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EFFECT OF PRODUCT ORIENTATION ON PERFORMANCE OF SACCOS IN UASIN GISHU COUNTY

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ABSTRACT

Due to multiple financial service contributions, performance of SACCOs has been considered as one of the most important driving forces behind the economies of both developed and developing countries. However, SACCOs encounter many problems, and as a result, many of them perform dismally and sometimes end up under receivership management and eventually liquidated. Therefore, the study's main purpose was to determine the effect of product orientation on performance of SACCOs in Uasin Gishu County. Product Life-Cycle Theory informed the study. This study employed an explanatory research design. The study targeted both management and employees from 20 Saccos in Uasin Gishu County registered under SASRA (2019). The study used a stratified and random sampling technique to select employees. Questionnaires were administered to the sampled employees. To determine the validity of the questionnaire items, a pilot study was used to examine them, and their suggestions and comments was used as a basis to modify the research items. The Cronbach alpha coefficient was used as a reliability test. A value of above 0.7 confirmed the reliability of the research instruments. Data was analysed using descriptive statistics (frequencies and percentages, means, standard deviations and variances), and inferential statistics used were Pearson correlation and the multiple regression analysis. The analysed data were presented in the form of tables and charts. The study indicated that there was a positive linear effect of product orientation on performance of SACCOS (β_1=.345, p=0.000). The study concluded that product orientation, focusing on effective pricing, quality services, and product differentiation, enhances competitiveness and performance. The study recommends that SACCOs should continue prioritizing product differentiation, focusing on competitive pricing, high-quality services, and diversified offerings to maintain market competitiveness.

***Keywords**: Product orientation, Performance of SACCOs, Uasin Gishu County*

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INTRODUCTION

SACCOs performance is the capacity of the company to fulfill its financial obligations and other expenditure relevant to the company and also to make profit. SACCOs performance indicates that a SACCO or any other firm can run successfully without the need for aid or donations (Barauskaite & Streimikiene, 2021). For micro-financing firms, SACCOs performance means that the firm can operate and help the poor as per its goals without the need for aid from donors. However, for SACCOs to perform they need to come up with ways of financing their operations void of funding from donors. A firm financing strategy is a plan that allows it to acquire, use and monitor its financial resources in a bid to spur its growth. SACCOs need financing from other sources other than the traditional sources of their funding. Bank profitability can be quantified in various ways (Yitayaw, 2021).

Savings and Credit Cooperative Societies (SACCOs) have a vital role in advancing financial inclusion and economic empowerment, especially in marginalized communities. It is crucial to guarantee the performance of SACCOS in order for them to remain effective in serving their members and contributing to socioeconomic development (Ndegwa & Koori, 2019). SACCOs performance involves multiple facets, such as financial stability, operational efficiency, social responsibility, and environmental effect. The survival of SACCOs relies on their financial stability, which is crucial for them to effectively carry out their primary tasks of gathering savings, granting accessible loans, and delivering additional financial services. SACCOs are required to keep sufficient capital, exercise cautious risk management, and have strong governance systems in order to reduce financial risks and weather economic downturns. Furthermore, the implementation of various sources of income and efficient management of assets and liabilities are crucial techniques for improving financial stability and ensuring long-term SACCOs performance (Pasara, Makochekanwa & Dunga, 2021).

SACCOs must prioritize operational efficiency as a crucial element for maintaining SACCOs performance. Optimizing resource utilization, reducing expenses, and enhancing service delivery can be achieved through efficient business processes, streamlined operations, and using technology. SACCOs can enhance their competitiveness, attract new members, and retain existing ones by implementing optimal strategies in management, customer service, and innovation. Moreover, investing in staff training and capacity building develops a culture of excellence and professionalism within SACCOs, further contributing to their ongoing success (Chesigor, 2024).

