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**Effect of Stakeholder's Engagement on the Competitiveness of Savings and Credit
Cooperatives Societies in Kenya**

Maorwe Harun Narua, Dr. Kabare Karanja, Dr. Wallace Atambo and Dr. Rebeccah Ann Maina

Strategy

Effect of Stakeholder's Engagement on the Competitiveness of Savings and Credit Cooperatives Societies in Kenya



¹*Maorwe Harun Narua

¹PhD Student, Jomo Kenyatta University of Agriculture and Technology



²Dr. Kabare Karanja

Lecturer, Jomo Kenyatta University of Agriculture and Technology



³Dr. Wallace Atambo

Lecturer, Jomo Kenyatta University of Agriculture and Technology



⁴Dr. Rebeccah Ann Maina

Lecturer, Jomo Kenyatta University of Agriculture and Technology

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Abstract

Purpose: SACCOS operates in the same industry as commercial banks that present a high level of competition. Therefore, this study focused on assessing the impact of stakeholder engagement on the competitiveness of SACCOS.

Methodology: The study sought to use a descriptive survey research design. The study population is 176 Deposit Taking SACCOS. Both primary and secondary data was collected. Secondary data was obtained from these companies' audited annual financial reports for five years from 2019 to 2023. To complement this data, questionnaires were administered to the employees of SACCOS. To analyze the data, descriptive statistics, correlation, and regression analysis was carried out with the aid of the Statistical Package of Social Sciences. The inferential statistical framework, specifically linear regression analysis, was employed to investigate the relationships between independent variable and the dependent variable. Findings were presented using tables, charts, and graphs, to enhance interpretation of results.

Findings: It was found that there is a significant and positive relationship between stakeholder's engagement and competitiveness of Saccos ($\beta_1 = 0.079$, $p = 0.032$).

Unique Contribution to Theory, Practice and Policy: The study recommended that Saccos need to up their game in stakeholder's engagement and look beyond their ilk especially when crafting competitive strategies.

Keywords: *Stakeholder Engagement, Organizational Competitiveness, Savings and Credit Cooperative Societies*

JEL Codes: M14, L21, G21

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INTRODUCTION

Competitiveness in modern organizations is increasingly shaped by intangible assets such as trust, collaboration, and stakeholder relationships. In the Kenyan context, these intangible assets are best understood through the lens of social capital, which encompasses the networks, norms, and trust that facilitate collective action and resource mobilization (Putnam, 2000). In an era of globalization and technological advancement, firms must go beyond investment in tangible resources to remain sustainable. Stakeholder engagement, as a manifestation of social capital, has emerged as a critical capability that enables organizations to build trust, foster collaboration, and enhance innovation. By involving stakeholders in decision-making, communication, and problem-solving, organizations create an enabling environment for creativity and responsiveness, which strengthens their competitive positioning in dynamic markets (Claridge, 2020).

Across Africa, stakeholder engagement, rooted in social capital, has been shown to play a pivotal role in organizational development and competitiveness. Studies on micro, small, and medium-sized enterprises (MSMEs) in Ghana revealed that strong stakeholder networks facilitated partnerships, resource access, and business expansion, thereby improving firm performance (Abane, Adamtey & Kpeglo, 2024). Similarly, research on Sri Lankan small enterprises demonstrated that effective communication and mutual trust within stakeholder networks improved customer relations, sales, and overall business success, though excessive reliance on relational trust could sometimes undermine performance (Menike, 2020). In Kenya, life assurance companies exhibited high levels of stakeholder engagement characterized by information sharing, collaborative problem-solving, and mutual respect, which enhanced innovation, responsiveness to consumer needs, and competitive positioning (Tharao, Ndegwa & Kiriri, 2023). These findings underscore the centrality of social capital in driving organizational competitiveness across diverse African contexts.

In Kenya's financial sector, Savings and Credit Cooperative Societies (SACCOS) occupy a critical position in promoting financial inclusion and grassroots economic empowerment. However, they face stiff competition from commercial banks that command larger capital bases and diversified product portfolios. According to the Central Bank of Kenya (2023), commercial banks continue to outperform SACCOS in deposits, loans, and asset growth, leaving cooperatives vulnerable in a highly competitive environment. To remain relevant, SACCOS must adopt unique strategies that strengthen stakeholder engagement as a form of social capital, building trust and fostering collaboration among members and external partners. Social capital not only enhances innovation and service delivery but also creates competitive advantages by improving customer loyalty and organizational adaptability (Tefera & Hunsaker, 2020). This study therefore focused on examining the effect of stakeholder engagement, conceptualized as social capital, on the competitiveness of SACCOS in Kenya.

