

**STRATEGIC ROLE OF SAVINGS AND CREDIT COOPERATIVE SOCIETY ON
FINANCIAL EMPOWERMENT OF FEMALE FISH SELLERS AT HOMABAY TOWN
FISH MARKET, KENYA**

BY

NANCY AKINYI OKOYO

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENT FOR THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION**

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DECLARATION

This research paper is my original work and has never been submitted to any other university or institution for any ward. The work of others has been cited and due acknowledgment has been made.

NANCY AKINYI OKOYO

MBA/BE/00050/2014

Signature:

Date:

Approval

This research paper has been submitted for examination with my approval as the university supervisor

Dr. Beatrice Abong'o

Signature:

Date:

School of Business and Economics

Maseno University

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I also pass regards to my family for finding time to give advice and words of encouragement towards this journey. To all I am hugely indebted and confident that this research work will make a mark in strategic role of SACCOs on financial empowerment of women

DEDICATION

I would like to dedicate this project to my beloved family members, more so to my husband Christopher Jared Ondijo for taking care of the house and kids during my busy schedules, my mother Prisca Adipo for continuous support and prayers and to my children Eugenea, Rebeca, Prisca and Isabell who were very understanding whenever I was busy with school work and to those family members who gave a magnificent input and support towards the success to this work. Alongside, to my friends and colleagues whose encouragement and understanding during the period of study made the task become lighter.

ABSTRACT

A cooperative society is made up of a group of people, who come together voluntarily to achieve common social and economic objectives. As used in the cooperative movement, the term cooperative means the societies that have certain fundamental characteristics and regulations that are adhered to, including cooperative principles. Cooperative societies have been cited as being important in financial empowerment of the poor and marginalized in the community and are one of contributors to the economy. Despite the role played by the cooperative societies in Kenya in contributing to the country's economy studies have indicated a relatively high failure. According to the economic survey of 2016, five out seven medium scale businesses fail within the first year leading to closure of businesses hence unemployment, high poverty level, and poor standards of living. In African patriarchal settings, many societies do not allow women to own assets. This has had detrimental consequences on family, community and nation's economic growth. A woman with no asset under her name will find it impossible to access loans in banks which will always need collateral. Financially disempowered women may not be in a position to access education or even take their children to school Since women are among the financially marginalized cohort, it was necessary to carry out this study. The study's general objective was to assess the strategic role of savings and credit cooperative societies on financial empowerment of female fish sellers at Homa Bay town fish market, Kenya. Specifically, the study determined the role of product and service innovation on financial empowerment of female fish sellers, assessed the effect of value addition on financial empowerment of female fish sellers and determined the relationship between competitive advantage and financial empowerment of female fish sellers. The study was important in financially empowering women and addressing issues that would increase their access to markets and finance. Cross sectional study design was used. A study sample of 112 was obtained from a study population of 155. Primary data was collected using self-administered questionnaires while society's documents provided secondary data. Descriptive statistics was used to analyze data on demographics while inferential statistics (correlational and regression analysis) was used in analyzing data on role of product and service innovation on financial empowerment, role of value addition on financial empowerment and relationship between competitive advantage and financial empowerment. The results were presented in tables. Product and service innovation, value addition and competitive advantage were found to be significant positive predictors of financial empowerment, ($\beta=0.259$, $P=0.011$), ($\beta=0.183$, $p=0.022$) and ($\beta=0.378$, $p=00.36$), respectively. It was recommended that these variables (product and service innovation, value addition and competitive advantage) be developed further to empower the female fish sellers financially.

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ABBREVIATIONS AND ACRONYMS

SACCOs - Savings and Credit Cooperative Society

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CHAPTER ONE

INTRODUCTION

This section introduces the concepts under study, the research problem, the objectives of the study, the research hypotheses, value of the study and the conceptual framework that will be adopted by the research.

1.1 Background to the study

A co-operative society is made up of a group of people, who come together voluntarily to achieve common social and economic objectives. As used in the co-operative movement, the term co-operative means the societies that have certain fundamental characteristics and regulations that are adhered to, including co-operative principles. Co-operatives are essentially democratic organizations. This in effect means that persons who wish to become members of a co-operative or who intend to form a co-operative society should do so, on their own free will. People who want to form co-operatives should feel the need and be convinced that through such an organization, their needs will be fulfilled (Oland, Mbewa&Jagongo, 2013).

Assenga, E.A., (2008) Cooperative societies play important strategic role in wealth creation and financial empowerment of the poor. Some of the strategic roles played by cooperative societies in improving living standards of its members include provision of services like group investment, personal savings, soft business loans, value addition and economies of scale while purchasing or producing goods of mercantile (Maina D. T., 2007). Savings and Credit Co-operative Societies (SACCOs), which are started locally, are more attractive to customers thus deeply entrenching themselves in the financial sectors of many countries. In fact, they have solid bases of small saving

accounts constituting a stable and relatively low-cost source of funding and low administrative costs (Branch, 2005, Munyiri, 2006).

Chandler, A.D (1962) noted that the concept of strategic empowerment refers to measures designed to increase the degree of autonomy and self-determination in people and in communities in order to enable them to represent their interests in a responsible and self-determined way, acting on their own authority. Empowerment itself is the process of increasing the capacity of individuals or groups to make choices and to transform those choices into desired actions.

Strategic financial management is managing an organization's financial resources so as to achieve its business objectives and maximize its value. Kelly and Kranzburg (1978) Strategic financial management involves a defined sequence of steps that encompasses the full range of a company's finances, from setting out objectives and identifying resources, analyzing data and making financial decisions, to tracking the variance between actual and budgeted results and identifying the reasons for this variance.

Product and service innovation has been cited severally as being essential in improving financial status of an individual. For instance, Ning He (2012) in his study stated that one of the keys to any successful business is being able to come up with new ideas to keep operations, products and services fresh. There are many types of innovation such as: Product innovation, Process innovation, Marketing innovation, Organizational innovation, Paradigm innovation etc. All these types and others allow companies to realize a competitive advantage and economic benefits (Cherroun, 2014).

“Value added” means adding value means adding to a raw product by taking it to at least the next stage of production. Adding value is the process of changing or transforming a product from its

original state to a more valuable state (*Mike, 2009*). Value addition through improved processing might lead to higher incomes and prices (*Seneshaw and Bart, 2016*).

Competitive advantage means superior performance relative to other competitors in the same industry or superior performance relative to the industry average (*Barney, 1995*). Competitive advantage is obtained when an organization develops or acquires a set of attributes (or execution actions) that allow it to outperform its competitors (*Wang, 2014*). Competitive advantage is revealed, when activities of a given organization are more profitable than those of its market competitors or when it outperforms them as regards other significant results of activities (*Huff et al., 2009*).

Daniel, P.A. (2014) explored that competitive advantage is a property that a business can have over its competitors. This can be gained by offering clients better and greater value. Advertising products or services with lower prices or higher quality interests' consumers. Target markets recognize these unique products or services. This is the reason behind brand loyalty, why customers prefer that particular product or service. Michael Porter defined the two types of competitive advantage an organization can achieve relative to its rivals: lower cost or differentiation.

To succeed in the provision of services to its members, just like other organizations cooperative societies embrace strategies like innovativeness, competitive advantage and sound financial management. To remain relevant with changing times, cooperative societies employ the strategy of innovativeness in the management of members' welfares by provision of new and valuable services that will maximize members' financial income and objectives. (*Kelly and Kranzburg, 1978*).

Kishor, Sand G.K. (2004) The Indian co-operatives movement, to date, has become one of the largest in the world. Sixty-seven percent (67%) of households and 99% of rural communities are involved, in one way or another, in the co-operative sector. This success can be attributed to a series of legislative instruments on co-operatives by the government of India, which dates back to 1904, when a commitment to develop co-operatives began in that country Department of Trade and Industry, (2012).