SACCOs must incorporate social responsibility alongside financial and operational aspects to attain comprehensive and enduring effects. Ensuring financial literacy, empowering underrepresented groups, and supporting community development efforts are essential components of accomplishing their social mission (Hamisi & Gichinga, 2020). In addition, incorporating environmental factors into corporate operations, such as advocating for performance finance and implementing environmentally-friendly technologies, showcases the dedication of SACCOs to environmental SACCOs performance and aids in the development of a more robust and equitable economy. By adopting a comprehensive strategy for SACCOs performance, SACCOs can successfully overcome obstacles, take advantage of favorable circumstances, and achieve their goal of enhancing the welfare of their members and communities (Wallace & Kilika, 2021).

Strategic Orientation is the ability to link long-range visions and concepts to daily work. At lowest levels, it includes simple understanding of strategies; at the highest level it is a sophisticated awareness of the impact of the world at large on strategies, and how in turn that affects choices (Das, 2019). Having a working strategy helps organizations to find solutions to their problems and challenges create new capabilities and improve the existing ones as they endeavor to improve performance. Strategic

decisions are the decision or the choices that organizations make to have an outstanding performance. In the constantly changing business environment today the old traditional, hierarchical top bottom management approaches are not effective any more (Wang, Lin & Sheng, 2022).

Strategic orientation is critical for the long-term survival of the firm with higher level of SACCOs performance, (Handoyo, Mulyani, Ghani & Soedarsono, 2023). Different strategic orientation such as entrepreneurial orientation, learning orientation, technology orientation, product orientation, resource orientation and customer orientation have been used to explain the phenomenon (Sahi, Gupta & Cheng, 2020). The concept of strategic orientation by integrating four different perspectives of strategic elements; product orientation, customer orientation, technology orientation and entrepreneurial orientation and viewed them as templates for the ways of conducting business activity to maintain and improve the SACCOs performance (Shah & Ahmad, 2019).

Product orientation means that the company focuses its processes, procedures and strategies to maximize the success of individual products, which often means producing quality goods (Schmidt & Maier, 2019). Product orientation concentrates on the benefits of the product, including its features, design and pricing. Product orientation is a strategy where organizations focus on the product or service they are offering to consumers instead of focusing on the consumers themselves (Sun & Asmawi, 2021). Organization usually have tried the product and experienced its benefits before developing the marketing plan. Organizations who adopt this strategy usually concentrate on issues like product positioning, branding, packaging, pricing and distribution, all processes that are significant to selling the product (Zajda *et al.*, 2020).

Of the seven states in the Asia, United Arab Emirates (UAE) has been the first to implement major reforms (for example prioritizing economic policy reforms and diversifications and streamlining foreign investment regulations) and it has been the first to establish a strong position in the business world. In UAE Saccos comprise the majority of firms (more than 90%) in the service and manufacturing sectors. To establish in UAE, Saccos must have a minimum of 51% UAE national-ownership (though full profit repatriation is permitted) or a local agent. Further their staff must have a three-year working visa cycle. These legal requirements, combined with weak regulations, an aggressive business and management culture and the internationalization of business activities, have created and a highly competitive environment for Saccos.

The SACCOs performance of Canadian software firm open text illustrates the benefits of exporting. In fiscal 2009, OpenText generated slightly over 50% of revenues from outside of North America (Nagy & Navarro, 2025). At the industry level, analysis of the Branham Group's Branham 300 survey of technology firms (2009 edition) indicates that the top five product-oriented technology firms realized earnings per employee of US$363,654 compared to the top five service-oriented firms who earned US$184,524 per employee another benefit of a strong product orientation. In addition to higher earnings per employee, product-oriented firms also have the potential to experience exponential sales SACCOs performance. Overall, the key financial benefits of a strong product orientation over a service orientation are: Increased earnings per employee, increased sales revenue, and lower production costs (Purnama & Yani, 2023).

In India, organizations are unique as they were initiated and supported by common business needs and aspirations. Amankwah-Amoah, Danso and Adomako (2019), found that strategic orientation has a positive correlation with the SACCOs performance of organization in their study on competence, environment, and venture SACCOs performance. Organizations are basically welfare driven and strategic-oriented and are legal institutions supported by the government. This makes them have better SACCOs performance as

opposed to those that do not lay down their strategies well. Despite all this, these organizations are still dogged by problems such as inadequate capital, poor member participation, absence of common brands, inadequate managerial skills and frauds. This has engendered strategic inefficiency and lack of competitiveness and poor SACCOs performance of these institutions.