Problem Statement

Stakeholder engagement is widely expected to be a cornerstone of competitiveness in cooperative institutions. By fostering trust, collaboration, and effective communication, engagement enables organizations to innovate, adapt, and strengthen member loyalty (Köseoglu et al., 2020). For Savings and Credit Cooperative Societies (SACCOS), which rely heavily on member participation,

stakeholder engagement should ideally provide a strategic advantage in a competitive financial environment.

However, available data shows that SACCOS continue to lag behind commercial banks in key performance indicators. The Central Bank of Kenya (2023) reported deposits of Ksh. 5,595.80 billion for commercial banks compared to only Ksh. 575.19 billion for DT-SACCOS, while gross loans stood at Ksh. 4,183.50 billion for banks against Ksh. 652.27 billion for DT-SACCOS. These disparities highlight the competitiveness gap and suggest that weak stakeholder engagement strategies may be limiting the ability of SACCOS to mobilize resources, retain customers, and expand their market share. This problem directly affects SACCO members who depend on these institutions for affordable credit and savings, as well as the wider Kenyan economy that relies on SACCOS for grassroots financial inclusion.

A deeper tension lies in the strategic orientation of SACCOS. Commercial banks have embraced digitalization, leveraging technology to scale operations, enhance efficiency, and attract younger, tech-savvy customers. By contrast, SACCOS have traditionally thrived on relational engagement and social capital (trust, networks, and member participation) which differentiate them from banks. Yet, in attempting to “out-bank the banks” by imitating digital strategies without fully leveraging their cooperative advantage, many SACCOS risk diluting their unique value proposition. This raises the critical question of whether competitiveness in SACCOS should be pursued through digital mimicry or through strengthening relational engagement as a distinctive cooperative asset.

Previous studies have demonstrated the importance of stakeholder engagement in organizational performance. Research in Ghana and Sri Lanka showed that stakeholder networks improve communication, resource access, and firm growth (Abane, Adamtey & Kpeglo, 2024; Menike, 2020). In Kenya, Tharao, Ndegwa & Kiriri (2023) found that stakeholder engagement in life assurance companies enhanced innovation and responsiveness to consumer needs. However, few empirical studies have examined how stakeholder engagement, conceptualized as social capital, specifically influences the competitiveness of SACCOS in Kenya. This study therefore sought to fill this gap by analyzing the effect of stakeholder engagement on the competitiveness of SACCOS in Kenya, thereby contributing new insights into how cooperative institutions can strengthen their resilience in a market dominated by commercial banks.

Theoretical Framework

Social Exchange Theory (SET) was developed by George Homans in the 1950s and later expanded by Blau (1964). According to Homans (1958), social behavior is an exchange process aimed at maximizing benefits and minimizing costs. People engage in social interactions to gain valued items and avoid losses, leading to the formation of mutually beneficial relationships. The theory is grounded in economic reasoning, assuming that individuals act rationally and pursue what is in their best interest given the consequences of their actions. Homans emphasized that rewards can be tangible or intangible, such as affection, resources, or status, while costs include time, effort, and energy invested in relationships. The concept of comparison levels refers to the standards individuals use to evaluate the desirability of a relationship based on past experiences or expectations. A relationship is sustained when perceived rewards outweigh perceived costs.

Applied to stakeholder engagement in SACCOS, SET provides a robust lens for understanding how cooperative institutions build competitiveness. Engagement between SACCOS and their stakeholders (members, employees, regulators, and communities) represents a reciprocal exchange of trust, information, and resources. When stakeholders perceive fairness, transparency, and value in their interactions with SACCOS, they reciprocate with loyalty, participation, and resource mobilization. This reciprocity fosters innovation, strengthens collaboration, and enhances service delivery, thereby improving competitiveness in a financial sector dominated by commercial banks. Conversely, weak engagement increases perceived costs and reduces stakeholder commitment, undermining competitiveness. Thus, SET explains why effective stakeholder engagement creates enduring relationships that serve as strategic intangible assets.