In South Africa, the second largest economy after Nigeria based on recent reports, Cooperatives exist under various a number of studies have shown that the incidence of poverty in the Third World countries is higher among women than among men. Women have consistently lost in the development process in third world countries due to the fact that tradition and culture give preference to men than women and at the same time discriminate women in provision of access to factors of production like land and education (Festus and Glory, 2012). Micro-lending has been considered as the latest panacea for poverty alleviation. Several factors have led to increased interest in micro credit in promoting growth with equity. There has been a growth in the recognition of the importance of empowering all people of their access to all the factors of production including credit (Ahmed 2004). In addition, the value of the role of non-governmental organizations in development is receiving more attention. It is in that context that micro credit has recently assumed a certain degree of prominence. This could allow the poor to become more self-reliant, create employment opportunities, increase savings, enables them to acquire entrepreneurial skills and not least, engage women in economically productive activities (Mudibo, 2005). At the same time many literatures acknowledge the importance of SACCOS in reduction of rural poverty (Champo, Mwangi &Oloo, 2008; Mbwana&Mwakujonga 2013 &Mwelukilwa 2001), while its contribution in financial empowerment female fish sellers at Homa Bay fish market remain

unclear. It is on this basis that this study intends to understand the strategic role of cooperative societies on financial empowerment of female fish sellers at Homa Bay fish market.

1.2 Statement of the problem

Despite the role played by the cooperative societies in Kenya in contributing to the country's economy studies have indicated a relatively high failure. According to the economic survey of 2016, five out seven medium scale businesses fail within the first year leading to closure of businesses hence unemployment, high poverty level, and poor standards of living. In African patriarchal settings, many societies do not allow women to own assets. This has had detrimental consequences on family, community and nation's economic growth. A woman with no asset under her name will find it impossible to access loans in banks which will always need collateral. Financially disempowered women may not be in a position to access education or even take their children to school. Cooperative societies have been cited as being important in financial empowerment of the poor and marginalized in the community and are one of contributors to the economy. Female fish sellers by nature of their gender like other women are among the marginalized. Cooperative societies like Afya SACCO, Wakulima SACCO among others have contributed widely in financial empowerment of its members through provision of low interest loans, savings services, group investment and educational funding among others. However, though these cooperative societies' contributions have impacted the lives of many financially and economically, female fish sellers have been lagging behind due to the nature of their business and level of understanding and it is on this basis this study aimed to explore the role of cooperative societies on financial empowerment of female fish sellers at Homa Bay town fish market, Kenya.

1.3. Justification of the study

This study was important in financially empowering women and addressing issues that would increase their access to markets and finance.

1.4. Objectives of the Study

1.4.1. General Objective

The main objective of the study was to assess the strategic role of savings and credit cooperative societies on financial empowerment of female fish sellers at Homa Bay town fish market, Kenya.

1.4.2. Specific objectives

- i. To determine the role of product and service innovation on financial empowerment of female fish sellers.
- ii. To assess the effect of value addition on financial empowerment of female fish sellers.
- iii. To determine the relationship between competitive advantage and financial empowerment of female fish sellers.

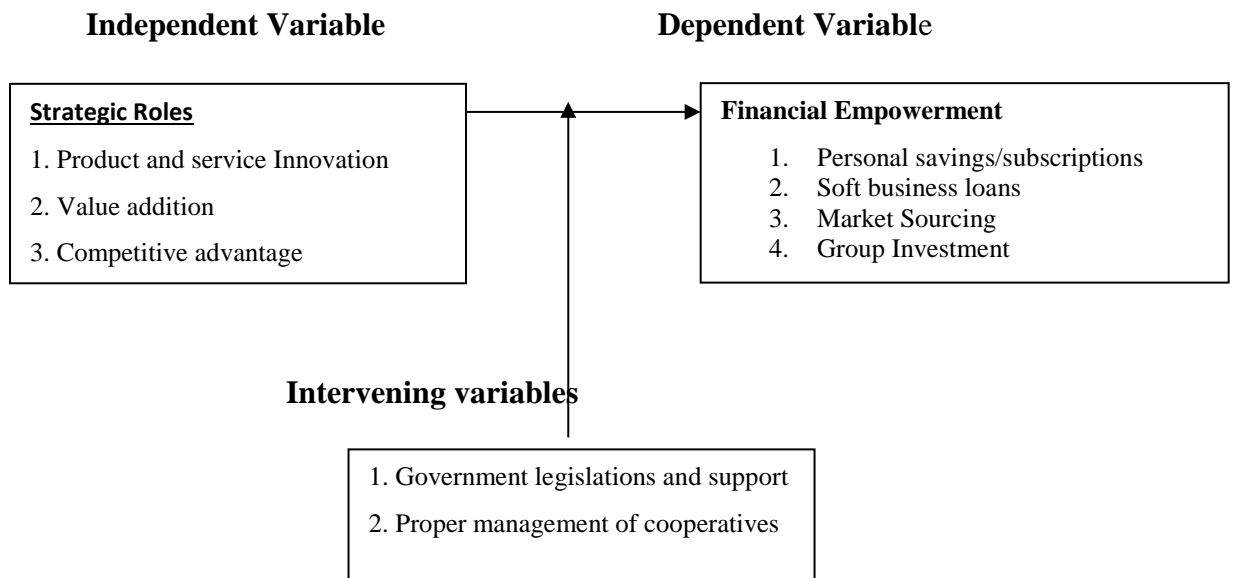
1.5. Research Questions

- i. What role does product and service innovation play on financial empowerment of female fish sellers?
- ii. What is the effect of value addition on financial empowerment of female fish sellers?
- iii. What is the relationship between competitive advantage and financial empowerment of female fish sellers?

1.6. Scope of the study

This study was conducted in Homa Bay Town’s fish market. The study targeted female fish sellers who have been in the fish selling business for one year and above and belonged to functional cooperative society. Questionnaires were administered during the market day to eligible respondents.

1.7. Conceptual framework



Source: Self conceptualized conceptual framework 2019

Figure 1.1 Strategic role of SACCOs on financial empowerment of female fish sellers

The conceptual framework has strategic roles as its independent variable, whereby its components will be product and service innovation; value addition and competitive advantage. Strategic innovativeness in the form of table banking, merry go round, economies of scale through bulk buying, play a role in empowering the poor financially. These innovative strategies increase cash flow among members of a SACCO thus available capital to invest or expand businesses. Value

addition is strategically important in financial empowerment of the poor. For instance value addition can be adopted by women selling fish to maximize on the fish merchandise. Instead of selling whole fish cheaply, the fish can be converted in fillet with the bones and skin being used to manufacture animal feeds, oil can be extracted and sold as medicine. Affordable loans, bulk selling, collective market sourcing is some of the strategies that can give SACCO members a competitive advantage over competitors. Selling in bulk reduces labor, taxation and holding costs making the end product cheap and affordable thus a wider customer base. On the other hand, the dependent variable will be the financial empowerment such as; creating savings accounts for women fish sellers, training the women on financial management, market sourcing for their goods and training on group investments. Finally, the relationship is subject to intervening variable such as government legislations and proper management of cooperatives.

CHAPTER TWO

LITERATURE REVIEW

2.1. Review of related theories and key concepts

A theory is a reasoned statement or groups of statements which are supported by evidence meant to explain phenomenon (Kombo and Tromp, 2006). The applications of the theories given the variables contained in the conceptual framework will also be discussed

2.1.1. Neoclassical Growth Theory

A theory used in economics that identifies the factors necessary for the growth of an economy. It emphasizes the three factors that influence the growth of an economy, which includes capital, availability of labor and technology. It states that a temporary equilibrium can be achieved when capital size, labor and technology is appropriately adjusted. Dawson, B. (2006). The theory also states that temporary equilibrium differs from a long-term equilibrium, which does not involve any of the three factors. Growth can be based on endogenous growth theory or neo-classical growth model. The investment should insist on keeping the capital growing to achieve capital growth. That increase in capital yields leads to an increase in growth of SACCOS' Wealth. The theory explains growth as a factor of accumulation of capital. This model is strongly supported by Harrod Damar Model of development economics (1946) which explains the growth rate in terms of saving and productivity of capital. It explains that increase in investment leads to accumulation of capital. This theory is relevant because it focuses on the factors which are necessary for financial empowerment. Therefore, the theory forms the basis of educating the women fish sellers on how to expand their businesses and also be financially empowered.