In South Africa, Mathafena and Msimango-Galawe (2023) addressed the impact of product orientation on the SACCOs performance of organizations. They say strategies have been defined in the business environment literature as the guiding principles regarding how businesses ought to realize their objectives. They also argue that there are potential conflicts between strategies that businesses adopt in different settings and that these conflicts may impact their SACCOs performance either negatively or positively depending on how they are implemented. Organisational performance therefore depends partly on how managers succeed in helping employees align their potentially divergent values with those enshrined in their work organizations as strategies (Pinto, 2019).

Organizations continue to use various strategies to achieve SACCOs performance in Nigeria (Adedeji, Ong, Uzir & Abdul Hamid, 2020). Some of these include joint venture or alliance, licensing, divestment of older technology or products, external financing, new markets and development of new products. Organizations can acquire secure significant SACCOs performance by tapping into new markets. Creating additional demand for a firm's product or service, especially in a market where competition has yet to fully develop, can spur phenomenal SACCOs performance for a small company (Ali, Li, Yang, Hussain & Latif, 2020).

A study conducted in Botswana by Al Aina and Atan (2020) found that organizational strategies entail common values and behaviors of the management that are considered as tools that lead to successful achievement of organizational goals, hence positive SACCOs performance. The management style should be characterized by security of employment, conformity, predictability, and stability in relationships, and the glue that holds the organization together should be loyalty and mutual trust. Commitment to the organization should run high, and the organization should emphasize competitive actions and achievement, hitting stretch targets, and winning in the marketplace.

According to SASRA (Sacco Societies Regulatory Authority), the Sacco sub-sector has influenced many lives in Kenya, especially amongst the less privileged members of the society. The sector may be categorized into financial and non-financial co-operatives. Nonfinancial co-operatives deal with the marketing of members' produce and services such as dairy, livestock coffee, tea, handicrafts and many more similar co-operatives. On the other hand, financial co-operatives comprise Saccos, housing and investment co-operatives. The SACCO sub-sector is part of the larger cooperative movement in Kenya. There are two broad categories of co-operative societies: financial co-operatives also referred to as SACCOs and non – financial co-operatives which include farm produce and other commodities, marketing, housing, transport and investment co-operatives.

A savings and credit cooperative society is a member-owned financial institution that is democratically controlled by its members, and operated for the purpose of promoting thrift, providing credit, and other financial services to its members (Cheruiyot, Kimeli & Ogendo, 2019). The members have a common bond: they are either working for the same employer, or belong to the same church, labour union, social fraternity or are living or working in the same community. Membership is open to all who belong to the group, who agree to save their money together and to give loans to each other at reasonable rates of interest. According to World Council of Credit Unions (WOCCU) (2012), there were 52,945 SACCOs in 100 countries around the world in 2012 which collectively served 188 million members and oversaw US $1.5 trillion in assets (Alawattage, Graham & Wickramasinghe, 2019).

According to Ference (2024), this movement came to Kenya in 1934 due to the concern that the average employer was exploiting the average worker and that a movement was needed to champion the case of the worker. Kenya today has 6,750 registered SACCOs which continue to play a key role in the development of our economy through the provision of financial access to many citizens who remain unbanked. As at December 2012, the total SACCO sub sector assets stood at Kshs. 293 billion, with a membership of 3 million, total deposits of Kshs. 213 billion and loans to members at Kshs. 221 billion (SASRA 2012). However, despite the quantitative expansion in the last decades, the extent to which they have adopted orientation is not clear.