However, SET alone is insufficient because it assumes rational actors and symmetrical exchanges. In cooperative institutions such as SACCOS, power asymmetries often exist between the Board of Directors and the general membership. While board members wield decision-making authority, small-scale members may face high participation costs (time, effort, opportunity costs) with limited influence over strategic outcomes. This imbalance can weaken engagement if members perceive that their voices are marginalized despite their contributions. Addressing this requires a complementary theoretical lens.

Stakeholder Theory (Freeman, 1984) provides that lens by explaining who the stakeholders are and how their salience, power, and legitimacy shape organizational priorities. Stakeholder Theory emphasizes that organizations must balance the interests of diverse actors, recognizing that some stakeholders (e.g., regulators, large depositors, board members) may exert disproportionate influence compared to ordinary members. In the SACCO context, this framework highlights the need to manage stakeholder relationships not only through reciprocity (as SET suggests) but also through deliberate governance mechanisms that ensure inclusivity, fairness, and accountability. By integrating Stakeholder Theory, the analysis captures the dynamics of power distribution and the legitimacy of member participation, which are critical for sustaining cooperative competitiveness.

Together, SET and Stakeholder Theory provide a triangulated framework: SET explains the logic of reciprocity in stakeholder engagement, while Stakeholder Theory clarifies the actors, power relations, and governance mechanisms that determine how engagement is structured. This dual perspective enables a more comprehensive understanding of how SACCOS can leverage social capital to remain competitive without losing their cooperative identity in a financial sector increasingly shaped by digitalization and commercial banking practices.

Conceptual Framework

A conceptual framework outlines the relationship between variables in the study. It provides a visual and theoretical structure showing how the independent variable (stakeholder engagement) are expected to influence the dependent variable (competitiveness of Saccos).

Independent Variable

Dependent Variable

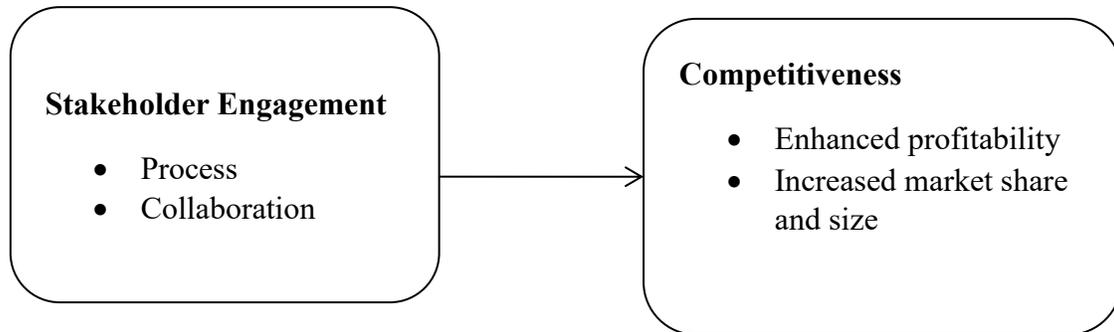


Figure 1: Conceptual Framework

Stakeholder engagement was assessed through indicators such as process coordination and collaboration. This construct reflected the SACCO's external and internal network ties, member involvement, and responsiveness to stakeholder needs.

Empirical Review

Scholars have consistently emphasized the importance of stakeholder engagement in enhancing organizational performance and competitiveness. Sedmak (2021), observed that organizations that fail to involve stakeholders proactively often resort to defensive dialogues during crises, which erodes trust and damages reputation. While this study highlighted the dangers of neglecting stakeholder engagement, its limitation lied in focusing narrowly on crisis situations, leaving unexplored how routine and structured engagement contributed to competitiveness in stable environments.

Jeffery (2009), similarly underscored the role of stakeholder engagement in managing societal changes and economic downturns. His findings revealed that positive engagement with customers, suppliers, and partners enables firms to exploit new trends, identify opportunities, and mitigate risks. However, Jeffery's work concentrated on large corporations and SMEs in developed economies, which limits its applicability to cooperative institutions in developing countries such as Kenya. This gap points to the need for empirical evidence on how stakeholder engagement drives competitiveness in SACCOS, which operate under different resource constraints and member-driven structures.

The OECD (2004), emphasized stakeholder engagement in regulatory compliance, showing that collaboration with authorities reduces penalties and enhances credibility. While valuable, this perspective is largely compliance-oriented and does not extend to how regulatory engagement translates into competitive advantage. Similarly, Jones (2008) demonstrated that diverse stakeholder involvement improves risk recognition and management, enabling organizations to anticipate challenges. Yet, the study was confined to risk management and did not connect stakeholder engagement to broader measures of competitiveness.