2.1.2. Contingency Theory

Galbraith (1973) states that in contingency theory, there is no one best way to organize and any one way of organizing is not equally effective. Chandler (1962) studied four large corporations and proposed that organizations would naturally evolve to meet the needs of their strategies. Implicit in Chandler's ideas is that organizations act rationally, sequentially, and in a linear manner to changes in the environment and that effectiveness was a function of management's ability to adapt to environmental changes. Contingency theory is guided by the general orienting hypothesis that organizations whose internal features best match the demands of their environments will achieve the best adaptation. The term "contingency" was coined by Lawrence and Lorsch (1967) who argued that the amount of uncertainty and rate of change in an environment impacts the development of internal features in organizations.

The rate of change and uncertainty in the environment questions the application of this theory and especially for medium businesses, which may not have the resources and the time to make changes and adapt to the fast-paced environment. Similarly, it can be argued that a failure in one sub-system will not necessarily thwart the entire system. Yet this theory is very important in pointing out the critical role of the environment in an organization's survival and that it cannot be ignored even by a medium enterprise. This theory is relevant to the study because it seeks to find out if performance is dependent to environmental analysis, establishment of organization direction and strategy formulation. Changes in strategic planning variables can cause positive or negative changes to financial profitability, competitive advantage and growth.

2.1.3 Strategic Role

Strategic roles involve setting goals for the organization to accomplish in the long term as well as strategies to be implemented to achieve the set goals including allocation of resources across the diverse projects (Stone house & Pemberton, 2002). The aim of strategic planning thus becomes to attain competitive advantage and for the business to achieve efficiency in its operations thus enhancing performance. Strategic role is therefore an important aspect of modern-day business especially MEs with operational challenges.

According to Upton *et al.* (2001), if an organization or business enterprises is innovation oriented, it will definitely adopt strategic planning practices in development and patenting of its new products, technologies and processes to ensure growth. The growth in this sense is realized in market size, production, capital and number of employees.

Bracker *et al.* (1988) concluded that the difference in performance across MEs is attributed to adoption or not, of strategic planning practices. The MEs adopting strategic planning exhibit improved sales, returns on assets and profit margins compared to their competitors.

2.1.4 Financial empowerment

Employee empowerment is a management strategy that aims to give employees the tools and resources necessary to make confident decisions in the workplace without supervision. Empowerment is a long-term, resource-intensive strategy that involves significant time and financial investment from the organisation's leaders.

Lennie, J. (2002) suggest that empowerment of front-line workers is crucial if organisations want to understand core business processes, because front-line workers are closest to these processes and are the only ones who really understand how they work.

Authors Ken Blanchard, John P. Carlos, and Alan Randolph, in their book *Empowerment Takes More Than a Minute*, suggest that the three tools managers should be using to empower their staff are information sharing with everyone, creating autonomy through boundaries and replacing old hierarchies with self-managed teams.

Some of the perceived benefits of employee empowerment include greater job satisfaction and motivation, reduced supervisory requirements and increases in innovation and creativity. Disadvantages include increase risk as staff become more entrepreneurial and more likely to take chances. Security can also be a problem because all important information must be shared for employees to take decisions on their own.

2.2. Review of empirical literature

2.2.1 Role of product and service innovation on financial empowerment of female fish sellers

A number of studies have been conducted to investigate the role of product and service innovation on financial empowerment of organizations. Most of these studies however show inconsistent results leading to theory stagnation.

Susman, *et al.* (2016) conducted a study on product and service innovation in small and medium-size enterprises at The Pennsylvania State University. The purpose of the study was to explore how small and medium sized enterprises (SMEs) can enhance their competitiveness with innovation strategies that leverage their strengths and minimize their weaknesses relative to larger enterprises. These strategies can involve partnering with large enterprises rather than competing against them. They found out that to achieve the purpose, they must first recognize that a single set of recommendations is not appropriate for all SMEs because their attributes and environments vary considerably. Second, there is a wide range of innovation options that can serve different

purposes at different times. No one option is right for all SMEs, but innovation in products, processes, or services of varying type and degree can be appropriate for different SMEs in different industry sectors or product life cycle stages. Thirdly, we can't discuss innovation for SMEs without recognizing that they differ significantly from large enterprises, and most of the existing research on innovation was developed from studying the latter. Lastly, given all of the above qualifiers, we explore SME innovation strategies that exploit a firm's current capabilities and help them develop potentially valuable new ones. One innovation strategy that we will explore in depth is the development of industrial or product related services that complement the sale of a firm's current products.

Hamid, T. and Mohammad, M. J. (2011) conducted a study on product innovation performance in organization. They wanted to find out if to improve returns on product innovation investments, organizations need to effectively govern and measure their new product development processes from end to end, from strategic road mapping to idea development to innovation execution. Data were sourced from the respondents through structured and well-designed questionnaires and multiple regression analysis (MRA) were used to analyze data. The results revealed that Product innovation is considered as a new method in industrial engineering, therefore scientists try to examine the results of it and help in its future evolution by exhaustive research. It is anticipated that more of the positive outcomes and effects of product innovation will be witnessed in the future. The study evaluated product innovation performance in organization in the telecommunication industry, to measure the overall performance by using subjective assessment.

Ooko (2013) Studied the Contribution of Sacco Financial Stewardship to Growth of Saccos in Kenya, the findings showed that most of loan products were applied for by borrowers, were designed to fit members 'needs and there was regular diversification of products in SACCOs. This

ensures satisfaction of members in meeting their needs. SACCOs should, therefore, design proper mechanisms so as to enhance innovativeness which leads to variety and quality loan products hence growth of Sacco's wealth. Innovativeness showed a positive relationship with a growth of Sacco's wealth. Having looked at components of financial stewardship, it is therefore important for SACCOs to promote financial stewardship so as to promote growth of SACCOs' wealth. This is based in the fact that financial stewardship showed significant positive relationship with the growth of SACCOs' wealth. According to (Mudibo, 2005), the major financial decisions involved in financial stewardship include product innovation, Fosa, Bosa activities among others. Brown (2004) found that better governed firms were relatively more profitable, more valuable, and paid out more dividends to their shareholders. This is in agreement with this study in that the staffs making financial decision need to have requisite skills and uphold professionalism among other competencies to arrive at a sound working investment solution. However, he laid more emphasis on the value of governance to the shareholders while this study lays more emphasis on the value to the SACCO. In conclusion, the study found that the use of institutional capital as a mode of financing SACCO's activities would ensure their sustainability in the competitive co-operative sector.

Seethaetchumy, Uchenna, Khong, Robert & Kim, (2010) did a study on trial ability in their research on Islamic banking services that customers were unable to try it. Therefore to gain the confidence of apprehensive customers it was necessary that they should use this service on trial basis. Rogers (2003) stated that positive relationship was assumed with trial ability and adoption rate and easy trial of an innovation would get better rate of adoption. Seethaetchumy *et al* (2010) stated that it was crucial to test the trial ability of Islamic banking in Malaysian banking market.