Objective of the Study

This study determined the effect of product orientation on performance of SACCOS in Uasin Gishu County

Statement of the Problem

Savings and Credit Cooperatives (SACCOS) have been established as a viable alternative to traditional banking institutions, providing financial services to individuals who may not qualify for loans from commercial banks. In Uasin Gishu County, SACCOS have become a popular option among residents looking for accessible credit facilities at affordable rates. However, the poor performance of these cooperatives has raised concerns among stakeholders. According to a study by the Uasin Gishu County Co-operative Enterprises Development Office (2022), the loan repayment rate in SACCOS in Uasin Gishu County is only 52%. This is significantly lower than the national average of 70%. Additionally, there is a high rate of default on loans disbursed by these cooperatives. The average return on assets (ROA) for SACCOS in the county is only 1.4%, compared to the national average of 2.2% (Jepkosgei, 2022). The average current ratio for SACCOS in the county is only 0.8, compared to the national average of 1.2. The average capital adequacy ratio for SACCOS in the county is only 10%, compared to the national average of 12% (Limo, 2018). This trend has adversely affected the growth and development of small businesses in the county, leading to limited access to capital for entrepreneurs. The poor performance of SACCOS can be attributed to several factors that need addressing urgently if we are going to salvage this situation. Many members lack financial literacy skills necessary for making informed decisions when taking out loans or investing their savings. This makes them vulnerable to exploitative lending practices by unscrupulous lenders disguised as legitimate cooperatives. Inadequate governance structures within these institutions contribute significantly towards their poor performance since efficient oversight mechanisms are essential for mitigating risks associated with lending money and ensuring responsible borrowing practices among members. Yet importantly, limited access to capital negatively affects SACCOS' operations since they rely heavily on member deposits rather than external financing sources such as government grants or subsidies aimed at boosting cooperative societies' activities.

From the empirical evidence as noted by Nyangarika and Bundala (2020) the Kenyan SACCO sector is not well prepared to tackle its current challenges such as poor loan pricing ways, slow adoption of information technology and inadequate capital. According to findings from research done by Gachenga, Kinyariro, Wambu and Maina (2023) the Kenyan SACCOS are dealing with liquidity challenges and most of them cannot meet the high demand for credit and savings withdrawal. According to Ahmed and Rugami (2019) the lack of managerial knowledge and skill among the SACCO executives has also impacted on the performance of these institutions. Therefore, this study seeks to establish the effect of product orientation on performance of SACCOs in Uasin Gishu County.

LITERATURE REVIEW

Theoretical Review

Product Life-Cycle Theory

This study was guided by product life cycle theory developed by Raymond Vernon in 1966. The theory describes the stages that all products go from design to production. There are three stages within the product life cycle theory; new product, maturing product and standardized product. The length of each stage can vary from product to product, with some taking a day and others taking months or years. Many factors determine how quickly a product goes through the four stages, including how companies plan to market a product, the demand for an item and the product itself.

The theory assumed that production of the new product will occur completely in the home country of its innovation. The roots of a product do not remain fixed forever. There is no certainty whether it will die a natural or an unnatural death. It is not certain that a product that has been launched in the market will be there to face all the stages of its life cycle. It may collapse somewhere before the decline stage. It may also happen that a product faces two or more stages at a time or there is a merger of stages. In such a case different specific stages have no meaning for the product. A product that works in different markets at a time may face different stages therein. For example, in one market it may be passing through a maturity stage whereas in another it has already vanished. It is not necessary for the product to have the same period of existence in every stage. The period may vary from stage to stage depending upon how it is fairing in the market.

This theory is applicable in the study in guiding objective one on product orientation. Product life cycles are used by management and strategic professionals to help determine advertising schedules, price points, expansion to new product markets, packaging redesigns, and more. These strategic methods of supporting a product are known as product life cycle management. They can also help determine when newer products are ready to push older ones from the market.

The product life cycle theory has been less able to explain current trade patterns where innovation and manufacturing occur around the world. For example, global companies even conduct research and development in developing markets where highly skilled labor and facilities are usually cheaper. Even though research and development are typically associated with the first or new product stage and therefore completed in the home country, these developing or emerging-market countries, such as India and China, offer both highly skilled labor and new research facilities at a substantial cost advantage for global firms.