More recent work by Hosseini et al. (2022) highlighted the role of employee involvement in decision-making and product development. Their findings showed that consulting workers fosters innovation and customer satisfaction, ultimately enhancing competitiveness. However, this study focused exclusively on internal stakeholders, neglecting external factors such as regulators,

customers, and communities who are equally critical in cooperative institutions. In the same vein, Hunjet, Ostojic & Mihelic (2022) and Junaidi (2022) examined Corporate Social Responsibility (CSR) as a form of stakeholder engagement, finding that CSR initiatives build trust and sustainability. The critique here is that CSR was treated as a proxy for stakeholder engagement, which overlooks other dimensions such as participation, communication, and collaboration that are central to cooperative models like SACCOS.

Taken together, these studies affirm the importance of stakeholder engagement but reveal several gaps. Most research has been conducted in corporate settings in developed economies, with limited attention to cooperative institutions in developing countries. Existing studies tend to emphasize crisis management, compliance, risk recognition, or CSR, without holistically examining stakeholder engagement as a driver of competitiveness. Furthermore, few studies integrate multiple stakeholder groups simultaneously, often focusing on one dimension such as employees or regulators. Finally, there is limited empirical evidence from Kenya's SACCO sector, despite its critical role in financial inclusion and grassroots economic empowerment.

The current study therefore sought to fill these gaps by analyzing the effect of stakeholder engagement on the competitiveness of SACCOS in Kenya. By focusing on how engagement practices across diverse stakeholder groups influence competitiveness, this study provided insights into how cooperative institutions can strengthen resilience in a market dominated by commercial banks. Future research could extend this analysis by comparing stakeholder engagement across different financial institutions, or by exploring how digital platforms and technology-mediated communication enhance stakeholder participation in cooperative settings.

METHODOLOGY

The study employed the positivist research approach since it involved collecting measurable data through questionnaires from the selected SACCOs in Kenya. An explanatory research design was used in this study since it enabled the researcher to understand the cause-and-effect relationships between variables, with a key focus on testing the research hypotheses (Toyon, 2021). The study included the 176 Deposit-Taking SACCOs that SASRA licensed as at 31st December 2023. The respondents comprised one employee in the credit department, one employee in the ICT department, and one employee in the marketing, research, and product development department. The study excluded employees at the management level since they would be tempted to rate themselves favorably. Consequently, the study targeted a total of 528 respondents (176 SACCOs X 3 Employees per SACCO = 528 respondents). The study utilized both primary and secondary sources of data. Questionnaires were utilized to collect primary data. Secondary sources mainly entailed industry reports and the annual financial reports from the individual firms. The reports were obtained from the SASRA portal as well as the individual SACCO's websites. The instruments were distributed to instructors in the business department in order to assess the content validity. Their feedback was used to revise the tools. The study employed internal consistency reliability, which assessed the extent to which items on the test or instruments are measuring the same construct. Cronbach's alpha was particularly useful for measuring multi-item scales at the interval level of measurement, which is the reliability. A Cronbach's alpha value of at least 0.7 was considered in order to be regarded as reliable and of good quality. The Statistical Package for Social Sciences (Version 24) was utilized for data analysis. To ensure robustness of the regression

model, several diagnostic tests were undertaken. Normality of data distribution was checked using the Kolmogorov-Smirnov test, while linearity between variables was confirmed through correlation analysis. Descriptive analysis was mainly involved with frequency distribution tables containing frequencies reported and their corresponding percentages. Besides, means and standard deviations included, specifically when reporting the profitability of SACCOs. Hypothesis testing was done using linear regression. The ANOVA statistics and model summary was used to measure the overall relationship between the independent variable and dependent variable. The regression analytical model was;

$$Y = \beta_0 + \beta_1 X_1 + \varepsilon$$

RESULTS

Response Rate

A total of 528 questionnaires were administered, out of which 400 were properly filled and returned, resulting in a high response rate of 75%, as illustrated in Table 1. According to Mugenda and Mugenda (2003) and Kothari (2004), a response rate of 50% is considered adequate for a descriptive study. Therefore, the achieved response rate of 75% surpasses the minimum acceptable threshold, indicating a robust level of participation.