Trial ability has been conceptualized in prior research as a belief signifying opportunity to experiment with a technical innovation would facilitate its adoption. It has been found to be a weak predictor and though indications exist of possible significant impact in situations of high perceived risk, it has not received serious academic attention. In this research we argued that in situations of high perceived risk, the belief-based concept of Trial ability without actual evaluation of experimental outcomes was questionable. Based on the Theory of Trying, Expectancy Disconfirmation theory, and prior research on risk and trust in e-business, we developed and validated propositions in the context of B2B e-market transactions by two small firms. Findings indicated that due to high perceived risk of B2B e-market transactions, in contrast to the received notion of Trial ability as a belief-based factor, it was in the nature of an active post-intent recursive process of experimentation involving ‘Trying’ for trial transactions with controlled risk, execution. Although all these studies have been conducted on service and product innovation, but they have specifically conducted a study on the strategic role of SACCOs on financial empowerment of female fish sellers at Homa Bay fish Market, in Kenya.

2.2.2 Effect of value addition on financial empowerment of female fish sellers

Studies conducted to investigate the effect of value addition on financial empowerment shows inconsistencies in their results. Subhendu Datta (2013) did a study on value added fish products and stated that consumption of fish may be greatly increased by making better use of the existing catch. Due to lack of infrastructural facilities like ice plants, landing facilities etc. the quality of the fish is downgraded particularly in developing countries leading to their use as aquaculture feed. Through improvement in infrastructure facilities, the quality of the landings can be upgraded for direct human consumption. The up-gradation of these species may be achieved by use of

improved handling and processing techniques on one hand and developing different products on the other preparation of value added product using a species in glut it is sure way of better utilization and distribution of the species when the landing is scanty. His findings were; Value added fish products may be i) mince or mince based products ii) battered and breaded or coated products and iii) surimi based products. Fish mince or minced fish is the flesh separated from the fish in a comminuted form free from scales, skin and bones. Although he did a study on value addition on fish product which was more of a general topic, but he did not specifically conduct a study on strategic role of SACCOs on financial empowerment of female fish sellers.

Otieno Geoffrey, (2010) conducted a study on effect of value addition on price; A Hedonic Analysis of Peanut in retail supermarkets in Nairobi, Kenya. The objectives were, to characterize peanut value addition levels, establish whether the level of value addition affects prices, and determine if there are price differentials due to supermarket location, division as well as across the types of the supermarkets in addition to establishing factors that influence price differentials in Nairobi. The eight administrative divisions of Nairobi were stratified to give a sample of 100, who were randomly selected. Descriptive statistics were used to analyze and describe the nature of the supermarkets, while one way ANOVA, least square difference (LSD), Turkey post hoc tests and hedonic model were used in the analysis. Results show that there were eight different levels of value addition for peanuts, and prices differed significantly across the levels of value addition. Product packaging, brand and product weight significantly influenced peanut product prices. Therefore, the study suggests policy interventions' to stimulate production of value added products, establishment of a national market education program in addition to strengthening agricultural research extension services.

(Anyiro, C., *et al*, 2018) conducted a study on adoption of cassava value added innovation and its implication on rural livelihood. The specific objectives were to; describe the socioeconomics characteristics of rural women that benefited from training on value addition to cassava crop in the study area; identify Source(s) of training on cassava value added products in the study area; identify cassava value added products disseminated to the rural women in the study area; determine the level of adoption of selected cassava value added innovations (cassava fufu flour, high quality cassava flour, chips, garri and starch) by the rural women in the study area; determine the effect of adoption of cassava value added innovation on annual income, annual savings and monthly expenditures of rural women in the study area; identify problems encountered by rural women in the adoption of cassava value added innovation in the study area. Multistage random sampling technique was employed in collecting data from one hundred and eighty (180) rural women that had benefited from training on value addition to cassava crop organized by government and private organizations in the state. The instrument of data collection was via a set of pre-tested and structured questionnaire. The data were analyzed using descriptive statistics, probit regression model and paired t-test analysis. The study revealed that the most adopted cassava value added products among the rural women in the study area was garri, with a mean adoption score value of 11.53 and was followed by cassava fufu flour ($\chi= 9.08$) and high quality cassava flour ($\chi=5.81$). The result of the paired t-test for difference in the income level, savings and expenditures of rural women that adopted cassava value added innovation and that of their counterparts in the study area showed that the mean annual income level (N182,066.67), annual savings (N77,632.5) and monthly expenditure (N 20,648.94) of rural women farmers that adopted cassava value added innovation was greater than the income level (N156,333.33), annual savings (N43,061.22) and monthly expenditure (N14,306.38) of rural women that did not adopt the innovation. The result

showed that women's decision to adopt cassava value added innovation was influenced by household size, farm output, educational level, compatibility of innovation, membership of cooperative society and number of training received on cassava value added innovation. However it was observed that constraints such as inadequate knowledge of the innovation ($\chi=3.0$), lack of equipment ($\chi=3.2$) and lack of readily organized market for the products ($\chi=3.4$) were the major challenges associated with adoption of cassava value added innovation. Since the adoption of cassava value added innovations had significant impact on women income, the governments should empower the women farmers through provision of massive training and extension of technologies of new and improved food forms of root/tuber crops. This will serve as a poverty alleviation outfit.

Sanal and Kumar (2017). conducted a study on analysis of value addition in Agro products and its impact on the export potentials of India. Their findings were that; export plays a significant role in the economic development of a country by enabling it not only to play for its import requirements but also leading to the multiple expansions in the national income through the effects of foreign trade multiplier. It is even more important for a developing country like India which needs foreign exchange for financing its ongoing as well as new projects to generate employment opportunities, achieve higher rate of growth of income, implement poverty alleviation programmes, and improve the standard of living of its people and stabilize the price level. Export from the developing countries may be stimulated and provided fair trading opportunities in International markets. Increasing international demand for Indian agricultural commodities offers plenty of opportunities to Indian agricultural exporters. India is a better position in comparison to several other countries of the world as it has vast land resources. India witnessed self-sufficiency in food production only during the decade of eighties. India's agricultural exports generally are yet to become truly

competitive on a global scale and continue to suffer from a number of critical problems such as lower productivity and yield, adverse export prices, low quality of products compared to international standards, stiff competition from other countries etc. The relative share of agriculture in total exports has been falling over time and is also lower than that of some other developing countries. While the declining share of agricultural exports in total exports is explained primarily in terms of the relatively faster growth in the volume of merchandise exports. The conclusion was that the decreasing trend in the production of agriculture products largely depends on the value added to Agro-products in export market. However, these studies did not research on the strategic role of SACCOs on financial empowerment of female fish sellers at Homa Bay fish Market, in Kenya.

2.2.3. Relationship between competitive advantage and financial empowerment of female fish sellers

Majeed (2011). conducted a study on the Impact of competitive advantage on organizational performance; the researcher examined the relationship between the firms' competencies and their performance. They reviewed the importance of current or potential competencies that the managers had a clear interest in, the findings were that in almost all organizations there is a good association between company's competitive advantage and its performance and that these advantages lead the company towards attaining high profits. Earlier leanings have the strong basis about the link between cost advantage and organizational performance. He also noted that that earlier leanings have the strong basis about the link between cost advantage and organizational performance. Firms having margin in cost competency relative to their rivals as low built-up, low manufacture cost, low cost of goods sold, and low prices have been practiced relatively better performance. Firm's

Performance is measured in terms of trade performance. It was calculated on the basis of sales return, yield, Return on investment, output, Market split and the manufactured goods growth (Wang & Lo, 2003, A Neely, 2005).

Maa, H. (2000). concluded that competitive perfection is conceivably far and wide used term in strategic management, yet it is inadequately stated and practiced. He further examined three relationship patterns between competitive edge and firm's performance namely unique advantage leading to higher performance, unique advantage without better performance and superior performance without unique advantage. (Maa, 2004). has more analyzed that an assimilated outline of the determinants of competitive advantage in global organizations namely creation & modernization, contest and cooperation. Pablos, (2006). explained the competitive advantage of a global organization. He analyzed that competitive advantage lies to a great degree in its aptitude in order to recognize and transfer tactical knowledge among various geographic locations.

