kuscco	Sacco support services of, Lobbing, advocacy insurance, training and central finance
			Coop bank	Banking services
33	Shamakhokho		Kuscco	Sacco support services of, Lobbing, advocacy insurance, training and central finance
			Coop Bank	Banking services

Source: Vihiga County Cooperative Status Report 2021