Table 1: Response Rate

Response	Frequency	Percent
Returned	400	75%
Unreturned	128	25%
Total	528	100%

Factor Analysis

Factor Analysis for Stakeholder Engagement

The factor loading values for all the items of stakeholder engagement were above 0.4 hence acceptable and implied that there was an association of individual items with underlying factors.

Table 2: Factor Analysis for Stakeholder Engagement

Statements	Factor loading values
There is a database of diverse stakeholders with whom we enjoy meaningful and legitimate interaction	0.756
The company holds regular meetings with various stakeholders to get an input in the operations of the SACCO	0.772
Stakeholders provide vital market information to the SACCO such as the changing consumer tastes and preferences	0.518
There are instances where our corporate partners have promoted our products and services in the social media pages and other venues	0.706
Government stakeholders provide vital information on laws and regulations that are applicable to the firm's business operations on a regular basis	0.707
There is a system of feedback where the company collects performance feedback from the stakeholders	0.657
There are products and service that are unique in our branch and which are as a result of input from the stakeholders	0.732
Employees are involved in making decision making and making proposals on various issues that affect the firm	0.653
There is a corporate social responsibility framework in the company that is usually followed	0.865
Stakeholders invite the SACCO in meetings with their customers where applicable and provide time for product promotion	0.879

Factor Analysis for Sacco Competitiveness

The factor loading values for all the items of Sacco competitiveness were above 0.4 hence acceptable and implied that there was an association of individual items with underlying factors.

Table 3: Factor Analysis for Sacco Competitiveness

Statements	Factor loading values
My SACCO's brand is considered superior to other SACCOs in the region	0.733
Members of our SACCO are extremely loyal	0.686
My SACCO has unique products that give us an edge over other SACCOs in the region	0.797
The quality of services provided by my SACCO are among the best in the region	0.683
My SACCO has effective cost cutting mechanism	0.53
My SACCO has a lion market share in the region	0.876
My SACCO is among the most profitable SACCO in the region	0.775
My SACCO has one of the shortest turnaround times for loans	0.802
My SACCO has employed marketing strategies that are superior to our competitors	0.794
The technology employed by my SACCO is superior to our competitors	0.767

Descriptive Statistics

Stakeholder Engagement on Competitiveness

The descriptive results in Table 4 showed that majority of the respondents agreed that the outlined statements reflected some of the stakeholder engagement practices carried out in their Saccos and they contribute to their Sacco's competitiveness. This is as shown by the 70% and above level of agreement in all the statements and the overall mean of 4.011. Additionally, the respondents highlighted that active involvement of members in decision-making has led to regular feedback from them, thus builds trust and loyalty. That translates into higher savings and more loan uptake

leading to high competitiveness. The responses were also relatively varied as shown by the standard deviation of 1.01.

Table 4: Descriptive Results for Stakeholder Engagement

Statements	SD	D	N	A	SA	Mean	Std Dev
There is a database of diverse stakeholders with whom we enjoy meaningful and legitimate interaction	1.89%	1.89%	24.53%	39.62%	32.08%	3.98	0.91
The company holds regular meetings with various stakeholders to get an input in the operations of the SACCO	1.89%	7.55%	11.32%	41.51%	37.74%	4.06	0.99
Stakeholders provide vital market information to the SACCO such as the changing consumer tastes and preferences	3.77%	5.66%	16.98%	35.85%	37.74%	3.98	1.07
There are instances where our corporate partners have promoted our products and services in the social media pages and other venues	5.66%	7.55%	11.32%	45.28%	30.19%	3.87	1.11
Government stakeholders provide vital information on laws and regulations that are applicable to the firm's business operations on a regular basis	3.77%	7.55%	11.32%	37.74%	39.62%	4.02	1.08
There is a system of feedback where the company collects performance feedback from the stakeholders	3.77%	5.66%	9.43%	50.94%	30.19%	3.98	0.99
There are products and service that are unique in our branch and which are as a result of input from the stakeholders	3.77%	1.89%	11.32%	47.17%	35.85%	4.09	0.95
Employees are involved in making decision making and making proposals on various issues that affect the firm	1.89%	5.66%	3.77%	47.17%	41.51%	4.21	0.91
There is a corporate social responsibility framework in the company that is usually followed	3.77%	5.66%	13.21%	41.51%	35.85%	4	1.04
Stakeholders invite the SACCO in meetings with their customers where applicable and provide time for product promotion	3.77%	5.66%	18.87%	37.74%	33.96%	3.92	1.05
Overall mean						4.011	1.01

Competitiveness of Saccos

The descriptive findings in Table 5 showed that majority of the respondents concurred that the competitiveness of their Saccos has improved and social capital is among the factors that have contributed to this improved. This is as shown by the above 60% level of agreement and the overall mean of 3.992. The responses were also relatively varied as shown by the standard deviation of 1.016.