Empirical Review

Product orientation and Performance of SACCOS

Rizova, Wong and Ijomah (2020) conducted a study on effect of product orientation on cost minimization with respect to decision-making. The study found out that that Saccos with strong product orientation favors efficiencies and cost minimization with respect to decision-making. Thus, Saccos that have successfully realized the benefits of a strong product orientation have done so by focusing on production efficiencies, cost minimization and mass distribution. In an alternative view, Pryshlakivsky and Searcy, (2021) define a firm's product orientation as an SACCO's commitment to the integration of innovation into the product development and marketing process.

Zangiacomi, Pessot, Fornasiero, Bertetti and Sacco (2020) adopt the stance that product orientation involves more than cost minimization and mass distribution; it also involves a Saccos's new product development and marketing process. This study adopts the position that a Saccos's product orientation manifests itself in multiple functional areas of the organization and focuses on identifying the capabilities that enable this product orientation across the various parts of the organization.

Njera (2023) did a study on the moderating influence of product orientation on performance of

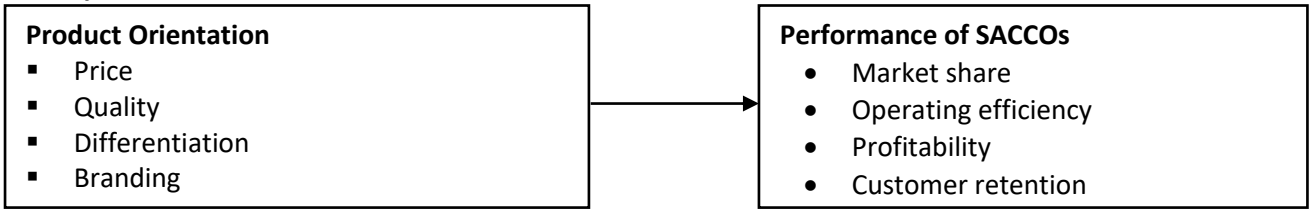
SACCOS in U.S.A. The purpose of this paper is to verify whether product orientation (make to order versus make to stock) affects performance of SACCOS. The authors used survey response data from a large sample of respondents to test the research model. The study found support for the idea that inter-organisational performance influence product and process quality performance. Moreover, significance of many of these linkages varied according to whether the product orientation was made to order or make to stock.

Kenigsberg et al., (2019) in a study of 114 saccos found that technology-based saccos have a tendency to evolve towards a product orientation in the first several years after founding. Specifically, firms in the sample began to move away from consulting and contracting in favour of focusing on products. Protogerou, Kontolaimou and Caloghirou (2022) also concluded that a product orientation is more likely to develop in firms with multiple founders and that these firms develop this orientation more rapidly than single founder saccos. Of the saccos in the sample, the findings also showed that as the age of the Sacco increased the likelihood of transition from product orientation to service orientation decreased. One of the potential reasons for maintaining the product orientation over the service orientation is the financial benefit associated with a strong product orientation.

Cichosz, Wallenburg and Knemeyer (2020) point out that businesses across industries have successfully realized the benefits associated with a strong product orientation. For example, eMachines is cited as an organization that has focused on efficiency and cost minimization to produce personal computers at a substantial cost and price advantage over competitors. The study suggests that companies such as McDonald's and Kia Motors have also focused on the cost minimization and efficiency aspects of a strong product orientation. Yang, Roh and Kang, (2021) emphasize the production and delivery functions. The anecdotal evidence presented is consistent with the findings of other researchers who found that a strong product orientation is associated with firm performance.

Oktari, Munadi, Idroes and Sofyan (2020) did a study on capabilities enabling product orientation and service orientation: a study of Canadian saccos. He proposes that globalization and productization are keys to SACCOs performance in the Saccos business and that product-oriented Saccos can use their product development capabilities to grow on a global scale. The characteristics of Saccos make it relatively easy to customize for local markets and its intangible form, make it very easy to distribute within the global economy. This study builds on the work of Roberts (2010) by characterizing the capabilities 21 Saccos require in order to build strong product orientation and understanding the varying degrees of maturities at which these capabilities exist in different Saccos. Odero, Egessa and Machuki (2024) did a study on the influence of product orientation on performance of SACCOS in Kenya. This study finding established that product orientation indeed does influence the performance of SACCOS in Kenya.