His conclusion was that all the above studies of different researchers support the association between the competitive advantage and firm performance in a positive way. The nature and effects of organizational competence empirically recommend a productive opportunity for taking the advantage on other organizations and it also help in further research for searching the methods of increasing the firm performance. Competitive advantage and firm performance are two special terms with an actually complex association. Overall studies have shown a significant association between competitive edge and performance. The performance theories can easily pushed on amplification about how performance should be distributed below spirited development. When we talk about the new qualities of a firm's products this is actually the increasing of its value and ultimately it gives back to the firm in shape of increased profits. According to PABLOS (2006)

the practical improvement of a global institute lies to a great degree in its skill to identify and transfer tactical knowledge between its geographically dispersed locations. These studies provide large support for the importance of competence as a base of advantage in enhancing the firm yield. The middle management synchronization on competencies is related with higher performance and it is very important to keep an eye on the management for gaining the high performance.

Daniela, P. A (2014) conducted a study on competitive advantage in the enterprise performance. The objectives of the studies were; To analyze two competitive advantage management strategies that are effective in creating an organizational advantage through elevating enterprise performance, Determine strategies that will create effective leadership for an organization to gain and maintain a competitive advantage and to apply competitive advantage management strategies that will strengthen internal and external organizational relationships and create organizational growth to your organization. The findings were, walking theoretical research revealed how lack of competitive advantage leads to a lack of competitiveness of companies and the benefits that arise with the creation of this type of asset. Among the most important benefits is to increase performances. Once the competitive advantage is achieved, it must be maintained and updated market conditions and the methods that can be created sustainable competitive advantage represent the answers to many of the companies questions are fighting for survival in an environment of fierce competition. The implementation of methods for obtaining competitive advantages, but also exist dangers, that every company should know them once they develop a strategy for obtaining a competitive advantage.

Emilia Papulova and Zuzana Papulova (2006) did a study on competitive Strategy And Competitive Advantages of Small and Midsized Manufacturing Enterprises In Slovakia and found out that whilst it is essential for all managers to have some insight into how their organization is

affected by the environment, it is also desirable for them to consider how some of the environmental forces might be influenced and managed to gain benefits for the organization. This is less possible generally in the case of small businesses as they are relatively less powerful. However, small companies should examine their environment for opportunities and threats in order to establish where they can gain competitive advantage and where their resources might most usefully be concentrated. Thinking strategically requires an awareness of alternative strategic purposes and objectives and the ability to recognize critically different environments. In addition, it requires the ability to diagnose an organization in terms of various critical characteristics and to be able to shape those characteristics so that the organization is best fitted to its environment in order to achieve its strategic purposes and objectives. A complex and dynamic modern environment is inevitably difficult to forecast, the inherent uncertainties can make it highly unpredictable and potentially chaotic. Individual managers would develop their environmental and strategic awareness through experience and perception, and by thinking about their observations and experiences. It is particularly important to assess the significance of what happens and what can be observed to be happening. However, in considering future strategic changes there will be an additional need to supplies, customers, competitors, demand, technology, government legislation and so on. Managers who are encouraged to think about future changes, to ask questions and to query assumptions will increase their insight and awareness and this should help decision making. Effective strategic management involves more than just a few easy steps. It requires managers to think strategically, to develop the ability to see things in motion, and to make sense out of a cloudy and uncertain future by seeing the interdependency of key factors. This ability requires more than a passing awareness of significant social, political, legal, economic and technological trends. Managers who think strategically are able to envision their organizations in

the context of world trends and events and to spot important interdependencies. They focus on how their organization should act and react to emerging opportunities and barriers and did not focus on financial empowerment of female fish sellers.

Olanipekun, Abioro & Akanni. (2015). conducted a study on the Impact of strategy management on competitive advantage and organizational performance- evidence from Nigerian bottling company. The study explored that the discontinuous and turbulent nature of business environment makes it important for organizations to adopt strategic management practices to be at alert to environmental changes. This study examined the impact of strategic management on competitive advantage and organization performance in Nigerian bottling company using the resource-based theory as its theoretical basis because the theory explains how competitive advantage and superior performance of an organization is explained by the distinctiveness of its resources and capabilities which constitutes central considerations in formulating its strategy. Primary data with the aid of a structured questionnaire was used to elicit information from respondents. The data collected were analyzed using both descriptive such as frequencies, percentages mean, standard deviation and inferential statistics of Chi-square and Analysis of Variance (ANOVA). The findings revealed that indeed the adoption and implementation of strategic management practices makes the organization not only to be proactive to changes but also initiate positive changes that consequently leads to competitive advantage and sustainable performance. It was recommended that organization should continuously maintain, sustain and improve strategic management practices since it is an indispensable tool for business organization performance. The findings and conclusions were that organizations are said to be operating in a turbulent and hyper competitive environment, and it is their desire to continue to operate successfully by creating and delivering superior value to their customers while also learning how to adapt to a continuous and dynamic business environment.

Strategic management is therefore a sine qua non since as it involves developing and formulating strategies to meet competition and ensure long term survival and growth. This will in turn ensure that competitive advantage is created so that the company will not only outperform competitors but also guide it successfully in all the changes in the environment. This study has been established that indeed strategic management does not only gives a firm competitive advantage which makes it outperform competitors in the industry but also go a long way in enhancing organizational performance. Based on the findings of this study, it is therefore recommended that the strategic management practices need continuous and sustained supervision, improvement and adequate funding in view of its importance's. Thus, organizations should have a well-conceived strategic vision that must be communicated to all employees. It is imperative to emphasize that all employees should be carried along in implementation and implantation of strategic management process that will prepare the company for the future, establish long-term direction and indicate the company's intent to position itself as a market leader in the industry. Several studies have been conducted on competitive advantage of products and service, but no specific study has been done on the strategic role of SACCOs on financial empowerment of female fish sellers at Homa Bay fish Market, in Kenya.

CHAPTER THREE

METHODOLOGY

This section describes methodology which was adopted by the study. It includes the research design, study area, validity and reliability of data collection instruments, data sources and data collection methods, sampling procedures, ethical procedures, data processing, analysis and presentation.

3.1. Research Design

Cross sectional study design was used in this study. This allowed the researcher to collect data at one point in time thus saving time.

3.2. Study Area

This study was conducted at Homa Bay town fish market in Homa Bay County. This site selection was based on the fact that fish business is well established in Homa Bay and it is widely practiced by women. As well, these female fish sellers belong to well established cooperative societies. Homa Bay town is situated on the shores of Lake Victoria. It is situated on latitude $00^{\circ}36'S$ and longitude $34^{\circ}30'E$ and 354 kilometers from Nairobi on the western part of Kenya.



Fig 2. A Map of Kenya showing the position of Homa Bay town (latitude $00^{\circ}36'S$ and longitude $34^{\circ}30'E$) Source: Google map

3.3. Target population

Population is the entire set of units for which the study data are to be used to make inferences (Kothari 2003). Target population defines those units for which the findings of the study are meant to be generalized from (Dempsey 2003).

The target population for this study comprised of all the 155 female fish sellers that have been selling fish for a minimum period of one year and have been members of a cooperative society for at least the same period at Homa Bay fish market.

3.4. Sample Size

A sample size of 112 respondents was obtained using the Yamane (1967) formula from the target population of 155 business women that sell fish at the fish market and are members of the fish market cooperative society.

3.5. Sampling Frame, Sample Size and Sampling Technique

The sample for this study was calculated using the Yamane (1967) formula of finding a sample, i.e.:

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

Equation1

Where n = required sample size.

N = the population

e = the level of precision at 95% confidence level

This gave a sample of 112 as follows:

$$n = \frac{155}{[1+155(0.05^2)]} = 112$$

Simple random sampling technique was used in the selection of respondents. This technique gave all respondents equal opportunity of being selected. The researcher did a pilot among 12 participants (10%) of the sample and once it was ascertained that the study tool was reliable, the researcher collected data from the remaining 100 participants.