Table 5: Descriptive Results for Sacco's Competitiveness

Statements	SD	D	N	A	SA	Mean	Std Dev
My SACCO's brand is considered superior to other SACCOs in the region	3.77%	5.66%	22.64%	47.17%	20.75%	3.75	0.98
Members of our SACCO are extremely loyal	3.77%	3.77%	16.98%	39.62%	35.85%	4	1.02
My SACCO has unique products that give us an edge over other SACCOs in the region	3.77%	7.55%	18.87%	33.96%	35.85%	3.91	1.1
The quality of services provided by my SACCO are among the best in the region	3.77%	5.66%	28.30%	35.85%	26.42%	3.75	1.04
My SACCO has effective cost cutting mechanism	7.55%	3.77%	22.64%	33.96%	32.08%	3.79	1.17
My SACCO has a lion market share in the region	5.66%	1.89%	28.30%	26.42%	37.74%	3.89	1.12
My SACCO is among the most profitable SACCO in the region	3.77%	3.77%	3.77%	45.28%	43.40%	4.21	0.97
My SACCO has one of the shortest turnaround times for loans	1.89%	3.77%	1.89%	56.60%	35.85%	4.21	0.82
My SACCO has employed marketing strategies that are superior to our competitors	3.77%	1.89%	1.89%	45.28%	47.17%	4.3	0.91
The technology employed by my SACCO is superior to our competitors	5.66%	3.77%	1.89%	50.94%	37.74%	4.11	1.03
Overall mean						3.992	1.016

Diagnostic Tests

Normality Test

Normality is important when it comes to knowing the distribution form and helps to predict the reliable variables. The normality assumption avers that residuals are normally distributed and have a mean of zero. Kolmogorov-Smirnov and Shapiro-Wilk tests were used to test for normality. Normality test was carried out and the results presented in Table 6. The results show that the significant values of all the variables was greater than 0.05 which implied that the data was normally distributed.

Table 6: Normality Test

	Kolmogorov-Smirnova			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Average stakeholder engagement	0.181	400	0.146	0.839	400	0.059
Average sacco competitiveness	0.24	400	0.061	0.831	400	0.92

a Lilliefors Significance Correction

Linearity Test

A linearity test was conducted to evaluate whether the relationship between independent and dependent variables could be best described by a straight line. The Pearson correlation was used to assess linearity. Linearity test was carried out and the results presented in Table 7.

The results indicated that there was a significant positive linear relationship between stakeholder's engagement and competitiveness at $P < 0.05$ significance level.

Table 7: Results of Pearson's Correlation Linearity Test

		Average sacco competitiveness	conclusion
Average stakeholder engagement	Pearson Correlation	.472**	Linear
	Sig. (2-tailed)	0.000	
	N	400	

Correlation Analysis

The Pearson correlation coefficient was used to determine the association between the variables, denoted by r . When r is +1 (positive), the value of the other variable in the linear comparison increases with a positive value; when r is -1, this shows that there is a negative association and the linear relation decreases on the same line, and when $r = 0$, we assert that there is no correlation (Gogtay & Thatte, 2017). The interpretation of correlation coefficients follows the classification as suggested by Cohen (2013): Weak correlation: $0.10 \leq r < 0.30$; Moderate correlation: $0.30 \leq r < 0.50$; Strong correlation: $r \geq 0.50$.

Correlation coefficient of $r = 0.472$ indicated a moderate positive correlation between stakeholder engagement and competitiveness of Saccos in Kenya. This suggested that better stakeholder engagement was strongly associated with better competitiveness of Saccos in Kenya. The relationship is statistically significant ($p = .000$). These findings concurred with those of Jeffery (2009) who investigated how stakeholder engagement affects competitiveness and concluded that effective stakeholder engagement is crucial for competitiveness resilience.