Conceptual Framework



Independent Variable **Dependent Variable**

Figure 1: Conceptual Framework

METHODOLOGY

Research Design

This study employed explanatory research design. Explanatory research focuses on why questions. In answering the `why' questions, the study was involved in developing explanations. The explanations argue that phenomenon Y (SACCO organizational performance) is affected by variable X (strategy orientations). The design was chosen because it saves time and other resources by determining at the earlier stages the types of research that are worth pursuing. It is effective in laying the groundwork that led to future studies.

Target Population

The target population of the study were employees of the 20 SACCOs in Uasin Gishu County. The accessible population is a subset of the target population where the researcher draw the sample size for the study. Therefore, the accessible population for this study were 227 employees in the Savings and credit cooperative societies in Uasin Gishu County.

Table 1: Target Population

Category	Target population
Mangers	20
Accountants	82
Credit officers	45
Customer service officers	27
ICT officers	30
Internal Audit	23
Totals	**227**

Sample Size Sampling Technique

Both probabilistic and non-probabilistic sampling was used in selecting the respondents for this study.

A sample is a collection of units chosen from the target population to represent it (Bhardwaj, 2019). It is therefore important to determine an appropriate sample size. A sample must be carefully selected to be representative of the population and the researcher needs to ensure that the subdivision entitled in the analysis were accurately catered for (Saunders, Lewis & Thornhill, 2003). The study adopted Yamane (1967) formula calculate the sample size for the study.

$$n = \frac{N}{1 + N(e)^2}$$

Where:
n is the sample size,
N is the population size
e is the desired level of precision,
95% confidence level and p = 0.05 are assumed
Therefore, the sample size for the study were:
$n = \frac{227}{1+227(0.05^2)}$ =145 respondents

The sample size for the study therefore, were 145 respondents.

Table 2: Sample Size

Category	Proportion	Sample Size
Mangers	20/227*145	13
Accountants	82/227*145	52
Credit officers	45/227*145	29
Customer service officers	27/227*145	17
ICT officers	30/227*145	19
Credit Officer	23/227*145	15
Totals	**227**/227*145	145

Sampling Technique

Sampling technique refers to a procedure of selecting a part of population on which research can be conducted, which ensures that conclusions from the study can be generalized to the entire population. The study employed stratified sampling technique, purposive sampling technique and simple random sampling in selecting the respondents. The researcher purposively selected 20 Saccos from listed Saccos in SASRA (2023) found in Uasin Gishu County. Purposive sampling involves a deliberate selection of particular units of the universe (Andrade, 2021). It enables the researcher to select specific subjects that provides the most extensive information about the phenomenon being studied (Asenahabi, 2019). From the 20 Saccos the researcher stratified the employees per their respective Saccos. Thus, the study had 20 stratus. Then the researcher used simple random sampling technique to select the subjects of the study and were given to the research survey instrument to fill up. Simple random sampling method was used since it reduced bias by giving equal and independent chance to every member of the population (Casteel & Bridier, 2021).

Research Instruments

The study used questionnaires in order to gather primary data on strategic orientation and organisational performance. Questionnaires give respondent adequate (the managers and employees of the Saccos) time to give well thought out answers. Bias from the respondents and researcher is also eliminated (Scheaf, Loignon, Webb & Heggestad, 2023) This method can collect a lot of information over a short period of time. The method is suitable when the information needed can be easily described in writing and there is limited time. In the study the respondents were given time to complete the questionnaires before returning them for analysis.

Data Collection Procedures

The study used self-administered questionnaires to collect data from the respondents. The questionnaires were administered on the basis of 'drop and pick later'. The researcher distributed the questionnaires. The researcher agreed with the respondents when the research instruments would be administered and specific dates of collecting the questionnaires. Adequate time was provided for the respondents to respond. The questionnaires was accompanied by a cover letter from Jomo Kenyatta University of Agriculture and Technology to the management of Saccos in Uasin Gishu County which shall explain the purpose of the study and as well assure confidentiality and anonymity of the data. The questionnaires were administered during working hours. Contact mobile phone number and email address of the researcher was given to the respondents for any clarifications. Follow up telephone calls were made on weekly basis to find the progress of the filling up of the questionnaires.