3.6. Data collection

3.6.1. Data collection and procedure

Both primary and secondary data was collected. Primary Data on the role of product and service innovation on financial empowerment of female fish sellers, effects of value addition on financial empowerment of female fish sellers and the role of competitive advantage on financial empowerment of female fish sellers was collected. Primary data was collected using self-administered questionnaires. The questionnaires were administered on scheduled market days. Only participants who were consented were given questionnaires. Cooperative society's records provided secondary data that helped in determining respondents' eligibility as well as selection.

3.6.2. Reliability and Validity of Data Collection Instrument

The researcher carried out a reconnaissance survey to assist in improving the questionnaire, checking ambiguous questions and giving professionals and academicians the questionnaire to read and comment besides correlating variables to see whether they make sense for the study. Spoilt questionnaires and those poorly answered were discarded to improve the quality of the findings. According to Dillon (2008). a reconnaissance survey is important in clarifying the researcher's starting point. In the course of the period, tests and pre-tests of the questionnaires were done to make any necessary modifications before the actual data collection and the results

revealed respondent's knowledge of the instruments, whilst Cronbach's Alpha reliability coefficient was 0.796 which was high hence, acceptable (Mugenda, 2008). This was done to measure the internal consistency of the instrument and reliability of measurement scale. According to Mugenda and Mugenda (2003). reliability ensures the degree of consistency or stability.

3.7. Statistical Models

A statistical model is a formalization of relationships between variables in the form of mathematical equations. A statistical model describes how one or more random variables are related to one or more other variables. The model is statistical as the variables are not deterministically but stochastically related (Field, 2005). In this study the following model was used:

3.7.1. Functional Relationship

$$Y_i = f(X_{1i}, X_{2i}, X_{3i}, \mu_i) \quad \text{Equation 2}$$

Where Y_i = Financial Empowerment

X_{1i} = Product and Service Innovation

X_{2i} = Value Addition

X_{3i} = Competitive Advantage

μ_i = error term

3.7.2. Estimatable Relationship

$$Y_i = A + \beta_1 X_{1i} + \beta_2 X_{2i} + \beta_3 X_{3i} + \varepsilon \quad \text{Equation 3}$$

(Njoga, 2013)

Where A=constant, β_1 - β_3 =Regression coefficients or slope of the regression line of the independent variables 1 to 3. They indicate the relationship between the independent variables and the dependent variable, X_{1i} - X_{3i} =Study variables.

3.8. Data Analysis and Presentation Techniques

In this study, questionnaire generated data were keyed into SPSS version 16. Data was coded and ascertained. Data completeness was also ascertained. Descriptive statistics (frequencies and percentages) was used to analyze data on demographic features. Inferential statistics (correlational and regression analysis) was used to analyze relationship between product and service innovation and financial empowerment, value addition and financial empowerment and competitive advantage and financial empowerment of female fish sellers at Homa Bay fresh fish market.

3.9. Research Ethics

Permission to conduct the study was sought from the school of graduate studies Maseno University and the management of Homa Bay fish seller's cooperative society. The study participants were consented after being explained to the intended purpose and benefits of the study. The participants were informed of their rights and freedom to ask for more clarification and even opt out of the study at any time they deemed right. There was no monetary or material benefit that was provided to the respondents apart from the privilege of participating in a study aimed at improving their economic status. To ensure confidentiality of the study participants, the respondents were advised

not to write their names on the questionnaires but only use unique identification codes provided by the researcher, data collected was stored safely by the researcher in a lockable cabinet in the researcher's office and the key was kept only by the researcher.

CHAPTER FOUR

RESULTS AND DISCUSSION

This chapter reports study findings by presenting a comprehensive analysis of the data collected from the field. It also presents a discussion on the findings by comparing those findings with those of prior studies on effect of cooperative societies on financial empowerment of women.

4.1. Response Rate

A total of 112 questionnaires were given to the respondents according to the research sample size.

All the 112 questionnaires were returned thus giving a response rate of 100%.

4.2. Demographic Features

4.2.1. Gender of the Respondents

The focus of this study was female fish sellers at the Homa Bay fish market thus only women were interviewed.

4.2.2. Age of the Respondents

As shown in Table 4.1., the study found that the age group between 30 and 39 years consisted 36.6% of the respondents followed by 40-49 years at 35.7%.

Table 4.1.**Age of the Respondents**

Factor	Frequency	Percent
18 years and below	0	0.0
19-29 years	21	18.7
30-39 years	41	36.6
40-49 years	40	35.7
50 years and more	10	8.9
Total	112	100.0

Source: Field Data, 2019

4.2.3. Level of Education of the Respondents

As shown in Table 4.2., the study found that the majority of the respondents had secondary level of education (57.1%) with 42% having primary level of education.

Table 4.2.**Respondents' Education Level**

Factor	Frequency	Percent
Primary	47	42.0
Secondary	64	57.1
College	1	0.9
University	0	0.0
Others	0	0.0
Total	112	100.0

Source: Field Data, 2019

4.3. Responses on Study Variables

4.3.1. Respondents' Years in Fish Business

As shown in Table 4.3., the study found that 49.1% of the respondents had been in fish business for five years and below, 30.4% for a period between 6-10 years.

Table 4.3.
Respondents' Years in Fish Business

Factor	Frequency	Percent
5 years and below	55	49.1
6-10 years	34	30.4
11-20 years	12	10.7
21 years and above	11	9.8
Total	112	100.0

Source: Field Data, 2019

4.3.2. Respondents' Years as Cooperative Society Members

As shown in Table 4.4., the study found that 38.4% of the respondents had been members of a cooperative society for at least between 6-10 years, 42% for 1-5 years.

Table 4.4.
Respondents' Years as Cooperative Society Members

Factor	Frequency	Percent
1 year and below	10	8.9
1-5 years	47	42.0
6-10 years	43	38.4
11-20 years	9	8.0
21 years and above	3	2.7
Total	112	100.0

Source: Field Data, 2019

4.3.3. Respondents' Product and service innovation

As shown in Table 4.5., the study also found that product and service innovation benefited 63.4% of the respondents to a great extent with 18.8% benefitting to a greater extent.

Table 4.5.

Respondents Response to product and service innovation

Factor	Frequency	Percent
no extent	4	3.6
very little extent	8	7.1
little extent	8	7.1
great extent	71	63.4
greater extent	21	18.8
Total	112	100.0

Source: Field Data, 2019

The study found that product and service innovation played an important role in influencing financial empowerment of female fish seller at Homa Bay fish market. This study was in line with studies by Ning He (2012) and (Cherroun, 2014) that found product and service innovation to be beneficial in improving ones financial status.

4.3.4. Respondents' Response to Extent of Value Addition

As shown in the Table 4.6., 67% of the respondents benefited to a great extent from value addition with 1.8% of the respondents not benefiting.

Table 4.6.

Respondents response to extent of value addition

Factor	Frequency	Percent
No extent	2	1.8
Very little extent	8	7.1
Little extend	7	6.3
Great extent	75	67.0
Greater extent	20	17.9
Total	112	100.0

Source: Field Data, 2019

Value addition was found to be an important in improving ones income. This study finding was in line with as study done by Seneshaw and Bart, (2016) on adding value on agricultural products. Their study found that adding value to agricultural products beyond the farm usually has several times the economic impact of the agricultural production alone.

4.3.5. Respondents' Response to Extent of competitive advantage

The study results in Table 4.7., showed that 45.9% and 24.8% of the respondents were in agreement that competitive advantage was affecting their ability of financial empowerment to a great and greater extent respectively.

Table 4.7.

Respondents response to extent of group investment

Factor	Frequency	Percent
No extent	16	14.3
Very little extent	6	5.4
Little extent	1	0.9
Great extent	81	72.3
Greater extent	8	7.1
Total	112	100.0

Source: Field Data, 2019

In this study, competitive advantage was found to be an important element in financial empowerment of female fish sellers. This study was in line with studies by Wang, 2014 and Huff *et al.*, 2009. In their separate studies Wang 2014 and Huff *et al.*, 2009 found that Competitive advantage helped one to beat competition and make a business more profitable respectively.