Table 8: Results of Pearson's Correlation Linearity Test

		Average sacco competitiveness	conclusion
Average stakeholder engagement	Pearson Correlation	.472**	Linear
	Sig. (2-tailed)	0.000	
	N	400	

Regression Analysis

Bivariate Regression Analysis of Stakeholder's Engagement on Competitiveness

To ascertain how stakeholder's engagement influence competitiveness of Saccos in Kenya, regression analysis was performed. The model fitness findings were shown in Table 9.

The R Square value was 0.472, meaning that 47.2% of the variation in competitiveness was explained by stakeholder’s engagement. In other words, stakeholder’s engagement explained 47.2% of the changes in competitiveness of Saccos in Kenya, while the remaining 43.3% was influenced by other factors not included in the model.

The ANOVA results showed a statistically significant model ($F(1,398) = 114.29, p < 0.05$), indicating that stakeholder’s engagement had a significant impact on competitiveness of Saccos in Kenya. These results are corroborated by SASRA’s 2023 Annual Report that documented a 6.57% increase in membership and a 9.95% growth in deposits, reflecting enhanced member trust and participation. This translates into tangible financial outcomes such as increased savings. These findings were in line those with those of Jeffery (2009), which highlighted how intra-personal capabilities significantly influence competitiveness.

The regression of coefficients results was presented in Table 9. The coefficient for intra-personal capabilities was ($\beta = 0.427$), meaning that for every one unit increase in intra-personal capabilities, the competitiveness of Saccos in Kenya was expected to increase by 0.427 units, assuming all other factors remain constant. This was statistically significant, as evidenced by the p-value of 0.000.

Hence the resultant regression model was;

$$Y = \beta_0 + \beta_3 X_3 + \varepsilon$$

$$\text{Performance} = 2.289 + 0.427 \text{ stakeholder's engagement} + \varepsilon$$

Table 9: Regression analysis of stakeholder’s engagement on competitiveness

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.472a	0.223	0.221	0.474199

a Predictors: (Constant), Average stakeholder engagement

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	25.7	1	25.7	114.29	.000b
	Residual	89.496	398	0.225		
	Total	115.196	399			

a Dependent Variable: Average sacco competitiveness

b Predictors: (Constant), Average stakeholder engagement

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.289	0.163		14.069	0.000
	Average stakeholder engagement	0.427	0.04	0.472	10.691	0.000

a Dependent Variable: Average sacco competitiveness

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary

The objective of the study was to assess the influence of stakeholder's engagement on competitiveness of Saccos in Kenya. The study hypothesized that stakeholder's engagement does not have an influence on the competitiveness of a SACCO in Kenya. The findings showed that there was a significant relationship between stakeholder's engagement and competitiveness of Saccos in Kenya. Therefore, the null hypothesis; H_{01} : Stakeholder engagement does not influence the competitiveness of a SACCO in Kenya was rejected and the alternative hypothesis accepted. The findings were also consistent with the statements in the questionnaire which majority of the respondents agreed with. The findings were supported by the correlation results which showed a positive and significant association between the two variables ($r= 0.472$, $p\text{-value}=0.000<0.05$). This was also supported by the regression results which revealed that Stakeholder engagement had a positive and significant impact on competitiveness ($(\beta = 0.427, p=0.000)$).

Conclusion

The study concluded that stakeholder's engagement plays a crucial role in development and sustenance of competitiveness. The correlation and regression analyses consistently demonstrate a positive and significant association between stakeholder's engagement and competitiveness. Saccos with greater stakeholder's engagement are better equipped to navigate competitiveness effectively. These results agree with those of Sedmak (2021), that concluded companies that do not involve stakeholders are likely to face long-lasting erosion or loss of reputation incase of intense competitiveness. Similarly, Jones (2008), discovered that stakeholder's engagement can assist an organization in being in a position to consider possible challenges and manage them before they occur, hence minimizing the chances of getting hit on its impacts on competitiveness.

Recommendations

The study recommended that Saccos need to up their game in stakeholder's engagement and look beyond their ilk especially when crafting competitive strategies. They should allocate resources to establish more stakeholder's engagement as centralized decision-making positively affects development and sustenance of competitiveness.

Suggestions for Further Studies

Further research could explore the perspectives of various stakeholders, including customers, employees, shareholders, and regulators, to gain a comprehensive understanding of the impact of stakeholder's engagement on competitiveness. Investigating stakeholder perceptions, attitudes, and behavior in relation to competitiveness would contribute to a holistic understanding of the dynamics at play.

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