Data Processing and Presentation

Before processing the responses, every filled questionnaire were tallied for every response per question. The responses were edited, coded and cleaned for analysis. The data were analyzed using both descriptive and inferential statistics. Descriptive statistic such as, mean, mode and standard deviation was used to give a glimpse of the general trend (He, 2024). Inferential statistics was also applied in the study. These tools was used to try to infer from the sampled data what the population might think. SPSS was used to conduct both descriptive and inferential data analysis of each variable.

Multiple regressions involve a single dependent variable and two or more independent variables. It is a statistical technique that simultaneously develops a mathematical relationship between two or more independent variables and an interval scaled dependent variable. Multiple linear regression attempts to model the relationship between two or more explanatory variables and a response variable by fitting a linear equation to observed data (Kamel & Abonazel, 2023). Every value of the independent variable x is associated with a value of the dependent variable y. The general purpose of multiple regression is to learn

more about the relationship between several independent or predictor variables and a dependent or criterion variable, (Mizumoto, 2023).

FINDINGS AND DISCUSSIONS

Response Rate

The response rate is the percentage of people who respond to a survey out of the total number of people surveyed. It is an important metric for evaluating the success and validity of a survey campaign. The results of the response rate are presented in Table 3.

Table 3: Response Rate

Responses	Frequency	Percentages
Returned questionnaires	124	85.52
Not returned questionnaires	21	14.48
Total	**145**	**100**

Response rate results in Table 1 revealed that, out of 145 questionnaires administered to employees, 124 were correctly and fully filled representing 85.52% response rate. Further out of from a total of 145 questionnaires administered, 21 were not correctly and fully filled having 14.48% of the response rate. The satisfactory response rates served as a basis for drawing conclusions in the study, functioning effectively as a representative sample.

Descriptive Statistics of Product Orientation

Employees were also requested to assess their agreement with the statement regarding the effect of product orientation on performance of SACCOS in Uasin Gishu County. The average response rate and the frequency of agreement were then computed, and the findings are presented in Table 4.18. For clarity in this table, the abbreviations used are as follows: SD (Strongly Disagreed), D (Disagree), N (Neutral), A (Agree), and SA (Strongly Agree). Analysis of the mean scores of the responses was carried out on a continuous scale. A total of 5 statements were used to determine the effect of product orientation on performance of SACCOS in Uasin Gishu County and responses elicited on a 5-point Likert scale as shown in Table 4.

Table 4: Descriptive Statistics of Product Orientation

Statements		SA	A	N	D	SD	Mean	Std. Dev
1. Sacco ensures proper pricing policy to improve on both the financial and non-financial SACCOs performance	F	40	46	7	19	12	3.67	1.33
	%	32.3	37.1	5.6	15.3	9.7		
2. Sacco insists on providing quality services to the clients	F	38	58	7	13	8	3.85	1.16
	%	30.6	46.8	5.6	10.5	6.5		
3. Sacco considers differentiation of products as a tool that promotes better SACCOs performance.	F	32	52	10	18	12	3.60	1.28
	%	25.8	41.9	8.1	14.5	9.7		
4. Sacco ensures that her employees are taken through products segments as an avenue to equip them for better delivery	F	34	58	11	13	8	3.78	1.15
	%	27.4	46.8	8.9	10.6	6.5		
5. Sacco considers product prices, quality and value as a competitive advantage which improves on the SACCOs performance	F	36	46	10	18	14	3.58	1.34
	%	29.0	37.1	8.1	14.5	11.3		

Key: Mean (0-1.4) =Strongly Disagree, Mean (1.5-2.4) =Disagree, Mean (2.5-3.4) =Neutral, Mean (3.5-4.0) = agreed, Mean (4.5-5.0) = strongly agree.