4.4. Relationship between product and service innovation and financial empowerment

The results in Table 4.8. gives the correlation coefficient of the relationship between product and service innovation and financial empowerment.

Table 4.8

Correlation between product and service innovation and financial empowerment

	Product and service innovation	Financial empowerment
Product and service innovation	1	
Financial empowerment	0.236	1

Source: Field Data, 2019

The researcher found that there was a positive relationship between product and service innovation and financial empowerment ($r=0.236$) of the female fish sellers at Homa Bay fish market. This significant association between product and service innovation and financial empowerment was in line with the study findings by Ning, He. (2012). and (Cherroun, 2014).

Through univariate regression analysis, the researcher found that there existed a positive relationship between product and service innovation and financial empowerment ($\beta=0.225$) as shown in table 4.9. The regression equation was therefore $Y_i = 3.342 + 0.225X_1 + \varepsilon$ where Y =Financial empowerment and X_1 =Product and service innovation and ε is the error term

Table 4.9.
Regression results for the relationship between product and service innovation and financial empowerment

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	3.342	.330		10.133	.000
product and service innovation	.225	.081	.236	2.778	.006

a. Dependent Variable: financial empowerment

The study findings in Table 4.9 showed the existence of a statistically positive significant relationship ($p=0.006$) between product and service innovation and financial empowerment. These findings were in line with a study by Ooko (2013) that found innovations adopted by SACCOs had a positive financial growth.

The researcher assessed the strength of relationship between product and service innovation and financial empowerment and found R-square =0.056. This finding could suggest that less than 6% of the observed product and service innovation can explain financial empowerment or there is great variability in the data.

4.5. Relationship between value addition and financial empowerment

The study findings in Table 4.10. gives the correlation coefficient of the relationship between value addition and financial empowerment.

Table 4.10.

Correlation between value addition and financial empowerment

	Value addition	Financial empowerment
Value addition	1	
Financial empowerment	0.234	1

Source: *Field Data, 2019*

The study finding in Table 4.10. shows that there was a positive relationship between value addition and financial empowerment $r=0.234$. This study finding was in line with another study by (Seneshaw and Bart, 2016). on adding value on agricultural products.

Through univariate regression analysis, the researcher found that there existed a positive relationship between value addition and financial empowerment ($\beta=0.142$) as shown in table 4.11. The regression equation was therefore $Y_i = 3.690 + 0.142X_2 + \varepsilon$ where $Y=Financial$ empowerment and $X_2=value$ addition and ε is the error term

Table 4.11.
Regression results for the relationship between Value addition and financial empowerment

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	3.690	.214		17.217	.000
Value addition	.142	.101	.212	1.406	.025

a. Dependent Variable: respondents' financial empowerment

Source: *Field Data, 2019*

The study findings on statistical relationship between value addition and financial empowerment was statistically significant at $p=0.025$ as shown in table 4.11. This study finding was in line with other studies by Wang, 2014 and Huff *et al.*, 2009.

The researcher then assessed the strength of relationship between value addition and financial empowerment and found R-square =0.055. This finding could suggest that less than 6% of the observed value addition can explain financial empowerment or there is great variability in the data.

4.6. Relationship between competitive advantage and financial empowerment

The study findings in Table 4.12. gives the correlation coefficient of the relationship between competitive advantage and financial empowerment.

Table 4.12.

Correlation between competitive advantage and financial empowerment

	Competitive advantage	Financial empowerment
Competitive advantage	1	
Financial empowerment	0.269	1

Source: Field Data, 2019

The study finding in Table 4.12. shows that there existed a positive relationship between competitive advantage and financial empowerment $r=0.269$.

Further, the research through univariate regression analysis found that there existed a positive relationship between competitive advantage and financial empowerment ($\beta=0.327$) as shown in table 4.13. The regression equation was therefore $Y_i = 4.239 + 0.327X_3 + \varepsilon$ where Y =Financial empowerment and X_3 =competitive advantage and ε is the error term

Table 4.13.

Regression results for the relationship between competitive advantage and financial empowerment

Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	t	
(Constant)	4.239	.311		15.217	.000
competitive Advantage	.327	.096	.226	2.174	.019

a. Dependent Variable: respondents' financial empowerment

Source: Field Data, 2019

The study findings on the relationship between competitive advantage and financial empowerment was statistically significant at $p=0.019$. This study finding was in line with other studies by Wang, 2014 and Huff *et al.*, 2009. In their separate studies Wang 2014 and huff *et al.*, 2009 found that Competitive advantage helped one to beat competition and make a business more profitable respectively.

The researcher then assessed the strength of relationship between value addition and financial empowerment and found R-square =0.072. This finding could suggest that about 7% of the observed competitive advantage can explain financial empowerment or there is great variability in the data.

4.7. Multiple regression giving the relationship between product and service innovation, value addition and competitive advantage on financial empowerment

The research further fitted a multivariate regression analysis to evaluate the combined effect of all the three on financial empowerment and found that there existed a positive relationship between product and service innovation ($\beta=0.259$), value addition ($\beta=0.183$) and competitive advantage ($\beta=0.378$) on financial empowerment as shown in table 4.14. The multivariate regression equation was therefore $Y_i = 2.567 + 0.259X_1 + 0.183X_2 + 0.378X_3 + \varepsilon$ where $Y=Financial$ empowerment and $X_1=Product$ and service innovation, $X_2=Value$ addition, $X_3=Competitive$ advantage and ε is the error term

Table 4.14.**Regression Coefficient results for the relationship between product and service innovation, value addition and competitive advantage on financial empowerment**

Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	t	
(Constant)	2.567	.311		14.711	.000
product and service innovation	.259	.078	.251	2.778	.011
value addition	.183	.101	.212	1.652	.022
competitive advantage competitive Advantage	.378	.120	.326	2.237	.036

a. Dependent Variable: respondents' financial empowerment

The study findings on statistical relationship between product and service innovation, value addition and competitive advantage with financial empowerment was statistically significant at $P=0.011$, $p=0.022$ and $p=0.036$ respectively. These findings were in line with studies by Ooko (2013), Wang (2014) and Huff *et al.*, 2009 where they found product and service innovation, value addition and competitive advantage to be positive predictors of financial empowerment.

The strength of relationship between the three variables (product and service innovation, value addition and competitive advantage) put together and financial empowerment was found as R-square =0.062. This finding suggests that about 6% of the observed predictor variables could explain financial empowerment or that there was great variability in the data.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

This chapter reports study summary of findings by presenting a comprehensive conclusion of the study findings. It also presents a discussion on the recommendations of the study and suggestions for further research.

5.1. Summary of the Findings

The purpose of the study was to find out the strategic role of SACCOs on financial empowerment of female fish sellers at Homa Bay fish market.

Objectives to guide the study were developed; these were; to determine the role of product and service innovation on financial empowerment of female fish sellers, to assess the effect of value addition on financial empowerment of female fish sellers and to determine the relationship between competitive advantage and financial empowerment of female fish sellers at Homa Bay fish market. The study adopted the descriptive statistics such as frequencies and percentages, as well as inferential statistics (multiple regression analysis), to establish the relationship between the dependent variables which is effective financial empowerment and the independent variables which are produce and service innovation, value addition and competitive advantage.

Product and service innovation were found to play a role in financial empowerment of female fish seller at Homa Bay fish market. These innovative strategies increased cash flow among members of a SACCO thus available capital to invest or expand businesses.

Value addition was also found to significantly influence financial empowerment of female fish sellers at Homa Bay fish market. The researcher found out that Value addition is strategically

important in financial empowerment of the poor. For instance, value addition can be adopted by women selling fish to maximize on the fish merchandise. Instead of selling whole fish cheaply, the fish can be converted in fillet with the bones and skin being used to manufacture animal feeds, oil can be extracted and sold as medicine.