According to Table 4 findings indicates that 86(69.4%) of the respondents agreed and 31(24.0%) of the respondents disagreed that SACCO ensures proper pricing policy to improve on both the financial and non-financial SACCOs performance. More, the study's findings revealed that in terms of mean and standard deviations the respondent agreed that SACCO ensures proper pricing policy to improve on both the financial and non-financial SACCOs performance (mean=3.67 standard deviation=1.33).

Furthermore 96(77.4%) agreed that the Sacco insists on providing quality services to the clients and 21(17.0%) disagreed that Sacco insists on providing quality services to the clients. In terms of mean and standard deviations the respondent agreed that Sacco insists on providing quality services to the clients (mean=3.85, standard deviation=1.11) These findings is consistent with the study done by Mgombela, (2020) found out that SACCOs changed the lives of poor people. Findings reveal that SACCOs members have increased their purchasing power and therefore expanded their business. However, the findings reveal some weakness these include absence of experts in proving training, high administration cost and lack of access to receive funding from banks.

Further, 84(67.7%) of the respondents agreed that SACCO considers differentiation of products as a tool that promotes better SACCOs performance and those who disagreed 30(24.2%) that Sacco considers differentiation of products as a tool that promotes better SACCOs performance. Furthermore, the study's findings revealed that participants agreed (mean=3.60, standard deviation=1.28) that Sacco considers differentiation of products as a tool that promotes better SACCOs performance. Mbugua and Kinyua, (2020) found that staff provided consistent service to the members, gave commission incentives to the members who gave referrals, offered differentiated mobile platform financial services, gave unique service experience to the members, were prompt in handling customer's complaints and members were happy with the services. The study also found that Deposit Taking Saccos were not using members' feedback and quarterly surveys to improve service.

Moreover, 92(74.4%) agreed that Sacco ensures that her employees are taken through products segments as an avenue to equip them for better delivery and 21(17.0%) disagreed that Sacco ensures that her employees are taken through products segments as an avenue to equip them for better delivery. In terms of mean and standard deviations the respondent agreed that Sacco ensures that her employees are taken through products segments as an avenue to equip them for better delivery (mean=3.78, standard deviation=1.15) These findings is consistent with the study done by Odhiambo, (2020) established that resistance to change and training influence change management to a great extent while many Saccos embraced communication change, coaching and feedback practices at moderate extent.

Finally, 82(66.1%) of the respondents agreed and those who disagreed 32(25.8%) that Sacco considers product prices, quality and value as a competitive advantage which improves on the SACCOs performance. Furthermore, the study's findings revealed that participants agreed (mean=3.58, standard deviation=1.34) that Sacco considers product prices, quality and value as a competitive advantage which improves on the SACCOs performance. These findings are consistent with the study done by Muchomba, (2023) agreed that their SACCO had buildings, cars and land for offices that were used to serve customers more efficiently. Other physical resources owned by SACCOs included Auto teller machines (ATMs) and computer hardware.

Correlation analysis of the variables

Correlation pertains to the degree of connection between two variables. A robust or high correlation signifies a strong relationship between two or more variables, whereas a feeble or low correlation indicates that the variables have a minimal relationship. The most commonly employed form of correlation coefficient is the Pearson Correlation.

Table 5: Correlation Analysis

		Performance	Product orientation
Performance	Correlation	1	
	Sig.		
Product orientation	Correlation	.619**	1
	Sig.	.000	

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

CONCLUSION AND RECOMMENDATION

The study concluded that various orientations within SACCOs in Uasin Gishu County play a significant role in enhancing SACCOs performance. A strong product orientation, focusing on proper pricing, high-quality services, and product differentiation, was found to be crucial in improving competitiveness and overall performance. Additionally, customer orientation, which relies on customer feedback and customization of products based on preferences, contributes significantly to continuous improvements in service delivery.

SACCOs should continue to focus on differentiating their products by maintaining competitive pricing strategies and delivering high-quality services. Product differentiation is essential for sustaining competitiveness, attracting new clients, and retaining existing ones in a dynamic market. SACCOs should develop and implement more robust systems for collecting, analyzing, and acting on customer feedback.

Suggestion for further studies

Based on the study's findings, further studies could explore the specific impact of product orientation on SACCOS' performance in more depth.

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