Competitive advantage was found to significantly influence financial empowerment of female fish seller at Homa Bay fish market. This could be achieved by giving out affordable loans, bulk selling, collective market sourcing is some of the strategies that can give SACCO members a competitive advantage over competitors. Selling in bulk reduces labor, taxation and holding costs making the end product cheap and affordable thus a wider customer base. On the other hand, the dependent variable will be the financial empowerment such as; creating savings accounts for women fish sellers, training the women on financial management, market sourcing for their goods and training on group investments. Finally, the relationship is subject to intervening variable such as government legislations and proper management of cooperatives.

5.2. Limitations

The researcher observed that the study found very low R-square values between the various predictor variables and the dependent variable (financial empowerment). This means that the model fits were not good, however the researcher thinks that there was great variation in the data thus the estimated R-square values. Further, since the relationships between the dependent and predictor variables were found to be statistically significant, the researcher feels she can still draw important conclusions from this data.

5.3. Conclusion of the study

From the study findings, it was concluded that there was a significant association between product and service innovation, value addition, competitive advantage and financial empowerment of female fish sellers at Homa Bay fish market.

The relationship between product and service innovation, value addition, competitive advantage and financial empowerment was concluded significantly and was found out to play a role in financial empowerment of female fish sellers at Homa Bay fish market.

5.4. Recommendations of the study

It was recommended that access to personal savings as a service offered by the Homa Bay fish market cooperative society to its members who are female small scale fish sellers be improved to allow them derive maximal benefits that come with improved returns from the savings and at the same time improve one's investment abilities and opportunities from their savings. It was also recommended that these female fish sellers be taught more on value addition in order to benefit extensively from returns on investment since value addition is very important in creating employment opportunities besides improving returns on the final product. On competitive advantage, it was discovered that competitive advantage strategy allows better performance and it can enable a business to perform better than the competitors; for example, increased sales, higher profit margins, a greater number of loyal customers, etc. it was recommended that this service be given greater consideration since a good and self sustaining group investment can be cheaper and yet have better returns in the long run. It was also recommended that group purchasing power be encouraged due to the economies of scale associated with it. Market sourcing was found to be important in increasing sales thus a recommendation was made that these small scale female fish sellers be helped by their cooperative societies to source for new markets outside the traditional ones

5.5. Areas for Further Studies

The study recommends the following for further research; further studies need to be done on socio-economic factors that hinder women from gaining financial freedom in Homa Bay County. A similar study may also be carried out in other business sectors to establish whether the findings are similar as those generalized in this study and researchers could also investigate on other factors that influence financial empowerment of female fish seller in Kenya.

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APPENDICES

Appendix I: Letter of Consent

Maseno University

Private Bag

Maseno

Dear

I am a postgraduate student registered in the School of Business and Economics, Maseno University. I am currently carrying out a research on “**Strategic Role of Savings and Credit Cooperative Society on Financial Empowerment of Female Fish Sellers at Homabay Town Fish Market, Kenya**”

The questionnaire attached herewith is meant to gather information for this study from you. All responses will be treated confidentially. The results will be reported only in terms of the entire population. Therefore do not write your name in this questionnaire. You are kindly requested to respond to all items in the questionnaire.

Your positive response will be highly appreciated

Yours faithfully

Nancy Akinyi Okoyo

MBA Student

Department of Strategic Management

Maseno University.

Appendix II: Research Questionnaire

Dear Respondent,

I am a student at Maseno University currently pursuing Masters in Business Administration and as part of the course; I am carrying out a research with the aim of writing a report at the end. This questionnaire is designed to assist in collecting data *“Strategic Role of Sacco’s on Financial Empowerment of Female Fish Sellers at Homabay Town Fish Market, Kenya.”* Since you have been identified as one of them, I humbly request you to answer the questions in these questionnaires as honestly as possible.

Please note that the findings of this research are solely meant for academic purposes and all the responses will be treated with utmost confidentiality.

SECTION A: SOCIAL ECONOMIC INFORMATION

1. (a) Name (optional).....

(b) Gender Male () Female ()

(c) Age: (i) Below 18 years () (ii) 19-29 years ()

(iii) 30-39years () (iv) 40-49years () (v) Above 40 years ()

(d) Level of education: (i) Primary () (ii) Secondary () (iii) College () (iv) University ()

(v) Others () Specify.....

2. By ticking in the appropriate cell, indicate how long you have you have been selling fish.

(i) Less than 5 years () (ii) 6– 10 years () (iii) 11 – 20 years () (iv) Over 21 years ()

3. By ticking in the appropriate cell, indicate how long you have been a member of a Sacco associated with fish sellers.

(i) Less than 1 year() (ii)1 – 5 years() (iii)6– 10 years() (iv)11 – 20 years() (v)Over 21 years()

SECTION B: MAIN ISSUES: STRATEGIC ROLES AND FINANCIAL EMPOWERMENT OF WOMEN FISH SELLERS

4. Do strategic roles impact on financial performance at the fish market?

Yes (1)

No (2)

5. To what extent do the following factors on strategic roles impact on financial empowerment?

Factors	Very great extent	Great extent	Average extent	Low extent	Very low extent
Table banking facilities	1	2	3	3	3
Merry go round facilities	1	2	3	3	3
Economics of scale through bulk buying	1	2	3	3	3
Play a role in empowering the poor financially	1	2	3	3	3

SECTION C: INNOVATIVE STRATEGIES

In your opinion, to what extent do you think the following innovative strategies helps improve the income of your business to a; **very great extent, great extent, average extent, low extent or very low extent?** (Please choose one response)

Factors	Very great extent	Great extent	Average extent	Low extent	Very low extent
Packaging	1	2	3	3	3
Customer feedback	1	2	3	3	3
Speed on service delivery	1	2	3	3	3
Service level	1	2	3	3	3

SECTION D: COMPETITIVE ADVANTAGE

In your opinion, to what extent do you think the following factors affect the competitive advantage of your business? **Use a scale of 1 to 5 where: 1 = No extent at all; 2 = little extent; 3 = moderate extent; 4 = great extent (please choose one response)**

Factors	Responses				
People	5	4	3	2	1
Culture	5	4	3	2	1
Capital	5	4	3	2	1
Technology	5	4	3	2	1

SECTION E: FINANCIAL EMPOWERMENT

In your opinion, to what extent do you think the following practices can help increase your personal savings from the proceeds of your business? Use a scales where; 1 = very low extent; 2 = low extent; 3 = average extent; 4 = great extent; 5 = very great extent. (Please choose one response)

Factors	Responses				
Opening a savings account	5	4	3	2	1
Financial management plans	5	4	3	2	1
Market sourcing	5	4	3	2	1
Group investment	5	4	3	2	1

Thanks for your precious time!

Appendix III: Budget for the study

S/N	Item	Quality	Unit Price (Ksh)	Total Cost (Ksh)
1	Photocopying paper	5 reams	500	2,500
2	Notebooks	5	60	300
3	Pencils	5	25	125
4	Typing services			1500
5	Binding			1,200
6	Internet services			1500
7	Flash disk	1	600	600
8	Photocopying services			1200
9	Data Collection			4000
10	Pre-test visits			2000
11	Field trips			2300
12	Data collection Assistants	4	2,500	10,000
14	Data analysis			10,000
Grand Total				37,225

Appendix IV: Time Frame for the study

Year	Month	Activity
2018	May – August	Drafting Research Proposal
2018	September – December	Review of Research Proposal
2019	September	Research proposal defense
2019	September	Correction of Research Proposal
2019	September	Data collection/Data analysis
2019	October	Research Project defense
2019	October	Correction of Research Project
2019	November	Submission of Final Research Project
2019	December	2019 Graduation